

# **BUDGET AND FINANCE COMMITTEE**

**Council of the County of Maui**

## **MINUTES**

**April 7, 2014**

### **Council Chamber**

**CONVENE:** 9:08 a.m.

**PRESENT:** Councilmember Mike White, Chair  
Councilmember G. Riki Hokama, Vice-Chair (in 9:57 a.m., out 3:42 p.m.)  
Councilmember Gladys C. Baisa, Member (out 11:59 a.m.)  
Councilmember Elle Cochran, Member  
Councilmember Donald G. Couch, Jr., Member  
Councilmember Stacy Crivello, Member  
Councilmember Don S. Guzman, Member (in 9:29 a.m., out 11:55 a.m., in 11:58 a.m.,  
out 2:17 p.m., in 2:18 p.m., out 3:11 p.m., in 3:33 p.m.)

**EXCUSED:** VOTING MEMBERS:  
Councilmember Robert Carroll, Member  
Councilmember Michael P. Victorino, Member

**STAFF:** Michele Yoshimura, Legislative Analyst  
Chancy Hopper, Legislative Analyst  
Jordan Molina, Legislative Analyst  
Yvette Bouthillier, Committee Secretary

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

**ADMIN.:** Sananda Baz, Budget Director, Office of the Mayor  
Herman Andaya, Chief of Staff, Department of Management  
Teena Rasmussen, Economic Development Director, Office of the Mayor  
Roland Prieto, Economic Development Specialist II, Office of the Mayor,  
Cheryl Sterling, Economic Development Specialist II, Office of the Mayor  
Kenneth Yamamura, Economic Development Specialist II, Office of the Mayor  
Douglas McLeod, Economic Development Specialist III, Office of the Mayor  
Tracy Bennett, Economic Development Specialist III, Office of the Mayor  
Keith Regan, Managing Director, Department of Management  
David Ching, Deputy Managing Director, Department of Management  
Alan M. Arakawa, Mayor

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William Medeiros, Geographic Services Manager, Department of Management  
Wendy Taomoto, Capital Improvement Program Coordinator, Department of  
Management

**OTHERS:** Others (5)

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

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CHAIR WHITE: . . .(*gavel*). . . Good morning. This Budget and Finance Committee meeting will come to order. Today we're going to review the Office of the Mayor and the Management area as well, and then this evening we go to Lahaina for a public hearing. So I'll start by introducing the Members who are here, and Riki Hokama and Don Guzman are excused for now, they'll be joining us in a minute. And with us here in the Chambers, our Chair Gladys Baisa.

COUNCILMEMBER BAISA: Good morning, Chair.

CHAIR WHITE: Good morning. And Members Stacy Crivello.

COUNCILMEMBER CRIVELLO: Good morning, Chair.

CHAIR WHITE: Good morning. Elle Cochran.

COUNCILMEMBER COCHRAN: Aloha. Good morning, Chair.

CHAIR WHITE: Aloha. And Don Couch.

COUNCILMEMBER COUCH: Good morning and aloha, Chair.

CHAIR WHITE: Good morning. And with that we will open for public testimony. I don't see anyone in the Chambers at all. Have we received any requests for testimony? We'll go to our District Offices. First to Hana, Dawn, do you have any...whoops. Unmute Dawn. Good morning, ladies. Sorry, I forgot to take the mute button off. Dawn, do you have any testifiers in Hana?

MS. LONO: Good morning, Chair. This is Dawn Lono in Hana and there is no one waiting to testify.

CHAIR WHITE: Thank you very much. We'll go to Lanai. Denise, any testifiers there?

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

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CHAIR WHITE: Thank you. And to Molokai, Ella.

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

CHAIR WHITE: Thank you, ladies. And seeing that there is no one arriving here in the Chambers, without objection, the Chair would like to close public testimony.

COUNCIL MEMBERS: No objections.

CHAIR WHITE: Thank you. Thank you, ladies.

**ITEM BF-1:                    PROPOSED FISCAL YEAR 2015 BUDGET FOR THE  
    COUNTY OF MAUI (CC**

**OFFICE OF THE MAYOR**

CHAIR WHITE: With that we'll proceed with the review of the Office of the Mayor, and here to assist us with our review is Herman Andaya, the Mayor's Chief of Staff. Welcome Herman.

MR. ANDAYA: Thank you, Mr. Chair and members of the Budget Committee. Thank you for this opportunity to present to you the Proposed Budget for the Office of the Mayor. The Office is comprised of three programs: Administration, Office of Economic Development, OED, and Community Development Block Grant, CDBG. I will be discussing the Administration portion of our budget which includes the Budget and Communications Office. OED Director Teena Rasmussen will be going over the Budget Proposal for the Office of Economic Development. And Anthony Arakaki who's not here today, he's on Molokai, but if you have any questions for him he'll be gladly, he'll gladly answer any questions you may have regarding their budget proposal for Community Development Block Grant. At this time I'd like to go through our office's proposed budget page-by-page. First of all very quickly I'd like to give you a summary of our Department in general. The primary mission of our office is to serve as the community's immediate liaison to County government. Many members of our community demand the attention of the Mayor on issues and concerns ranging from potholes to property taxes. With the Mayor's limited time, addressing these issues promptly requires the assistance of our Executive Assistants and staff. Each Council member has a part of their staff, Executive Assistants, and so I am certain that each of you can certainly appreciate the work that these individuals provide in your offices. They often serve as a liaison between the Council members and the public. Much like your Executive Assistants, the Mayor's EAs serve as a liaison between the Mayor and the public. The Mayor's Office receives hundreds of calls a day from the public, many demanding to speak to the Mayor. It is impossible for the Mayor to personally address each of their concerns, and so the Mayor's EAs are there to assist the public on the Mayor's behalf. Our office has also received

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inquiries and complaints from constituents through their Council members, and so our office has served as liaison between the Council members and the departments in addressing their constituents' respective issues. If we can turn to the first page, Page 393. Listed on that page is our Countywide Outcome(s). Number one, an efficient, effective, and responsive government. Number two, a strong diversified economy. Number three, suitable public infrastructure. Number four, a prepared, safe, and livable County, and number five, a healthy and sustainable community. The first outcome is particularly pertinent to our office. An efficient, effective, and responsive government. Our office takes great care in ensuring that public inquiries are addressed expeditiously. We can go on to the next page. Page 394. Displayed here is our organizational chart. Again, you will see the three programs that's under the Office of the Mayor. Economic Development program, the Administration program, and Community Development Block Grant. Under the Administration program you will find the Budget Office as well as the Communications Office. Sandy Baz, our Budget Director will be going over his budget proposal for his office later. If we can go on to Page 395. Top graph displays our budget summary by fund. The bottom graph displays our Departmental expenditures by type. On to Page 396. The table displayed here is a summary of expenditures. We will discuss this more in detail when we present the proposed budget for each of the programs in our office. I want to point out in particular one of our strategic goals which is accessibility of an open office. Since the Mayor's symbolic gesture of leaving the doors open to the ninth floor and the public becoming more and more aware that the Office of the Mayor is accessible, we have seen over the years a significant increase in the number of calls and visits by members of the public. This translates to a larger workload for our staff. An open office also means a transparent one, as such we have focused much of our efforts in disseminating information to the general public through a number of modes of communications, and I'll go over very quickly some of these modes of communications. Social media, we have accounts with Facebook, Twitter, Pinterest, Instagram, YouTube. Our County's Facebook page alone has over 3,000 likes, and the Mayor's page has over 5,000 likes. Please note that the County began using social media when we first entered office. Print media, Ask the Mayor which has been going on for the past year now. Every week, every Monday the Mayor answers questions from the public. Viewpoints, High Street Journal, every month we have the High Street Journal prepared which disseminates information to our County employees as well as to the general public. Right now we have a readership of about 14,000, and just by comparison *The Maui News* has a readership of about 20,000, so it's a pretty substantive form of media for the County. Informational posters at DMV, buses, and other public frequented facilities. With respect to TV, the Mayor has been on interviews on mauinow.com, all the major networks, KOHN and KITV. We've also produced in-house videos and PSAs which has been shown on Akaku and so forth. Radio, the Mayor has regular morning radio shows twice a week where he discusses current issues. We also do "County On Your Corner" which we do every month and we go to various communities, and I know our Council members are invited. Whenever we go to a particular community we ask the Council member of that community to come out and be a part of "County On Your Corner", and this gives the public an opportunity to meet with the Mayor and to share with him any concerns or issues that they may have. And finally we have our website which continues to provide information to our public. I'll skip over

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now to Page 398, and at this point I'd like to go over the Administration program. And again, we, I went over all of this I believe when I talked about the Department in general. We can go on to Page 399, and basically what we'll be asking for is a 9.8 percent increase in our office budget. And this is primarily due to salary adjustments. Can go on to Page 400, and here you have a list of our positions within the program, Administration program. And these positions include budget, the Budget Office as well as the Communications Office and the Mayor's clerical staff and Executive Assistants. And go on to Page 401, and I can go over our goals and objectives. Number one, provide assistance and follow up to constituents, County personnel, and governmental agencies. We do this on a daily basis. We have Executive Assistants and staff that deal with the public constantly. Many times we get complaints, issues, and we try to address them as quickly as possible. Conduct a monthly outreach program to listen and gather information from the community and be able to provide feedback when necessary, and this is the "County On Your Corner" concept that I talked about earlier. And again, we go to the various communities and we literally pitch a tent and welcome members of the public to come in and to meet with the Mayor personally, and to talk about whatever issues that they want to talk about. Provide nominations and staff various boards and commissions entities. This is taken care of by one of our EAs, Mike Molina, and this is quite a hefty task. There are many, many boards and commission members that need to be appointed. And so his job is to go through each of the applications that we receive. We vet many of these applicants and then we go through the process of submitting those names to the Council. Yeah, I'll just go over the main goals of our office. Goal No. 2, efficient gathering and delivery of information. Again, we talked about the dissemination of information and went to the public. We believe in a transparent government and so we are very open with the public and we try to provide them as much information as we can. And Goal No. 3, fostering new and existing relations in the local, State, Federal, and international arena. In this case we work very closely with our State Representatives, State Senators with respect to bills that go before our Legislature. We do have a presence there at our Legislature. Two of our EAs, Jock Yamaguchi and Mike Molina are there pushing for some of these bills. On the Federal side we have meetings with our Federal legislators, Congresswomen, Congressmen, and Senators. And on the international arena we do keep in close contact with our sister cities throughout the world. That's all I have for now, Mr. Chair. I'm open for any questions if there are any.

CHAIR WHITE: Thank you very much. Members, questions? Ms. Crivello.

COUNCILMEMBER CRIVELLO: Thank you. Thank you for being here. You know on your budget proposal on Page 401 your Goal 1. Serve as a liaison between community and government. Number one, we have your actual 71, your estimate 70, and then 2015, 70. What about the other 30 percent? How are we, are those just going to be unresolved or how are those percentage been addressed?

MR. ANDAYA: Mr. Chair?

CHAIR WHITE: Yes, please proceed.

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MR. ANDAYA: That's a very good question, Councilmember Crivello. The reason why there is that 30 percent because a lot of these issues are we're not able to resolve or it'll take a while, it's ongoing, so we have a lot of open tickets that we can't...you know some of these issues are very simple, they're very quick, we can do it within the day. Some other issues it takes months sometimes years to resolve, and so that's the reason why there is that 30 percent that we're not able to resolve, you know, right now. And some, you know, we just cannot resolve at all, you know. But I will assure you, Council member, that when we do get complaints or issues that they are addressed, that we do call these individuals back and we try our best to try to resolve these issues, but unfortunately we can't resolve every single one.

COUNCILMEMBER CRIVELLO: Okay. Thank you.

CHAIR WHITE: Okay. Members, questions? Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. And, Mr. Andaya, Page 402. I notice you talk about Hawaii Conference of Mayors, attending that. Fostering new and existing relations in the local, State, and Federal, and international arena. I don't notice any goals that you have mentioning NACo, and NACo is the National Association of Counties and they have county administrators there as well, and it's, I'd be really interested to find out. I know you've sent a couple folks there almost every time, but a bit more participation might help everybody see where we're coming from. I know you go to the Hawaii County, Conference of Mayors and the National Conference of Mayors as well, but I think some of the staff might, it might help to see where, the information we're hearing to help with administrative type duties. Have you guys considered that at all?

MR. ANDAYA: Mr. Chair, I know that not necessarily from our office but I know that from Department of Management we have sent individuals to NACo to take part in the, in those discussions, and we certainly value the discussions that go on at those conferences. You know and I believe that our Mayor is planning to go to one of those NACo conferences in the near future, and so, yeah, most definitely we do value that conference. I know the Mayor attends many of his own, it's called the US Conference of Mayors, so he attends those conferences quite a bit, you know, which I believe is a counterpart to NACo. And he's taken back a lot of great ideas from those conferences, you know, back here and implemented those ideas. So but yeah, we will certainly support NACo. We do find value in those types of conferences.

COUNCILMEMBER COUCH: Okay. Thank you, Chair.

CHAIR WHITE: Ms. Baisa?

COUNCILMEMBER BAISA: Thank you very much, Chair. And thank you, Mr. Andaya, for being here this morning. Referring to the same objective under Goal 3, discussing the Conference of Mayors. It's not there and I don't know why it's not there but I do want to mention that

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besides attending the Hawaii Conference of Mayors that our Mayor has been very involved and tried very hard to support the Hawaii State Association of Counties, and this is kind of unparalleled. Because of his pushing and prodding the rest of the mayors, we have gotten a lot of help this year. They've shown up, they've come to meetings, and they've showed up at the Legislature, and I think that his participation in the Hawaii State Association of Counties is really, really valuable, because that's where the four counties get together, both councils and mayors to discuss about, you know, things that we have in common. So I'd like to note that, and in fact, I think it might be a part of this, should probably be a part of this. Because it was Mayor Arakawa coming to the HSAC to comment on why mayors don't participate and why they don't attend the conferences. It was his frank input that is framing the HSAC conference that's going to happen in June, because he just said it the way it needed to be said and said, you know, we need to improve the value of this conference and more people will go. And I really appreciate his support because when I go to the Legislature I'm probably the only Council Chair that can count on having my Mayor with me at all times. In fact he has cleared his calendar in a moment's notice to be there with me, and I just want us to note that. You know I think there's been a great effort upstairs to work with us, and, you know, the communication goes both ways. They want to communicate with us and we need to communicate with them, and I think it's only by being aware that this goes both ways that we do a better job. So, you know, my experience has been very positive. When I need to speak with anybody in Administration, they've been very accessible, and I think likewise by us, you know, reciprocating and working together we get a lot more done. So I think this is a worthy goal, and my experience has been very positive that, you know, we've spent a lot of time talking and I think it's been good results. I was extremely happy to read the article in the *The Maui News* this morning, it certainly tells me that all of us working together, we make an impact, and I want to thank our Chair, too, because he's done a yeoman's job in trying to get the message to the Legislature. And it's noted, Chair, because it was in the paper this morning and a lot of quotes from the facts that you've dug up. So I think we should note that. Thank you.

CHAIR WHITE: Well I think it's important also to note that part of the reason that HSAC is getting better organized is because of your pushing and your understanding of what it takes to get the Legislature moving in a positive direction for the counties. And so I think between you and the Mayor, Maui once again is leading the push and appropriately so. I think we are, we're certainly well positioned and well suited to the task.

COUNCILMEMBER BAISA: Chair, there was one more thing that I wanted to ask Mr. Andaya about and it's...of course I probably lost the page by now but it doesn't matter. There's a goal in here about team building and one of the things they say is that they're going to have at least a couple off team building events every year. I'm really curious to know what kind of team building events do you do? I'd like to do more with the Council, so I'm very anxious in hearing about this.

CHAIR WHITE: Mr. Andaya.

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MR. ANDAYA: Chair Baisa, thank you. First of all, thank you for those comments you made earlier. We certainly appreciate that and appreciate that you recognize our efforts, but also it is through your teamwork with the Mayor that we're able to, been so successful at the Legislature. And so I want to thank your leadership, especially you, Chair Baisa, for being there with us at the Legislature. It really gives us that much more credibility and push when you have both the Chair of the Council as well as the Mayor sitting before these committees, as well as the other Council members who have gone to the Legislature. Chair White I know has been there also pushing for bills, and so thank you for doing all of that as well. Madam Chair, with respect to our team building, actually our team building exercises are not so much formal like team building type, you know, we have little lunches here and there, you know, and we have like lunch meetings or things like that. And so that's been more of our team building. We should be focusing maybe on some classes or whatnot, but we've been so busy upstairs that it's been very difficult to get all, get the entire team together and say okay let's have a class, close the office down and have a class. And that's the reason why we haven't, you know, done any of that. The kinds of things that we have done is over the weekends sometimes we take part in community events together. We form a team to walk in some charity walk or whatever the case may be, you know, we do things like that. But with respect to actual formalized team building type of classes or, you know, we haven't done very much of that lately.

COUNCILMEMBER BAISA: Well, you know, I hear what you're saying and I agree, you know, there's a lot that can be done in team building without formal saying we're going to have a team building weekend. You know I come from the world of retreats and, you know, staff getting together just to bond, and I think it's really important because I think when you know each other better you work together better. And that doesn't matter whether it's the board of a nonprofit or even us. You know we relate so much better when we know a little bit more about what's going on in each other's lives. You know when you're struggling with a sick child or maybe caregiving for a parent or whatever, we appreciate each other so much more when we work together better when we're more sensitive to each other as people, not necessarily as just people that work together. So I was just curious to know if there was any formal stuff but I guess not, you guys just do it the hard way. Thank you.

CHAIR WHITE: I'd like to recognize the presence of Don Guzman. Good morning.

COUNCILMEMBER GUZMAN: Good morning, Chair. Thank you.

CHAIR WHITE: Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you, Chair. And good morning, Administration, thank you for being here. The, just wondering, the grants, I know that each department, OED has, administers grants, I see Ms. Rasmussen here. But in regards to other departments such as Housing and Human and other departments of that nature, I just was looking for an overall figure at this point in this current fiscal who has not received, you know, allocations and still



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looking to get and receive, and here we are working on the next, you know, set of allocations. So I wasn't sure if this goes through this Administration --

CHAIR WHITE: You're...

COUNCILMEMBER COCHRAN: --department, you know, Management section.

CHAIR WHITE: What you're interested in finding out is how many organizations that received an allocation for 2014 still have not yet received their monies.

COUNCILMEMBER COCHRAN: Right, right. Yeah. I mean just to get a figure and who exactly, who are these entities, 'cause I heard some concerns just on the little island of the Lanai being there for a couple days in regards to that. So it just peaks my interest as to the rest of the County and if others are in the same predicament at this point.

CHAIR WHITE: Ms. Rasmussen will be here, be up here in a little bit and feel free to ask that question, and I'd be happy to ask the Staff to draft a note to the Department of Housing and Human Concerns to request that information. 'Cause I --

COUNCILMEMBER COCHRAN: Okay.

CHAIR WHITE: --think it was two organizations on Lanai that had not yet received their funds for 2014. Is that...

COUNCILMEMBER CRIVELLO: Chair, and I think it's out of department and...

CHAIR WHITE: Pardon?

COUNCILMEMBER CRIVELLO: It's out of the Department of Housing and Human Services [*sic*], their concerns.

COUNCILMEMBER COCHRAN: Okay, thank you, Chair. It was just my inquiry there. But in regards to one of the goals for the Administration, in, to the sister cities, and it looks like this, I'm looking on Page 402, Goal 3, No. 4. And it looks like rekindle and develop relationships. Looks like we've done three and we're estimating another three, and just wanted a little more detail on that. Like who, which cities are these that we've done and who are we looking to either rekindle or develop?

MR. ANDAYA: Mr. Chair?

CHAIR WHITE: Yes.

MR. ANDAYA: So last year the Mayor went to the Philippines and he, along with Councilmember Don Guzman and they met with the City, Quezon City. Oh, I'm sorry and Councilmember

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Don Couch as well. And they met with representatives from Quezon City which we had not had any discussions with for a long time, and so we were able to rekindle that relationship. I also believe that Councilmember Guzman went to Palawan who just by chance his grandfather was the vice-governor of Palawan, so he was able to go there. And in Palawan we are sister cities with Puerto Princesa, a Sister City. Again, we've had many, many years of not even having any communication with them at all, and now Don was able to, Councilmember Guzman was able to rekindle that relationship. As far as the third, I, there is a third city, and I'm sorry, Councilmember Cochran, I don't have that at the top of my head right now, but I can get that information to you. There are, there's a third one that we may have not gone there personally, but we did, but we are communicating with them and rekindling that relationship as well.

COUNCILMEMBER COCHRAN: Okay. Yeah, I had the opportunity--thank you, Mr. Andaya--and to go to Philippines and Korea, and so I was looking to see if we're venturing, you know, in other areas of the world. 'Cause if...and what is the amount of cities that we do have? I think it's quite a bit. Do you know the number? If not, Chair, perhaps later we can get the answer on that just to get an idea.

CHAIR WHITE: Ms. Rasmussen may have that number.

COUNCILMEMBER COCHRAN: Oh, okay. We can discuss, I'll bring it back up when she comes to the floor then. Thank you. And then one last inquiry? Thank you, Chair. In regards to boards and nominations and you mentioned that it's done by Mr. Molina. So I've been hearing a lot in regards to people are put onto, well nominated for particular boards and commissions but it has, it was not their first choice. So I take it people are given, you know, what are your priorities for second, third or I don't know how many options that you're...and then when is it that...I mean, you know, I'm just trying to figure how that is determined to decide if that person is going...you're gonna, Mr. Molina is gonna choose the first or second, you know, choice for that person? Or I mean is it just vetted solely via Mr. Molina or does it go through a discussion with Mayor and yourself? Or I'm just wondering how the process works.

MR. ANDAYA: Mr. Chair?

CHAIR WHITE: Please, go ahead.

MR. ANDAYA: So we receive hundreds of applications and part of the problem is that everybody wants to be on the Police Commission or they want to be on the Planning Commission or, you know, almost every single application, that's their first choice, Police Commission. And so we can't give everyone their first choice, and so that's the reason why we have second and third choices. And even that we can't, oftentimes we can't give them even their third choice, so we end up having to call them and, you know, persuade them to try other boards and commissions. You know get their feet wet with those commissions first and then perhaps one day we can move you up to the Police Commission or whatever other commissions there

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are. You know so that explains that portion. As far as the process, it's not Mike Molina solely deciding which, you know, which applicant will get what commission. We, he meets with myself and our Managing Director Keith Regan and we discuss, we go through the applications and we discuss which one will be the best fit for each commission or board, and then we provide names to the Mayor and the Mayor makes the final decision. Some of the things we look at when it comes to these commissioners and board members, we look at their past performances. We look at how, you know, if they came to commission meetings in the past. You know some, we have some commissioners who are good commissioners, they come to every single meeting, and so we give more, give them more weight I suppose, you know, to these more premium type of commissions. But and then we have commission members who have, who do not have a good attendance record, and so we're less inclined to reappoint them to future commissions or other commissions. But that's the process. I hope that --

COUNCILMEMBER COCHRAN: Thank you.

MR. ANDAYA: --answers your question.

COUNCILMEMBER COCHRAN: Thank you. And, Chair, one last inquiry --

CHAIR WHITE: Sure.

COUNCILMEMBER COCHRAN: --in regards to this line of questioning. Thank you, Mr. Andaya. So what do, I mean you mentioned people, 'cause I do see a lot of repeat, you know, nominees and their transfer, they work around the different boards and commissions and what have you and get, you know, appreciate 'cause it's all volunteer, their time and efforts. But what about people who just don't have a track record, people who are fresh out of the public, you know, and they want to jump onboard and get involved, and so what is it that you're looking for? 'Cause you mentioned the parameters that you look at towards current people and their track record of attendance and, you know, participation, what have you. So what is it that you're, you folks are looking for in somebody, a fresh, you know, fresh new people that just want to get involved with the government and, you know, boards and commissions here?

