

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

MINUTES

September 2, 2014

Council Chamber

CONVENE: 9:00 a.m.

PRESENT: Councilmember Mike White, Chair
Councilmember G. Riki Hokama, Vice-Chair (out 12:03 p.m.)
Councilmember Gladys C. Baisa, Member (in 9:01 a.m., out 10:53 a.m., in 2:04 p.m.)
Councilmember Robert Carroll, Member
Councilmember Elle Cochran, Member (out 10:29 a.m., in 10:44 a.m., out 3:13 p.m.,
in 3:15 p.m.)
Councilmember Donald G. Couch, Jr., Member
Councilmember Stacy Crivello, Member
Councilmember Don S. Guzman, Member (out 9:51 a.m., in 9:55 a.m., out 11:24 a.m., in
11:35 a.m., out 12:03 p.m.)
Councilmember Michael P. Victorino, Member (out 12:03 p.m.)

STAFF: Michele Yoshimura, Legislative Analyst
Yvette Bouthillier, Committee Secretary

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

ADMIN.: Alan Arakawa, Mayor
Sananda Baz, Budget Director, Office of the Mayor
Kyle K. Ginoza, Director, Department of Environmental Management (BF-124)
Jeffrey T. Ueoka, Deputy Corporation Counsel, Department of the Corporation
Counsel

Seated in the audience:

Richelle Mary Thomson, Deputy Corporation Counsel, Department of the
Corporation Counsel (BF-124)

OTHERS: Sally Raisbeck (BF-106)
Bill Wood (BF-123)
Jonathan Starr (BF-106)
Jim Smith (BF-106, BF-124)

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

Pat Simmons, Jr. (BF-106)
David Gleason, Partner, Maui Lani Partners (BF-106)
Michael Gagne (BF-123)
Keith Regan, Managing Director, Department of Management (BF-124)
Neeva Fender (BF-123)
Madge Schaefer (BF-124)
Bruce Schaefer (BF-124)
Jennifer Livingston, Haiku Community Association (BF-123, BF-106)
Dick Mayer (BF-106)
Netra Halperin (BF-123)
Henry Kahula, Jr. (BF-124)
John Fitzpatrick (BF-123)
Tamara Paltin (BF-124)
Joanne Hopper (BF-123)
Marilyn Chapmen (BF-124)

Seated in the audience:

Randall H. Endo, Vice President, Development A&B Properties, Inc.,
Maui (BF-106)
Mercer “Chubby” Vicens (BF-106)
Others (10)

PRESS: Akaku: Maui Community Television, Inc.
Eileen Chao, *The Maui News*

CHAIR WHITE: . . .(*gavel*). . . Good morning. This Budget and Finance Committee meeting will come to order. Members, we’ve got three items on the agenda this morning and we look forward to some great discussions. And before we begin I’d like to request that everybody including myself turn the volume or off on our phones. And I’d like to start by welcoming Riki Hokama, our Committee Vice-Chair.

VICE-CHAIR HOKAMA: Chairman.

CHAIR WHITE: Good morning. And Council Vice-Chair Bob Carroll.

COUNCILMEMBER CARROLL: Good morning, Chair.

CHAIR WHITE: Good morning. And Member Stacy Crivello.

COUNCILMEMBER CRIVELLO: Good morning, Chair.

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

CHAIR WHITE: Aloha. Elle Cochran.

COUNCILMEMBER COCHRAN: Aloha. Good morning, Chair.

CHAIR WHITE: Good morning. Don Couch.

COUNCILMEMBER COUCH: Good morning and aloha, Chair.

CHAIR WHITE: Aloha. Don Guzman.

COUNCILMEMBER GUZMAN: Good morning, Chair.

CHAIR WHITE: Good morning. And Mike Victorino who's playing music over there.

COUNCILMEMBER VICTORINO: Trying to turn it off.

CHAIR WHITE: And our Chair Gladys Baisa will be joining us shortly. And this morning we have Committee Secretary Yvette Bouthillier and Analyst Michele Yoshimura. And...oh, there's our Chair. Good morning, Gladys.

COUNCILMEMBER BAISA: Good morning, Chair.

CHAIR WHITE: And we also have our Corp. Counsel Jeffrey Ueoka.

MR. UEOKA: Good morning, Chair.

CHAIR WHITE: Good morning. And Sandy Baz, our Budget Director.

MR. BAZ: Aloha.

CHAIR WHITE: Aloha. And with that we'll move into public testimony. And the first testifier this morning is Sally Raisbeck testifying on BF-106.

...BEGIN PUBLIC TESTIMONY...

MS. RAISBECK: Good morning, Chair. Good morning, Members. All bright and cheerful. I want to commend the Council starting out for arranging to have testimony by electronics from Hana and Molokai and Lanai. That is such a wonderful improvement for public testimony. And I have a suggestion, maybe five years from now we might be allowed to testify from home via Skype. You don't like that idea but I do. Anyway, I'm testifying this...my name is Sally Raisbeck, I live in Wailuku, and I'm testifying this morning on

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

BF-106 about the land acquisition. To me the minute I read about this the fact that A&B was offering to give the County 35 acres as well as selling land in the business park made it to me a no-brainer. The County should go for the A&B site. Some may have objections to this as a way of buying land, that you shouldn't allow this kind of tax deductible sweetener to be considered in the price, but I think it's a perfectly legitimate way to basically provide more for what you're giving than would be available otherwise. And I also did go to the site visit and saw both sites. The other site has the disadvantage of being on two levels which would make having interchange among the different departments there a little bit harder. Not a bad thing but more difficult than if they were all on the same level. And secondly I think the location as others have said is more available to the whole County being near the airport for people coming in from Honolulu or Molokai or Lanai and being more accessible from Kihei than the other site, you know, and probably a little more accessible...well about the same from Lahaina, from the West Side. But I think there are advantages to the site over and above the 35 acres. But to me the 35 acres are so important. I really hope you will all vote in favor of that site. I guess that's...I can't tell from the lights whether I've used up all my time, but I hope you will vote in favor of that. May I vote...may I testify on a different agenda item that I didn't sign up for?

CHAIR WHITE: Yes, you may.

MS. RAISBECK: Would that be all right? I'd also like to present my opinion, not any facts, in regard to the Kalakupua. I keep getting mixed up with Kaupakalua then Kalakupua.

CHAIR WHITE: We all do.

MS. RAISBECK: Yeah. But obviously that playground should have County support, and I hope you will vote in favor of that. The last one about more budget for the Solid Waste Division, it's being pretty inconvenient not to have waste pickup on holidays, especially given the fact that the dump is closed on holidays. You couldn't even take it to the dump. So I hope you will vote my way on all of these three projects. Thank you. Thank you, Chair.

CHAIR WHITE: Thank you, Ms. Raisbeck. Members, any questions for the testifier? Seeing none, our next testifier will be Bill Wood on BF-123.

MR. WOOD: Good morning.

CHAIR WHITE: Good morning.

MR. WOOD: This is the second time I've spoken on this issue and I am amazed it's still unresolved. I would think that the County of Maui would maintain this park, that should

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

have been automatic. The playground was a gift and a lot of people worked hard to donate it and spent time to build the park for the children of Maui. I've only made Maui my home for ten years and during that time I have seen countless birthday parties and celebrations at the Fourth Marine Park. My grandchildren and children have played there. We have a special needs child who loved the playground. We don't go there anymore because she stands at the fence and cries. I can't explain to her the politics of playground maintenance, she just stands and cries. There are a dedicated group of people working to save the playground. They have worked hard and raised money to help save the playground for the children of Maui. When is the County of Maui going to do their part? Why has this taken so long and become an issue? Where is the concern? Why has no one who can make this happen championed this cause? Where are the priorities for caring for the children and families? I've enjoyed this park and its history. I have met old veterans who have come back to visit the site of their training and preparation to go off to war. Many of those men never returned and died on the beaches of Iwo Jima and other islands. One veteran in particular told me how good it made him feel to see the children playing in the park on the playground. That is what he and his fellow Marines fought for and died for so that we could live in peace and children play on that hallowed ground. There must be someone here who can expedite the work and return the park and the playground to the families and children who love it and find happiness on the swings and slides. In this election year is there someone who can make this happen? Really, where are the priorities? In the big picture of the County budget this is not such a great amount. Let's cut through the political rhetoric and just do it. Thank you for your time and I hope this body will act quickly to show a little pono for the keiki of Maui. Thank you.

CHAIR WHITE: Thank you, Mr. Wood. Members, any questions for the testifier? Seeing none, thank you for being here this morning. Our next testifier is Jonathan Starr testifying on BF-106.

MR. STARR: Good morning, honorable Council people.