MR. ANDAYA: Mr. Chair? Again, we look at their resumes, we look at references, we look at their track record in the community, their involvement with other community organizations, and basically just the person, their character. You know and from there we try to decide who would be the best fit for this group. For instance, Public Works has a new committee and so we try to find somebody who has experience with working with Public Works or who are in the construction industry or who have worked with the County in getting their projects through or whatever the case may be. You know these individuals have experiences that could be of value to the commission, and so it's those kind of things that we look at. You know not everyone is a good fit oftentimes for these committees or these commissions, and so we try our very best to see which would be the best fit for each commission.

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COUNCILMEMBER COCHRAN: Okay, thank you, Mr. Andaya. Thank you, Chair, for this opportunity.

CHAIR WHITE: Ms. Crivello?

COUNCILMEMBER CRIVELLO: Thank you. Segues into my question or actually in regards to the nominations and staffing of the various boards and commissions. I've received calls from my district from people who have served on commission in the past and who have submitted names and never considered. So I think for Lanai, Hana, and Molokai, often we're left out of the loop in, for consideration for commission. I believe there's the Fire Commission that's been several years since we've had representation. We do have Police and the newly Public Works, Liquor Commission, you know, not to take anything away from those that are serving, but we do have liquor establishments on our island so I don't know how much there's oversight there, as well as the Fire Department on Lanai and Molokai. So I don't know what your efforts are to consider equal I would say representation from the outlying districts. So do you have anything planned or how do I respond to the inquiries that come out from my district in particular?

MR. ANDAYA: Mr. Chair?

CHAIR WHITE: Go ahead.

MR. ANDAYA: We try to consider many factors, I mean geographic, even gender, even racial. I mean we consider all of that and we want to try to get a diversified group of individuals as we can. Unfortunately we're not able to do it for every single commission. Part of the challenge has been just finding applicants, enough applicants and that's been a big challenge for us. Even though we have advertised it, we've tried to get people to apply, it's been a big challenge, but despite all of that I mean we try to make it as balanced as we can, but I assure you that we do give some consideration to people from Molokai, Lanai, Hana. You know I believe our last appointee to the Police Commission was from Lanai, you know, and so again we do try to give as much consideration as we can to the other islands, to Molokai/Lanai.

COUNCILMEMBER CRIVELLO: Thank you. Chair, I have some other questions if I may ask?

CHAIR WHITE: Sure.

COUNCILMEMBER CRIVELLO: In regards to the, your Administration program as far as the salary of your Executive Assistant I, and I think on your first list or if you look at 11-4 on the Details it's OM-0091. So there's an, is there, is the increase due to collective bargaining? And actually how much is due to correction of salary? 'Cause it mentions correction. It says bargaining unit and correction of salary. And if, and how are you paying the correct salary if you didn't budget for it if it's due to that?

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COUNCILMEMBER COCHRAN: What page was that?

COUNCILMEMBER CRIVELLO: Under Details for the Mayor.

CHAIR WHITE: Yeah, on Page 11-4.

COUNCILMEMBER CRIVELLO: Eleven dash four.

CHAIR WHITE: Midway down the page.

COUNCILMEMBER CRIVELLO: It's 903013 and 0091. It's like one, two, three, four...the fifth position.

CHAIR WHITE: Yeah, just so that people can understand the question. The salary noted for Fiscal Year 2014 was \$70,000, and the level of correction is an increase of 21,872 to 91,872. So the Chair had the same question, are EMs or Excluded Management subject to the bargaining, collective bargaining increases and what was the purpose of the correction.

MR. BAZ: Mr. Chair, I can answer the generic question about the Excluded Managerials. You will be actually be getting a response from Department of Personnel Services, probably by tomorrow morning you'll have it in your hands.

CHAIR WHITE: Okay.

MR. BAZ: The Excluded Managerials have a set range, they're not salary step with, they're not salary ranges with steps like the SR levels are, they're a set range that the Management has the ability to set salaries within that range to a certain degree. The Office of the Mayor is specifically included in that as well, and so you can see that. And it's basically an executive order for the excluded positions from Civil Service. There are, included in the ability there is a what's called Within Range Progression, it's called a WIRP, something I just learned. Within Range Progression means that they have the ability to increase the steps, well not steps but the salaries within, of an excluded managerial within that range. So those are what's included in that.

CHAIR WHITE: So was this a, was the person in that position changed or is this a person that's continuing in the position and just received a correction?

MR. BAZ: From my understanding it's a position, the individual is, has remained in the position and it was a correction.

CHAIR WHITE: Okay. And what was the, Mr. Andaya, what was the purpose of the correction?

MR. ANDAYA: This...oh, Mr. Chair?

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CHAIR WHITE: Uh-huh.

MR. ANDAYA: This individual has demonstrated skills, he's, that justifies a higher salary, and so that's the reason why those adjustments were made. And we make those types of adjustments throughout our office. We look at their performance, we look at what kind of work they do, and based on that we adjust their salaries as need be. So that is the case here. Also...well that's the case here, Mr. Chair.

CHAIR WHITE: Okay. Ms. Crivello, do you feel your question has been answered or do you have any further question?

COUNCILMEMBER CRIVELLO: So if I'm to understand it, it's paying the correct salary according to what your call is or because of the position? And was it always budgeted for that amount?

MR. ANDAYA: Mr. Chair?

CHAIR WHITE: Uh-huh.

MR. ANDAYA: I should also note that the reason why we paid, this individual is paid more is because he is a licensed attorney in the State, and so he has provided us with a lot of work that, I mean he's been very valuable to us because of his legal training. But he does not get paid that of an attorney, I can tell you that he gets paid much less than that of an attorney, you know, and so and by no means is he hired as an attorney in our office. But because of his legal skills we've been able to tap into that more, more so now than ever and so it's because of that that we've had to, we felt it was only fair that he be paid maybe not close to his counterparts, to his attorney counterparts but at least closer to what they do get paid.

COUNCILMEMBER CRIVELLO: I don't question your rationale for paying what the Executive Assistant qualifies for, I'm just trying to understand that did we budget for it, for the increase if it was like you're saying you're correcting the pay.

CHAIR WHITE: I guess the other question is whether that, this adjustment is being done in conjunction with the fiscal year budget or whether it has already taken place?

MR. ANDAYA: Mr. Chair? The answer is it's already taken place right now.

CHAIR WHITE: Okay. And then the other question was whether it was budgeted, Ms. Crivello's question.

MR. ANDAYA: Yeah, we've had some savings in our office and so it's for that reason that we were able to, we're able to increase his salary as such.

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COUNCILMEMBER CRIVELLO: Okay. So likewise on the other position, the 903013, the OM-0102 Secretary III reallocated to the Executive Assistant I [*sic*]. So increase in salary, was this position reallocated and filled during Fiscal Year '14? And if so, were we paying the higher salary and was it always budgeted for for the 22,944 reallocation of position to a higher salary than budgeted for?

CHAIR WHITE: Which position --

COUNCILMEMBER CRIVELLO: It's --

CHAIR WHITE: --number was that?

COUNCILMEMBER CRIVELLO: --on page, Details 11-4, Secretary, yeah, the Secretary III, the --

CHAIR WHITE: That 01...

COUNCILMEMBER CRIVELLO: --position 0102.

CHAIR WHITE: Okay, thank you. Mr. Andaya.

MR. ANDAYA: Mr. Chair, Councilmember Crivello, that position was changed. She went from a Secretary to another type of position which was much more substantive in nature, her work was much more substantive.

COUNCILMEMBER CRIVELLO: Right.

MR. ANDAYA: And so that is the reason why there is a difference in pay, her work changed substantially.

COUNCILMEMBER CRIVELLO: So you're able to pay the higher salary from savings if it was not budgeted for?

MR. ANDAYA: That's correct.

COUNCILMEMBER CRIVELLO: And if I may, Chair?

CHAIR WHITE: Please proceed.

COUNCILMEMBER CRIVELLO: Details 11-5. Under the 903013 Administrative Assistant reallocated to Office Operations Assistant II, and then a decrease in salary of 26,940. Can, is, can you explain the changes also on this?

MR. ANDAYA: Mr. Chair?

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CHAIR WHITE: Yes.

MR. ANDAYA: I believe, Councilmember Crivello, we had a vacancy in the position. That person was paid a higher salary and then we brought in someone new, and so we start that person from starting salary.

COUNCILMEMBER CRIVELLO: Entry, okay.

MR. ANDAYA: So that's the reason why there was a decrease in pay.

COUNCILMEMBER CRIVELLO: Okay, thank you. One more, if I may ask on your, going over your budget proposals on your...Chair?

CHAIR WHITE: Please proceed.

COUNCILMEMBER CRIVELLO: Yeah, okay. So Akaku televises boards and commission meetings, and we have here a County grant subsidy of \$65,000 on budget proposal 402 [*sic*]. Do they televise all boards and commission committee meetings or is it just selected, or selective boards and commission for 65,000?

MR. ANDAYA: Mr. Chair? Council member, that is just selected. It would be impossible to televise all boards and commissions meetings, and so yes, only certain ones.

COUNCILMEMBER CRIVELLO: Can we have a list? Okay, thank you. Thank you, Chair.

CHAIR WHITE: Thank you. I'd like to recognize the presence and welcome the Vice-Chair Riki Hokama.

VICE-CHAIR HOKAMA: Chairman.

CHAIR WHITE: Good morning. I'd like to go back to the secretarial position, the Secretary III that changed to Administrative Assistant, and the step noted on the secretarial position is an SR-18A which indicates that that person just took over or just started with the County. Is that correct?

MR. BAZ: Mr. Chair?

CHAIR WHITE: Uh-huh.

MR. BAZ: If I may, the Office of the Mayor does not follow the letter step for allocations for the salaries. Those are not required by the, either the Legislative Branch or the Office of Mayor to be followed.



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CHAIR WHITE: Okay. So is that person relatively new to the County or how long has that person been in that position?

MR. BAZ: I believe she started January of 2011.

CHAIR WHITE: Okay. And I think the reason that Ms. Crivello I think brought it up and the reason I had noted it on mine is those are two, that position and the Executive Assistant position, the Executive Assistant position received a 31 percent increase and the move from Secretary to Administrative Assistant provided that, the other individual a 58 percent increase. And I noted that on one it says A and the other says J which is the upper end of the scale, but I recognize that you don't have the, you're not bound by the scale, it's just that those increases are certainly very significant. And, Mr. Andaya, could you advise us which of the positions are currently vacant if any?

MR. ANDAYA: Mr. Chair?

CHAIR WHITE: Uh-huh.

MR. ANDAYA: We have only one vacant position at this point, at this time.

CHAIR WHITE: Okay, and which one would that be?

MR. BAZ: Mr. Chair, I can get you the position number. That was OM-0111.

CHAIR WHITE: Okay, the Administrative Assistant II?

MR. BAZ: Yes.

CHAIR WHITE: Okay, thank you. Mr. Guzman, any questions for Mr. Andaya?

COUNCILMEMBER GUZMAN: None at this time, Chair. I will be asking further questions later down the road.

CHAIR WHITE: Okay.

COUNCILMEMBER GUZMAN: Thank you.

CHAIR WHITE: Mr. Hokama?

VICE-CHAIR HOKAMA: No.

CHAIR WHITE: No questions at this time? Okay. On the Details Page 11-7 there was a large amount noted in Other Services for last year and that amount has been carried over, that

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19,178. The previous years we had 3,200 and 4,600 expended. Do you know the level of expenditure year-to-date for that account?

MR. BAZ: Yeah, I can look that up.

CHAIR WHITE: And also the one, two lines below that, Professional Services which had an amount of \$6,800 for Fiscal '13 and then 50,000 for Fiscal Year '14.

MR. BAZ: Mr. Chair, as we're, as I'm looking this up just to note, the Mayor's Office does have times throughout the year or other years where expenditures fluctuate significantly based on, you know, an urgent need for something to come up, that's why sometimes you maybe not see expenditures. We don't spend the money unless we really need to spend the money.

CHAIR WHITE: No, I understand that. I think the Committee does as well. And then also--this is for Mr. Baz--on Page 11-8 we have a budget for Computer Software, in previous years it's been less than \$1,000. Last year we budgeted 50,000, and my recollection was that was for software for your budget projections.

MR. BAZ: Yeah.

CHAIR WHITE: So is there, I'm just wondering why that's repeating since that was a one-time cost.

MR. BAZ: Yeah. Thank you, Mr. Chair. We did select a vendor and we have, our kickoff meeting is actually Thursday morning, and so before I start this meeting I'll be working on that. The software vendor we chose has a CIP planner software that will significantly enhance our Capital program forecasting, you know, like the different items with that. It directly integrates with IFAS. The, and the secondary portion of that, what the vendor will be providing to us is a grant management software for our grant subsidies. This isn't grant revenue, not the Federal grants that we receive but this is money that we're --

CHAIR WHITE: Providing.

MR. BAZ: --providing to nonprofits, so Office of Economic Development and Human Concerns and others will be utilizing this software to manage those grant subsidies. And so that, it, a very intricate software and I'd be happy to show you the details of it, but we paid for one portion of it this year fiscal year and we're going to be paying for another portion of it when it becomes live next fiscal year.

CHAIR WHITE: Okay. And that may be something you were going to cover during your --

MR. BAZ: Yeah.

CHAIR WHITE: --presentation but we'd like to see the details on that.

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MR. BAZ: Sure.

CHAIR WHITE: Thank you. Members, other questions while Mr. Baz is looking up those other two numbers? Mr. Guzman.

COUNCILMEMBER GUZMAN: Thank you. Thank you, Chair. Thank you also for Mr. Andaya being down here. Like the new look on the facial stuff. But anyway, that being said, I wanted to know what the difference between job descriptions of an Administrative Assistant II and Administrative Assistant I and Executive Assistant I, and is there an Executive Assistant II? I guess it's just Executive Assistant I. What, are there job descriptions that are out there in terms of the policy? And if there are, can I get a copy of it? Just so I can distinguish between the levels.

MR. BAZ: Yeah. Yeah, Mr. Chair, we can provide you, Member Guzman, for, on those job descriptions. They are available if you just type in that title in the search box of the website, of our County website, it'll come up with, you can look up those, specifically those job descriptions as well. There're different job classifications and general duties that are responsible for those, but we'd be happy to provide those to you.

COUNCILMEMBER GUZMAN: So once you're I guess categorized as one of the like Executive Assistant I or Administrative Assistant II, is there crossover duties between an Administrative Assistant and an Executive Assistant? Are there crossover duties or are they somewhat like civil servants where they're only limited in scope of their work?

CHAIR WHITE: Go ahead.

MR. ANDAYA: Mr. Chair, I'm not quite sure as to what you mean by crossover but they're not like civil servants, you know, I mean they pretty much do whatever duties we assign them, you know, and that's their role. Much like your Executive Assistants. I mean we do have position descriptions and all that but really, I mean it's whatever like your Executive Assistants, whatever you tell them do, they do and same with ours you know. So that's basically it.

COUNCILMEMBER GUZMAN: Yeah. But, Chair, in terms of our Council or offices, our Executive Assistants don't have levels, and so my question, I mean we don't have Executive Assistant I or Administrative Assistant II, and so I'm just kind of trying to get a clarification in terms of what the levels mean and what are the type of duties within the levels. Just to get a more clear understanding.

CHAIR WHITE: And is your interest to have both the, I'm assuming that the Executive Assistant has a job description and then each position would have a position description.

COUNCILMEMBER GUZMAN: Right, right, right.

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CHAIR WHITE: Is that what you're asking for?

COUNCILMEMBER GUZMAN: Right, right. I mean it would, if it was more categorized like the way we operate, just a plain old Executive Assistant then I would completely understand where it's going, but then there's different categories and different levels. And so that's what I wanted to know what those means.

CHAIR WHITE: Yeah.

COUNCILMEMBER GUZMAN: Thank you.

CHAIR WHITE: So whatever you can provide us, Mr. Andaya, would be helpful. Okay. Thank you.

COUNCILMEMBER GUZMAN: Thank you.

CHAIR WHITE: Further questions?

MR. BAZ: Mr. Chair?

CHAIR WHITE: Yeah.

MR. BAZ: So Index Code 903013, Subobject 6129, Other Services has year-to-date expenditure of \$2,362.06.

CHAIR WHITE: Okay.

MR. BAZ: Professional Services, \$2,633.92.

CHAIR WHITE: Okay. And you'll touch on the Computer Software later?

MR. BAZ: Yeah, if you'd like me to submit to you the cost of the breakdown of those.

CHAIR WHITE: Yeah, that'll be great. Okay. Any other questions in this program? If not, we'll move onto the Budget Office, and, Mr. Baz.

MR. BAZ: Thank you, Mr. Chair. So on Page 404 is the Administration Program - Budget Office. We have Goal No. 1 to provide the highest quality budget management for the County to protect its fiscal integrity. And the objectives and measures that we have here are ways that we can measure whether or not we are achieving those goals. One measure that we like to look at is, you know, the percent of actual revenues vary from budget estimates, and I try to keep that around 5 percent, that was about 6 percent this year, and then we keep a tight fiscal control. You can see the percent of, by which actual expenditures varied from budget

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appropriated was only 3.2 percent, and, Mr. Chair, that has to do with the level of scrutiny that the Budget Office provides as well as this County Council in looking at the different departments' actual expenditures and trimming different areas. And so you'll see that our Carryover/Savings has been reduced by those, that function there. We, our, I mean we can go through, Goal No. 2 is to provide useful, accurate, and timely information to internal customers for decision-making relative to planning, implementation and assessment of the County's operating and capital budgets. We present the budget to you, working through the different model. We are still trying to attempt to work on a forecasting model that is been developed. One major challenge that I have is developing a, I didn't want to say accurate but at least some kind of model for revenue forecasting. There, the State has the Council on Revenues that they look to to provide revenue forecasting, and I don't really have that same resource so I have a challenge forecasting revenues beyond the year that we have right now. Also the way that real property tax is evaluated and assessed on an annual basis provides that to be significantly changed year by year. Goal 3 is to enhance community access to reliable budget information regarding County programs and capital projects, and, you know, we developed this document to make sure that we, it provides a readable, understandable document for the general public to understand what the County operations are, the goals and objectives of the different programs and whether or not they're achieving their goals. We provide an annual community survey, the results which, we only had about 156 respondents this year. We just did it completely web based so we didn't actually get out, send out any surveys or anything like that. Try to save some costs there. Goal No. 4 is to attract and retain highly qualified and energetic individuals to carry out the mission of the Budget Office, and that's my wonderful staff that you recognized the other day surprisingly so I appreciate that, Mr. Chair. And that's generally the overview of the Budget Office.

CHAIR WHITE: Okay. Members, questions for the Budget Director? I think they all know you way too well by now to have any questions. I forgot to ask Mr. Andaya one of the, one of my other questions. You had mentioned that you get hundreds of calls and I know you get lots of visits upstairs. Do you have any tracking of calls and visits that provides a historic perspective on the increases in either calls or visits since you are asking for some additional staffing?

MR. ANDAYA: Mr. Chair, we do have a tracking system, and so we had our ITS Department create one for us back in 2011. And it basically tracks issues or complaints that come in that are a little bit more substantive that, you know, that maybe takes a while to resolve. And the reason why we did that was so that each of our, each of us would be able to respond to a constituent. Say a constituent calls back and want to follow up on the issue, if the EA isn't there at the office, one of us can easily look it up in the tracking system and find out what was done and then we can respond to the constituent. Unfortunately we cannot, it'd be too burdensome to record every single phone call, every little issue that we receive, and so because of that we don't use a tracking system to record all of that. Even for our receptionist who, she actually receives literally hundreds of calls a day, it would be very, it would be impossible for her to log in every single call that she receives.

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CHAIR WHITE: I agree.

MR. ANDAYA: Yeah.

CHAIR WHITE: But you had mentioned it and I thought I gotta ask the question if you're --

MR. ANDAYA: Yes, yes.

CHAIR WHITE: --tracking it and --

MR. ANDAYA: Yes.

CHAIR WHITE: --provide some, you know --

MR. ANDAYA: That's...

CHAIR WHITE: --justification for the added staff. The other question is since you have that tracking for issues, does it also track the number of issues or the time it takes issues to be resolved and the, or the staff time involved?

MR. ANDAYA: I'm not sure. I don't believe it tracks the amount of time. I can check. I mean it, well it does have, I mean it won't tell you like exactly how much time it took --

CHAIR WHITE: Right.

MR. ANDAYA: --but we do have, yeah, like a start date and an end date, and so we can kind of guess how long it takes for it to, you know. But and in between all of that there's communications between ourselves and constituent, ourselves and the departments or whomever, you know, and so we have all that information in our tracking system.

CHAIR WHITE: Okay. If you could check and just see if there's any other information that we could use to help justify the additional staffing, that would be helpful.

MR. ANDAYA: Okay. Yes, Mr. Chair.

CHAIR WHITE: Other questions, Members? Okay, seeing none, we'll move onto Economic Development. Yeah, that's a good time to take our morning break. So we'll take a ten-minute break. Please be back here at 10:30. In recess. . . *(gavel)*. . .

RECESS: 10:20 a.m.  
RECONVENE: 10:35 a.m.

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CHAIR WHITE: . . . (*gavel*). . . The Budget and Finance Committee will reconvene. And we will move ahead with the review of the Economic Development program within the Mayor's Office, and we welcome Teena Rasmussen this morning.

MS. RASMUSSEN: Good morning.

CHAIR WHITE: Good morning. Please proceed whenever you're ready.

MS. RASMUSSEN: Okay. Thank you very much for letting me present today. We had a extraordinarily busy year at OED. We have as you know two business resource centers, one on Molokai and one at the Maui Mall, and then we have our main office at One Main Plaza. I received statistics from our business resource centers. The office on Molokai served 2,035 people over the course of the last 12 months. They held 70, that's 7-0 workshops, and they have assisted in over 1,000 incoming requests for meetings, assistance, and so forth. At the Kuhao Business Center they have served almost 5,000 people who have walked in. They have held 80 workshops, and they have also assisted in collecting about \$50,000 in revenue for the Refuse Department, the Water Department, and bus passes of which they now have the ability to receive those funds and it goes right into the accounting system of the County. So that's an added service that they have offered this year for the first time. They also have received over 2,000 phone calls for people wanting assistance. And then at our main OED Office, we have...and when we tally phone calls I just have them spot check like a week's worth of phone calls and then we kind of extrapolate it, 'cause I definitely don't want people counting phone calls all day. But we have received over 4,000 phone calls to our office and for our specialists, and have served approximately 750 people that walk in the door there. So that's kind of those statistics. We have been very, very busy and aggressive with our programs that we have initiated, and just to give you a sampling of some of those, every July we have a strategic planning session where we as a staff we actually plan out our year, the kinds of things we want to be involved in, the timing and so forth. We rolled out the Economic Development Revolving Fund this year which we're very happy to see that come to fruition, and I recently sent you all an update about that. We have, we took most of our staff to Molokai for a two-day visit. We have spent, sent specialists, one-on-one visits to Lanai several times over the year. In the energy arena, we held a solar summit last May, an undersea cable presentation later in the year, and then just recently our national energy conference. Those were all programs that were initiated by our Department. We also initiated with our partner Maui Visitors Bureau a workshop on how to treat and be ready for the Korean visitors which was very well received. We had over 150 people in attendance out in Kaanapali, and we received excellent feedback on that. And most of the attendees were asking for additional workshops. We also rolled out the Mayor's small business awards this spring. We assisted with Halloween in Lahaina, helped with their planning of that. We also went through an extensive search to hire a new Film Commissioner and we were successful, and we're very happy with our choice there. And we also participated in the Goyang International Horticulture Show last May in South Korea, and we are going again and MVB will be there, our Mayor will be there, we're hoping our silversword will be there. That's proving to be challenging and the Federal Government is involved so never easy there but

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we're working on it. So that's kind of some of the highlights, and of course when we meet with you with our grant programs, we'll be happy to dive into more detail with all of the grant programs. But we do have almost all of our specialists here today, and our Film Commissioner should be here soon. He had a meeting this morning that I think he's still in. So with that I guess I will open it up for...you want to cover the...