CHAIR WHITE: Good morning.

MR. STARR: Chair White, Chair Baisa, Vice Chairs. Thank you all for being here, and thank you for expeditiously moving forward with BF-106. It's a win-win, excellent opportunity for the community in several ways. One is that we need to replace the service center, we know that the lease existence in the Maui Mall is untenable and we need to move forward. And now with the best bond rating that the, we've seen in the State and historically low interest rates, now is the time to move forward with that. The Maui Business Park II property is probably the best location in the County for it. I mean part of me wishes it could be in downtown Wailuku but right now our traffic circulation would not handle it or our parking would not handle it, so I don't really feel that that's a

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

viable short-term option. They, that's, Maui Business Park II is at the confluence of our transportation. People coming from Upcountry, Hana, Molokai, Lanai, and all over Central Maui, West Maui, that's a great place for them to come and the lots are flat. And it's a reasonable good deal. And it has one of the greatest additional benefits in that the area that is to be given to the County between the existing Baldwin Beach Park and the Paia Youth Center is a beautiful gem. And it was abused in the past as the lime kiln for the plantation but it still provides a lot of wonderful beach frontage and other recreational shoreline activities. And Paia is a thriving community which is built around beach and water usage. So to expand that and allow that to be a gift to all the future generations of Maui will be a wonderful, wonderful deed. So please continue to move forward with that acquisition. It's something that will be remembered for hundreds of years and will continue to serve our community and our youth in perpetuity. Thank you very much. Aloha.

CHAIR WHITE: Thank you, Mr. Starr. Members, questions for the testifier? Seeing none, thank you. The next testifier is Jim Smith testifying on BF-106 and 124.

MR. SMITH: Member White, members of the Budget Committee, aloha. This is kind of very important. I distributed to Members a copy of mail I received two or three days ago. The first page of this is stamped, it has a zip code and a date of when it was mailed, and when you open it up you have the letter. And the first thing it says is important. Okay. And it's very important. And you go down and you read it and you find that the Council during the budget hearing did not fund critical funding for solid waste. Okay. And you go forward and you read on and the letter asks you, no sign or signature or anything, asks you to attend the community budget meetings this fall which is the election season, okay, and express to I guess the Mayor how badly you've been hurt or whether you've been hurt at all, affect your family, how does this critical loss of funding affect your family. Okay. That's what this says. It goes on to say that there's critical services that are going to be outsourced and that the funding that was saved went on to fund that critical outsourcing of services, but it doesn't say how much. It doesn't tell you that there's an Integrated Solid Waste Plan and how this funding fits into that. It doesn't say anything except this is electioneering, this is an election season. Take note. But that's a misuse of public funds. Okay. And the funding that is being used is a savings that should reflect in Carryover/Savings or should be re-appropriated and you need to investigate that, because it appears to me that the oath of office that was taken by our Mayor is different from the one that was taken by all the other political elected representatives I've ever known. Because to me that is a different world, a different political reality, and we don't need to go there from my perspective. So I'd ask you investigate this matter, question everything you read from this particular Administration. That is for the first part. The second part on this is the Solid Waste Management Plan says that there's going to be 2.3 tons per household per year. Okay. And there's been an increase since 2000...and this was done January 17, 2009, that's when that was done, 2010 there's been an increase to 2015

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

projected, so there may be a critical problem and it may be we need a moratorium on allowing the connection of service. It may be that this Administration misses the point.

MS. YOSHIMURA: Three minutes.

MR. SMITH: Thank you very much. And I would ask you pursue, pursue, pursue. Thank you. That's...any...

CHAIR WHITE: And you have...you're testifying on one other item.

MR. SMITH: I testified on that one, it is complete. If there's any information or other question I'd ask you to hold it--I'm sure there'll be many--until I finish the testimony on Budget Committee 14-106. And this is typical, all right, we have a free market, it's driven planning since the beginning. It's always a market force versus the will to protect the character, lifestyle by keeping land regulated and keeping businesses regulated. Okay. It's always been the conflict. So now you get a proposal that connects a donation with a free market purchase and you're going to pay seven point some million dollars for four acres of land that may or may not be sold but is in the marketplace. So that money increases the value of that land so the seller can then go and ask a median price and includes the public purchase of private land. And then the donation on the other side is another problem altogether. It shouldn't be together. If they want to donate, whatever, 35 acres anywhere it shouldn't be connected to a free market enterprise. That screws up the whole system as a political system, and that may in effect be the goal. Alright. So I would ask you separate the two, don't take 'em up at the same time. Okay. Policy should be taking up whether or not we want a part. Community plan had all that designated Ag on the mauka side of Hana Highway. Okay. A&B is a good neighbor, let 'em do what they want. If they want to give that and then go forward, but don't mish 'em together, then we never know. Please separate that if you can. It's really, really a problem.

CHAIR WHITE: Mr. Smith?

MR. SMITH: Yes?

CHAIR WHITE: If I could just let you know there's no sound coming through to Akaku so we're gonna just...

MR. SMITH: That's all right. Akaku I don't mind.

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

MR. SMITH: I'm not really interested in Akaku. If you can hear me, fine.

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

CHAIR WHITE: We're gonna take a...we're gonna take a quick recess.

MR. SMITH: Do I get my three minutes again?

CHAIR WHITE: Oh, yeah. We'll let you restart so...

MR. SMITH: Both of them or all of them?

CHAIR WHITE: No. Well...

MR. SMITH: Just the last? Just kidding. I'm sorry. All right.

CHAIR WHITE: We'll be in recess --

MR. SMITH: Do I stand here?

CHAIR WHITE: --to fix the problem. . . .(gavel). . .

RECESS: 9:19 a.m.
RECONVENE: 9:28 a.m.

CHAIR WHITE: . . .(gavel). . . This Budget and Finance Committee meeting will reconvene. And just to let everybody know in the Chambers we still have not found the problem. The feed from the Chambers to Akaku is working but evidently the broadcast is not with audio. So we've got a lot on our agenda this morning so we're going to proceed and I apologize for technical difficulties for folks out there, but we've got a lot to get through. So, Mr. Smith, if you would finish up your testimony I'd appreciate it.

MR. SMITH: Thank you very much. So I'm talking, asking you to not move out 14-106. Asking you to put in the context, the political context. Look at it market force, look at it versus donations, recognize that you ought to keep those things separate to maintain your own integrity. You really have to do that. That's our political reality, it's not anyone else's. So basically if we look at what happens when you lose sight of that, the fact that community plans are really the link and you look at the market force, what really happens is you get 14,000 bed and breakfasts on Maui when before you had 3. And you wonder how come? We have regulations, we made three different kinds of bed and breakfast regulations and now we have 14,000. How come? Political reality. If you lose that integrity nothing happens but greed. Okay. If you look at beach activities. All right. I was there the first echo of it and they said we're going to be self-enforcing and it hasn't gone away because they're not talking about regulation. Free market does not talk about being bound by anything so you gotta keep 'em separate. So when you have a bill that

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

comes to you and says why don't you buy \$2 million for a one-acre lot in this subdivision and we're going to give you 35. If you bring 'em together you've assisted the market value of the property for the seller and then on the other side you've destroyed the community plan. So what do you have? Havoc. So what do you have? Entrepreneurial model of government. Havoc. Right makes, might makes right. The rich surface. All of that politically has to do with the havoc that's happening now when you take free market and you mush it together with donations. There's only one king and no votes, and if you look at the vote the last election Maui came up with 30 percent. That's a reflection of a abandonment, okay, that comes with an entrepreneurial government. You abandon the vote. It's irrelevant. You abandon the Legislative Branch. It's irrelevant. You embrace the Mayor. He's relevant to some people. Please separate the two and then proceed. If A&B wants to do it in a separate way, aloha. If not, wait for another time. Aloha.

CHAIR WHITE: Thank you, Mr. Smith. Any questions for the testifier? Seeing none, thank you for coming today. And our next testifier is Pat Simmons testifying on BF-106.

MR. SIMMONS: Aloha. My name is Pat Simmons, Jr. I'm from Peahi, Maui. And just testifying today on behalf of all my friends and everyone I grew up with surfing Baldwin Beach and just enjoying the land there and the ocean. And I just want to thank you guys for, you know, giving the opportunity to preserve that land between Baldwin and Paia Bay, 'cause it's a beautiful stretch of land that I feel is important to my community and my friends and I spent most of my life hanging out in that area. And, you know, I go there all the time, I see plenty limu, plenty honu, and it's just a beautiful place that I like to spend a lot of time. And I know a lot of people who love that land. And I really appreciate you bringing that forward to include in your preservation hopefully. So please vote yes on that and I hope to see that land preserved for the future generations, and all my, you know, hopefully my kids and my kid's kids someday can enjoy that beach. And maybe one day it'll be, you know, clean enough to go hunting limu and all that. So mahalo, keep it up.