CHAIR WHITE: Members, we will be discussing the grants portion of this budget on the 17<sup>th</sup> of April, so this morning we'll limit the review to the Department itself, and we'll start with Ms. Baisa. If you have any questions.

COUNCILMEMBER BAISA: No questions, per se, but very impressive statistics coming to us from this Department, particularly with the Kuhao Business Center. And you mentioned some very large numbers of people coming in, exactly, or do you have the statistic, how many businesses resulted or jobs as a result of that activity?

MS. RASMUSSEN: You know I'd have to defer to our manager over there for that information, but I'll see if there's some way that she can quantify that. There's...

COUNCILMEMBER BAISA: I think it might be something that's worth looking into. It sounds like they're very busy, and very impressive for Molokai.

MS. RASMUSSEN: They are.

COUNCILMEMBER BAISA: Thank you.

MS. RASMUSSEN: They are. And actually because the center has increased their activity over there by a lot, you're going to see that that is one of our areas that we wanted to increase their budget because they were actually quite underfunded, and the previous manager was not able to travel. So we now have an active, a very active person who's coming here for some of our programs and so they'd need some additional funding over there, yeah.

COUNCILMEMBER BAISA: Thank you.

MS. RASMUSSEN: Okay.

COUNCILMEMBER BAISA: One more.

CHAIR WHITE: Sure.

COUNCILMEMBER BAISA: I'm looking at the vacancy list that we were given. Looks like you might have a Clerk Stenographer III position open. Do, is that so?

MS. RASMUSSEN: We had a, I don't believe this is the one that you're speaking of, but we've had a departure just recently just two, three weeks ago, but we will be hiring that position.



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COUNCILMEMBER BAISA: This shows open from 1/2/11, so I'm just curious.

MS. RASMUSSEN: Yeah, I don't think that one...

COUNCILMEMBER BAISA: You know we just get these reports, we don't know what's behind them.

MS. RASMUSSEN: Yeah. I don't think we've been using that position or yeah, I would have to defer to the Budget Office.

COUNCILMEMBER BAISA: Okay. We might want to check it out when we get there. Thank you.

MR. BAZ: Yeah. Mr. Chair, it sounds like that position was one of the positions that was not filled with, when we took office in 2011. There were a number of positions that we left vacant. Even though the position may be on the books I don't think it's currently funded either.

COUNCILMEMBER BAISA: Okay.

CHAIR WHITE: Yeah, we'll check that. Okay, Ms. Crivello?

COUNCILMEMBER CRIVELLO: Thank you, Chair. I too am quite surprised to tell you the truth of the numbers of walk-ins you come up through. Is that, if I walk in twice in a day, am I counted twice? It's almost my full population. So...

MS. RASMUSSEN: No.

COUNCILMEMBER CRIVELLO: Yeah.

MS. RASMUSSEN: I think it was a thousand...let me get back to her sheet here.

COUNCILMEMBER CRIVELLO: Yeah, yeah, you mentioned 5,000 walk-ins.

MS. RASMUSSEN: Well 2,035 for a year though, and so that's every time somebody walks in. So yes, if they walked in a week ago and they walked in today, they're going to be counted twice, yes.

COUNCILMEMBER CRIVELLO: Okay. So you can have your --

MS. RASMUSSEN: Yeah.

COUNCILMEMBER CRIVELLO: --duplicate.

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MS. RASMUSSEN: It's not unique people necessarily, they're just counting the number of visitors that come through the door.

COUNCILMEMBER CRIVELLO: Okay.

MS. RASMUSSEN: Yeah.

COUNCILMEMBER CRIVELLO: Okay.

MS. RASMUSSEN: Yeah.

COUNCILMEMBER CRIVELLO: Yeah. I'm...

MS. RASMUSSEN: And then with the 70 workshops of course they've got lots of people coming in for the workshops so.

COUNCILMEMBER CRIVELLO: Okay. So you've held 70 workshops throughout the year?

MS. RASMUSSEN: Yes, throughout the year.

COUNCILMEMBER CRIVELLO: I see. Then my other question is if we can have also what's, what businesses are sustaining, you know, that they've created? You know I'm able to do something comparative on island with for instance the MEO business training program that they have, and many businesses are still in place, they sustain themselves. So would be good know how many created and how many are still moving on. I want to thank you, first of all, thank your Department for including the entrepreneurs who are making attempt in your most recent award conference. And the other thing is I, so there seems to be a reduction or of promotions, initiatives for conferences and events, and is that what I'm seeing?

MS. RASMUSSEN: Which, I'm sorry, which one are you looking at?

COUNCILMEMBER CRIVELLO: I think it's Page 407.

MS. RASMUSSEN: 407.

COUNCILMEMBER CRIVELLO: Your foster job creation within Maui County with new and expanding businesses and --

MS. RASMUSSEN: Well...

COUNCILMEMBER CRIVELLO: --promote...

MS. RASMUSSEN: Yeah. I'm sorry. We have struggled honestly from, we are so project driven in our Department, we have struggled with the goals and objectives and the success measures

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to try to give you measures that will go across all the years. And we've actually changed these and that what you're seeing unfortunately I think is actually something that was a different measure and we're actually trying to hone in on. Because, you know, it's, like I said, every year our projects change and so every year technically, you know, our goals and objectives change, but we're trying to give you measures that might go across every year so we don't have to keep changing 'em. But we're still finding that particularly in our program specialist areas, you know, we're still changing those projects and we're trying to come up with measures that will make sense year after year after year, and that's been actually really difficult because our programs do change. But we're promoting businesses, so a number of initiatives that are developed by OED. So this is something that's initiated by us, it's not initiated by one of our grantees. We are involved with many, many, many of our grantees' events and we monitor them and we give them counsel and we work with them, but these are things specifically that we have initiated. Now I think we've already, I mean we've said five but I think that's very minimum because I've already given you a list that had at least ten on it, so, you know, what can I say, it's very difficult, a measure.

COUNCILMEMBER CRIVELLO: Okay. So it may be more than five...

MS. RASMUSSEN: I think it will absolutely be more than five.

COUNCILMEMBER CRIVELLO: Right.

MS. RASMUSSEN: Yeah.

COUNCILMEMBER CRIVELLO: So sister cities, relationship with Korea, is there some sort of, it's almost I don't know how you can come up with some sort of measurement tool to have the actual results that come out of your, the sister relationship with Korea. Are we seeing an increase in visitors? Are we having, being able to export our goods to Korea or?

MS. RASMUSSEN: We actually are seeing, over the last three to four years we've seen double-digit increases in the visitors from Korea. It's a process, you know, they have to learn about us, they have to come here, they have to have positive experiences, and they have to go home and talk about it. So but the numbers are definitely in an uptrend, the Visitors Bureau can verify that. We could get you those numbers from the Visitors Bureau. So we do feel that our exposure there and going to the show, this is the second year we'll do the show. Probably we'll not do the show again but we think that going back one more time is good because we were so successful last year. Again, almost over a million people come in to the show. With our hula halau, our dancers, our musicians, our booth that showed our tropical flowers, and this year we're going to be doing half of our booth in highlighting Haleakala National Park. Which is, we know that the Korean visitors that come here, virtually every one of them want to go to Haleakala National Park, so we think that highlighting our park is going to be a big plus and we will be able to garner a lot more media attention. And our plan is to take a national park ranger who will also be in his uniform at the show, and so I, and hopefully if we have the silversword that will just top it off so.

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COUNCILMEMBER CRIVELLO: Can I...

CHAIR WHITE: Sure, go ahead.

COUNCILMEMBER CRIVELLO: Thank you. I notice under Goal No. 2, the Item 1, promote Maui's unique towns and their businesses. Why did 2014 decrease to 2?

MS. RASMUSSEN: Let's see, could you tell me what page? I'm sorry.

COUNCILMEMBER CRIVELLO: I'm sorry, Page 408.

MS. RASMUSSEN: 408, okay. Oh, okay, yeah. I'm showing, oh, actual number of town driven activities or events. Well we, again, we're trying to count the things that we initiated and, you know, of course working with the town parties. We could say that we worked in all the towns of course for that because that was an OED initiated activity. We have worked with Paia to do a strategic plan, and we have been working with them to solve bathroom problems and refuse can problems and all sorts of things. But we didn't have any new, we didn't count town parties because it wasn't new, you know, I think we counted it before, so that probably is why there's a decrease.

COUNCILMEMBER CRIVELLO: Oh, okay. Okay. Still on Page 408, leveraging revenues, Goal 4, through outside funding sources. Have you, is this directly from your Department doing the leveraging and how successful has that been? That's a good goal.

MS. RASMUSSEN: Yes. And right now, well we are working on it. We don't have specifically a person designated to do grant writing, you know, like just a grant writer, but we do have revenue that has come in for instance when we did the Made in Hawaii. We took 18 companies to the Made in Hawaii Festival. We were able to receive revenue from Hawaii Technology Development Corporation for \$10,000, they came in and helped us with that program. So because we put money up for that, they added money to that. They have also come to the table for our Made in Maui County Festival for this fall, they've come to the table again with revenue. We also had with our small business revitalization grants that we gave out to Hana, Molokai, and Lanai, we were approached by Pulama Lanai who actually matched our grant program with an additional \$25,000. So when I say leveraging that's the kind of leveraging we're doing.

COUNCILMEMBER CRIVELLO: Good. Thank you. I, just one last comment. I'd like to congratulate your Department and say thank you for your Energy Commissioner's work, Doug McLeod. I'm sorry I missed the first day of the Energy Conference but it was really great --

MS. RASMUSSEN: Thank you.

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COUNCILMEMBER CRIVELLO: --from my participation on this activity.

MS. RASMUSSEN: Thank you. And Mr. McLeod's --

COUNCILMEMBER CRIVELLO: Thank you.

MS. RASMUSSEN: --here so, yeah. Thank you.

CHAIR WHITE: Okay. Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you, Chair. And thank you, Ms. Crivello, great inquiries and got a lot of my questions answered. I appreciate that. But I guess my questioning was in regards to our sister cities, and my overall general question was how many do we have total? And, you know, I noticed in Mr. Andaya's administrative goals it was to rekindle relationships that we have not been reaching out to, yet I know we've been reaching out to Korea and you've been describing, discussing, you know, the progress and what's come about, which is excellent. But I'm looking towards what others and what, how, you know, what are the parameters and how are you determining which sister cities you are going to visit or not, you know, rekindle and restore and all that?

MS. RASMUSSEN: So we do have 25 sister cities and those are on our website. The Sister Cities Foundation is actually the one who really kind of oversees all of the sister cities functions and then we work closely with them in developing that program. That program is run by a group of volunteers. Right, the current president is Stephanie Ohigashi. The grant that you give to the sister cities arena goes, all of it was proviso'd to go to the Sister Cities Foundation so they received all 30,000 of that of which they are expending that and working on the program. So they have attended a national conference on sister cities. They have received the Fukiyama delegation who came during our fair time. Several other delegations, they assisted with a group of students that came from Korea to participate in the RYLA program with Rotary and that was very successful. You know they have all kinds of different outreach that they're doing, but as far as all of, you know, all of their plans, I'm not sure, you know, exactly what they have determined that they're going to do for the rest of the year so.

COUNCILMEMBER COCHRAN: Okay, thank you. 'Cause it looks like we did, went to visit five, so that's five different sister cities?

MS. RASMUSSEN: Yeah. And when we talk about visiting we try to, you know, if the Mayor goes, if a Council, you know, we're trying to count, you know, and that doesn't mean that our Department went, you know, it just means that these are sister cities that we, you know, visited throughout the year. So I could get a list for you from the foundation as to actually how many visits and who, you know, who went on those trips 'cause they would have that information.

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COUNCILMEMBER COCHRAN: Okay, thank you. And these conferences or these meetings, they have minutes where we could look back and see what was being discussed and how they came about choosing?

MS. RASMUSSEN: Yes.

COUNCILMEMBER COCHRAN: You know what I mean?

MS. RASMUSSEN: Well and this will also be part of their grant reporting because they are getting a grant so they have to report those activities in their grant.

COUNCILMEMBER COCHRAN: Okay, thank you. And, yeah, also want to concur with Ms. Crivello in regards to the Utilities Conference which a lot of us attended and it was a great turnout and a lot of good information. The one comment I did get from people that it was, everyone's questions were not addressed and answered. You know those comment cards were good but and then if there could have been a more, you know, breakout sessions with the particular panelist or something of that nature, so that I heard a lot while I was there and afterwards, too. And then just jumping on, you've been working with small town development and what have you and I guess Paia with bathroom issues, and just a little plug that Lahaina has bathroom issues also. So hopefully can address that in the near future would be nice. But again, thank you, and definitely your Department has done great strides in reaching out and doing things, film industry especially. So looking forward for more progress and growth there, and I guess we have our new commissioner to speak to hopefully. So thank you for this opportunity, Chair. Thank you.

MS. RASMUSSEN: Thank you.

CHAIR WHITE: Yep, lots of activity.

MS. RASMUSSEN: Thank you.

CHAIR WHITE: Mr. Couch.

COUNCILMEMBER COUCH: Thank you, Mr. Chair. And yes, there, a ton of activity, I wanted to thank them for their support of the town parties. It's helped certainly Kihei quite a bit. It's a hopping thing on fourth Friday so thank you for your support. Fortunately or unfortunately Ms. Crivello and Ms. Cochran asked every question I was going to ask, so I just want to echo their sentiments. Thank you.

MS. RASMUSSEN: Thank you.

CHAIR WHITE: Okay. Mr. Hokama?

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VICE-CHAIR HOKAMA: Chairman. . . .*(adjusts microphone)*. . . Excuse me, Chairman. . . .*(clears throat)*. . . Excuse me. Couple things I wanted to bring up for Lanai, please. I wanted to, one, ask what efforts are you folks doing to increase the air routes between Maui and Lanai since now we have...and I don't mind plugging them, I think Mokulele does a great service to us by offering direct flights from Kahului to Lanai both ways. And I consider that a critical transportation service regarding governance for this County and the ability of Lanai to participate in its local government and for businesses and our individuals. So can you tell me or the Committee this morning what efforts is the, your office doing to try and improve this frequency and seat capacity? Since I keep telling them, you know, we're Maui County, the future is I prefer to go through Kahului. And, you know, I've told this in front of the whole community to Hawaiian Air officers --

MS. RASMUSSEN: Right.

VICE-CHAIR HOKAMA: --Mr. Dunkerley and others and the Island Air people. So can you tell us what the Administration is doing in your efforts to support that too?

MS. RASMUSSEN: Well I know that the Mayor's Office actually is primarily working on airline issues, but we have met with Hawaiian Airlines and I met with them with the Mayor, and we are always talking, always talking about Lanai and Molokai, actually. And I thought, I think actually Lanai's coverage since the airline has been purchased by Mr. Ellison is possibly better than what the island of Molokai is. Maybe I'm wrong, maybe I'm wrong, but Molokai is suffering drastically from flight cutbacks. But regardless they both suffer, you know, they both need to have increases in traffic, and I know they're working on a lot of airport improvements out there. That will help. But primarily the Mayor is leading this discussion.

VICE-CHAIR HOKAMA: Okay. Chairman, on the 17<sup>th</sup> you wanted to speak about specific, the grant monies and the grant projects or and leave everything else for today?

CHAIR WHITE: Right.

VICE-CHAIR HOKAMA: So that would be even the General Fund monies?

CHAIR WHITE: If you have a burning question.

VICE-CHAIR HOKAMA: Well just a general philosophical one, you know, Chair.

CHAIR WHITE: Go for it.

VICE-CHAIR HOKAMA: You know for me with the new ownership under Pulama Lanai, obviously the island has additional opportunities because of the financial resources of the new property owner, but it's not in my opinion healthy for the community to be so dependent upon that owner. I think it's critical for the County to step up and advocate and assist in creating additional options and choices of the resident. And so I find it interesting that in this

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time when I think because of the opportunities, our community attitude, and how we performed in the past, the amount of resources we put for economic development on Lanai is being proposed at lower levels than at greater levels. Because I think our island can show that we've supported the development and things it needs to keep paying additional share from Lanai for its total requirements, and I find it interesting that the budget shows less resources coming to Lanai when I think we should be investing more to get the bigger payout and dividend in County returns back to Maui people.

MS. RASMUSSEN: The number that you see was driven...Lanai has an issue and we don't know exactly how to fix this and maybe it's going to be a natural evolution for them. It's capacity. It's capacity to actually write for grants, to administer the grant, and perform on the grant, and so it has always been our hope and desire to get all the money out into the community. But we have had a very difficult time having people step up and do the grant writing and do the projects and actually perform the projects. So and there's a handful of people...

VICE-CHAIR HOKAMA: You know I understand you --

MS. RASMUSSEN: Yeah, okay.

VICE-CHAIR HOKAMA: --very, very well and I don't disagree with you. I agree with you generally, and maybe that is an area of community development we need to work on is how to help those unique communities of ours to do it, those grant writing and the ability to report accurately once they receive funding.

MS. RASMUSSEN: And we, I mean we are working with them all the time, and for instance we just executed a grant for Lanai Changes. I think it just got executed for \$50,000 to, and, you know, they have several projects they want to do. But they could be this umbrella fiscal organization that once they get their full CDC, you know, everything in place, they could be that fiscal organization that could take on a lot of this, and hopefully in that organization they can help build this capacity for grant writers. I was just informed that one of the, one of our favorite people over there who is one of the greatest grant writers is leaving the island and moving to Maui, so that just creates another hole, you know, which is something that, you know, so...

VICE-CHAIR HOKAMA: Is this unique to us only or is this also in other components of the County?

MS. RASMUSSEN: Not so much here on Maui but for sure the, you know, our sister islands of Molokai and Lanai. Yeah.

VICE-CHAIR HOKAMA: Okay, okay. I appreciate your comment. Then we'll work on it together.



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MS. RASMUSSEN: Okay. Yeah, we want to work on that because it's really critical for the...and I will say, I want to address one other thing you brought up about not being too dependent on the company, the owner or company. We've worked very closely with Pulama Lanai over the year and they actually have the same point of view, they don't want to swoop in and pay for everything, they want the community to be invested in the community, and they want the community to have some skin in the game. And we've had a lot of talks with them about that, and that is why with the small business revitalization grant we set it up as a 60/40 match so the business had to put in 40 percent and then the grant put in 60. And what their money did is just allowed us to give a lot more different businesses funding, and so we're, that money went into the hands of sole proprietorships, people that have private business over there. So we're very proud of that, and the same thing for the island of Molokai. That money went to help private businesses get little pieces of equipment. You know one, you know, in particular that comes to mind is, you know, a lady bought a sewing machine that she could double her capacity. You know those kinds of things are great for the community, and we're just real happy that they stepped up and helped us augment those funds.

VICE-CHAIR HOKAMA: Thank you. Thank you, Chairman.

CHAIR WHITE: You heard Ms. Cochran's concern about the timeframe within which the, some of the organizations are being funded, contracted and funded, and I don't want you to address it today because we need to move on. But I would like you to come prepared on the 17<sup>th</sup> to discuss how we can move forward in a different way, and maybe you can share some of your challenges in getting through the contracting process. But I think the big challenge is that for some of these organizations to wait for, you know, 9 months out of the 12 that they're funded is very, very challenging and, you know, much more challenging for some than others that have more payroll than volunteers. So we'll look forward to your --

MS. RASMUSSEN: Okay.

CHAIR WHITE: --thoughts on how we can improve that process. Mr. Guzman...or did you have a follow-up?

VICE-CHAIR HOKAMA: Just one quick comment on this before, you know, Mr. Guzman has his opportunity. You know if you feel it would be a beneficial tool, Chairman, and for Ms. Rasmussen, you know, I'll volunteer my committee services to assist in either conducting appropriate audits to help the offices have more ideas and options on how we might want to approach improvements. But I think we've all heard enough that contract management needs to improve throughout the County. We've heard it from various regions regarding various agencies, and for me this is a critical component if we're going to allow grant recipients to perform and assist the County in providing the services we would like the residents to have.

CHAIR WHITE: Yeah. I think, you know, the County employees that are dealing with grants I'm sure are working very hard to protect the interests of the County, but at the same time we

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need to make sure that we're also following through on a timely basis to provide the resources that some of these organizations so, you know, need so badly. So, Mr. Guzman?

COUNCILMEMBER GUZMAN: Thank you, Chair. I think most of my colleagues have asked the proper questions. I've been very pleased to be working with OED as the, as part of my Committee. They've been outstanding over the last year. The staff has given 100 percent every time I've worked in conjunction with them. I specifically work with Kim in terms of the Economic Revolving Fund, Doug in terms of the energy, and Kenneth Yamamura who's attended every single meeting of the Ag Working Group for the last year, meeting twice a month, so I have nothing but accolades for that Department and that office. Working with Ms. Rasmussen, she's a very innovative, creative outside-the-box thinker and that's what we need in this position. The only thing I that I can say is that I would hope that my colleagues follow my step in promoting and putting in a little bit more money for maybe some additional funds to help this office out. I think it's one of these departments or offices that we have in the County that really go out there and give it their all and make a difference. They've very proactive. Thank you, Chair.

CHAIR WHITE: Well, the Chair fully agrees with you and would just like to add that we have to have some part of the County focused on generating economic development just to keep up with our ability to pay all of our expenses, and as we see with this budget, the expenses are growing very, very quickly, and unfortunately I don't think the economy is growing quite as fast as our budget is. So the efforts of your Department, Ms. Rasmussen, are extremely important to our ability to keep conducting County business as the Administration and others would like to see. So I have been noticing your hand up as I was marching down, Ms. Baisa, so you had something else to add?

COUNCILMEMBER BAISA: Yeah. Just to kind of wrap up this talk about grants and money and Administration and whatever. You know I've had a dream for many, many years and my dream has been that somewhere in this County there would be an office and its sole purpose would be to write grants and bring in money, and of course that, of course you have to develop a certain amount of expertise in order to do that. But I believe we have these folks and, you know, they're peppered throughout the departments, and we see some departments that are very, very successful, and we see other departments that really could do a lot more but they're so busy. You know grant writing is something that's you gotta focus on, and I've worked with enough grant writers to know that, you know, when they get into their work and into what they're doing, you gotta leave 'em alone. And they might be in front of their computer for hours and hours and hours, but you can't be calling them out to go to the counter and assist somebody or take phone calls or you know what I mean, it's a very focused kind of work. And I've always thought that that would be a real good investment of County money to just have a bank of grant writers. But, you know, as the years, as I've spent the years here now and today I hear another, we have another issue and the issue is the managements of the grants once we get them. You know we can be as successful as ever in bringing in a grant, but once it lands we gotta be able to go for it and, you know, get the, implement that grant and have everything set up and the monitoring process, and we're not

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set up that way, we really are not. And we've heard it over and over and over from the grants management folks that come here every year, and I think until we focus on grants management as well as getting grants, we're not going to solve this problem. But there's a lot, a lot of money out there and it's we gotta invest. If we want it we're going to have to invest, but we can get it, we have smart grant writers. I've really been impressed, certain departments bring in a ton of money so we have people that know how to do it, but we have to give them the right environment and then we also have to train grant managers which I think are as scarce as hen's teeth. To find people who really, really know how to administer and to keep the kind of records and do the right reporting. But it may be some Administration would have to put an emphasis on this, because we cannot, you know, we cannot let money go by, and it will take an investment, somebody's gotta make a commitment. And I'm watching the Budget Director and I know he knows what I'm talking about, because it took me a lot of courage to sell the MEO board the idea of hiring a grant writer, the first one we hired, and that's all that person did. But, you know, inside of months, that person brought in millions of dollars and it was such a small investment, but then the other piece is we gotta also manage it. And I don't think that we have enough people in the management area, it's too thin, and if we had, we could set up really good forms, we could set up really good reporting mechanisms and make it really easy for the departments to respond. But we don't have that, it's kind of, you know, every department has their own way and it's just all over the place, and what do you count and what don't you count. I just think we need to put some emphasis in this area, Chair. I think we've kind of skimmed over it and we're missing a real good place to bring money. Thank you.