CHAIR WHITE: Thank you. Any questions for the testifier? Seeing none, thank you for your testimony. The next testifier is Dave Gleason testifying on BF-106 as well.

MR. GLEASON: Good morning.

CHAIR WHITE: Good morning.

MR. GLEASON: Good morning, Chair. Good morning, Council members. I just have a quickie. Obviously you've heard me before. I'm with Maui Lani. We'd been working with the County for some time now in regard to putting together a plan for the service center. That's obviously the Administration and obviously keeping you informed. At this moment it doesn't seem to me very personal that the clarity of the situation is just not

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

there, very fuzzy in regard to how many acres you really need. There's a plan for a four-acre site, there's a plan for a five-acre site. We'd been working with the Administration on a three-acre site. Pretty much had it set that that's what was needed for the specific service center which would have included the property tax and DMV and possibly some other offices. So the discussion has gotten into the 20,000 square foot, 30,000 square foot, 40,000 square foot building. So we're getting in some areas certainly away from the service center itself. You don't need that much for the service center. Do you need five acres? Probably not. Do you need four acres? Probably not. And even three acres, we had made the presentation and worked with the Administration in regards to the three acres. Whether that's the exact number that is needed, it would have accommodated all of the parking. It would have accommodated certainly the services that the service center currently provides. In any case to make it...just to really get it more clarified my thought was to do an RFP now. Do a Request for Proposal from those landowners that are participating and obviously it could be expanded that there may be this site that's available. Those developers or landowners could certainly put the plan together for the building itself. I think that would cause the County to come up with a specific plan which it hasn't, and that would help the Council make the decision that once an RFP is there you don't necessarily take the lowest one, you take the one that's probably has the most expertise in putting this plan together. It would certainly assure the County that there's a cost, there's a specific cost that you would be paying for this facility. Right now you're paying for land, you're not paying for the building. When the County or State typically go out for an RFP the costs increase because everyone knows that the County or State have deeper pockets and that's often the case. It might go up 20 percent, you never know what that will cause if you go out for an RFP after you purchase the land. And then it would be the County developing it and that's not necessarily something the County wants to get involved with, and I'm speaking from just generally that I've been around a while and understand what goes through with the development and how it's put together and how sincere developers must be when they come up with a price and they have to stick with that price. But in any case --

MS. YOSHIMURA: Three minutes.

MR. GLEASON: --consider the RFP, and that would be something that I think would benefit. And if the landowner wants to throw in the extras, so be it. I tend to agree with the previous testifier that it does muddy the waters a little bit. Thank you very much.

CHAIR WHITE: Thank you, Mr. Gleason. Members, questions for the testifier? Seeing none, thank you. Our next testifier is Michael Gagne, and following Mr. Gagne's testimony we'll go to the District Offices.

MR. GAGNE: Good morning, Mr. Chair, and thank you. Good morning, Council members. My name is Mike Gagne. I want to give you a very brief history of the Giggle Hill

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

playground. Twenty years ago when Linda Lingle's Administration was looking for park land, they came to the community association and stated their case. We said well gee, we'd love Giggle Hill, they said no, it's too expensive, A&B wants too much money. But because I'm a reader of kind of odd esoteric things I'd been reading about ground penetrating radar and the US government was testing on 50 known sites in the US to see if their radar worked from a satellite. So I thought oh, this is interesting so I went and looked at the list of the 50 sites and one of them was Kuiaha, Hawaii. And I thought gee, Kuiaha, Hawaii, there aren't any other places in Hawaii called Kuiaha, that's gotta be where I live. So sure enough this was before the Internet so I had to go to the library and request that information, and it said that when the Marines left they dug trenches and put APCs, jeeps, trucks, everything in the ground and buried it over. And so I reported to the Lingle Administration, Dave DeLeon in particular that I knew this about that area. They called in the bomb disposal guys with their magnetometers. They went all over the place and they said this area here no digging, you can't dig in this area, there's metal, we don't know what it is. So that land which was hundreds of thousands of dollars for a subdivision was sold to the County for one dollar based upon that information. Now I tell you this story not because I did something great but because all of the people in the community knew something about that, and that's how we got to where we were. Ten years ago Karen Cooper and River Sussman decided they were going to put this playground together, and I was intrigued by it but I had no idea what what it was but we went down there and worked. They set up a little city, fed everybody for four or five months, breakfast, lunch, dinner so we could spend the ultimate amount of time there. The playground came together with donations from the community, from businesses, from individuals, from school groups, from churches. People showed up and did the work, and we had what we had. Unfortunately some part of it decayed because there was a bad process in one area of the decking. We've ripped all that out and fixed it. We've already been given a budget agreement from the Council for 150,000 but Parks and Rec wants us to spend our money. They intimated that would could pool our credit cards and fund the 63,000 for the surface, the various other amounts of money that we needed, but these are young working families, they don't have that credit ability. So we're asking you to change our \$150,000 grant to a cash grant to Haiku Community Association who is fiscally responsible, a 501(c)(3) Federally registered, has insurance, both event and for boards. And we think that we can continue on with the \$26,000 we've already raised in the community to finish the repairs. And we are really hopeful that we can get that amendment to that budget proposal. And I would like to say on a personal note, putting the playground and the park back together has been very rewarding because it brings people in the community out again. But I must say on a personal note that it's frustrating to come and have to beg for this money for something that's as wonderful as that playground is. So I guess that's the gist of my testimony. I'm hoping that you will vote yes on this. And also we'd like to see yes on the Baldwin Beach Park. Thank you very much.

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

CHAIR WHITE: Thank you very much, Mr. Gagne. Any questions for the testifier? Seeing none --

MR. GAGNE: Thank you.

CHAIR WHITE: --appreciate your coming today. And we'll first go to Hana. Dawn, do you have any testifiers this morning?

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

CHAIR WHITE: Thank you very much. And we'll go to Denise on Lanai. Do you have testifiers?

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

CHAIR WHITE: Thank you very much. We'll check back with you in a little bit. And, Members, there is no one in the Molokai Office. Ella had to leave on a family emergency. So she did inform us there was no one there to testify at the time she left. So with that we'll move on to our next testifier, and the next testifier is Keith Regan.

MR. REGAN: Good morning, Chair. Members of the Budget and Finance Committee, aloha.

COUNCILMEMBER BAISA: Aloha.

MR. REGAN: My name is Keith Regan, Managing Director, speaking on behalf of the Mayor who is in a meeting but should be joining us a little bit later. I'll be speaking specifically to BF-124 relating to the Department of Environmental Management, Solid Waste Division, Fiscal Year 2015 Budget. With all due respect our Administration believes that every effort was made to inform this body that if the requested positions and funding were not approved that the Department would be forced to reduce landfill hours and trash pickup operations. During the Budget and Finance Committee meeting on April 29, 2014, I personally testified saying in relevant part, "The budget can be cut and should be cut in order to avoid property tax increases but not in areas where it adversely affects essential County services. If positions from our landfill operations are cut trash pickup and landfill hours of operations will be negatively affected. We are humbly asking that reconsideration be given to the funding of critical infrastructure, replacement, repairs, and maintenance. If we neglect our County assets the impacts to our community will be dire." At that same meeting Mr. Ratte, Mr. Mike Ratte, the acting Division Chief of Solid Waste Division explained to this body that due to the strict Federal and State regulations of solid waste and costly fines that they're facing, he begged this body not to

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

cut positions that were requested. Specifically he explained that we need the positions as we “just can’t afford to leave those landfills open whenever there’s noncompliance or safety issues”. He also added “I don’t want to have to make that call to someone’s spouse that says that their husband or wife has been injured because we lacked enough staff at the working place to keep it safe. We need our operators back, that’s our priority.” At a Council meeting on April 30, 2014, we gave a handout to this body that provided four options. In it we explained that without the requested positions the Department would be forced to close or reduce hours of operations at our landfills to prevent costly fines due to the State Department of Health regulations and for safety of our employees. The Council at that point in time chose to add a proviso restricting funds to be used solely for non-essential programs such as recycling. In other words, we explained and we explained well that the Department would be forced to close or reduce hours of operation at our landfills, but we chose not to provide...or but the decision was made not to provide the staffing and funds that the Department needed to do so. During an April 29th Budget meeting --

MS. YOSHIMURA: Three minutes.