CHAIR WHITE: Thank you. Mr. Guzman.

COUNCILMEMBER GUZMAN: Chair, I also would like to support Chair Baisa's comments regarding the grants. I also have one more thing to add is if it could be possible to expand the business center to address agriculture issues in terms of farm plans and somewhat of a resource for our agriculture community. That would be great. Some people don't believe agriculture is a business but it is, and so I would like to see if we could expand the business center to include resources for our agriculture industry, if that's possible. And if money needs to go that way I would hope that my colleagues support that. Thank you.

CHAIR WHITE: Thank you. Mr. Baz.

MR. BAZ: Thank you, Mr. Chair. And that, good job, Mr. Guzman, you reminded this OED does have a CIP request as well, if we wanted to go over that. That is for the expansion of the Kula Agricultural Park.

CHAIR WHITE: Oh, correct.

MR. BAZ: We are receiving a grant of I think approximately \$6.6 million from the State for expansion of that park. We do, are required to match that with \$1 million of our own efforts

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to the park, so maybe, if they have questions about it, Ms. Rasmussen can respond to those or describe in more detail the actions of it, if you'd like. Be ready for that.

CHAIR WHITE: Well, I just have one question. On Page 11-12 of the Details, there's an Administrative Assistant II under Environmental Protection, so my question is I believe that was added to your Department last year in response to the Charter change. And I believe we're...I see you...

MS. RASMUSSEN: Not our Department.

MR. BAZ: No, Mr. Chair, if I may? That position is for the Environmental Coordinator that has been a part of the County. He was formerly a part of the Mayor's Office program, got moved to the Office of Economic Development.

CHAIR WHITE: No but my question is if we're creating the Department of Environmental Sustainability, why wouldn't this position have been transferred into that?

MR. BAZ: Mr. Chair, thank you. As we get into the Department of Environmental Management and the creation of the Environmental Protection and Sustainability Division...

CHAIR WHITE: Thank you, I didn't have the whole title.

MR. BAZ: I had to remember that. We can get into a discussion of the details of that. One of the issues is that this position is a appointed a position and the positions within the Department of Environmental Management will be civil servants, so we can't just transfer somebody into a civil servant position immediately, it has to go through creation of the position and recruitment process and things like that. This individual may be eventually a part of that program but we're not sure at this point.

CHAIR WHITE: Okay, thank you.

COUNCILMEMBER GUZMAN: Chair?

CHAIR WHITE: Mr. Guzman followed...oh, Mr. Couch, did you have your hand up? Okay. Mr. Guzman.

COUNCILMEMBER GUZMAN: Chair, just to give a simple rationale in support of keeping the Environmental Protection under the Office of Economic Development. I feel it's vital for it to be there because of the fact that the resources that the Office of Economic Development has in terms of partnerships with getting funding, and if you take the last energy conference for an example and use the protection agency or protection, Environmental Protection issue and replace it, they've actually went out and got their own partnerships to support that. We had corporations sponsoring, and so to have the Environmental Protection personnel within OED is a perfect fit because of the resources that the Office of Economic Development has in

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partnering and getting those sponsorships. In fact we spent very little County money for that energy conference and it allowed a great resource of education and knowledge. Thank you.

CHAIR WHITE: Okay. Good point.

MS. RASMUSSEN: Could I just add one?

CHAIR WHITE: Sure.

MS. RASMUSSEN: Thank you for bringing that up because that was another point at leveraging. So our Department put in \$24,000 into the conference as the seed money and we were able to raise 75,000 in sponsorships, and we partnered with MEDB to do the conference services. So our funds went to them to put, do the conference services and then we leveraged that with an additional 75,000. So I think the return was, yeah, it was three to one easily and we really, I think we nailed it, the conference was so valuable. So that is a great example of how we've been able to partner and leverage our funds.

CHAIR WHITE: Okay. Now the CIP.

COUNCILMEMBER COCHRAN: Wait, Chair?

CHAIR WHITE: Oh, I'm sorry. Ms. Cochran.

COUNCILMEMBER COCHRAN: Yeah. Chair, sorry. Jumping on the comments of Mr. Guzman in regards to expanding, I think you said the service center to incorporate agriculture, you know, as a business which is totally true and to enhance that. Isn't that the, shouldn't that be or is the role of the Maui County Farm Bureau to assist our small farmers, to get them, you know, on the right path, to get on their feet, to become successful, you know, business people in farming?

MS. RASMUSSEN: The Farm Bureau is an absolute partner, you know, with us in agriculture. They offer a lot of services as far as, you know, putting on workshops and various services that they offer each of the different commodities and the different associations within the Farm Bureau like for instance the cattlemen and then there's the landscape professionals and the Flower Growers Association. You know various associations...actually Flower Growers Association is not in the Farm Bureau, I'm sorry, that's separate. But they do provide assistance, but I think what he's talking about is more the business plan, that's probably not something that the Farm Bureau would sit down and help a farm write a business plan but that's certainly something that our business resource centers could assist with. And actually we don't preclude any farmer from coming into our business resource center now. I mean they can come in and ask for any services that they need. Maybe what he's alluding to is we might not have a agriculture specialist at those, but actually on Molokai we do have an agriculture specialist. She was with the College of Tropical Agriculture before she took the job with us, so she's very, very versed in farms and farming and, you know, farm, could help

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them out with that. And here of course we have Kenneth who is our agriculture specialist and he could go down to work at the center anytime, you know, he wanted with anybody that would need his services. And he has people come in a lot asking for his services, you know, so.

COUNCILMEMBER COCHRAN: Okay. And, Chair, another follow-up?

CHAIR WHITE: Uh-huh.

COUNCILMEMBER COCHRAN: In regards to Maui Visitors Bureau and their charge and, you know, what they do and provide out there. You know your comment back to Ms. Crivello in regards to sister cities and I guess the multiplier effect or whatever of the visits to Korea and this and that and you said that oh well, Visitor Bureau would have those numbers or those kind of statistics. So it seems like the sister city outreach kind of falls more into, you know, the tourism, their kind of sort of picture of, you know, economic development, per se, for this County in a sense. I know on the trips that I attended Visitors Bureau was there and then you just described that this upcoming trips they'll be there, so it kind of seems it goes hand in hand. So I don't know if it's be more appropriate for, you know, funding maybe perhaps to come via that section versus, you know, all on its own kind of thing. So just a thought in regards to the real correlation between the programs and the very, you know, the similar kind of I guess goals and objectives of each.

MS. RASMUSSEN: Well I think the visitor component is something we're always looking for from, you know, anywhere, you know, we're always seeking visitors. I mean that's, you know, one of the main things that we do here because that brings in so much of our income, but I believe that the Visitor Bureau is focused on that, when these people come as visitors. But I think Sister Cities Foundation goes much beyond that, it's really about exchanges between governments, it's about exchanges between cultures, and so it adds a different component than the Visitors Bureau would be more purely interested in the actual just the visitor count, you know, of the people coming. So it's this back and forth because that's what all sister cities expect, it's not a one-way street, it's a two-way street so they want the back and forth exchanges, and that really has to be initiated I think from government and from, you know, the foundation and those that work in the sister cities arena. I wouldn't put that onto the Visitors Bureau, per se.

COUNCILMEMBER COCHRAN: Right. And yeah, I understand but I was just reading one of their points is to support programs that preserve, perpetuate, and promote Hawaii's host culture and, you know, on and on sort of in same alignment with sister cities. But moving on, what peaked my interest was your mention about silverswords, is that the actual plant that you hope to take to Korea?

MS. RASMUSSEN: Yes, this is not a silversword that'll be taken from the wild, it's, will be coming out of a nursery that they have up at the Haleakala Crater. It's going through government channels. We have received permission from the National Park Service to do this. As in the

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Goyang Horticulture Show, they have a component where they have a rare plant exhibit, and they have asked for three years now they've asked us to bring, to try to bring our silversword to showcase it because they know that it only grows on Haleakala. And so right now it's hung up with US Fish and Wildlife trying to get, because they oversee protected plants and so we have to have their permission as well. And again, this was grown in a nursery so it didn't come from the wild but still, you know, so we're doing everything we can to make this happen. We only have a few days left so we'll see, we'll see.

COUNCILMEMBER COCHRAN: Okay. Thank you, Chair.

CHAIR WHITE: Okay, moving into the...

COUNCILMEMBER COUCH: Chair?

CHAIR WHITE: I'm sorry. Mr. Couch.

COUNCILMEMBER COUCH: Thank you. Ms. Rasmussen, you were mentioning the conference where, the energy conference where you were able to leverage the 20, around \$25,000 and get another \$75,000, and then you had entry fees. Did the conference make or lose money?

MS. RASMUSSEN: We haven't seen the final accounting yet, and if it does...and we're expecting that there will be a residual. And what we're asking MEDB to do is to actually set that money aside for a future energy conference as the seed money for that, so, if there is, but we haven't seen the final accounting. They're still paying bills and so forth so.

COUNCILMEMBER COUCH: Okay.

MS. RASMUSSEN: Yeah.

COUNCILMEMBER COUCH: Yeah 'cause I was just curious 'cause there's, I think the entry fee was \$400?

MS. RASMUSSEN: It was, yeah, \$395. We did give some --

COUNCILMEMBER COUCH: And maybe...*(inaudible)*...

MS. RASMUSSEN: --scholarships though and we did give some press passes and so forth, but no, there was a good amount of revenue. I mean we exceeded our attendance by about our 125 of our expected attendance. We had, the day the conference started, we had 14 people walk in and pay \$395 to be there, so the interest was there, yeah.

COUNCILMEMBER COUCH: Okay.

MS. RASMUSSEN: So we'll use that to do...

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COUNCILMEMBER COUCH: As more seed money.

MS. RASMUSSEN: Overwhelming the attendees wanted to see another conference to keep that conversation moving forward.

COUNCILMEMBER COUCH: Okay. Thank you, Chair.

CHAIR WHITE: Thank you. Any further questions before we move to the CIP? Please proceed.

MR. BAZ: So, Members, on Page 756 is the project sheet for the Kula Agricultural Expansion, so while you're turning to that we'll let Ms. Rasmussen describe the project.

MS. RASMUSSEN: Okay. So last fiscal year, the State Legislature passed a budget that included a \$5 million grant to the County of Maui to purchase or to the State to purchase expansion land for an ag park in Upcountry, Maui, specifically for Upcountry, Maui. This was Representative Kyle Yamashita's endeavor, and the money has been passed. Of course we still need to get it released by the Governor, if we were to be able to successfully put this deal together. Original bill asked for \$3 million match from the County of Maui of which we negotiated down to a million. He has to go back and do a cleanup bill this session to reduce that County amount to a million and also to allow it to be a County ag park because the State, he realized that the State is not really going to be able to manage an ag park. It's done here by the County so he's going to change that from a State to a County ag park, and that was the justification we used to get the match down. We said well if we're going to run it then we should be able to put in less money because we're going to be taking on running it. So concurrently when all that was going on, we were approached by an owner that has land adjacent to the Kula Agriculture Park, and what intrigued us about this particular piece of property is it also has four two-inch water meters that come out of the Ag Park water system. So that is what enticed us to this piece of property. They don't, they own 1,800 acres but we're only looking at purchasing approximately 180 I think it was, 180. And it would be all along Pulehu Road so the infrastructure would be minimal because there's already power lines that go all along Pulehu Road, all of, each farm lot would be accessible from Pulehu Road, we would not have to build roads. So the only small infrastructure we would have to put in would be a trench to actually just bring the water meter pipelines to each lot which would be pretty minimal. Department of Planning has said that the subdivision...or Public Works, I never can remember who's responsible for what, but the subdivision could be done administratively so it would be relatively simple to do the subdivision for the purchase that we're looking at it. So that's it. This is, of course there's multiple steps that still have to take place. We need to get an appraisal. We need to meet, having a meeting of the minds with the owner and, you know, and we need to get the money released from the State, you know, so it's an on, it'll be ongoing. But we won't be able to pursue it at all if we don't get our million dollar match, so that's what we're asking for. And this money will go away from the State June 30 of 2015 so.



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CHAIR WHITE: Okay. Members, questions? Mr. Hokama.

VICE-CHAIR HOKAMA: So this is a State idea, State initiative and cost this County a million dollars?

MS. RASMUSSEN: Well...

CHAIR WHITE: Actually to clarify, these are, discussions for this began quite some time ago. I was approached by a number of farmers saying we really need to expand the ag park because it's one of the best areas in which to grow things, and we approached Mr. Yamashita I think two or three years ago to start this process. And basically the pitch was Maui's the only island without a State ag park, and as you know the State ag parks not only get, not only provide land but they also provide water at 50 cents per 1,000 where we provide water at --

UNIDENTIFIED SPEAKER: A dollar ten.

CHAIR WHITE: --back when we started looking at this \$1.05 I believe and now we're up to a \$1...what is it now 10?

MS. RASMUSSEN: I think 1.10 or 15.

CHAIR WHITE: Or 15 I think. So that was the genesis of it, so I'm excited to see that it's happening. And I, you know, and I strongly support us sharing in the cost, if we can both share in the cost and look at some ways to address our water issues as well. My understanding is that a good part of this construction money is going to be put to use expanding the water system. Correct?

MS. RASMUSSEN: To yeah, well and to --

CHAIR WHITE: And other infrastructure.

MS. RASMUSSEN: --we have an aging water system up there. The ag park was created almost 28 years ago and they've really had to put nothing into the water system as of right now, but it's going to start having to need this. So it was another way to actually, you know, get some funding to do some --

VICE-CHAIR HOKAMA: Right.

MS. RASMUSSEN: --infrastructure upgrades up there. But I want to tell you that the beauty of this is that it will cost no more money in administration. We already manage the Kula Ag Park, this will be rolled in just like any of the other lots. It will not cost an additional person, it won't cost, you know, there will be nothing else that will be needed for that. We want to put the money into the purchase of the land and the water system. And the other advantage, this is, the Kula Ag Park has been given grants in the past for the water system there from the

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State and I think ultimately that came from the Federal government. The advantage to the County I think is huge in keeping those four water meters intact with the Kula Ag Park water system. If the four water meters go to private owners of lots that will have ultimately probably luxury homes on them, I worry about the viability then of getting Federal grants for that water system or State grants because they'll say, you know, maybe, because we don't have total control over that. So I think it's important to keep that water system intact and not have it go outside of the County of Maui. It's non-potable water though, I want you to all understand that, it's non-potable water. We're not taking any treated water. We're not taking anybody's water meters that they might get down the road, this is non-potable water.

VICE-CHAIR HOKAMA: Well I can be more supportive if we take care dedication and some of the taxation issues of the ag component, but I'm not happy the way it is now. Thank you, Chairman.

CHAIR WHITE: Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. And I too have a concern about the water even though you, we've got the meters and whatnot, do we have enough supply? Because yes it is non-potable but it's coming from the same source as our potable water, just being diverted. So are we getting more commitment from EMI to provide more water that might be needed on this one?

MS. RASMUSSEN: Well this land comes with water rights. The agreement, when this originally, the water was a trade for the actual land that the Kula Ag Park was in. Maui Land and Pine is the one that gave the County the land for Kula Ag Park, and in turn the County gave them rights to the new water reservoir and water system that was going to be created for the ag park. So they let them have four meters. So the land already comes with the water rights, and I did dig up decades old documents that show that there are water rights to that land.

COUNCILMEMBER COUCH: But where are they getting the water from? That's the question.

MS. RASMUSSEN: It's coming from EMI.

COUNCILMEMBER COUCH: So they're required to...

MS. RASMUSSEN: They have, EMI will be, is required to give them that water.

COUNCILMEMBER COUCH: Okay.

MS. RASMUSSEN: It's already agreed.

CHAIR WHITE: If I'm not mistaken, Ms. Rasmussen, the water is coming from a lower ditch --

MS. RASMUSSEN: Yes.

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CHAIR WHITE: --that, and is then pumped up into the reservoir --

COUNCILMEMBER COUCH: Okay.

CHAIR WHITE: --at the top of the ag park.

COUNCILMEMBER COUCH: That's one of my questions. The other question...

CHAIR WHITE: So it's not, it hasn't gone through any treatment or anything --

COUNCILMEMBER COUCH: Right.

CHAIR WHITE: --of that sort.

COUNCILMEMBER COUCH: Right. The other question is in the current ag park I know there were some issues three or four years ago of people leasing spaces but not using the land. Is that still a situation that's going on or is everybody using everything they've got?

MS. RASMUSSEN: No, we've worked really hard since we got into, Kenneth has really worked really hard to get all of those issues cleaned up. Several lots have turned over to new owners. One particular lot that was actually being lived on, you know, we cleaned that up. I mean so everyone, all the lots now are in the hands of active farmers. They have, I will say though this winter has been a huge struggle for them, they've haven't been able to get into their fields for months, you know, to actually do very much work. They've lost crops. They've, they can't plant, they can't plow because the ground is too muddy, so it's going to be one of the worst years in a couple decades for our farmers. And so we're standing by to see, you know, what we can do to assist them with that.

COUNCILMEMBER COUCH: Ironically too much water.

MS. RASMUSSEN: Right.

COUNCILMEMBER COUCH: Okay, thank you. I'm glad to see that the land is being used because I know several farmers have come to me and said, you know, it's frustrating that it's sitting there not being used, but now you've got everything being used and now it's time to expand.

MS. RASMUSSEN: And some of the older farmers are looking at turning over their lots as well, so that, you know, there's some active things happening with that as well.

COUNCILMEMBER COUCH: Thank you, Chair.

CHAIR WHITE: Ms. Cochran?

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COUNCILMEMBER COCHRAN: Thank you, Chair. And that was, yeah, the gist I guess of my inquiry was in regards to the current ag park. How many acres is that?

MS. RASMUSSEN: I believe it's 350 acres.

COUNCILMEMBER COCHRAN: And your --

MS. RASMUSSEN: Useable.

COUNCILMEMBER COCHRAN: --answer...useable.

MS. RASMUSSEN: Useable.

COUNCILMEMBER COCHRAN: What does that mean then?

MS. RASMUSSEN: Well it means that there's actually more acreage but that's what they're actually being charged for that they can actually farm, so it doesn't count the ravines and the gullies and, you know, that kind.

COUNCILMEMBER COCHRAN: But overall it's more than 350 then?

MS. RASMUSSEN: Yes.

COUNCILMEMBER COCHRAN: And we bought all this as . . . *(inaudible)* . . .

MS. RASMUSSEN: No, it was given to the County by Maui Land and Pineapple.

COUNCILMEMBER COCHRAN: In exchange for the water rights thing that you just explained. Okay. And then the other I guess answer back to Mr. Couch was that the land, the useable land is being utilized at this point.

MS. RASMUSSEN: Yes.

COUNCILMEMBER COCHRAN: It's all being utilized.

MS. RASMUSSEN: When the farmers can get back in their fields.

COUNCILMEMBER COCHRAN: Right. I mean not due to the --

MS. RASMUSSEN: Yeah, right, right.

COUNCILMEMBER COCHRAN: --nature of the weather today --

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MS. RASMUSSEN: Right.

COUNCILMEMBER COCHRAN: --but just overall --

MS. RASMUSSEN: Right.

COUNCILMEMBER COCHRAN: --in general it's spoken for --

MS. RASMUSSEN: Yes.

COUNCILMEMBER COCHRAN: --it's being utilized.

MS. RASMUSSEN: Yes. Every lot is leased out currently, yes. We don't --

COUNCILMEMBER COCHRAN: Okay.

MS. RASMUSSEN: --have any lots that are waiting for new farmers or anything, they're all leased.

COUNCILMEMBER COCHRAN: Okay. And you have a list at this point for more people are asking and wanting and want to jump on, that's why we definitely need to expand here?

MS. RASMUSSEN: We have, yes, and we have had, we have a lot of issues with the farmers being tucked in residential neighbors and having issues, you know, with the surrounding houses and so forth, so being in an ag park is very desirable to them because that kind of takes away all of that. You know whether they're running their tractor or they're making dust or their employees are starting at, you know, 5:30 in the morning. I mean all these things are not compatible in residential neighbors and so that's why farmers are particularly, they love being in an area that is all devoted to agriculture.

COUNCILMEMBER COCHRAN: Okay. And...okay. And this land, I mean I drove down there not too long ago and it just seemed quite rocky and kiawe and dry and desolate, and maybe just off the highway itself it looked that way and further in I'm not sure but it didn't look too appetizing.

MS. RASMUSSEN: Well most of the, all of the lots are cleared of all the kiawe trees. That's what the farmers got when they first came in there, they were all responsible for clearing their land and it was covered with kiawe trees. They were also responsible for clearing the rocks, so a lot of them have piles of rocks just like you see HC&S fields have piles of rocks, the farmers in the Kula Ag Park also have piles of rocks that they've picked out of their fields. So they didn't get these lots in pristine condition, you know, they had to physically do this with tractors and by hand and, you know, so.

COUNCILMEMBER COCHRAN: And the 180 we're looking at is very similar terrain  
...*(inaudible)*...

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MS. RASMUSSEN: It's clear. This land was farmed at some point in pineapple so it does not have kiawe trees on it which is great.

COUNCILMEMBER COCHRAN: Okay. Okay, thank you, Chair.

CHAIR WHITE: Mr. Guzman.

COUNCILMEMBER GUZMAN: Thank you, Chair. Just to follow up on Ms. Cochran's I guess questions. If you look at it, what we have today in terms of our agriculture community, you can look at it as like compared to affordable housing. Now our agriculture industry is desperately in need of affordable lands to farm because right now the landowners are reluctant to give long-term leases, and so what we have is farmers having to go with short-term leases at a high end of cost. And so this extension of the Kula ag farm, ag lands would be something that would add into the inventory for lands for our affordable farming lands, and it's, to me when you analyze everything it's a win-win situation in regards to, you know what, we're going to get a match from the State, that match will expire next year 2015. If we don't act on it now, the timing is right, it's right next, the land is adjacent to our Kula park, water is not an issue. I think if we don't act on this we're going to lose the opportunity to provide affordable farm lands to our agriculture community. Thank you, Chair.

CHAIR WHITE: Any further questions or comments?

COUNCILMEMBER COCHRAN: Chair?

CHAIR WHITE: Ms. Cochran?

COUNCILMEMBER COCHRAN: And riding on what Mr. Guzman just said and knowing the company and the lands that they actually have in West Maui and to look towards hopefully some discussion, you know, on the table to expand such, some type of ag park in West Maui, because land and water is definitely plentiful. And I think there's...but of course you have to have a willing seller and stuff of that nature, so hopefully do you have any comment as to has there been any discussion in regards to that?

MS. RASMUSSEN: Yes, actually from your previous comments in previous budget sessions we have actually explored that. Kenneth has been over there talking. The problem right now is the landowners are not willing to give long-term leases. It makes it very difficult to have a farmer go in there and vest what has to, what they have to invest in to do it just as Councilman Guzman said. And so now whether they would entertain actually selling off a large chunk of land to the County to actually create an ag park, that would be a whole 'nother conversation, but as of right now the farmers that have approached them, they're not willing to give them long-term leases. Because I think they have ultimately other plans for that land, and I think it has higher uses than agriculture from what we can gather, you know. And if that's not the case then we would love to. If there was a willingness to explore it and the

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Council was willing to part with the funding that it would take to purchase a large chunk of farm land like that. But you have to also be very cautious about where you purchase it because if the wind is too strong, the salt is too concentrated then you're just setting yourself up to have an ag park that is in an area that's not very appropriate for farming. And so you have to look at those conditions. And typically when large landowners want to sell land like that, those are the kinds of the areas that they want to sell and they're not necessarily conducive to farming. So we would want to really explore that cautiously and make sure that we brought some experts in to evaluate that.