MR. REGAN: --Chair White explained to Mr. Ratte and this is a quote, “And you know you provided us with absolutely outstanding reports and I think many of us very much agree to what your concerns are.” And Mr. Ratte replied stating, “If I could add just a brief, just touching upon the fiscal concerns that you just mentioned. Reinstating our five operations positions and approving of that engineer position that we’re requesting will cost monies; however, the noncompliance costs that I mentioned earlier, the \$4.5 million that’s been...or the last 8 years, I don’t expect that to change in the next 2. So this budget reinstating these operating positions and giving us that engineer will save us an estimated \$250,000 per year given this plan, given the 5-year plan and the resources we’re asking for in the budget.” And to that Chair White stated, “I understand that.” So with all due respect --

MS. YOSHIMURA: Four minutes.

MR. REGAN: --there are other memos and other PowerPoints that were provided to this body, and we’ve made every effort to try to explain that due to the Federal and State regulations of our landfills, due to the high cost to our taxpayers from fines...

CHAIR WHITE: Mr. Regan, are you...can you...

MR. REGAN: Yes. I’m wrapping up, sir. I apologize. And due to the health and safety of our workers and communities we need the positions and the \$200,000 so that the Department will not be forced to cut these landfill hours and trash pickups. We believed you understood that. Thank you very much, Chair.

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

CHAIR WHITE: Thank you, Mr. Regan. Any questions for the testifier?

COUNCILMEMBER VICTORINO: Mr. Chair?

CHAIR WHITE: Mr. Victorino.

COUNCILMEMBER VICTORINO: Will he be available or as a resource or whomever will be assigned to this issue?

CHAIR WHITE: I assume mister...we've requested the presence of Mr. Ginoza so I'm . . .*(inaudible)* . . .

COUNCILMEMBER VICTORINO: Ginoza. Okay, that's fine. Just so long as someone's here to answer the questions. Thank you, Mr. Chair, I'll wait 'til then.

CHAIR WHITE: All right. Thank you. Any other questions? Seeing none, thank you very much, Mr. Regan.

MR. REGAN: Thank you. Thank you.

CHAIR WHITE: Our next testifier is Neeva Fender.

MS. FENDER: Good morning, Chair and Council members. This is kind of an uncomfortable setting for me, I've never done anything like this. But I'm here on my own free will because of the Giggle Hill playground, Kalakupua. It seems...it's hard not to come up here angry wondering why we're begging for the money when it's a matter of community and children, but I'm sure some of you or all of you might have children and one of the most important things that a community has is a playground to go to, spend time together, parents meet each other. My daughter can go there and she always knows there's friends at the playground. So right now the only playground that we can really go to that's close to my house is at a school which is closed during school hours, and not to mention that this playground if you haven't seen it, it's an amazing structure. And I've talked to parents in Pukalani, I've talked to parents in Kula, all who are like why is that playground shut down, it's such an amazing place, I used to take my kids there all the time. Okay. Two years, a year and a half that people have been trying, and I work full time, everybody that I have seen at the playground works full time, we all have very little time to spend, but we take whatever free time we have and we volunteer it. 'Cause it's very important to us and it's very important to the future of the community and to the children that this playground be restored, and we cannot do it without the support from you guys. We don't have the money, we have time and we have fundraisers and that's just not enough. But you can come there and see, you knock on the wood and it falls apart. The

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

longer we let it sit, the more repair will need to be done and the harder it's going to be, so it's kind of something that needs immediate attention if possible. And I'm sure you guys will do the right thing because it's very important for the community. Thank you.

CHAIR WHITE: Thank you. Any questions for the testifier? . . .*(inaudible)* . . .

COUNCILMEMBER COUCH: She didn't identify herself.

CHAIR WHITE: Her name is Neeva Fender. I would like to...did you have a question for her? Okay. I would like to just say that you shouldn't feel as though you're begging for this money, this money has been allocated in an earlier budget so this is just a reauthorization of an earlier authorized amount.

MS. FENDER: I see. Sorry for the misunderstanding.

CHAIR WHITE: No.

MS. FENDER: I guess the main thing is that we cannot front the money and...

CHAIR WHITE: No, we understand that --

MS. FENDER: Okay, cool.

CHAIR WHITE: --and I just want to say thank you to you and the other members of the community that have stepped forward to provide the work necessary to provide a playground which one of the testifiers I think correctly stated that, you know, that everywhere else these things are provided by the county. So I think the people of Haiku and your area should be very proud of what they've done.

MS. FENDER: Thank you.

CHAIR WHITE: Okay, our next testifier is Madge Schaefer testifying on BF-124.

MS. SCHAEFER: Good morning.

CHAIR WHITE: Good morning.

MS. SCHAEFER: I've got a couple of points I'd like to make about the trash situation. You're going to hear from my husband who has been the strong silent type my entire political career, and I happened to be out of town and he had an experience with the trash people which he is going to relay to you. He did it all on his own and I'm really proud of him. I'm really a little surprised, too, I never thought he was paying much attention, but turns

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

out he is. So that's fair warning to you all that your spouse's may be actually paying attention to what you're doing. First of all, I wanted to say it was interesting to hear the magic number to put everything back together is \$200,000, and I followed Mr. Regan out and asked him for that clarification. It seems like to me a logical adjustment to the budget would be to close the landfill on major holidays. Why shouldn't those people who work there be, have an opportunity to spend that day with their family? Not every holiday is a major holiday and that could be determined and negotiated. That's number one. And apparently that would represent a substantial savings of that \$200,000 that they're short. The second point I want to make about that is back in the dark ages when I was an elected official and was the chair of the finance committee, when we worked with department heads at budget time and we were constantly having to slash our budgets because we were an arm of the state and the state kept handing us mandates and no funding, the department heads would always pick the things they were going to cut, the things that affected the public that would hurt the most and would hurt the public the most, and that's the wrong way to do business. And I think that's what's happening here is instead of saying we're going to fix this, we're going to find a way that we can accommodate this, what's happening is they're doing it in a way that it hurts the public, and that's wrong. That's not your responsibility, that's the Administration's responsibility. I think that in what you did in the budget process, I was really proud of all of you. You know I'm easy, quick to criticize and slow to praise but I think you did a great job. I think this and this I found yesterday and buried in my desk, this was a great communication tool. I think the public gave you, the public who was interested and had the time gave you lots of input, and that input was really clear, they didn't want their taxes increased. So thank you for this. This is really good. This is a new Council. This is a modern, up-to-date Council that communicated with the public in a very positive way. And I think there was another mailer prior to this. Really good. This is really good, and I'm proud of you all for that. So bottom line is if the Administration wants advice, my advice is close the landfill and skip, on major holidays skip the pickups, do it the next day. There's no overtime. So that's important. And I've got one more thing and I know my time's up, I wish somebody would ask me what it was. But my point is about the recycling and the cost of recycling.

CHAIR WHITE: Is her time up? Okay. Members, questions for the testifier?

COUNCILMEMBER VICTORINO: Mr. Chair? What about recycling?

MS. SCHAEFER: Thank you. Thank you.

COUNCILMEMBER VICTORINO: Okay.

MS. SCHAEFER: When Maui Meadows was the model project for the three-can plan, we were the first ones, and we had the Environmental people come out and explain to the board of

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

our homeowner's association which at the time I was on, they explained about how the plan would work. It was just done, they didn't ask permission, we were just, they just told us this is what way it's going to happen. I asked them questions about how...so the County would pick the recycling up, they would take it to the recycler, and what percentage of the recycling was the County going to get back? And the answer was zero. Whoever negotiated that contract should reconsider because if the County is paying for the transportation and it's going to the, and it's going, it's delivered to the recycler, and the recycler is just doing the sorting and taking all of the return, that doesn't seem like a fair deal. And that should be renegotiated. And maybe that's why the Mayor wants to stop the recycling program is because they negotiated a lousy contract. So thank you very much, Mr. Victorino, I appreciate you asking.

COUNCILMEMBER VICTORINO: One quick question and maybe --

CHAIR WHITE: Go ahead.

COUNCILMEMBER VICTORINO: --not so much for Madge but I just want to put it out there and I'll probably ask the Department. So just for clarification, all these recycled materials that we pick up on the different schedule in the Maui Meadows area goes to the recycling center and we get absolutely nothing for it as far as you know?

MS. SCHAEFER: That's what I was told --

COUNCILMEMBER VICTORINO: Okay.

MS. SCHAEFER: --and I questioned the staff, and they said that was the way the contract was negotiated.

COUNCILMEMBER VICTORINO: Okay.

MS. SCHAEFER: That is not a good . . . *(inaudible)* . . .

COUNCILMEMBER VICTORINO: No, and I'll ask the Department when they come forward. I would like that question brought up to them when they come forward later. Thank you, Mr. Chair.

CHAIR WHITE: Thank you.

MS. SCHAEFER: Thank you very much. I appreciate it.