COUNCILMEMBER COCHRAN: Right. Thank you. And I under...sorry, Chair, if I can just --

CHAIR WHITE: Sure.

COUNCILMEMBER COCHRAN: --real, real quick. I know we're heading into lunch hour. But and I understand the dilemma in regards to the leasing issues and what have you, but these lands were originally ranching, ag, so yes they are conducive to such activities. My question is the 50-acre park, I mean could park be deemed an agricultural park or does it need to be a ball field park or, you know, a walking park? Can it be used for agricultural purposes too? In these park dedicated lands. Just kind of crossed my mind.

CHAIR WHITE: Good question.

MR. BAZ: Mr. Chair, I think we'd have to review the Code but from my recollection it'd be recreation activities so not necessarily ag, even though we call it an ag park.

COUNCILMEMBER COCHRAN: Okay.

MR. BAZ: Good suggestion though.

COUNCILMEMBER COCHRAN: I, you know, maybe we can...

MR. BAZ: Good try.

COUNCILMEMBER COCHRAN: Okay, all right. Just trying to look everywhere to get an ag park going. Thank you, Chair, for this opportunity.

CHAIR WHITE: Thank you. Okay, Members, we also need to review the Grant Revenue section of the Economic Development Department, so if you could proceed with that.

MS. RASMUSSEN: So we actually have two areas of grant revenue, primarily our Workforce Investment Act and the cultural, the CPEP from Hawaii Tourism Authority. We have found out from Cheryl Sterling our specialist for the HTA funding that they will be granting the counties level funding which will be 400,000. They run on a calendar year so it runs different than our calendar, but it'll be actually 400,000 with the admin capped at 75,000 for

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that program. WIA is fairly solid for the rest of this fiscal year and partway into Fiscal Year '15, but there are major changes coming with the WIA program. The Federal government -- well I'm assuming it came from Congress -- has kept the admin, they have changed the cap for the administration of the WIA from 15 percent to, down to I believe 8 percent, so they've had to do a serious reduction in the amount of administration it takes to run this program. And I will tell you this program is fraught with duplication and multiple levels of Federal bureaucracy, and I think Congress knew that and so they have mandated that the cuts take place. So because the money comes from the Federal government to the State and then the State to the counties, the State has said there's no possible way for us to keep all of our people in place that administer this program, that we're going to have to make severe changes. And they have gone back and forth with the WIB boards for over a year coming up with that formula, and I think finally the WIB boards because none of the counties wanted to see their boards go away because that would mean they would have no determination whatsoever at a county level of how those funds were used. So no county and no mayor in our State was willing to go along with that. So the latest rendition that has finally, I believe will be accepted by the WIB boards is that all four of the WIB boards will remain intact, and the, but the contracts that used to come from the State to the County will be eliminated and they'll only be done at the State level. And actually that reduces one whole set of contracts which is a lot of, it was a lot of work. So the State contract did to the counties, the counties had to contract to the providers, so you can imagine it was just double contracts everywhere. So the State will now contract directly to the providers. The counties will retain a very, very small amount of admin function that they will have to monitor those State contracts because the Federal government said the State cannot monitor its own contracts, so the counties will actually do that function. When all of this settles out, we will have gone from one-and-two-thirds position in our Department for WIA down to about if we're lucky maybe one-sixth of one position. So that's how it's going to shake out, and that will happen at probably January of 2015. So that's where we're at.

CHAIR WHITE: Can you provide a description of how these funds are utilized? Other than for providing the staff.

MS. RASMUSSEN: You know we have our specialist in the audience today. Roland Prieto manages our workforce investment. Would you like to just tell them where the providers, who the providers are for our programs?

MR. PRIETO: Good morning, Council members. Good morning, Chair.

CHAIR WHITE: Good morning.

MR. PRIETO: I did just want to add that in answer to your question that we have two, we actually have three subcontracts that go out to two service providers. The service provider for our WIA youth contract is the Kuina program which operates out of the University of Hawaii Maui College. And the service provider for our adult and dislocated worker programs is provided by the Workforce Development Division which is a division of the Department of



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Labor and Industrial Relations, and that is the monitoring activity that Teena had alluded to. Because Workforce Development Division is a division of DLIR, the Feds have mandated that if DLIR resumes contracts out to themselves, they can't monitor themselves as far as activities go for the service that they provide.

CHAIR WHITE: So what change do you expect in that portion of the grant?

MR. PRIETO: There really, I don't, we don't expect much changes as far as how much money is going down, coming from the State down to the service providers. The only concern that we have had and the Mayor has expressed this was the timing of the contracts to be processed at the State level so that it doesn't affect the service that we provide for the participants in our County.

CHAIR WHITE: Okay. Members, any questions? Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. Though but talk about convoluted. What are the, you have two service providers but what are the services they provide? I think that's more of what Mr. Chair White was discussing.

MR. PRIETO: As far as our youth service provider, they do provide various types of services. As far as participants in their program, they can provide services as far as counseling goes, tuition payments, other types of services such as transportation. As far as our adult and dislocated program, they also provide case management work and, to make sure that the participants are moving along and are within the, are participating within the criteria of the programs.

CHAIR WHITE: Other questions, Members?

COUNCILMEMBER COCHRAN: Chair? Chair?

CHAIR WHITE: Yes, Ms. Cochran.

COUNCILMEMBER COCHRAN: So this is Federal monies --

CHAIR WHITE: Right.

COUNCILMEMBER COCHRAN: --administered through the State to us the County to run their program or to keep an eye on their program because they can't monitor themselves because it's like a conflict of interest or --

MR. PRIETO: That is correct.

COUNCILMEMBER COCHRAN: --situation? That's just...anyway, okay. Just trying to get it straight.

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CHAIR WHITE: Any further questions? Okay, any questions on the HTA funding? Seeing none...

VICE-CHAIR HOKAMA: Chair, is this subject --

CHAIR WHITE: Yes.

VICE-CHAIR HOKAMA: --to change dependent upon what the Legislature closes their budget with, Ms. Rasmussen?

MS. RASMUSSEN: He's asking--Cheryl's here--if the Legislature, would they change their amount based on anything that happened at the Legislature. I'll have Ms. Sterling come down for a second.

VICE-CHAIR HOKAMA: Okay, thank you.

MS. STERLING: Good afternoon. We just recently received confirmation that our current two-year contract will be extended for one year with level funds. I know when we contract that HTA funds are always dependent on what happens with the TAT revenues. At this point I believe they are committed to support the program through 2015. It, nothing's set in stone because our contract has not actually been renewed at this point. We've been verbally given agreement to proceed. We have a date of a RFP process for 2015 solicitations but we don't have the contract in place.

VICE-CHAIR HOKAMA: When do you anticipate hopefully to execute an agreement?

MS. STERLING: I don't have a crystal ball for HTA, you know, it often comes...

VICE-CHAIR HOKAMA: What's your best hope?

MS. STERLING: Well they'll understand that the counties are all in budget process and want to know the funds are committed, and normally they try to expedite things so it would be in place before the RFP process is initiated this summer.

VICE-CHAIR HOKAMA: They've already sent you a letter stating the...

MS. STERLING: We've only had a verbal from the HTA's product development manager, and that has come from their, top down from their director and from their head of marketing that the program would be renewed for next year.

VICE-CHAIR HOKAMA: Can you get something in writing to this Committee from them?

MS. STERLING: I can request that, certainly.

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VICE-CHAIR HOKAMA: I think that would help us and be good for you to have, too --

MS. STERLING: Yeah, that's true.

VICE-CHAIR HOKAMA: --in your hands--

MS. STERLING: Yes, I agree.

VICE-CHAIR HOKAMA: --as a document when you finalize your agreement with the agency.

MS. STERLING: Okay.

VICE-CHAIR HOKAMA: So thank you very much.

MS. STERLING: Sure.

CHAIR WHITE: Okay, any other questions regarding HTA? Thank you very much, Ms. Sterling. And we'll take our lunch break, and when we return we will continue with the Office of the Mayor in the agricultural section on --

COUNCILMEMBER COUCH: Four twenty-three.

CHAIR WHITE: --423. Okay, with that, we'll be in recess until 1:30. . . .(gavel). . .

RECESS:	11:59 a.m.
RECONVENE:	1:35 p.m.

CHAIR WHITE: . . .(gavel). . . The Budget and Finance Committee will come back to order. And we will continue with the review of the Economic Development program starting with the Agriculture program. Members, I do wanna make sure that we allow for enough time for review of the Management Department. So many of these we've discussed parts of the Agriculture program as we've gone through the earlier presentation so.

MR. BAZ: Mr. Chair.

CHAIR WHITE: Yeah.

MR. BAZ: Thank you. So we're gonna be starting on Page 423 --

CHAIR WHITE: Correct.

MR. BAZ: --is the Economic Development program, Agriculture Program Description, Key Activity Goals and Measures, and we have Kenneth Yamamura who's here. He's our ag specialist within the Department, within the Office of Economic Development.

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CHAIR WHITE: Okay, thank you very much. Please...

MR. BAZ: So I don't know if we want to just move into questions if...

CHAIR WHITE: We can. Okay, we'll have a slight delay.

MS. RASMUSSEN: There was a huge crowd in the elevator, I'm so sorry. Like a huge group of people. Okay.

CHAIR WHITE: Okay, if we can please proceed with the Agriculture Program.

MS. RASMUSSEN: Okay. So let me get to the right page here.

CHAIR WHITE: Page 423.

MS. RASMUSSEN: Okay. And if I would, if I could ask the Chair if I could correct something that I said in the earlier session?

CHAIR WHITE: Yes.

MS. RASMUSSEN: Apparently my staff mentioned to me that I made an error when I was giving the number of people that walked into the Kuhao Business Center versus the Maui County Business Resource Center, so I wanted to clarify those numbers. It's 2,035 people walked into the Kuhao Business Center in Molokai, and 4,769 walked into the Maui Mall Business Resource Center. So I just wanted to clarify that for the record. Thank you.

CHAIR WHITE: Okay, thank you. Please proceed.

MS. RASMUSSEN: So with our Agriculture Economic Development program I have with us Kenneth Yamamura, he's our Agriculture Specialist. And we have identified, one goal is to encourage and develop the, and support the next generation of farmers. And to do that we have identified FFA as being one of those areas that we could help promote and assist, and the other one is just creating mentors for young farmers and so that is one of the areas we're looking at. And FFA is being looked at on a State level as well and so I think it fits nicely for us to continue that in our County. Oh, and I'm sorry, FFA, excuse me, Future Farmers of America. Our Goal No. 2 is to improve and expand on the infrastructure that enables local farming in the Kula Agricultural Park, and we talked about several projects that we had going there. We actually had a grant from the State that allowed us to do several projects to the water system in the Kula Ag Park, and what we were working on with this last one was the remaining funds. And when we got the design finished and ready, we were not actually able to replace these four pumps, we were only able to afford with the grant money to buy spare parts for the pumps, and so that's what we actually did with that money. Did you want to add anything to that, Kenneth?

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MR. YAMAMURA: I believe the number of parts is just for three pumps and the Water Department was willing to chip in to do the fourth water pump. Now we don't collect any of the fees, the Water Department collects all the fees and so we did want to see if they wanted to take over the water system but they chose not to.

MS. RASMUSSEN: Okay. And then the other thing that we are monitoring and working on is the control of the axis deer population, so Kenneth sits on the Axis Deer Working Group. And we have given a grant out to a group that is working on a culling and harvesting project, and we are, that grant is still ongoing and we are continuing to monitor that grant and their activities. Next is Goal No. 4 which is on the next page. To monitor and help facilitate the Maui Produce Processing Cooperative at the Kula Vacuum Cooling Plant in becoming food safety certified. This is an ongoing project, lots and lots of Federal regulations that deal with this, and so I'd like to ask Kenneth to give you a little update on that.

MR. YAMAMURA: Currently they still have some funding that's going to be available again. They asked for a renewal. They have just a few things to do to I guess reach a point where they could submit for certification. Part of the process is you have to have some data on the temperatures for the reefer facilities so you have to track that for over a year, and so they've been doing that. So there's only structurally a few things that they have to do. One is the vents have to be screened to keep birds out of the facility, and they also wanted to repair a door and that is to allow the person that's using the, one of the reefers inside the main structure to relocate to the secondary building. And then the existing, the larger reefer will be used for storage of processed vegetables.

MS. RASMUSSEN: Okay. And last is to manage and track our success of the Kula Ag Park. All 31 lots as I said are leased and that is our goal. We wanted to monitor the jobs that are created at the ag park. This, the numbers you see here are just an estimate, but since this has been done we actually have actual numbers of jobs. The jobs are much higher than the estimate. They have, the farmers have told us they have 80 full-time jobs and 50, 5-0 part-time jobs. And then also to track the farm gate value of the crops there, the \$3 million estimate is incomplete, we have not received word from every farmer yet so we're going to keep gathering that number. So that's, takes you through those goals and objectives.

CHAIR WHITE: Okay, Members, any questions for Agriculture? Ms. Crivello, followed by Mr. Hokama.

COUNCILMEMBER CRIVELLO: Thank you. Thank you for being here, Kenneth. In regards to the, I guess the Kula Vacuum Cooling Plant, am I to understand that it is certified? It is certified? It has its necessary certification?

MR. YAMAMURA: Not yet.

COUNCILMEMBER CRIVELLO: Oh, you...

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MR. YAMAMURA: Yeah, I'm describing the, there's a ceiling fan that needs to be sealed to keep birds out.

COUNCILMEMBER CRIVELLO: Okay. So...

MR. YAMAMURA: And, yeah, and then some other repairs to allow the current, one of the large reefers is used by a flower grower. We want to move him out so that we can put strictly produce inside that facility, and so we need to repair a door.

COUNCILMEMBER CRIVELLO: Okay. So do, how long have, has this facility been in place?

MR. YAMAMURA: I would say early '70s. Originally it was in Kahului Harbor, a long time ago in the '60s. It was in the early '70s moved up to Omaopio.

COUNCILMEMBER CRIVELLO: Okay. So in your best estimate how long will the repairs take?

MR. YAMAMURA: They have enough money to actually hire, to get all of that done. Although I've often wondered, I mean they have a staff worker part time that comes in Sundays and I'm not sure why the roof vent hasn't been fixed already because you don't need to hire somebody to do that.

COUNCILMEMBER CRIVELLO: Okay. Thank you.

CHAIR WHITE: Mr. Hokama?

VICE-CHAIR HOKAMA: Thank you, Chairman. With, let me go back to the, since Ms. Crivello brought up the agricultural park. Out of that total value of products produced, how much is actually for Maui island or Maui County purchasing and how much is actually shipped off for non-County consumption or uses?

MS. RASMUSSEN: We actually haven't tracked that but just knowing the farms and knowing where their markets are...are you talking about just Maui island versus the State? Or because some of them do ship to Oahu but very little of it goes to Oahu.

VICE-CHAIR HOKAMA: Yeah. I'm just trying to get a sense of what is being produced on the County's --

MS. RASMUSSEN: Yeah.

VICE-CHAIR HOKAMA: --agriculture lands.

MS. RASMUSSEN: I would say at least 80 percent of it is staying on the island. Just from the farms because I know the farmers.

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VICE-CHAIR HOKAMA: Right, right, right. Okay. So at least for them the transportation factor is minimal compared to other factors then? Since they're not shipping.

MS. RASMUSSEN: Well it isn't, those that are trying to access the Oahu market, that is the barrier for them because the Oahu growers don't have that barrier.

VICE-CHAIR HOKAMA: Right, right.

MS. RASMUSSEN: So that is the barrier.

VICE-CHAIR HOKAMA: They all use that, the vacuum cooling operation as well as the airport's inspection resources for their benefits? Are they using those facilities too?

MS. RASMUSSEN: Well they are using the vacuum cooled plant, you know, those that are trying to ship off island for sure, and of course everything has to be inspected that, well not that goes within the State but, you know, if it goes out of the State it does. And they may be doing some interisland inspections. I'm not sure at what level they're doing that now. I think it's mostly on nursery products.

VICE-CHAIR HOKAMA: If you have the details I'd be curious what is being grown on the County's lots --

MS. RASMUSSEN: Okay.

VICE-CHAIR HOKAMA: --and the type of money value. I mean, you know...

MS. RASMUSSEN: We will continue trying to gather that information --

VICE-CHAIR HOKAMA: Great.

MS. RASMUSSEN: --it's just getting it from each farm --

VICE-CHAIR HOKAMA: Yeah.

MS. RASMUSSEN: --and the kinds. I think that we can definitely tell you the different kinds of crops, trying to get the value is the difficulty.

VICE-CHAIR HOKAMA: Maybe you can just give it as in ranges, you know, without getting so tied down to a specific --

MS. RASMUSSEN: Right, right.

VICE-CHAIR HOKAMA: --but, you know, between this number and this number --

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MS. RASMUSSEN: Right.

VICE-CHAIR HOKAMA: --they're in this range. Regarding the axis deer, has the State, can you tell us what is the State's participation with the program, if any, please?

MS. RASMUSSEN: Okay, yeah, why don't you kind of answer.

MR. YAMAMURA: Well the Maui Axis Deer Working Group, they are contributing I think it was \$72,000 so part of that is going to a coordinator position, okay, and then the rest will be used for some type of program. Or I think right now they're looking at doing a survey to get the feeling of what the community actually would, you know, in the way of control what do they favor rather than just do something. For example, I give you an example, you can do aerial shooting like if it's with DLNR personnel or Federal people, but is that acceptable? There's people that may not want to see that happen.

VICE-CHAIR HOKAMA: So that 72,000 is the State's level of participation?

MR. YAMAMURA: It's from the Hawaii Invasive Species Council.

VICE-CHAIR HOKAMA: And that's through a State appropriation?

UNIDENTIFIED SPEAKER: Yeah.

VICE-CHAIR HOKAMA: Okay, no, I'm curious because I just find it interesting the agencies that are responsible to have those animals here on this island from the first place and knew what was going on through their annual census, what can I say. In transportation terms we would say they missed the bus, they missed the boat, they missed the plane, they missed everything, Chairman, and it's going to cost a lot more than 72,000 to correct their lack of due diligence on their responsibilities to the general community. So again it is taxpayers paying in another way, Chairman, for I would say government's lack of oversight and accountability, and this time again my favorite subject, the State of Hawaii continues to show me that my level of confidence is worthy of where it is as it regards to their ability to perform. So I'm not too happy with us putting our monies in this types of areas, Chairman.

CHAIR WHITE: Okay, thank you. Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. I'm still a little stuck on the water for the ag park, so I would like to ask if it is at all possible we can get a copy of the agreement that we have. Because we hear through all of our other Committees, especially the Water Resource Committee that there's no water, no more water Upcountry, so I just would like to see if we can get a copy of that agreement or any agreement we have with EMI on that. 'Cause I'm not sure, plus, you know, what's the State going to do when we go into any kind of arbitration or whatever for the streams on that side too so.



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CHAIR WHITE: Yeah, we'll have Staff request that. Thank you.

COUNCILMEMBER COUCH: Okay, thank you.

CHAIR WHITE: If there are other comments on Agriculture just be mindful folks that we've got to be out of here around 4:00 and we still have the Department of Management to consider, and there's a number of big items there that will I'm sure elicit a number of questions from all of you so.

COUNCILMEMBER COCHRAN: Okay.

CHAIR WHITE: Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you, Chair.

CHAIR WHITE: One fast...

COUNCILMEMBER COCHRAN: And with that I'll --

CHAIR WHITE: One fast one.

COUNCILMEMBER COCHRAN: --definitely limit myself to, yeah. Limit myself. So just a general statement. I just look at the opening comments or just looking at this overall and it's very Maui centric and it's very Kula, Upcountry centric. You know having spent a couple days on Lanai, they, and I know Pulama Lanai has, is the main, you know, owner there, but I still think that there's our community people that pay taxes to us and depend on our voice and representation to assist in agriculture there. Molokai also, not wanting to step on my fellow Members' toes or anything. But then jumping over and when asking if this, your agriculture also means ranching, not just farming?

MS. RASMUSSEN: Yes.

COUNCILMEMBER COCHRAN: Does it also mean you folks assist --

MS. RASMUSSEN: Yes.

COUNCILMEMBER COCHRAN: --ranchers, cattlemen, people of that nature? Okay, with that being said this is, you know, it's not here but I was appraised of the situation with the Hawaii Flour Mill on Oahu and want to know where this County stands in assisting our ranchers in, I don't know dialoguing with that entity that is looks like it's going to shut down and thereby we've got a lot of people here, our ranchers that depend on that source for feed for their cattle. So has this Department looked into some type of assistance, some type of dialogue with whatever entities need be to make sure this doesn't... *(inaudible)*...

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MS. RASMUSSEN: Yeah. And it's a complex problem and we can definitely dive in, you know, at another time longer, but yes, we are involved in that dialogue. And yes, Kenneth is keeping apprised, he's keeping me apprised. There haven't been solutions that have been identified yet so but we are a part of that and we are aware of it, so if I could, you know...

COUNCILMEMBER COCHRAN: Okay, okay.

MS. RASMUSSEN: Yeah.

COUNCILMEMBER COCHRAN: Yeah, I mean that's, you know, a different subject matter. But, Chair, and then lastly, in regards to the deer issue, I believe there's a wonderful entity on Molokai and he did call in a little while back to testify that they've got such a wonderful program going on. And as I understand, he is coming to our UH Maui College to put on some programs of something which I'm very, highly encouraged and I'm looking forward to seeing, but hopefully this Maui Axis Working Deer Group can work with and learn from and be assisted in some way to make it productive just as Molokai has. So that's it in a nutshell real quick.

MS. RASMUSSEN: Okay, thank you.

CHAIR WHITE: Okay. With that, if you, if any of you have further questions regarding the Agriculture program, please jot them down and give them to Staff during the meeting. And we'll move onto the Business Resource Centers.

MS. RASMUSSEN: Okay.

CHAIR WHITE: Provide us a brief overview.

MS. RASMUSSEN: Yeah, just a brief. I kind of gave you --

CHAIR WHITE: Yeah... *(inaudible)*...

MS. RASMUSSEN: --some of the highlights and so if you have, I don't know if you want to dive more into that but.

CHAIR WHITE: Any questions, Members, on the Business Resource Centers? I think we've covered a bit of that already.

MS. RASMUSSEN: Okay.

CHAIR WHITE: Okay, moving on to the Film Industry.

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MS. RASMUSSEN: Okay. And if we might do...Mr. Bennett is on his way. If we might do, he had actually a very important meeting this morning with a studio, film studio that is here on the island, but if we could maybe move onto the next one and then see if he makes it.

CHAIR WHITE: That's fine. County Product Enrichment program. I think we've covered that.

MS. RASMUSSEN: We covered that already with Ms. Sterling.

CHAIR WHITE: And Renewable Energy. Oh, I guess you have the Sports and Events program.

MS. RASMUSSEN: You know we don't have a sports specialist anymore in our Department, but I will tell you we work with a lot of sporting events and obviously a lot of cultural events, and so this is just primarily how we interface with them with our grants and so forth. So I don't think there's, you know, one of the bigger ones we fund is the professional windsurfing tournament, the Kite Surf Pro tournament, but there's many, many, many other events. But it mostly falls into the category of our grant program so we could discuss that at a later date.

CHAIR WHITE: Right. Okay, Renewable Energy and Energy Efficiency.

MS. RASMUSSEN: We do have our Energy Commissioner here if you have questions for him.

CHAIR WHITE: Members, any questions? I think you're all pretty well up on what Mr. McLeod has been up to. Any budget questions? Mr. Couch?

COUNCILMEMBER COUCH: Thank you. Just a quick question as to, you know, we had talked about maybe two or three years ago replacing a lot of the lights in the County Building with energy-saving devices. I was just wondering how that project's going along.

MS. RASMUSSEN: Okay.

MR. McLEOD: Mr. Couch, in answer to your question we did have some ARRA stimulus money that we did use to do some programs for County buildings. Right now the energy efficiency focus is on the streetlights and we have a project to put in some samples to test. But in terms of interior lighting of the County buildings, we had some of the companies that offer that service do some walkthroughs informally, didn't find any big projects last year. But I know you think there would be but a lot of these buildings have had a first pass through them, and right now the economics of converting from florescent to LED is still marginal. So generally in our buildings, you know, particularly like this building, you'll see there has been initial conversion from incandescent lighting to florescent, and that final conversion from florescent to LEDs is kind of marginal on the economics. But you can see the price trends, in another couple years it'll probably work.

COUNCILMEMBER COUCH: Okay. Thank you, Chair.

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CHAIR WHITE: Any other questions for Mr. McLeod? Thank you very much. We appreciate all your work. And...

MS. RASMUSSEN: Mr. Bennett did come if they, if there's any film questions, but we can also cover that when we come back for our film promotion.

CHAIR WHITE: Members, if you have a burning question we'll deal with it now or a fast question. Mr. Hokama.

VICE-CHAIR HOKAMA: I'd like to know what's your upcoming approach for the Molokai-Lanai islands.

MR. BENNETT: Aloha.

VICE-CHAIR HOKAMA: Aloha.

MR. BENNETT: Right now as far as Molokai is concerned the feature film Ethyrea is planning on filming there for about six weeks. I would imagine that to happen closer to the end of the year.

VICE-CHAIR HOKAMA: Calendar year?

MR. BENNETT: Yeah. They'll be here in July to open offices and to start preproduction, and they'll be in the Maui Film Studios as well as three or four other locations on Maui. And then they will take a break right around the holidays to shoot on Molokai, and they'll start in Molokai and take the holiday break and then come back in January and shoot four weeks on Molokai. As far as Lanai is concerned, I actually just took some producers there over the weekend to scout for a film. And I'm not really in the loop on Pulama Lanai as far as Mr. Ellison's plans, immediate plans, I know some long-term plans are to build a film studio there and a potential back lot for filming. But he's very involved in the movie business. As you know both of his kids Megan and David are both major movie producers, so he's very involved and very excited about getting Lanai involved.

VICE-CHAIR HOKAMA: Can you tell us what is your anticipated impact to the economies?

MR. BENNETT: Yes, I can tell you that, again, with the feature film Ethyrea coming in, they'll be hiring roughly 100 people for the day-to-day crew, and there'll be many times where they hire up to 500 extras on a daily and sometimes weekly basis. This kind of movie is a big fantasy type movie where they'll use lots of extras in big scenes, and it's futuristic, you know, Hobbit, Hunger Games sort of movie. And, you know, they'll be hiring lots of people for the crew. They'll be using all the local vendors and businesses.

VICE-CHAIR HOKAMA: So your forecast is, what's the dollar benefit to the County? Three million? Five million?

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MR. BENNETT: The dollar benefit amount for Ethyrea alone will be \$60 million spent in Maui County. There's another film that's going to be coming in soon, I would say close to the end of the summer, that has a roughly \$40 million spend, so it's going to be a very busy summer here.

VICE-CHAIR HOKAMA: Great. Does that include job training for our residents?

MR. BENNETT: It does, yes. We have some ongoing classes. There's some actor classes and some background artist classes that are taking place. The IA has come over once already and done a certification class for electricians, and I think they're planning another class in the next four weeks either sometime late April or 1<sup>st</sup> of May. And then there's also the Relativity School which is starting up at UH MC for a film and TV program there as well.

VICE-CHAIR HOKAMA: Great. As long as our residents get the benefit I think that'll be great. Thank you.

MR. BENNETT: Yeah.

CHAIR WHITE: Members, any other questions? Ms. Crivello?

COUNCILMEMBER CRIVELLO: Yes. You mentioned six weeks on Molokai. What are you, what's their plans on Molokai?

MR. BENNETT: Well I can tell you preliminarily that their plans are to, the producer Ms. Fontaine is looking for a home to purchase there with some land, and most of the filming will be done on her land. Those are the preliminary plans, and of course, Ms. Crivello, as you and I have discussed, when the time comes closer and there's a more definite plan and some more details then I think you and I at that point would get together with the people of Molokai and talk about what the plans are and see what is best for Molokai.

COUNCILMEMBER CRIVELLO: Thank you. And I'd just like to add, let Molokai be part of the planning, and I appreciate you allowing that because then it will run smoother. And it needs to be community based.

MR. BENNETT: Yes, absolutely.

COUNCILMEMBER CRIVELLO: Okay, thank you.

CHAIR WHITE: Any further questions? Seeing none, thank you very much. And we will move onto, let's see, the Community Block Grant program. And we're just passing out for your information, Committee, that there's been an adjustment to the allocation for the CDBG funds. There's been a reduction of \$48,804, and so you'll note in the item distributed, they

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have suggested how we can adjust those numbers. So that's for your review. And we can, I think we can cover this at another time, right? When...

MR. BAZ: Yeah, Mr. Chair, the only recommended I guess action that I would say for this Committee would be to modify the amount in the Appendix A, Part 1 Grant Revenue for CDBG to match the amount that is coming in.

CHAIR WHITE: Right. . . .*(inaudible)*. . .

MR. BAZ: The other items are based on the resolution that you passed already.

CHAIR WHITE: Pardon?

MR. BAZ: The other items in there are based on the resolution that you passed --

CHAIR WHITE: Right.

MR. BAZ: --so the, that's what happens is the projects get pushed back as alternates.

CHAIR WHITE: Okay. Questions, Members? Mr. Couch?

COUNCILMEMBER COUCH: Thank you. Just a quick one. So it's saying that the shortfall to Maui Farm makes it the first alternate project and then the County of Maui Police Department is the second alternate, and then whoever was the second alternate got pushed down? Is that how that worked?

MR. BAZ: Yeah. Mr. Couch, the Maui Farm Rehabilitation became partially funded, you know, so the amount --

COUNCILMEMBER COUCH: It just...

MR. BAZ: --that's not fully funded is the first alternate, and then the police signage is the, is now become the second alternate.

COUNCILMEMBER COUCH: And then whoever was the second alternate gets dropped off? Or is third alternate?

MR. BAZ: Basically becomes third alternate at this point.

COUNCILMEMBER COUCH: Okay. And that's something that we can do without having to go through the reso again?

MR. BAZ: Yeah, that's correct. Based on the resolution that you passed those are from my understanding what's allowed and what the normal process is.

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COUNCILMEMBER COUCH: Okay. Thank you, Chair.

CHAIR WHITE: Okay. Any further questions? Seeing none, we'll discuss the Open Space Natural Resource Fund and the Emergency Fund later on as we get into grants and stuff.

**DEPARTMENT OF MANAGEMENT**

MR. WHITE: So with that we'll move onto Department of Management. And while they are coming up, I forgot to announce the distributions that we had at the beginning of the meeting today. The first is the requested balances of all the trust and agency accounts, so that's the, that's the thinner of the two that we placed on your desks this morning. And we have in addition to that, a list of all vacancies from the various departments. And as you go through this as was noted by Ms. Baisa this morning, one of the positions that was a Clerk Typist that was I think vacated in 2011, so that's not a funded position. So even if that was eliminated there'll be no savings. So when you are looking at the various departments that are coming up, please note that you need to cross reference what's in this list with what's being presented just to make sure that you understand which vacancies are funded vacancies versus those that are not. So with that we're ready to review the Department of Management. Please proceed.

MR. REGAN: Thank you. Good afternoon, Chair. Good afternoon, Members of the Budget and Finance Committee. Keith Regan, Managing Director for the County, representing the Department of Management. Chair, I know that time is kind of limited for you and so I mean I do have some prepared opening remarks --

CHAIR WHITE: Please proceed.

MR. REGAN: --but if you would...you sure?

CHAIR WHITE: Yeah.

MR. REGAN: Okay, thank you. I appreciate that. It's an honor to be here this afternoon to discuss our Fiscal Year 2015 budget request that's before you. The requested budget for Fiscal Year 2015 will fund the operations of the Department and allow us to address the ever growing needs of the departments that have been tasked, that we've been tasked with serving. Much like a county or city manager's office in other municipalities our office acts essentially as a management umbrella providing essential guidance and direction to the departments to ensure that the County is moving forward together, delivering the services that are expected by our citizens, meeting the needs of the community, and providing good governance. This is not an easy task but is one that we take very seriously. Our Department is structured in a way that allows us to react quickly and deliberately to the demands that are placed on us while also adhering to the strategic vision of the County. These demands come in many

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different shapes and sizes, maybe something relatively easy to resolve or maybe something more complex. Fortunately within the Management program which is similar to the administration program that you'll find in other departments, we have Executive Assistants that are tasked with providing assistance to departments such as with the vehicle usage policy compliance, reorganizations, energy, and site security. In addition to these services we also have a team of highly trained and experienced individuals who provide expert management over Capital Improvement Projects for departments that may need help with those types of projects. All told in Fiscal Year 2014, the Department provided CIP assistance on more than 16 projects that would have otherwise relied on external help to provide similar services. Our active management of these projects has allowed the departments utilizing our services to focus on the core responsibilities of the department rather than on project development and management. Wendy Taomoto who most of you have met and spoken to in the past, our CIP Coordinator will also be here if there's any questions for her as well. Management adheres to the five Countywide outcomes that have been established and discussed previously, and these outcomes, an efficient, effective, and responsive government, a strong and diversified economy, suitable public infrastructure, prepared, safe, and livable County, and a healthy and sustainable community are what drives our Department. As part of our responsibilities we also research, develop, and deploy technology throughout the organization. The Information Technology Services program provides some 32 different business-focused services to more than 2,000 customers located on 3 islands. This is a huge undertaking and requires a tremendous amount of coordination in order for us to successfully leverage technology in a way that will result in improved operations and ultimately benefit the community. This year alone ITS has responded to more than 8,500 requests for assistance and closed out more than 7,500 of them. Our CTO, our Chief Technology Officer Jacob Verkerke is also here in the audience and he'll be here to discuss that program a little later. In this year's budget we are asking for your support to fund the replacement of our land management system. Having served the County well for more than 20 years, KIVA is unfortunately at the end of its life cycle and no longer able to meet the growing technological needs of our organization. This \$2.5 million request although large is necessary as it is one of the most critical tools being utilized in virtually every department of the County. Mr. Verkerke will also be able to speak to you more about this very important project. Along the lines of technology, we also have our Geographic Information Systems Division, led by Bill Medeiros, that provides GIS related services to those County departments with specific needs. The Division works closely with both internal and external partners in order to provide requested geospatial information. Mr. Medeiros will be available as well to discuss any questions that may come up regarding his program. The Department of Management serves as a resource and guide to the operations of the County of Maui. We provide the strategic direction and support necessary in order to ensure that our local government operates in the most efficient and effective way possible. We are constantly searching for better ways to deliver the hundreds of services and programs that are utilized every day by both our internal and external customers. The budget before you will allow us to continue to meet the needs of our organization, improve our organization, and ensure that we are able to deliver good governance to the people of our community. With that, Chair, I'm open to discussions about our budget presentation that we have before you.



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CHAIR WHITE: All right. Why don't you proceed into the budget discussion and then we'll open it up for questions.

MR. REGAN: Thank you, Chair. So the first section that we'll be discussing is the Management program.

MR. BAZ: Members, it's on Page 374.

MR. REGAN: Three seventy-five is where you'll actually see the Expenditure Summary by Character and Object. As you can see we do, we are requesting an additional \$37,000 in Wages and Salaries within our Administration budget, and this is primarily due to the increases that were through bargaining unit agreements and increases. You'll see that also in Operations we have a reduction in some of these costs, and primarily this reduction is due in part to the fact that we have completed out the GPS or a majority of the GPS project, installing the units. And so the actual cost for, yeah, we don't have that actual cost of having to buy these units anymore, but we do have the ongoing support costs which are about \$130,000 per year. The additional monies that you see that are in Services that continue to remain in there will help us to support that as well as our motor pool project which is currently in the process of contracting which is going to include fuel, setup, and other associated costs with that motor pool project. No real changes in E/Ps with the exception of one E/P being transferred out of the Department to the new, I'm sorry, Environmental Management and Sustainability --

MR. BAZ: Environmental Protection.

MR. REGAN: --oh, Environmental Protection and Sustainability program under the Department of Environmental Management. We do have some additional costs that are associated with our security services, that is one of our responsibilities. We provide and manage all of the Countywide security systems that you see, the card readers, the cameras, the video storage equipment for that as well, and so we are asking for some additional funding to support that. The equipment that we have is getting older and unfortunately, you know, the size of the files that are required to store some of this video requires larger servers, so I would like to move some of these or most of these over to IP-based cameras which are much more, it provides a clearer picture versus the old analog cameras. So in the event we need to go back and use some of this video if there is an issue where we have to review it, it's much easier for us to be able to present that information to the appropriate authorities. We have listed out our goals and objectives which you'll see on Pages 376 and 377 and 378 which I don't know if you wanted me to go item by item through that, Chair, but...

CHAIR WHITE: You can touch on the ones that you feel are most important and then the Members will be able to ask questions on ones that you don't address if they --

MR. REGAN: Sure.

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CHAIR WHITE: --feel it appropriate.

MR. REGAN: Okay. Well, you know, being that we are the management umbrella for the County, one of the things that we do do is we evaluate the performance of our directors and our staff, and so, you know, the departments that we're currently overseeing, there's 14 of them. And so with that we, you know, are watching, I should say overseeing the operations by working with the directors. We do have biweekly meetings, I'm sorry biweekly reports. We analyze about 300 biweekly reports a year from these different departments. We do have directors meetings which includes all of the directors on a monthly basis, so we have 12 directors meetings and a 168 individual meetings with the directors. So we're constantly working closely with the directors to ensure that they're carrying out their duties and their responsibilities, and making sure that they're delivering and meeting the needs of the community. So that is one of the things that we're tasked with is making sure that from a performance perspective they're carrying out and doing their job appropriately. In addition to that, we do provide some training to the directors as well as to management within the County from a divisional standpoint where we bring in trainers that will provide classes and training and help build a more educated, stronger management staff. In addition to that, we provide oversight of the adopted budget to make sure that the departments are staying within the bounds of the budget that's been approved by this body. Part of that comes through managing and watching or I should say reviewing these biweekly reports that we get from the departments, and as part of those biweekly reports there's actually a section in there that talks about budget as well as their outcomes and where they are in terms of meeting their goals and objectives that have been set forth in this document. But I think that's, those are pretty much the goals and objectives that I'd like to talk about.

CHAIR WHITE: Okay. Members, open it up for questions. Ms. Crivello?

COUNCILMEMBER CRIVELLO: I have questions in regards to the Management program under Energy. The Details are on 10-3. If I understood correctly there's a split between for our Energy Specialist who presently comes under the OED and also our Energy Coordinator is with OED, or the Energy Specialist is completely part of your Department? Maybe you can help clarify that. And then you're going to split that Energy Specialist between Management as well as the Department of Environmental Management? Can I have a clarification on that?

MR. REGAN: Chair?

CHAIR WHITE: Please proceed.

MR. REGAN: Thank you. Certainly, thank you, Member Crivello. I appreciate the question. What you see here reflected in the budget is a reorganization that is going to occur where it's going to move that position which is currently Mr. Kobayashi who's in my office who has been performing his duties very, very well within our Department. And it's part of this

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development of this new Environmental Protection and Sustainability program where rather than have these individuals scattered throughout the organization, combine them and consolidate them into one section. So what you see here is the, it's going to take some time to transfer that position and complete the reorganization, so for a period of time it's expected that the position would remain in our Department probably for four to six months, depending on how long it takes for that paperwork to be completed. And then the balance of that, you know, would then have that position shifted and moved to Environmental Management. So what you're seeing here is not a split between the two Departments in a sense where he would spend some of his time working within our Department and some of his time working within Environmental Management, what you see is really a way of delineating the amount of time where the individual would be, continue to remain in our office, and then the balance you'll see should be reflected in the Environmental Management budget.

COUNCILMEMBER CRIVELLO: But I, but you're showing .5 like a reduction of half the employee so half the time is spent with, is allotted to the Department of Environmental Management and half the time is applied to managing, Management, in your Department?

MR. REGAN: Well I think what you would see is a .5 E/P count in Environmental Management which then in the next fiscal year, in Fiscal Year '16 what you would see is instead of a .5 in Environmental Management would now be 1 and Management would be 0 for that.

MR. BAZ: Mr. Chair, if I might? Ms. Crivello, the time it takes for the paperwork to happen we're estimating at probably about six months, and so the half E/P that you're looking at is for the activities from July 1<sup>st</sup> through December 31<sup>st</sup>. And then the other half of the E/P would be moved to Environmental Management for January 1<sup>st</sup> through June 30<sup>th</sup>, and that's why you see the half E/P, not 20 hours here and 20 hours there kind of situation.

COUNCILMEMBER CRIVELLO: So am I to understand that the eventual is the Department of Environmental Management will have the fulltime Energy Coordinator? Is that the long term?

MR. BAZ: Yes. . . .*(inaudible)*. . .

COUNCILMEMBER CRIVELLO: Okay.

MR. BAZ: And I might make a note that this position unlike the one in OED is a civil servant so we can transfer this position as is with the current incumbent.

COUNCILMEMBER CRIVELLO: Okay. So if I understand you right, you're moving your Energy Coordinator under the Department of Environmental Management, but your Goal No. 5 says to promote and encourage renewable energy and energy efficiency throughout the County operations. So is, who would be your energy point person then to fulfill that goal?

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MR. REGAN: Yeah, so that responsibility would then shift to that office, but we still from Management side, will continue to push departments to be sustainable and to be cognizant of that. So, you know, that's still going to be part of our responsibilities, but in terms of a measurement, that measurement's going to shift to that Environmental Protection and Sustainability group.

COUNCILMEMBER CRIVELLO: Which is under the Department of Environmental Management?

MR. REGAN: Correct. Yes, ma'am, that's correct.

COUNCILMEMBER CRIVELLO: Thank you, Chair.

CHAIR WHITE: Further...okay. Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you, Chair. And, yeah, I was just, not, nothing really big I guess but I was looking at the kilowatts that you're aiming for and quite a huge jump in numbers, so I assume we have a pretty aggressive plan to move forward and get this stuff going? So I take it this person will have their work cut out for them in this newly appointed, you know, department or of sorts. But overall, yeah, I just, I don't really have any, you know, burning questions to grill you folks on at this time. Thank you for what you do.

MR. REGAN: Thank you. Chair, if I could just briefly?

CHAIR WHITE: Sure.

MR. REGAN: With regards to that, what you see here I think is primarily our big push to install like solar panels in a lot of our facilities, there's some wind generation that's out there as well, so what you see here I think is, it looks aggressive but it's, we're well on our way, you know, to meeting that. So thanks to you guys, really, I mean for supporting that.

COUNCILMEMBER COCHRAN: And so, Chair, I actually do have a question now. So in regards to this and if I recollect correctly, browsing through utility bills that they haven't really necessarily gone down and we've really created a lot of PPAs with entities and on a lot of our rooftops. So where, how does that all factor in right now? Are we just doing a lot of upfront costs at this time and it hasn't really played itself out to the numbers we really want at this point?

MR. REGAN: Yeah, I don't have the details on that right this second, but I can tell you that one of the reasons why we enter into these PPAs is so that we have a level cost, right, so that in the event that oil goes up, if there's an incident that occurs in the Middle East and all of a sudden oil is \$150 a barrel and, you know, the charge for electricity spikes as it has in the past on us, we won't experience that because of these PPAs that are in place. It's a much more leveling out of our costs. So we may not see an immediate decrease right now, but I think over time you're going to see as oil goes up, that we're going to have a very, it's going to become a

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much more stable expense for the County the more that we're able to install these types of systems.

COUNCILMEMBER COCHRAN: Okay, very good. Thank you, Chair.

CHAIR WHITE: Just to add to that, looking at last year's budget, the estimate for 2013 was the same 3,175,000 and but the actual is 1,489,000. Is, do you feel you'll definitely reach the 3.175 this year?

MR. REGAN: You know my Deputy's saying that we're probably going to reach that so I'm going to hold him to it.

CHAIR WHITE: Yeah and the other question I think would be to Ms. Cochran's point, I think it would be helpful if you would have somebody calculate the actual savings, because I know the PPA, the amount that we pay is significantly less than the going MECO rate. And since we've been putting lots of these systems in, it would be nice to know just how much the County has actually saved in energy costs.

MR. BAZ: Yeah. Mr. Chair? In OED's Renewable Energy and Efficiency program they do have stated goal reduce, decrease County facilities energy usage and they have a dollar amount that they're estimating of \$120,000.

CHAIR WHITE: Okay. It would just be nice to have a verification of where we are.

MR. BAZ: Yeah.

CHAIR WHITE: Thank you. Mr. Couch?

COUNCILMEMBER COUCH: No, thank you, Mr. Chair. Ms. Crivello asked the questions I was going to ask.

CHAIR WHITE: Okay. Mr. Hokama? Mr. Guzman?

COUNCILMEMBER GUZMAN: Thank you, Chair. Mine are just, my questions are just elementary but maybe you can clarify. I'm looking on the detailed portion of 10-3 on the different positions that are under the Managing Director, the Management program. The EM, EM means, is that meaning that they're under a bargaining agreement --

MR. BAZ: Mr. Chair?

COUNCILMEMBER GUZMAN: --in terms of the step, SR steps.

MR. BAZ: Mr. Chair? Yeah, Member Guzman, the excluded, EM stands for Excluded Managerial, these are management positions that while they're excluded from the collective bargaining

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agreement, there's an executive order which like I said you should be receiving tomorrow which describes the, outlines their pay structure. But they are aligned to and have to be paid at least what the collective bargaining agreement calls for.

COUNCILMEMBER GUZMAN: Pursuant to an executive order?

MR. BAZ: Correct.

COUNCILMEMBER GUZMAN: Oh, okay.

MR. BAZ: Yeah well and the HRS, too.

COUNCILMEMBER GUZMAN: Oh, under HRS.

MR. BAZ: Yeah.

COUNCILMEMBER GUZMAN: Okay, yeah, I'd love to, I mean not love to but I look forward to seeing that documentation. Another question, Chair, is Executive Assistant I a higher rank than Executive Assistant II or is it reversed? Which one is of the higher category?

MR. REGAN: II would be higher.

COUNCILMEMBER GUZMAN: Okay, 'cause I'm looking at their pay structure because even if you go that way, you have an Executive Assistant I that is 106,000 and an Executive Assistant II at 97,000, and then we go back to Executive Assistant I at 92. So I'm kind of, it's flip flopping so I'm not sure how that is categorized or how that, in the hierarchy of all of that, it doesn't make sense. I mean and I look forward to seeing some type of rationale or, you know, job description or something that would place these into a hierarchy.

MR. REGAN: Chair, if I could just quickly address the Member's question, and I can explain this. What you see here an individual who has been with the County for, you know, upwards of 25, 30-plus years. So that's why the individual that you see...I think you're referring to MD-0015 -- is that correct -- in terms of the EA I position at 100,000?

COUNCILMEMBER GUZMAN: Yeah, yeah. Because you mentioned earlier in your statement that the Executive Assistant II is higher ranked, right?

MR. REGAN: That is correct.

COUNCILMEMBER GUZMAN: So then...