CHAIR WHITE: Thank you, Ms. Schaefer. And our next testifier is Bruce Schaefer also testifying on BF-124.

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

MR. SCHAEFER: I've got a handout here. You probably have seen this 'cause it's a County handout. . . .(inaudible). . . That's the mailer that was passed out, and if you can just give that...

CHAIR WHITE: We'll make copies if necessary but --

MR. SCHAEFER: Okay.

CHAIR WHITE: --go ahead and provide your testimony and we'll get the copies to Members.

MR. SCHAEFER: Okay. It's going to address that quite in some...not in some detail, but while you're passing it out I could say that I wasn't sure this was a political thing until Mr. Regan testified before you all. And now it's quite apparent that this...like my wife said, this thing is a political football. They're using it for political gain, somebody is. And I wasn't sure until I called the waste management people when the trash...the recycling was not picked up. And they told me that this came directly from the Mayor's Office not to pick up the recycling that day. Now it was during prior to the hurricane so they were doing it in anticipation that there would be a problem. So I said...and they also said on holidays it's not going to be picked up, and I said well when would that be made up? We can't sit there between pickups for the green waste and the blue can. If you miss a pickup you must wait almost an entire month for that can to be picked up. So I jumped up and down being I'm the garbage man in the house and all the rest of the guys in here can identify with that. Who takes the trash out? The guy takes the trash out. So now we're down to I call waste management, they tell me that it came directly from the Mayor's Office. I call the Mayor's Office on Tuesday the 12th of August after the, when I finally found out that they were never going to pick up the blue can, it was full. All the blue cans throughout Maui Meadows, trash was blowing all over the place, and you know nobody washes out that, a lot of that recycled waste. They swish water around, throw it in the can. Now you've got maggots, you've got all the other things that go with that, waste sitting around in the hot sun for a month. So anyway to speed this thing up I waited until the 21st of August and did not receive a call from the Mayor's Office regarding my question. On the 21st I filed under the Freedom of Information Act who is working in the Mayor's Office, what their jobs are, what the pay is, and how much comp time they took if they were too busy to return a simple phone call to a constituent. To this, right to this day I have not received a phone call, I did however receive an e-mail from Rod Antone, the Communications Director saying that they just are super busy. Rob Parsons is all caught up in his big area of the...he's all caught up in his, all the stuff with the environmental issue about GMOs and he can't call you back, and so and so is busy doing this, and so and so is busy doing that. He just kept making excuses. He apologized and he said I'll fall on the sword and he did, he fell on the sword, God bless the guy. He should be an ambassador. I wrote it in an e-mail to him --

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

MS. YOSHIMURA: Three minutes.

MR. SCHAEFER: --I said you're in the wrong job. If you're going to cover for these guys that don't come to the office, don't return phone calls, pick up a paycheck and ride off into the sunset. So anyway the big thing is now that you've got the flyer, if you look at the first page you'll see that number one this was mailed out I guess several months ago. It's great, you can look down here, tell when you put your garbage out. However, if you look on the left hand column they've made a mistake. See they had rubbish pickup every Monday it says, I crossed it out and made Tuesday in there. So this wasn't even correct. But that's just a small item. Another thing is you will notice that in August that the green waste was picked up on the 1st of August. It wasn't until the 29th a full month later that it was picked up again because the 15th of course was a holiday. Now I ask you --

MS. YOSHIMURA: Four minutes.

MR. SCHAEFER: --doesn't it make sense that if you have a service that the County is relying on, that you will continue to provide that service, if you miss a day you will make it up. I mean it's like anything else. Would you suspend fire protection? Would you suspend water, sewer? Would you suspend any police protection because it's a holiday? The stuff goes on. This is a service we pay for and rely on.

CHAIR WHITE: Mr. Schaefer, yeah, you'll have to provide a concluding remark . . . *(inaudible)* . . .

MR. SCHAEFER: In conclusion I would say the very least it should be expected when you pay for a service, in this case twice-a-week service in Maui Meadows, that if you miss a pickup that pickup is made up. If you went to the store and bought, went in and say I want two donuts and they only gave you one and told you, you know, the guy in the back is busy but they charge you for two, would that be...would that business...

CHAIR WHITE: Mr. Schaefer, your time's up.

MR. SCHAEFER: Okay, I'm sorry.

CHAIR WHITE: Thank you very much.

MR. SCHAEFER: And I hope, I just hope --

CHAIR WHITE: And I appreciate your passion.

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

MR. SCHAEFER: --that everybody read the front page of *The Maui News* because there's a lot of people that are upset about this.

CHAIR WHITE: No, we understand that. Thank you very much. Any questions for the testifier? Seeing none, thank you --

MR. SCHAEFER: Thank you.

CHAIR WHITE: --so much for coming today. And our next testifier is Jennifer Livingston testifying on BF-123 and 106.

MS. LIVINGSTON: Good morning, Chair and Committee.

CHAIR WHITE: Good morning.

MS. LIVINGSTON: Aloha. I'm speaking on behalf of myself and on behalf of the playground committee and the HCA. First I want to say thank you so much for all of your ongoing support for this project because without you we wouldn't be here. And also thank you for your patience 'cause I know this has been before you before. And so I appreciate that. And I'm actually here today to ask for some help. So just I don't have the long history that Mike Gagne has but I do have a history from when the playground was closed two years ago and I sorely missed it and kind of let a few months go by thinking that it would be fixed then it wasn't. So I contacted my representatives and the Parks Department and got in touch with Jennifer Oberg who was then the PCNC for Haiku School. Netra Halperin had testified at a Budget hearing I believe requesting funding for the playground. And we all kind of came together and had a playground committee formed. And then we went to the HCA and brought the project to them saying will you be our fiscal sponsor, will you be the 501(c)(3) for this project and they unanimously said yes. Since then we've had over 15 workdays at the playground and we have built up a committee. We have worked with the Parks Department to comply with the structural adequacy report that was compiled by the engineer. Although I like to call it the structural inadequacy report, but we have put together a reconstruction plan that addresses all of the needs in that report. We've submitted two different budgets. We've submitted project timelines that have been postponed and postponed. Most recently two weeks ago we went to a Parks Department meeting where we were informed that indeed this was going to be a very strictly proctored reimbursement grant which means that we would have to pay out of pocket for expenses before they were reimbursed. Reimbursement schedules are on two weeks, and so if you can extrapolate, we've raised \$26,000 at this point but if we were to pay out...and we have three contractors and lots of supplies to purchase. So when you start to think about the added labor and time and coordination and effort that it would take in order for us to actually make the expenditure, wait two weeks for reimbursement, make another expenditure, wait two weeks for

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

reimbursement, make another expenditure and wait two weeks, I think you might find that that process would be largely cumbersome and very difficult to comply with. Another thing that was brought to our attention was that they really wanted us to comply with procurement laws. My understanding of procurement laws is that they are in place in order to protect the public and the public tax money from backdoor dealing, my brother's uncle is going to profit from this but nobody else gets a promise, you know, gets a fair chance. The original...well the Parks Department when they did, when they tried to figure out how much it would cost them to replace the playground or repair the playground they have now the budgeted expense for just the footing was \$350,000.

MS. YOSHIMURA: Three minutes.

MS. LIVINGSTON: We're doing the whole project for \$150,000. The only way we're getting there is by my brother's uncle who knows somebody who's going to donate something. So their statement was whether it's \$1,000 or \$10,000 we need to have 3 bids which puts unfair burden on the playground committee as well as local businesses when they know well that of course we're not going to go with their bid 'cause it's going to be very high. So my request for help today is that we can change some of the verbiage in the bill itself to ask that the funding be given to us as a cash grant in total as soon as possible so that we can move forward with our repairs.

CHAIR WHITE: Thank you. And did you want to testify on the, on BF-106?

MS. LIVINGSTON: I did. Baldwin is awesome, we should definitely protect it. And if you look at the two deals it's less expensive per acre and seems like a winner.

CHAIR WHITE: Okay, thank you. Members, any questions for the testifier? Seeing none, thank you so much for coming today.

MS. LIVINGSTON: Thank you.

CHAIR WHITE: Our next testifier is Dick Mayer, followed by Netra Halperin.