MR. REGAN: But the Executive Assistant II has only been in that position for, has been in that position for a much shorter period of time so they start at a lower amount. So because that other individual who is in the EA I position has been with the County for 30 years, you

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know, he has received step movements or increases based on these, this executive order that Mr. Baz was talking about. So over the 30 years, it's compounded and so even though he's in that EA I position he's been there much, much longer so he's been able to increase his salary over the years, whereas the individual in the EA II position has only been in that role I think for, yeah, eight or nine years. So it's significant difference in terms of, you know, the longevity that the individual's been serving in that role. Now if that individual in the EA II, if it was let's say apples to apples where the two of them had been in the same, had been working for the County for 30 years, let's say and one is an EA I and one is an EA II, they both start at the same time, the EA II position would have a higher salary than the EA I. So you're absolutely correct.

COUNCILMEMBER GUZMAN: Okay. So then going down the page here and I'm looking at, I guess that would be MD-0034, that would be Executive Assistant I at 92,000 and then you go down to MD-0059 Executive Assistant II at 97,000, those two kind of look like they started at the same time. So right?

MR. REGAN: Approximately.

COUNCILMEMBER GUZMAN: So it would be consistent with what you're saying that Executive Assistant II --

MR. REGAN: Yes, sir.

COUNCILMEMBER GUZMAN: --is higher? Okay, very good. Thank you.

CHAIR WHITE: Okay, thank you. Members, other questions?

VICE-CHAIR HOKAMA: Chairman?

CHAIR WHITE: Yes, Mr. Hokama.

VICE-CHAIR HOKAMA: Can you help us understand, you're moving half of position from your Energy Specialist from your Department to Environmental Management? So what happens to the incumbent?

MR. REGAN: That would be the incumbent moving to Environmental Management.

VICE-CHAIR HOKAMA: Why wouldn't you just charge off half, some of his time to the, another account? Why would you split the position this way?

MR. REGAN: Yeah, I think it's, I mean that is an option, if you wanted to put the entire E/P into Environmental Management, you could do that, but I think for purposes of the budget what we're looking at is that, you know, it might take a period of time to move or to do the reorganization and all the paperwork that's associated with that. So I think that's why we

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allocated half to our budget and then half to Environmental Management, kind of showing or better allocating the position throughout the year, throughout the fiscal year.

VICE-CHAIR HOKAMA: And yet you heard earlier this morning, Mr. Regan, I think my colleague Mr. Guzman made some comment on why he thought it made sense to keep some of the sustainability things in OED instead of having it transferred to Environmental Management. So, you know, my thing is if we're not sure let's not keep transferring and pushing people here/there until we can agree to the game plan and we are agreeing on the implementation, 'cause, you know, I heard contrary comments at why, and it made sense to me what I was told prior, before lunch why it made sense to keep certain things in, through OED, Office of the Mayor. And now, you know, I'm looking at this, we're looking at moving a, half a position. I'm just trying to get a sense of are we ready for all these transfers yet? And if we're not then I got no problem postponing and making sure that, you know, it's very seamless and we continue to do the requirements of the constituency so.

MR. BAZ: Mr. Chair and Member Hokama, those are very good comments, and stuff that, ideas that we struggled with in developing the Fiscal Year '15 Budget in trying to implement the Charter requirement that the Department of Environment Management coordinate and oversee environmental protection and sustainability efforts of the County.

VICE-CHAIR HOKAMA: . . . *(inaudible)* . . .

MR. BAZ: Definite...

VICE-CHAIR HOKAMA: As a Con Con delegate in '78, I've waited more than 20 years for some things from that convention to get implemented, so, you know, it depends on resource, it depends a lot of factors, implementation. Okay, just because it says so, you know, it's not necessarily an overnight implementation type of program.

MR. BAZ: Yeah, and you're correct. And this is the soonest I think we thought that it would be feasible to move over. Should it be the desire of Council to not have that half E/P move over this year and we do more work on developing the Environmental Protection and Sustainability program and its goals and measures and what activities and functions will occur with that, and then either move it over later or not move it at all, that's of course an option.

VICE-CHAIR HOKAMA: Well, you know, when I met with your Director Ginoza, you know, I had my druthers about this transferring during this budget year, but I can tell you as far as energy is concerned and the County of Maui and what's happening within our geographical borders, I think Mr. McLeod and Mr. Kobayashi have done outstanding work --

MR. REGAN: Absolutely.



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VICE-CHAIR HOKAMA: --representing our constituency and the unique differences of the County. You know how they responded for Lanai and how they responded to Molokai was good for those unique communities of this County, and so I appreciate the approach. And I thought it made sense to come out of basically Management because you're the overseeing agency anyway, Mr. Regan, so I thought it was more appropriate it came from, under Management. And I still have my reasons why I prefer to see it stay where it is, and again because you've made some very good progress and good positioning where the County stands on this energy issues. And I think it was very clear before the PUC, before the State Legislature, where this County stands on those important issues that we're under discussion right now, including the undersea cable. So, you know, if you ask me I'm happy where they are because they're performing and they're doing good work. Okay. So I don't, you know, it's like why fix what's not broken, guys, you know. You know I'm a golfer, I like brand new toys but like I was always told, why buy a new golf if your old club working. You know so I just share that because I'm not too sure I'm ready to see this movement yet, gentlemen.

MR. REGAN: Thank you.

VICE-CHAIR HOKAMA: Thank you. Thank you, Chairman.

CHAIR WHITE: Ms. Crivello?

COUNCILMEMBER CRIVELLO: Thank you. Thank you, Mr. Hokama, for sharing that, because that's my struggle, too, with the organizational structure that the Environmental Department is trying to do. Because like Mr. Hokama expressed, the team you have right now are like the best. You know I mean they can chart all over Maui as well as Molokai and Lanai, and they come out with so much praise for what they contribute to the different districts. But, you know, when I hear you saying about because of the new Charter Amendment, you know, I'm looking at, actually I was on the Charter Commission and had a struggle with this position coming under the Environmental Management, but it's really to guide efforts to optimize opportunities for the environment and the natural resources protection, et cetera. So I would be one that I cannot agree at this time anyway as to why you'd like to move your energy people or person who's really actually, you know, gotta thank your Department for what he puts out and take him to another structure that to me does not fit in there, in my opinion. Thank you.

CHAIR WHITE: Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you, Chair. So enlighten me on whether the Charter states that it needs to go to this particular Department or that's just the call of the Management to do?

MR. REGAN: Oh, I think Mr. Baz is looking that up, but I think when the Charter amendment was passed, there was, it was really a, let's call it a commitment to protecting the environment and encouraging sustainability, and so I think what you see here is a reflection of the desire

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to try to meet that. I will say and I really appreciate the comments with regards to what our staff has been doing. Mr. Kobayashi who I've worked with for many, many years is a dedicated civil servant, and I think he has done a fantastic job with what he has produced for the County. And the positioning that he's put us into has been tremendous. Please by no means I don't want to, anyone to think that, you know, by seeing this in the budget that in any way we're trying to diminish the many great things that he's done for this community and for our County. But I think what you're seeing here, Member Cochran, is really a desire to comply if you want to call it with what the Charter change was presenting so I just kind of leave it at that.

MR. BAZ: So...

CHAIR WHITE: Go ahead.

MR. BAZ: Mr. Chair, the language in Section 8-15.3, Powers, Duties, and Functions of the Department of Environmental Management, Item 4 was added, to guide efforts to optimize opportunities for environmental natural resource protection, sustainability, conservation, and restoration. And so that's the Charter change that the Administration struggles with in implementing, and, you know, I do note, you know, Mr. Kobayashi and Mr. McLeod do excellent work, both of them. And they're both in different departments now, so but they're able to work together. And I think that really shows that no matter where they would be placed in the County, the opportunities for their success are there. You know he is, they are two individuals in the County that would be if anything guiding the efforts as it's described in the Charter, but kind of what we're looking at for this proposal.

COUNCILMEMBER COCHRAN: Thank you. And so...Chair?

CHAIR WHITE: Go ahead.

COUNCILMEMBER COCHRAN: We currently have an Environmental Coordinator in the Management level or Mayor's --

CHAIR WHITE: In the Mayor's Office.

COUNCILMEMBER COCHRAN: --Mayor's Office. And so that person stays then, it's not going to be part of this working team?

MR. BAZ: Mr. Chair? As I described before, they will definitely be a part of the team and the individual was happened to be here this afternoon, but that is an appointed position so it's not that we can transfer the E/P over like that. And that's why we decided for that position and even the other energy person possibly in OED delaying any movement of those positions to this new Environmental Protection and Sustainability program.

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COUNCILMEMBER COCHRAN: Okay. Well thank you. Thank you. We'll see how this works out. Thank you.

CHAIR WHITE: Yeah, you know, the, I think the observation that the Committee is making is that the Management Department has done a great job and OED has done a great job in their respective areas. The Chair's concern is that by placing this new program into Environmental Management instead of under the guise of Management itself then the Environmental Management group is going to have to try to battle the other departments from to me a weakened position. Whereas if the focus and the impetus is remaining in Management then you're in the perfect spot to deal with all departments and deal with all environmental issues at the same time from a position of coordination and authority as opposed to placing it in a Department that's got less authority than you do. So that would be my concern, and I agree with Mr. Hokama and the others that, you know, we may want to take a little slower move in that direction so that we get it right and we make it something that's very workable for you guys, not something that's going to cause other challenges down the road. Other questions or comments? On other parts? Yes, Mr. Hokama.

VICE-CHAIR HOKAMA: So, Chairman, I would hope you would consider allowing Mr. Regan to finish his needs for today but, you know, I would rather we kind of like table this and see if we can work on some kind of a mutual option together --

CHAIR WHITE: Yeah, I think that's a very --

VICE-CHAIR HOKAMA: --with them.

CHAIR WHITE: --good idea. I think the, what I would appreciate is if you guys could come back to us with a...you know, I think this Committee understands my reticence to add any new positions, but to provide us with maybe a second option as to how to proceed with this using existing positions and keeping it within, in Management. I don't mean to speak on behalf of all of you but please chime in if you feel differently.

VICE-CHAIR HOKAMA: Well, Chairman, I think that, you know, if they can come up with multiple. I think one of the things is, you know, I got no problem with keeping the position in Management and doing whatever appropriate paper transfers to, for time and taking it out of the right account, the time that the employee spends on those other responsibilities that will be part of the job. And if that comes from EM, Department of EM then that's so be it, but, you know, you pretty much read my mind, I would rather have that employee's position right now. Because I'm like you, there's a hierarchy of departments in the structure of County governance in my mind and, you know, coming from the Department of Management it has a higher standing. That's why Mr. Regan is called the Managing Director, you know, he manages --

CHAIR WHITE: And he directs.

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VICE-CHAIR HOKAMA: --departments and directors. So I think we need to, you know, utilize that structural advantage of governance --

CHAIR WHITE: Right.

VICE-CHAIR HOKAMA: --so that when, you know, a policy goes into implementation, it's not equal department to another equal department, it's coming from the top Department to all other departments for equal implementation and not, it's not...I mean I hope you guys can understand --

MR. REGAN: Absolutely.

VICE-CHAIR HOKAMA: --that there is a need of hierarchy also in governance.

MR. REGAN: Agree.

VICE-CHAIR HOKAMA: And that I see this to the County's advantage in implementing when it comes from the Department of Management. And that's why I think, you know, I don't mind deferring, I'm not saying we ignore the Charter, I'm just saying that, you know, there's a ways that we can implement and make the appropriate adjustments. And it may well even, can forward a Charter Amendment to make the appropriate Charter revisions so that, you know, we can implement what is actually wanted by the community. So either that, gentlemen, or, you know, we can look at different ways with LTAs and whatnot, Chair. Instead of regular E/P positions we can LTA certain things and also buy time for a more long-term solution. But I appreciate the gentlemen's willingness to see if we can work out something even better. Thank you, gentlemen.

MR. REGAN: Thank you.

MR. BAZ: Yeah, Member Hokama, thank you very much for those comments. And we'll also have a natural opportunity to discuss this when we discuss the Department of Environmental Management in that area as well.

CHAIR WHITE: Right.

MR. BAZ: And I would have stated at that time but I'll state now, you know, that this is Mayor's proposal to implement the Charter...

CHAIR WHITE: Better watch out what you say about the Mayor, he just walked in.

MR. BAZ: It's just a proposal and something for all of us to work on together and for final implementation.

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CHAIR WHITE: Well I think you can see that, you know, there's a lot of agreement that we want to help you move forward, and I think the ...*(clears throat)*... excuse me, I think the comments that, you know, the comments reflect that everyone feels the Managing Director is doing a good job of organizing things and moving things ahead. So anyway, Mr. Mayor, I'm sure you didn't come down here just to sit by and listen.

MAYOR ARAKAWA: Thank you very much, Chair. I've been listening to some of this conversation and what I'd like to do is I'd like to clarify a little bit of why we want to move the personnel to where we're putting them, Environmental Management. One of the things that's become very obvious to us is that we don't have adequate personnel to be able to react to a lot of the different circumstances that are directly involved with the environment. And when we're looking at the number of personnel and the type of personnel we're going to have to grow this area into, it may become fairly substantial as we're starting to deal with some of the major issues. For instance dealing with the axis deer situation, it's getting out of hand. You know before we used to have a small herd of axis deer, now we've got literally tens of thousands of axis deer at virtually every point of the island. When we're starting to deal with a lot of the different kinds of challenges we have in environment, this is no longer an area where one person can be able to manage the support staff that's going to be necessary to be able to work on a lot of these different areas. Now currently what we have is we have one person in each of these areas and we don't have vehicles, we don't have personnel, we don't have a lot of other things that we need to be able to support these people or, nor can we really create a budget that's adequate to be able to support this area. So they're sort of halfway managing grants. We really need to be able to put down a, bodies on the ground to be able to take care of these challenges and be able to attend the different cures that we need for all these different areas. You know we assigned some of the funding to the groups like MISC, Ohana Makamae. When we have emergency situations we're trying to piece together a lot of the pieces. The ability for us to be able to manage it from Management is a good one, but we don't have all the necessary equipment and the support that we need. So that's, the thought is if we put it in an area where we can grow it with the proper support then we can adequately manage those areas. Simple things like trying to control the fire ants, you know, it took getting a lot of people involved to try and get this whole thing together, and we were lucky in that we were able to contain it in a very small area. But there are other things like fireweed that we virtually need an army to be able to manage the control of it, and we're losing that battle very, very quickly. And I could go through literally hundreds of different kinds of invasive species that have literally gotten out of control, and we don't have the manpower to be able to do anything but talk about it. So the idea is if we're going to really do something serious about it then we're going to be able to try and eventually put together all of the supporting staff that's going to be necessary to do this. That is, that's the underlying principle of what we're trying to do. This is the first baby steps to get to that direction. Otherwise what we'd have to do is we'd have to grow the Mayor's Office to support all the staff, and I don't know if I want to have, you know, 20-30 vehicles assigned to my Office and all the personnel that goes with it. I think in a department it's much more, it's where it should be rather than trying to grow it all out of the Mayor's Office. Our staff generally are troubleshooters trying to be able to work with the various community members

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and the State and Federal agencies to try and pinpoint some support to it but not necessarily to be the ones to manage and contain the issue. The environmental group, we want to be able to manage and contain the issues rather than just be side support. That's where the difference is in trying to do this transfer. Okay. And I can appreciate what the Council is saying because I do believe we're doing probably a better job than any other county in the State at this point in being able to try and maintain it and manage it. But, you know, we're really butting our heads against a really big wall that for years has been understaffed, underfunded, and undermanaged, and which is why we're going to have these major problems to deal with. The deer alone right now, you know, if you talk to the airports it's one of their biggest problems. Just in the area around Kahului where the airport is they actually have to have deer management. We have deer in Maui Lani, we have deer in virtually every place on the island right now, and as they start eating through the watershed area, we're going to have tremendous erosion problems that we're going to have to deal with it. And one or two people are not going to be able to manage this, these kinds of things, and we can only ignore them so long before they're going to overwhelm us. So our concept was and in the discussion with the Charter Commission was to create the group that will be able to be on the ground, feet on the ground to be able to manage these areas. So that's, I just want to put that by way of explanation. If you have any questions I'd be happy to answer them, if not, I'm going to go back to my office.

CHAIR WHITE: Thank you, Mayor. Any questions for the Mayor?

COUNCILMEMBER COCHRAN: Chair?

CHAIR WHITE: Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you. And thank you, Mayor, for coming down to explain further the justification and reasoning for the movement, but, you know, besides complying with the Charter amendment. And so this I guess subheading of Environmental Management will be, their main Director will be, currently is Kyle Ginoza --

MAYOR ARAKAWA: Right.

COUNCILMEMBER COCHRAN: --that position. Okay. And so 'cause they do solid waste, wastewater, so then there'll be like a third arm --

MAYOR ARAKAWA: Right.

COUNCILMEMBER COCHRAN: --of this entity?

MAYOR ARAKAWA: Another division essentially.

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COUNCILMEMBER COCHRAN: Another division. And then you're saying, you know, this is just the start, the head, and then everything else will fall later, whatever is needed to reinforce that leg of the Department?

MAYOR ARAKAWA: That's, as I view it is, when we talked with the Charter Commission we have these major challenges we have to deal with. You know all of the water coming down, the runoff going into the ocean, all of the, what is in the ocean. I mean there's just so many programs we could go through, but slowly we're going to have to start addressing a lot of these kinds of programs and this is the starting point. It's not the ending point by any means because these are coming to a head in the community. You know we had rain Upcountry and people in Kihei were dry and all of a sudden they get a flashflood, we've gotta do something about these kind of situations, where that water all gonna end up. I mean there are just a myriad of different environmental issues that must be addressed one way or the other, the community is bringing 'em to a head.

COUNCILMEMBER COCHRAN: Right. Thank you. And so just a further question?

CHAIR WHITE: Sure.

COUNCILMEMBER COCHRAN: So then the position Environmental Coordinator within your Office then will be how, what would the relationship be in this, for this section?

MAYOR ARAKAWA: The position will shift over to the Department of Environmental Management, and just as all the departments do, whenever they need help from the Mayor's Office and Managing Director's Office, we work with them through our EAs to supplement what they do. But those people would be concentrating specifically in those areas, and then if they need additional help then we would put it in, just like we're doing right now with Parks. We're helping from our side to be able to supplement where they have weaknesses, and we do this in all the different areas.

COUNCILMEMBER COCHRAN: Right. Well thank you. Well I guess what I was thinking is sort of we're, the concern here is that the directive can come from an upper level of governance, the Management and, you know, dictate down to other, all collectively departments versus one department sort of, I know addressing all issues but then it's going to have to cross over to sort of look at water, how are you, you know, being efficient with your energy, and going over to Parks. And so it kind of, it's sort of not the top down, it's kind of side by side in a sense on that level I think is what I was hearing, 'cause I'm trying to understand and see the justification for this. And I do see the point where the title alone for this department because I'm the direct Chair for that. They get the calls about environment 'cause that is what their title says and I charged them with that when I first got here, but they're strictly looking at solid waste and wastewater. It's like whoa, whoa, whoa, wait a minute, what about the erosion, what about, you know, invasive species, what about, and they're like well that's not us. So now they'll have this separate arm and department to address those 'cause they get the

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phone calls, they're gonna, 'cause if you go, it's Environmental Management. So I see that part, too. I just...and thank you again, Mayor, for coming down.

MAYOR ARAKAWA: Yeah. And again, the point that I'm trying to make is we don't have the necessary personnel or equipment to be able to manage a lot of these areas currently. You know dealing with these areas are going to become very, very critical. As we start looking at them they're becoming a very large concern within the community. So sooner or later somebody has to address it, and I'm looking at this environmental group to be able to address these specific areas and put the personnel that's adequate into these particular banks of personnel that we're going to have need as we start addressing these problems.

CHAIR WHITE: Other questions? Mr. Couch? Mr. Hokama? Guzman? Or, Ms. Crivello?

COUNCILMEMBER CRIVELLO: Thank you.

CHAIR WHITE: No questions. Thank you very much, Mayor.

MAYOR ARAKAWA: Thank you. And I'll excuse myself. Thank you.

CHAIR WHITE: Thanks. Members, any questions on the Details for the, for this Department? Director, I have one question for you. You have under Professional Services on Page 10-6 of the Details, about a little more than a third of the way down the page, there's an appropriation in 2014 for 463,000 and you're adjusting that downward to 290,000. My recollection is that this is the amount that was, or this is the line item that was used for the outfitting of the GPS.

MR. REGAN: Yes, sir.

CHAIR WHITE: Yeah, you gave us a brief update on that. If you could give us a little more detail on what was spent and how, what the breakdown is of the costs going forward that will require that \$290,000. How is that broken out?

MR. REGAN: Chair, you know...you wanna go ahead and explain that?

MR. CHING: Good afternoon, Chair. David Ching, Deputy Managing Director. The primary installation and purchase of the GPS units were the bulk of what that four hundred and I believe sixty thousand dollar appropriation was. . . .(clears throat). . . Excuse me. And we've already, Managing Director has already explained that a little earlier, we've already gone and acquired the units, we've installed the units, and our continued year-to-year cost on that, maintaining those units and getting all the reports that we do and data is about \$130,000 a year. So that's part of what's included in this year's money. We also had about \$170,000 in that \$463,000 figure to implement our fleet management program where we felt that we had enough time to go ahead and install the GPS units, acquire the GPS units, identify a number of vehicles that we would put into a common Countywide fleet, go ahead and acquire



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fleet software, hardware, and whatever is required to operate a fleet and to implement that. Unfortunately we couldn't do all of it in, both of those large projects in the fiscal year, so we haven't finished the fleet portion of our project, and so that's why we still have funding in this year's money to help us go ahead and continue operating our GPS units and then to acquire the hardware/software and whatever necessary components are for our fleet program. I hope that answered the question.

CHAIR WHITE: Members, any questions on that item? We'll send you a note to please provide us with a breakdown of what those costs are for this year and your estimated costs for next year. Any other questions on the Details, Members? Mr. Hokama.

VICE-CHAIR HOKAMA: This 190, is this, is that Security Services upgrades and maintenance for this building?

MR. REGAN: Chair? The 175,000 is for the existing contract, and the 15,000 that you see which would bring us up to the 190 is for upgrading some of the units that are out there that are currently substandard, need to be replaced.

VICE-CHAIR HOKAMA: Okay. So it's only 15 of the 190 is for the upgrades?

MR. REGAN: That's correct.

VICE-CHAIR HOKAMA: And this maintenance is with a third party, that provider that does what for us, please?

MR. REGAN: Yes, sir. That's Security Resources that provides that.

VICE-CHAIR HOKAMA: And what are they providing the County, please?

MR. REGAN: So they provide replacement services, support services. They help us manage some of that software that's out there. It's a pretty complex piece of software that manages the locking mechanisms throughout the County, the cameras as well. You know and so they help to, you know, provide some more technical oversight. We do have an individual Mr. Schwind who've you've met before --

VICE-CHAIR HOKAMA: Yes, yes.

MR. REGAN: --who is actually managing the security services for the County, but he oversees that particular vendor to make sure that the vendor's in fact --

VICE-CHAIR HOKAMA: Okay.

MR. REGAN: --doing the maintenance and following through with their preventative maintenance program that they have for the County as well.

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VICE-CHAIR HOKAMA: So, Director, this contract also covers those type of services for other County facilities also --

MR. REGAN: Yes.

VICE-CHAIR HOKAMA: --or just this main complex?

MR. REGAN: Countywide.

VICE-CHAIR HOKAMA: Countywide.

MR. REGAN: Yes, sir.

VICE-CHAIR HOKAMA: Okay. Then I would say, you know, I would hope you guys can come back with an assessment 'cause I have no problem supporting more security cameras. I want us to catch those bastards out there. Okay. And I want them to go to court. You know I'm tired of keep putting resources for replacing of broken stolen things that community centers and other areas, restrooms, County restrooms, so I got no problem supporting equipment that will help catch the perpetrator and put 'em where they belong.

MR. REGAN: Thank you.

VICE-CHAIR HOKAMA: Okay.

MR. REGAN: If I understand...Chair, just for clarification?

CHAIR WHITE: Sure.

MR. REGAN: Member Hokama, would you like us to put something together for that purpose or?

VICE-CHAIR HOKAMA: Well I think it would be great if the community can at least have a sense of the level of what you currently, the service we are currently having --

MR. REGAN: Sure.

VICE-CHAIR HOKAMA: --and let us know, and 'cause, you know, there's times when just Mr. White's staff works late at night, they're leaving this building at late hours. And I want to make sure any employee of ours, any County employee can feel secured that when they're on premises, there's enough security precautionary measures that we're watching out for their welfare. And they can be assured if something happens, we'll catch it on tape and we'll go after the perpetrators, 'cause it is on tape. So one is security factor and one is of course employee safety at all times.

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MR. REGAN: Absolutely.

VICE-CHAIR HOKAMA: You know so --

CHAIR WHITE: Mr. Hokama...

VICE-CHAIR HOKAMA: --I think the more we know and we can make better informed decisions on whether, you know, more resources is required for an upgrade or we may need other types of measures, so be it. But, you know, the County is an expensive operation and, you know, we got resources that we kind of just keep replacing every single time. You know so for me that is something that I'm interested in, gentlemen.

MR. REGAN: Thank you.

VICE-CHAIR HOKAMA: Thank you.

CHAIR WHITE: Mr. Regan, if you don't mind, we'll send you a request for a list of the buildings that currently have security, you know, locking programming as well as a request for a list of where we've got security cameras at this time.

MR. REGAN: Chair, may I just ask that, I have no problem with providing that information, I would prefer not going into the details of what we have in those particular sites only because --

CHAIR WHITE: No, that's fine.

MR. REGAN: --you know for security purposes. However, if there was a way for me to communicate that to you, you know, I could, if you wanted that information.

CHAIR WHITE: Well it's something we could receive in executive session and keep it in there. So...

MR. REGAN: We'll work on the list, Chair.

CHAIR WHITE: Yeah, if you wouldn't mind providing us a list of whatever you feel would help us make a determination, you know, in which direction in which to move. Is that where you'd like to go, Mr. Hokama?

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

CHAIR WHITE: That's fine.

VICE-CHAIR HOKAMA: And I can agree and I would be fully supportive. I understand the security issues involved and that yes, you know, you don't want to say more than we need to

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say, but in turn we need to have an understanding so we, when they ask, we can say we understand and we're willing to give you the resources to up the level of security and protection so --

CHAIR WHITE: Right.

MR. REGAN: Thank you.

VICE-CHAIR HOKAMA: --yeah, I don't have a problem.

CHAIR WHITE: Okay, any other questions on this program? If not, we'll move into Information Technology Services. Actually, you know what, why don't we take this opportunity to take a break, a ten-minute break. Members, we're going to try to wrap up by 4:00, but just to let you know we have rates and fees beginning tomorrow morning at 10 o'clock. And if we don't finish the Management Department today we'll continue with them in the morning and then get to rates and fees a little bit later. Okay, we're in recess for ten minutes. . . .(gavel) . . .

RECESS: 3:11 p.m.  
RECONVENE: 3:22 p.m.

CHAIR WHITE: . . .(gavel) . . . Okay, Members, we'll proceed. The rest of the afternoon we will cover Capital Improvement program in Management and then we'll go to the GIS section of the Department of Management. And then we will put the Information Technology section first thing tomorrow morning, so that way all of you will be bright eyed and ready to go with some of the more challenging discussions that Mr. Verkerke always provides us. Okay, with that we'll move ahead with the CIP projects, and rather than spend time on the first page we'll just go right to the first project on Page 748, the Public Safety Radio System Replacement.

MR. REGAN: Thank you, Chair. If I can really briefly on this one. This is a project that has been in our Department since its inception back in Fiscal Year I think it was 2012. We are currently requesting an additional 1.45 million for additional I guess improvements as part of the project, moving the project forward. I'm sorry, did you...oh, I'm sorry. To construct new radio sites at Lahaina Water Treatment Plant and Mahinahina Water Treatment Plant, including the purchase of the necessary electronics for Fiscal Year 2015. So this 1.45 million would include that and allow us to move forward with the project. I don't know if there's any questions regarding the project but.

CHAIR WHITE: Members, questions? This is, as he said there's, this is a project that's been going on for quite some time, and just for the public's awareness, the amount of 1,450,000 for this year is just a small portion of the \$30 million cost of this public radio system, Public Safety Radio System Replacement, so it's a big ticket item that's been going on for quite some time. Ms. Crivello, any questions?

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COUNCILMEMBER CRIVELLO: Not right now.

CHAIR WHITE: Okay. Mr. Couch?

COUNCILMEMBER COUCH: No.

CHAIR WHITE: Ms. Cochran? Mr. Hokama? Okay.

MR. REGAN: Should I move onto the next one, Chair?

CHAIR WHITE: Move onto the next.

MR. REGAN: Thank you. The next project that we have is the development of a 100-acre Waikapu Baseyard, which--you know thank you by the way for supporting the acquisition of this property--is going to allow us to consolidate a number of our baseyards that are currently distributed throughout Central Maui and through Maui in general. We are currently asking for an appropriation of \$1,250,000 which would allow us to complete out the planning process and the design for this project. This project by the way, Chair, is somewhat in conjunction with the 209-acre project which is on the next page, in the sense that there have been discussions about possibly moving the or re-siting or choosing a different site for the 100-acre property as kind of a, you know, looking at the whole 309 acres, where does the 100 acres fit best sort of. I don't know how to best articulate but that's about as easy as I can do it.

CHAIR WHITE: Close enough for us I think.

MR. REGAN: So it is, these two projects are somewhat married if you want to call it, and so, yeah, if there's any questions with regards to that we'd be happy to answer any questions, Chair.

CHAIR WHITE: Okay. Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. And I know this was a question that we had in the purchase, during the purchase and whatnot. Is there a, because the 100 acres was purchased from one fund and the 209 acres was from the Open Space Fund, have we checked with Corp. Counsel as to it's okay to move that? I think there was a concern as to, I mean we, everybody wants to move it but I thought there was some concern of where the funds came from and that kind of thing. Have we cleared that yet?

MR. BAZ: Mr. Chair?

CHAIR WHITE: Mr. Baz.

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MR. BAZ: I don't think I ever saw anything in writing about it but Mr. Ueoka had mentioned that it would be possible. I think the main concern is that value for value, you know, the Open Space Fund remains, you know, that value of land is for open space and the other lands swapped out could be, you know, and I believe the purchase price was the same so acreage should be equivalent.

COUNCILMEMBER COUCH: Okay. Just wanted to make sure that we're clear with that, 'cause I'm pretty sure everybody here has mentioned at one time or another that they would prefer that that be down by the highway and away from the residential area, the baseyard. The other question I have is I'm a little bit shocked at the design cost for a baseyard for a million bucks, it's like a flat piece of land with some asphalt on it and maybe a building or two.

CHAIR WHITE: Well, the question that the Chair had was whether that included design costs for the Waiale Extension which is going to service the baseyard area.

MR. REGAN: Thank you, Chair. Actually I'm going to allow Wendy to elaborate a little bit more on the project and the costs so you can understand that. Thank you.

MS. TAOMOTO: Thank you, Chair. Wendy Taomoto. The funding does not include the Waiale Road Extension cost. That cost you can find in the Department of Public Works under, on Page 829, includes funding for that Waiale Road Extension, specifically a connection from Honoapiilani Highway or Waiko Road.

CHAIR WHITE: Well I've got the same question that Mr. Couch had then. What is the \$1 million for?

MS. TAOMOTO: For the...

CHAIR WHITE: Mr. Hokama?

VICE-CHAIR HOKAMA: Chairman, with that Waiale Extension, I wish my brain would not remember these things but C. Brewer got zoning conditions for their project districts and part of it was the Waiale improvement, street, road improvements, and so can you check with Planning and Public Works about compliance issues? Because I refuse to pay what a developer is required to provide on zoning compliance requirements, and to me they haven't done anything on Waiale to justify they've complied with that zoning condition. So if they haven't, let's see how we can make them comply or whoever is the new property owner and see if it'll address some of the needs of the projects that you're representing to the Committee now. I would appreciate that. Thank you.

MS. TAOMOTO: Okay, we'll check on that.

VICE-CHAIR HOKAMA: Thank you.

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CHAIR WHITE: Could you provide us a little more detail as to what a million dollars gets us? It's basically 1,250,000 for planning and designing. Does that include preliminary building layouts and how, okay, well I'll let you answer. . . *(inaudible)*. . .

MS. TAOMOTO: Thank you, Chair. The \$1 million in the Fiscal Year '15 Budget is to design basically what we call the basic infrastructure, and so what we're looking at is the cost, the design costs to possibly...and these are, because we're right now currently doing the master plan, a lot of what we've proposing, what I'm going to say is being proposed will be more finalized once the master plan is completed. But in our minds the things that we're looking at design funding is the drainage, the sewer, the power, electrical, and the water infrastructure design costs.

UNIDENTIFIED SPEAKER: Not the building?

MS. TAOMOTO: We have one Butler building possibly able to be covered in the million dollar cost but that depends on how we address drainage, sewer, power, water. It is an estimate right now, but if you provide us the funding we are confident we can provide at least the basic infrastructure, and then we would come forward with the building cost as either a budget amendment, depending on the timing of it, we would come in as a budget amendment or in the Fiscal Year '16 Budget.

CHAIR WHITE: Mr. Hokama.

VICE-CHAIR HOKAMA: Ms. Taomoto, you know, I thought when we did Lanai we had also other parts of the County do it, but like Lanai, you know, if the County mandated a Lanai City drainage master plan that I'm told was provided, is there a master drainage plan for Wailuku-Waikapu area? That regardless of what projects we have a sense of how the drainage supposed to be working and how each project then as they move forward fits, fixes their part of the puzzle for the overall complex of the drainage system.

MS. TAOMOTO: I understand your...I'm not sure if a master plan exists for this Wailuku area and if it's, addresses this specific parcel as being developed, but I can check on that with the Department of Public Works. But what we're talking about is very site specific --

VICE-CHAIR HOKAMA: Okay.

MS. TAOMOTO: --drainage requirements, power, sewer, and water.

VICE-CHAIR HOKAMA: Okay.

MS. TAOMOTO: Not more, not regional, just site specific.

VICE-CHAIR HOKAMA: Okay, okay. And I would just say I am very happy to support Spartan buildings. I don't want to be building conference rooms and all this kind of luxury items that

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I, you know, for me it's kind of at this point in time beyond my wish to support. Thank you, Chairman.

CHAIR WHITE: Mr. Couch?

COUNCILMEMBER COUCH: I already asked.

CHAIR WHITE: Oh, okay. To what degree would we be able to have the Water Department and Public Works assist with the designing of the roadways, drainage, and water infrastructure?

MS. TAOMOTO: I envision that their assistance will be more to provide consultation to us in helping develop those infrastructure, but they, we will be responsible to oversee the consultant who will be designing the actual construction plan and the systems. But we will use, you know, we use them as a resource, and because they're also a reviewing and approving agency. But they, similar to other developments they're gonna just be used as an approving agency.

CHAIR WHITE: Okay. And if we are, if we're going to consider a swapping out of acreage between the Open Space Fund and the General Fund land purchases, is that, obviously that needs to take place before we get into any heavy design work.

MS. TAOMOTO: Thank you, Chair. The master plan is expected to delineate the 100 from the 200 looking at the whole 309 acres, and like Sandy Baz said, we don't have a written opinion from Corp. Counsel but at the time when we complete the master plan we'll ask the questions. But my understanding is as long as we don't take from the 209 Open Space Fund any acreage but we will request clarification once we define the areas from its original location of the purchase. We'll request for clarification if Council or other approvals is necessary to move forward.

CHAIR WHITE: Okay. So what we're essentially being asked to fund this year is 1.7, yeah, 1.7 million in design and planning fees for the two parcels, and how far along are you with the master plan?

MS. TAOMOTO: I would say right now the Waikapu Baseyard or campus master plan, that one is about 10 percent complete. The 209-acre master plan, we're still waiting for funding, and that is on the next page on Page 752. And we need that money to start master planning the 209 acres, but we did get started on the 100-acre master plan which involves gathering information from each department affected on their operations and their space needs. And then once we get this Fiscal Year '15 request of 450,000 we can combine the efforts and complete the 309-acre master plan.

CHAIR WHITE: Do you have any drawings or conceptual plans that have been developed thus far?



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MS. TAOMOTO: No, we are only 10 percent so we're in the information gathering stages still. Don't hold me to it but I'm going to say I hope to get some real rough ideas for discussion maybe three-four months down the road from today from the consultant --

CHAIR WHITE: Okay.

MS. TAOMOTO: --of the Waikapu kind of discussions. And then once we get this, like I said, once we get this 450 for the 209 acres we can really look at the whole parcel.

CHAIR WHITE: It sounds as though you are proceeding with the master planning of the 100 acres without yet considering how you're going to combine the two, if you're gonna, I mean not combine, swap acreage.

MS. TAOMOTO: What we're doing because we don't have the funding for the 209 acres is we're using this time to gather information from all the departments on their operational needs and trying to look at their current space needs and their future. And because the baseyard is a space layout exercise, so that takes a lot of time because each department is, operates a little bit differently. And we're looking at consolidating department uses where it makes the County more efficient. And that process is going to take us up to July when we get the 450,000 we hope, if you give it to us, and then that, then we're really looking at layouts. So right at this time, you know, that's why I'm saying we're just laying out kind of each department's needs at this time, and then once we get the 450 we can put everything together. But right now we're looking at department by department needs for the baseyards.

CHAIR WHITE: Okay. Refresh my memory, what was the amount provided for the design of the, this initial phase, the initial master plan?

MS. TAOMOTO: For the Waikapu?

CHAIR WHITE: Yeah.

MS. TAOMOTO: Let me think. I want to say 200...no, 100,000, sorry. Waikapu was 100,000. War Memorial was like 290, but 100,000.

CHAIR WHITE: Okay.

MS. TAOMOTO: Or 100, sorry, 150,000 I think.

CHAIR WHITE: Yeah, that would, that's what Staff recalls.

VICE-CHAIR HOKAMA: So, Chairman?

CHAIR WHITE: Mr. Hokama.

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VICE-CHAIR HOKAMA: What's being asked of us is we gotta buy into the park and the baseyard and we cannot think of it as two separate projects then?

CHAIR WHITE: Well I would, the Chair was hoping that we would have some serious thought put into the, you know, whether we want to swap park land for the baseyard campus before we get too much further down the road. I'm not excited about spending a whole lot of design money without knowing where we're headed.

VICE-CHAIR HOKAMA: Right, right.

CHAIR WHITE: And I, you know, I know all of us react to pictures, that's why I was asking if there was anything put on paper.

VICE-CHAIR HOKAMA: No, I agree with you, Chairman, because I'm not ready to commit the monies to the park yet. That's a lot of money for me and I got a lot of other people asking me for a lot of that money for other things.

CHAIR WHITE: Yeah. Well and we have a significant amount of baseyard construction elsewhere at the same time so, we got three other baseyard projects this year so.

MR. BAZ: Yeah, so, Mr. Chair?

CHAIR WHITE: Yes.

MR. BAZ: We, I believe we would be open to, you know, if you wanted to just do the master planning at this point and come back later for design funds if that would be appropriate. I did confirm with Mr. Ueoka that my statement was correct in that, you know, we could possibly swap out the land, you know, value for value. We would come before the Council, present documents to the Council, you know, for that approval. You know it was a suggestion from the Council members when we did propose the acquisition of, you know, why we're looking at having to combine these two projects. So yeah and I guess just from my own personal perspective, I'd want to know if that's something you want to move forward with very quickly before we spend too much money on master planning it, because master planning it they're going to have to put a lot of effort into, you know, siting the land as, you know, the parcels as well.

CHAIR WHITE: Right.

MR. BAZ: So, you know, it'd be nice to get an idea and I'm not sure how we can do that kind of informally if that's the way that the Committee or the Council would like to move forward.

CHAIR WHITE: Okay. Mr. Couch?

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COUNCILMEMBER COUCH: Yeah, I know I guess they would need official comment from the Committee or some Committee, I don't know which Committee it would be, but I don't think anybody here is against moving that. So I don't know if we could see a picture as to where it would go in general. I mean I can kind of space, see where it would probably go if we took the same amount of area there, just eyeball it, but, Mr. Chair, I don't think...unless somebody has an objection, I don't think we have concern about that. But I guess they would be...

CHAIR WHITE: I don't think any of us have preconceived notions as to where it should go.

COUNCILMEMBER COUCH: Right.

CHAIR WHITE: What I'm expecting of the Department is to come back to us and say this is what will work best and this is why.

COUNCILMEMBER COUCH: Right.

CHAIR WHITE: I mean, you know, as I look at it, part of me says the current placement just works just fine, but I know there was some concern about moving the baseyard closer to the highway, but we already have some industrial uses right there nearby.

COUNCILMEMBER COUCH: Right.

CHAIR WHITE: So that's why, that's what I thought we were generating with this 150,000, we were taking a look at what's going to work.

COUNCILMEMBER COUCH: Right.

CHAIR WHITE: And...

COUNCILMEMBER COUCH: 'Cause I know we heard from a lot of residents that they were concerned about a baseyard in that close location.

CHAIR WHITE: Right.

COUNCILMEMBER COUCH: But you're right, there's a lot of other industrial uses right there, so --

CHAIR WHITE: Right.

COUNCILMEMBER COUCH: --hard to say. Thank you.

CHAIR WHITE: Okay, any further questions on the Waikapu Baseyards? Okay. Central Maui Regional Park, pretty much gotten through that discussion. Any further questions?

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Mr. Guzman, any questions? Okay. I think that does it for the projects for this year. Correct?

UNIDENTIFIED SPEAKER: Yes, sir.

CHAIR WHITE: Okay. With that we'll move into GIS.

MR. BAZ: So, Mr. Chair, we'll be on Page 387 under the Department of Management, Geographic Information Systems program.

CHAIR WHITE: Thank you.

MR. MEDEIROS: Chair, if you don't mind, I'll do a real short --

CHAIR WHITE: That's fine.

MR. MEDEIROS: --overview for the folks looking in. You pretty much know what we do but just to get that across. We're the Geographic Information...

CHAIR WHITE: If you could just...

MR. MEDEIROS: Oh, my name is Bill Medeiros.

CHAIR WHITE: I was...thank you.

MR. MEDEIROS: I'm the Geographic Services Manager for the Geographic Information Systems Division within Department of Management. We primarily do, the simplest way to describe it is we do digital mapping systems, so we provide map products, we do geographic analysis. Last year we provided...oh, we provide services for County agencies, State agencies, Federal, and the public at large. Last year we provided services and products to 21 County agencies in 13 departments as well as the Office of the Mayor, the County Council, and the Office of the County Clerk. In that, doing, providing services, we printed out 800 maps or other graphic documents. As of the third quarter of this year, we're currently at 640, so we're running right about on schedule in terms of the number of maps we produce each year. We do a survey each year for all of our clients and we ask them to score us between 0 and 100, and last year we scored 93.3. And so that means we've hit our 90 percent target I guess, I think it's 9 years in a row. In addition, we also do the pictometry system. I have some numbers on that. We averaged, we're in the 18<sup>th</sup> month of deployment and we're averaging about 900 logins a month and about 13,000 images viewed every month, and that's 21 months of deployment since July of 2012. In terms of our budget changes, Salaries and Wages increased 30,478. Again, as has been discussed in all the departments, that's due to, related to collective bargaining agreements. In terms of Operations we have an increase of 20,475 and that's due to increases in software licensing and rent. In terms of Equipment funding, there's actually a decrease of 10,000. We're still requesting 15,000 as we're still in

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the hardware replacement which is now becoming a little bit more crucial because of the issues coming up with Windows XP, and so we still are requesting 15,000 in equipment funding to replace GIS workstations. And our net changes we're down, we're actually plus 9.5 percent, and that's the overview of our Division. I can answer any questions that you have.

CHAIR WHITE: Okay, thank you. Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. And thank you, Mr. Medeiros, for your explanations. My biggest concern or question is the \$5,000 per computer. What do you, that's an awful lot --

MR. MEDEIROS: Yes, we...

COUNCILMEMBER COUCH: --for a computer.

MR. MEDEIROS: They average a little over \$4,000. We buy Xeon processors --

COUNCILMEMBER COUCH: Oh, okay.

MR. MEDEIROS: --HPs, and large drives. The reason for that is one, we deal with large data sets -  
-

COUNCILMEMBER COUCH: Yep.

MR. MEDEIROS: --and we do process and do analysis, so it's not just machines on the Internet, it's actual processing of data.

COUNCILMEMBER COUCH: Okay.

MR. MEDEIROS: Yeah.

COUNCILMEMBER COUCH: That's reasonable. You said the magic word Xeon processors. Thank you.

CHAIR WHITE: On that subject, how many computers do you have? I know you've got five staff so is that replacing three out of five?

MR. MEDEIROS: Actually we have closer to ten computers, we do have some laptops. We're right now replacing computers we purchased in 2006 and 2007, and basically we go through about three or four years of buying two or three machines, and then we spend a couple years where we don't buy any. And so as the, so in the case of as the machines near the end of the life, they become more of e-mail machines and we buy that person another workstation and kind of keep cycling them out, and so that's why we try to get as much life out of 'em as we can.

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CHAIR WHITE: Okay. If you could provide us the details on the age of the specific ones that you're asking to replace.

MR. MEDEIROS: Sure can.

CHAIR WHITE: It is three computers, right?

MR. MEDEIROS: Yeah.

CHAIR WHITE: So I'm assuming those are, it's not inclusive of a laptop, these are all desktop or...

MR. MEDEIROS: Yes, yes. So as I recall, I'm trying to remember, I believe it was two workstations and one laptop, but even the laptops have to be kind of high end as well.

CHAIR WHITE: Okay. If you could just provide us those details.

MR. MEDEIROS: Sure can.

CHAIR WHITE: And the other question I had was on the Services and Contracts, the increase in funding to cover the maintenance of GIS software licenses acquired by Real Property Tax Division. Is there a reason why that shouldn't be covered by RPT or do you, are you the central purchasing arm for the GIS type of licenses?

MR. MEDEIROS: Yes, we handle the software, annual software maintenance on the Countywide software licenses, and so as departments acquire or upgrade their licenses, the GIS licenses, that then gets added to our or the County's account. And so last year we did pay 51,000 and so that was the increase that we're asking for. In addition, this fiscal it was actually closer to fifty-three six and we're probably going to have some increase next year since Wastewater has upgraded a license and we have some other ones. Last year I don't know if you remember but we had asked for money for enterprise license which would then make it one lump sum every year. That was turned down and so what's going to happen is as other agencies either upgrade the license or purchase new licenses, our, the maintenance numbers will go up, and so yes.

CHAIR WHITE: Okay. Members, other questions regarding GIS? Seeing none, I believe we are done with all the things that we planned on doing today. We will...okay, short recess. ...*(gavel)*...

RECESS:           3:53 p.m.  
RECONVENE:       3:54 p.m.

CHAIR WHITE: ...*(gavel)*... Budget and Finance Committee meeting will reconvene. Members, we have a meeting in Lahaina at 6 o'clock this evening so I will see all of you there and we

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look forward to hearing from the folks in West Maui. And with that we will adjourn and we'll be back here tomorrow morning at 10:00 a.m. We're adjourned. . . .(gavel). . .

**ACTION: DEFER pending further discussion.**

ADJOURN: 3:55 p.m.

APPROVED:



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MIKE WHITE, Chair  
Budget and Finance Committee

bf:min: 140407:ds

Transcribed by: Daniel Schoenbeck

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CERTIFICATE

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

DATED the 21<sup>st</sup> day of April, 2014, in Kula, Hawaii



Daniel Schoenbeck