MR. MAYER: Chair White, Council members. My name is Dick Mayer. I'm testifying on the acquisition of the land for a service center. I notice that the title in the agenda says land acquisition alternatives for a County service center, but I note that you have really essentially one resolution. That you're not, you've apparently made the decision to go ahead with the purchase of the land in the business park, and I applaud you for that. I think it's a wise decision and it's the best site for the facility. It's the intersection really of almost all the main highways on Maui and roads that access each of our communities from the airport access road that's now under construction which allows West Maui people, Molokai people coming in at the airport, Lanai people coming in on the ferry, the

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

Hana Highway for East Maui, Pulehu Road for people up in Kula, Mokulele from South Maui. All of the communities will be greatly benefitted by having it located in this site. The site is flat entirely and very buildable and I think will be a great addition to the County in so many different ways over a long, long period of time. Getting the land between Baldwin Beach Park and Paia will be a real coup. This is something that is going to enhance the whole recreational area for our local community. There are many recreational beaches and parks all along the south coast and West Maui, et cetera, but in the areas in North Maui, Central Maui this will be a major addition. And I urge you soon after in an additional budget in the future that you begin master planning the area of this park area as well as the Baldwin Beach Park. One suggestion also is that you negotiate with A&B to get control of Baldwin Beach Park itself. The County has this as a public park but does not own that land under the beach park, and I would urge you so that a good master plan can be developed for this entire park area. And I think that's very, very important for our long-term recreational needs in this community. A&B has received from the Council many benefits over the years in increasing their land values. The Waiale project with 2,500 units, recently North Kihei the 600 units. I think this would be a time to go to A&B and say we think that this land should be transferred to County control so that we can have a good master plan along with their donation of the 30-plus acres between Baldwin Beach Park and Paia. I congratulate you on moving forward with this, and I'm looking forward to seeing a good service center put up in the next year or two. Thank you very much.

CHAIR WHITE: Thank you, Mr. Mayer. Any questions for the testifier? Seeing none, thank you for coming this morning. And our next testifier is Netra Halperin testifying on BF-123.

MS. HALPERIN: Aloha. I'm Netra Halperin and I'm on the, a board member of the Haiku Community Association and co-chair with Jen Livingston on the playground committee. And pretty much my colleagues have said everything about this, and as has already been stated Chair White generously or, you know, for his community appropriated this \$150,000. And again we are small, we are a community association, we are not a big nonprofit, we are not a big for-profit company, we're just a small community association. And for us to come up with \$150,000 out of our own pocket or out of our own credit card and who even has credit cards these days to pay for this is really not fair. And I understand that the reimbursement type of grant is common within the Parks Department and I guess within the County in general, but in this particular case it's not really viable, it's not doable. And there has been cash grants. Kelly King was part of a committee that got, I think it was a smaller amount but maybe like 20-\$40,000 for a park up in Kula some years back. The marching band got a cash grant from the County to go to the mainland to play. So there, it is done, it is doable, and as was mentioned the footing was the major point of...the tipping point. The County because it has to follow procurement law could only get \$350,000 bid on the footing. That's because, you know, those

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

rubberized footings that all playgrounds have these days, the playground is 9,000 square feet, it's really huge and that's why it's so expensive. And they had to go by three bids and they had to go with companies like full service companies. So I went and I called the manufacturer and I said--the rubberized manufacturer--how much would it cost to supply the materials and he gave me a bid, it was about 60,000. And then I said and do you have an installer that you recommend and he recommended somebody who's actually in California but that's what he does all day long is does playground footings 'cause it's very specialized, it's chemicals, it's about the chemical interactions. And so that person charged about 40,000 and that includes his helpers and laborers. So that's why we could get it down to 100,000 but the County can't do that because they're, they have to, as Jen mentioned they have to follow procurement laws and everything just gets more expensive. You know the famous thing about the military spending, you know, \$500 on a hammer, you know, I mean that's an extreme but just everything the County does costs more. And we're going to be, we have a lot of volunteer labor, a lot of community donations. And we can only do that because we're not required to follow procurement law. Now...

MS. YOSHIMURA: Three minutes.

MS. HALPERIN: And just to finish up, the Haiku Community Association, we're a responsible entity, we have insurance, we're not going anywhere. We want this playground, and so it would be, we'd be very responsible stewards of that money in our official bank account. So please approve this amendment so that we can get the money soon, and please include in there an amendment that it must, that it should be a cash grant. Thank you.

CHAIR WHITE: Thank you, Ms. Halperin. Any questions of the testifier? Seeing none, appreciate your coming today. Our next testifier is Henry Kahula testifying on BF-124.

MR. KAHULA: Aloha.

CHAIR WHITE: Aloha.

MR. KAHULA: Council, Chair, thank you very much for this opportunity to present myself. My name is Henry Kahula, I live in Paia. I'm here to talk about the trash system. See, one of the first things is, you know, that their scheduling needs to be done every day just like we schedule our lives, and when they change the system halfway, you know, through the game, you know, it's, I don't think that's right. See because what happens to me the rules are being changed as the convenience, you know, presents itself. And what's happened is, you know, suddenly they said they're not going to pick up on holidays. And the thing about it is that we already collected all the garbage and we got nowhere to take it. And to me it's a health issue. And if it's not, if we can't, if they don't pick it up we can't take it to the dump because the dump is closed on the holidays. So here we are

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

stuck with the stuff and then we got the maggots and everything around there. And to me later on it's going to present a health hazard because we're going to end up with the same problem that we had before with people dumping trash all over the front of the gate at the trash dump. But the thing is, you know, the, we pay for the service, it's not something that they're doing for free, and when we pay for a service we expect that service to be taken care of. And there should be a commitment on the part of the vendor to take care of that, because in any situation when there's an agreement or there's money put down to say that here I'm going to pay you to do this service then you expect the service to get taken care of. Am I right or wrong? So and the other thing is we've had the old system and I think the system needs to be changed somewhere along the line. Because for years they've had this uku pau system where the people come in, they work three or four hours, they grab 30 bags of trash and they go home. Well we have a different system now, we have what they call a one-can plan, that's what we're have in our area anyway. And they come in and they pick up that one can, there's one guy in the truck, air conditioned, he doesn't get out of the truck anymore. Now we're paying people to go and do a job that's supposed to...they're getting all their pay and they're not doing a whole day's amount of work. I don't think that's fair to the general public. I mean how would you feel if your yard man came in for three hours and expect to get paid for eight hours? It's the same difference. But the thing about it is that I think the people are getting short changed here, and just the whole system needs to be taken a look at to have changes made in different areas. And like I said the one-can plan only calls for one man to do the dumping of the trash and if he's going home early, you know, then we can see why the County seems to come up short staffed all the time.

MS. YOSHIMURA: Three minutes.

MR. KAHULA: In the old days what they used to do was they get two picking up the trash, they go out and cut grass. I don't know how the system changed now. But if they, we're paying for the service and we deserve to have that thing done. And the thing about it is we're not looking for excuses, cost is not a factor because the budget has already been made. So that should never be a discussion. Thank you very much.

CHAIR WHITE: Thank you, Mr. Kahula. Members, questions for the testifier? Thank you so much for coming today.

MR. KAHULA: Yeah, thank you very much.

CHAIR WHITE: Next testifier is John Fitzpatrick testifying on BF-123.

MR. FITZPATRICK: Aloha kakou. My name's John Fitzpatrick. I'm here to represent our keiki and their parents, they want to have a safe, fun playground in Haiku. I hope you all had a wonderful Labor Day weekend and now it's time to help the Haiku Community

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

Association finish the job it worked so hard for our kids to complete the playground. Please give them the cash advance or the cash grant of \$150,000 upfront so they can reopen the Kalakupua Playground sooner than later. This is a great opportunity to show that government can work with our citizens and please take advantage of it. And that's what I have on that. Also I'd like to testify on the Baldwin Park land acquirement. And I really support that so please get the land for us so we can make a really awesome park there as well. Mahalo.

CHAIR WHITE: Thank you. Any questions for the testifier? Seeing none, thank you very much, Mr. Fitzpatrick. Our next testifier is Tamara Paltin testifying on BF-124.

MS. PALTIN: Aloha kakou. My name is Tamara Paltin, testifying as a private citizen running for Mayor this November. And I'd just like to talk about this rubbish. As you can hear from the previous testifiers it's having a great impact on our community, and as one testifier stated people might start dumping rubbish in front of the gate. I hope that's where they dump it rather than on the sides of the roads as we've seen it in years past. What's most outrageous to me is the fiscal year just started July 1st and the Environmental Management got their allotment of money so that they're coming up with a shortfall this early in the game that they can't cover the basic needs is just outrageous. You know it's an issue of community-based economic development, what about our local landscapers not being able to dump off at the landfills because they're shutting an hour earlier? Was any thought given to possibly shifting it later in the day rather than closing it earlier? Was there communication with all the landscapers that use the facility? Why is only Maui Meadows the only community with the three-can plan? Where's the recycling for the rest of us? On West Maui I know there was budget money for recycling but we don't even have recycling. We need to go to Olowalu and now that's shut one hour earlier. It's part of the reason why I think that we can do better for our people. You know this 200,000, I liked what the previous testifier had to say about closing on major holidays. That seems acceptable but, you know, Admission's Day, Labor Day, a lot of people still work on those days. And when I listened to the Managing Director saying that he's concerned about the safety of his workers, I hope that would spread across the board because this past Labor Day we had three lifeguards watching the whole coast of West Maui. That's a safety issue, too. You know if you're concerned about the workers in Environmental Management be concerned about the workers in Ocean Safety. You know if I gotta go out to Nakalele to look for a missing diver and leave my beach with one person, that's a safety issue. When there's shore break, when there's holiday people, and yet Environmental Management is closed now. And I just, you know, I think that we're really short changing the people here. And I think that by holding out over the matter of \$200,000 and not being able to get along, the real loser in this is our community, it's the people that are dumping on the side of the road. Because why even bother driving to the landfill? It's closed anyway. We've seen it happen in the past. We all drive down the road, we've seen mattresses on the side of the road. That's not good

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

for anybody. It's not good for tourism, it's not good for the environment, it's not good for the people to get in that kind of habit. So I just think I really wish the Administration would reevaluate priorities. Also, I support, you know, the previous testifiers on the --

MS. YOSHIMURA: Three minutes.

MS. PALTIN: --playground and Baldwin acquisition. Thank you.

CHAIR WHITE: Okay, thank you. Members, questions for the testifier? Seeing none, thank you very much for coming today, Ms. Paltin.

MS. PALTIN: Thank you.

CHAIR WHITE: And our last testifier is Joanne Hopper testifying on BF-123. So Ms. Hopper is the last person to have, to have signed up. If there's anyone else in the Chambers who would like to provide testimony this morning, please sign up in the lobby.

MS. HOPPER: Hello. Good morning. I'm Joanne Hopper. And I want to thank you for the opportunity to come and speak before you, Chair and Council. I have two points in relation to the Kalakupua Playground at Giggle Hill. They really haven't been so much specified and as a...well I've been here for a couple years and when we first came the playground was open and it was never not busy. There were always, always kids there. It was just always a wonderful place to be. And as a volunteer now when we're there working, there were constantly people coming up and saying when is it going to be open, how much longer is it going to take. And I think that you guys should be aware of that, I don't think anybody else has said that, that it's, people are watching, people are looking and they're concerned, they really want to get their kids back out there. And then the other thing that I wanted to say is anything we can do to get the kids away from the electronics, we need to keep our keiki moving. It's so important. They're going to get better grades, they're going to be healthier. It connects families to families out there in the community. And so I'm thanking you 'cause I know we're going to move forward and do the right thing. And again, I really appreciate the time. Thank you.

CHAIR WHITE: Thank you, Ms. Hopper. And before asking...is there anyone else in the Chambers that would like to provide testimony? Seeing...oh, we have one more. Before I call you up we'll go to...well go ahead and come up and testify and then you can fill out the paperwork. Or maybe this is the paperwork coming. Yeah. Okay. Please identify yourself and proceed.

MS. CHAPMEN: Yes. Good morning. I'm Marilyn Chapmen. And I'm a homeowner in...

CHAIR WHITE: Pull the, if you could pull the microphone up a little bit higher.

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

MS. CHAPMEN: All right. I'm a homeowner in North Kihei and my name's Marilyn Chapmen in case you couldn't hear me. I'm here to testify about the issue of the trash. I think it's very irresponsible of the Department of Environmental Management to put into practice these measures that are cutting the trash service for the homeowners and closing the landfill. Looking around my neighborhood...first off, Friday we received the letter finally. We received the letter identifying when the landfill's open, when the trash will be picked up or when it won't be picked up. In my neighborhood there are multifamily homes, you know, three and four generation homes that rely on the two-time-a-week pickup. Now yesterday as I drive to the beach and I see everyone's can out and people did not know. They received this on Friday this note, letter. Very complicated letter also I might add for most people in the area. So as I come home from the beach all the trashcans are still sitting there, everything's piled up. I read my letter again and it indicates nope, not only will those people with twice-a-week service not get picked 'til the next service day but they're not going to pick up the extra trash. And I thought to myself well they suggested that people take it to the landfill themselves. My neighborhood, these people are working three or four jobs. Grandpas are working and grandmas are working, everyone is working. I think somebody needs to talk to the Department of Environmental Management. I don't know if it's this group or if it's all of us as citizens but somebody needs to come forward and say this isn't right, you need to find another way. They always find ways to do the things they want to do, this is something for the community, for our island. And my last note, can you imagine our tourists, our visitors, the people that drive our economy, especially since no one wants agriculture, we're depending on...oh my goodness, we're depending our tourism more than ever. Can you imagine them driving through our communities today because I guarantee you those trashcans that are overloaded and full have not been pulled in off the curb. And there go the animals and they're going to spread it around. And I think I don't need to belabor it but I just felt strongly that after listening to other people that feel as I do that I should voice my opinion. Thank you very much.

CHAIR WHITE: Thank you, Ms. Chapman. Any questions for the testifier? Seeing none, we'll go to the District Offices. Lanai, Denise, do you have any testifiers?

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

CHAIR WHITE: Thank you. And, Dawn in Hana, do you have any testifiers?

MS. LONO: There is no one waiting to testify in Hana.

CHAIR WHITE: Thank you very much. Is there anyone in the Chambers who would like to provide testimony that has not already done so? Seeing none, Members, the Chair would like to close public testimony.

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

COUNCIL MEMBERS: No objections.

...END OF PUBLIC TESTIMONY...

CHAIR WHITE: Okay. And with that closure of public testimony we'll take our morning break. Please be back in your seats at 10:40. Recess. ...*(gavel)*...

RECESS: 10:29 a.m.
RECONVENE: 10:43 a.m.

**ITEM NO. 123: AMENDING FISCAL YEAR 2015 BUDGET:
DEPARTMENT OF PARKS AND RECREATION
(HAIKU COMMUNITY ASSOCIATION FOR
KALAKUPUA PLAYGROUND) (CC 14-211)**

CHAIR WHITE: ...*(gavel)*... The Budget and Finance Committee will reconvene. And, Members, we'll move onto consideration of BF-123, and Mr. Baz has advised us that Ms. Savage is unavailable and no one else from the Parks Department can come by, but I think, you know, since we've already dealt with this before we should be just fine.

Basically the Committee is in receipt of Communication 14-211, from the Budget Director, transmitting a proposed bill entitled A Bill for an Ordinance Amending the Fiscal Year 2015 Budget for the County of Maui as it Pertains to Estimated Revenues; Department of Parks And Recreation, Administration Program, Total Operating Appropriations; And Total Appropriations (Operating and Capital Improvement Projects). And the purpose of this bill is to amend the Fiscal Year 2015 Budget by increasing the estimated revenues for the Carryover/Savings in the General Fund by 150,000; and increasing by 150,000 the appropriation for the Department of Parks and Recreation Administration Program for a grant entitled "Grant to Haiku Community Association for Kalakupua Playground". And just as a refresher the, in our previous discussions because this is an item that was in the 2014 Budget, the contract wasn't completed in time for them to receive the funds in 2014. And back when she was here Ms. Savage was the one that proposed the \$150,000 grant as opposed to it being in a CIP program. And she further stated the estimated cost of the playground improvements if constructed by the County as a Capital Improvement Project, the cost would have been \$375,000. The grant will allow them to move ahead with the project, get the playground repaired and back up and operating. One of the concerns that a couple of the testifiers had mentioned was that the Department's policy is to make the grants reimbursable, but because of the size of the cost of the foundation being in excess of \$60,000, having a

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

reimbursable grant is unworkable. In discussions with Mr. Baz, he stated that they are generally given 25 percent of the total grant and then the remainder of that is reimbursable. The Chair would like to for the, for you all to consider the idea of either making it a full cash grant or making 50 percent of it cash up front with the remainder being reimbursable. So with that, mister...

COUNCILMEMBER VICTORINO: Mr. Chair?

CHAIR WHITE: Oh, Mr. Victorino.

COUNCILMEMBER VICTORINO: Well yeah I'll wait for Mr. Baz and after that I have specific questions for you and Mr. Baz as far as that cash grant situation is concerned.

CHAIR WHITE: Okay. Mr. Baz, would you like to provide comment?

MR. BAZ: Yeah, thank you, Mr. Chair. I believe you did a good job in recapping the status up to date. We received the signed contract back from, a grant agreement back from the Haiku Community Association on July 10th so that was past the fiscal year point, so that's why the money expired. And that's why we know that there's \$150,000 in Carryover/Savings that we could recognize because that money did not get spent, so that's why we prepared this budget amendment so that we can issue a grant agreement with them. Yeah, typically our grant agreements in Human Concerns and some in OED are 25 percent up-front payment and then the rest of it is on a reimbursable basis. So I can work with the Department on discussing with them the ability of making a 50 percent upfront and then the rest of it reimbursed. Of course they would still have to show us all the receipts and make sure that they're doing things properly.

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

COUNCILMEMBER VICTORINO: Yeah and thank you, Mr. Chair. And because of the urgency, Mr. Baz, of this repairs and I know it's, I've gone up there a few times with family that live in Haiku and it's kind of appalling not to have playground for the little ones. And we have a lot of small ones that are grandnieces and nephews and they want to play and they have no place to play. Anyhow with that being said, if we were to make this a 100 percent cash grant to the Haiku Community Association with the proviso at the end all of the receipts, you know, has to be, you know, obviously there's accountability and I don't think any of us are going to be negligible in that respect. But having this where they can move expediently on it now. You know I think that's what I would...I've heard from the testifiers, all the e-mails I've gotten have been pretty much in accordance with that, and family and friends who live up there are wanting to get this done ASAP. And if this is the methodology where we can get them to do it and do it quickly, efficiently, and at a less cost than we would have done as a CIP, what is the challenge in

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

that respect? I guess that's my question. 'Cause we've done it in other places so why can't we do it here?

MR. BAZ: Yeah, thank you, Mr. Victorino. I'm not sure that we've necessarily done it before. I haven't seen it myself where we gave 100 percent cash upfront. What we would do is and this is maybe a possibility with the 50 percent discussion, and one of the major issues that they discuss is getting that \$60,000 for the ground, you know the floor...

COUNCILMEMBER VICTORINO: The footing.

MR. BAZ: Footings items.

COUNCILMEMBER VICTORINO: Yes.

MR. BAZ: And so \$75,000 ahead of time will allow them to purchase that and then we can work on reimbursement for the rest of them. I just discussed with Jennifer Livingston out in the hall right after her testimony some of the issues, and I think that would be a resolution to that problem.

COUNCILMEMBER VICTORINO: Okay.

MR. BAZ: I would hesitate to give 100 percent of the grant. We have had problems in just even sometimes getting the receipts from when do advance the 25 percent, even though there's more money that, out there as the carrot to have 'em do the paperwork. And that has been a problem in the past, I do know that.

COUNCILMEMBER VICTORINO: Well I have the utmost faith in the Haiku Community Association, I've dealt with them in the past and they've been pretty akamai in how they conduct themselves. So I have no...it's not like some entity that I have not heard of or have had not had opportunity to work with. I can live with 50 percent if that's what, you know, will work and will get this whole process moving. I just felt like, you know, we don't want to hold these people back in any way, shape or form at this point. We want to get this repair done so that in the next three to six months at the most we can get the kids back playing in those playgrounds which they so deserve. Because it's been over two years it's been closed down and that's unacceptable, that's unacceptable. But and again remember this was also a tribute to the Fourth Marine Division that bivouacked there for many, many, many or two-three years if I'm not mistaken during the war and there's still a lot of memories. And not many of those men are coming back because many of them have passed away, but for those few that do come back I think it's also a real tribute to them, yeah. So anyhow, Mr. Baz, I'll wait, I'll await the Chair's recommendation, but I'm in favor of giving as much as possible so they can get that playground back in service

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

to the community, especially the Haiku community and the rest of us that have an opportunity to enjoy it when we're in the area. Thank you, Mr. Chair.

CHAIR WHITE: Ms. Baisa?

COUNCILMEMBER BAISA: Good morning, Chair. And I'm going to have to say what I have to say because unfortunately I have to go attend a follow-up appointment on eye surgery I had about a month ago and I won't be able to...I'll take a break but I'll be back. But I do want to say I'm in support of giving these folks some money ASAP. And I like your idea, I think it's a compromise. And it also is the way most of it is handled. You know I'm very familiar with grants and how they're given out and what Sandy says is true, we normally get 25 percent. I think 50 is a great compromise, at least they have money to start doing what they need to do. And I think our commitment will be to match their commitment. If they get back here with their receipts then we have to make the commitment and I'm sure Mr. Baz will try and get these checks out to them as soon as we can. You know it's a wonderful project, the kids need it, and I think we'd all like to see it happen. But we do have to follow procedures. And so I'm real excited about the idea of giving them 50 and then us all making a commitment, you get your receipts in here and we'll provide you with your reimbursement ASAP. And I see Mr. Baz nodding his head so that's good. So thank you very much, Chair.

CHAIR WHITE: Yes. Members, other questions for the Department? Mr. Guzman?

COUNCILMEMBER GUZMAN: Oh, thank you, Chair. I'm also in support of allocating the appropriate amount of monies. I do realize and also understand what the parents are going through. I have little ones myself and I know that the parks are a place to unwind for parents and basically tell your children go run, Forrest, run, Forrest, run. So I think it's something that it's very much needed and it's appropriate. In terms of the 50 percent of allocation, would that be...is that unusual, have we done this in the past, the 50 percent?

MR. BAZ: Not that I'm aware of.

COUNCILMEMBER GUZMAN: Okay, so we're kind of treading on new ground and...

MR. BAZ: Typically it's 25 percent like I said.

COUNCILMEMBER GUZMAN: Okay. So and then that would be 75,000 that would be given to them in a lump sum and then they would come back for the additional 75,000 once they've expended it on their own?

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

MR. BAZ: The typical grant process is we give 25 percent upon the contract signing and then they do quarterly reimbursements, but we can, you know, knowing that this a community thing and they're going to be done within the first quarter hopefully that we can, we'll expedite that.

COUNCILMEMBER GUZMAN: Okay. And then I also have a follow-up question in regards to the transmittal. You indicated that the Haiku Community Association was unable to return the grant agreement to the County in time for the staff to properly execute the grant for the Fiscal Year 2014. Can I get some background on that?

MR. BAZ: Let's see, I believe the and maybe somebody else can correct me if I'm wrong but I believe the budget amendment was approved by the Council in April, somewhere around that time period. And, you know, working with the Haiku Community Association to get the grant agreement processed, it was sent up to them before the June 30th end of the fiscal year but we received it back from them on July 10th. I don't know what the exact issues were but we did receive back the grant agreement on July 10th, so that was after the fiscal year started so the money expired. And this is really just a formality, that's why we rushed through getting this budget amendment down to you guys to process.

COUNCILMEMBER GUZMAN: I just am wondering if there was any dialogue or at least some type of communication that would have given us a heads-up that, early enough so that we were aware of the situation in 2014 that they weren't going to be able to...

MR. BAZ: I wasn't aware of it until I got it back until after the fiscal year and realized that it was expired. So the Mayor might have some more comments if you would like to hear from him.

COUNCILMEMBER GUZMAN: Sure. Good morning, Mayor.

MR. ARAKAWA: Good morning, Council members. Just for background, remember this Fourth Marine Park originally the volunteer community group put together the whole package, and their agreement was that they would maintain it. And then things started falling apart, so it became unsafe. The Department worked with them to try and get agreements so that the Department was willing to go in and do the entire playground equipment. So we could have gone in if the community group did not want to do it themselves. We could have gone in and done this a year or so, year and a half ago and got it complete. Okay. But they wanted to have ownership or they wanted to be able to be responsible for the park and the equipment that's in it. The challenge came in the liability because the community group we told them if you want to do it we're willing to have you do it but you have to assume the liability, because as a County if we don't have control of the material that's being used and the way it's being put together then we don't want to assume the liability if somebody gets hurt. So all they had to do was say okay,

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

they were willing to accept the liability part, sign, and they, we would have been in favor of them going ahead. But they couldn't get together to be able to accept the liability, they didn't want to do that either. So this whole negotiation went on to try and get it to the point where parts of the park where we felt were unsafe, you know, because they didn't have the rubberized surfacing, they were using sawdust and a lot of the lumber was rotting so pieces were actually, people were actually falling through. We had to make those corrections and get them to the point where it was an acceptable process. But in doing this also, you know, if we, if the County did it, it would have been much more expensive because we have to follow the Davis-Bacon rules and be able use union labor, et cetera. The community group came up with a proposal for them to be able to contract and do it, but yet in a way that was acceptable to the normal safety standards so that we could accept it. That took a little bit of time to be able to negotiate for them to be able to find the people that they could contract with and all that contact back and forth to get it to this point. But that's what the delay was. Okay. But --

CHAIR WHITE: Okay...

MR. ARAKAWA: --at all times we were perfectly willing to allow them to be able to do the, to have the project done, all they had to do was accept the liability.

COUNCILMEMBER GUZMAN: And I assume that the liability issue has been resolved.

MR. ARAKAWA: Yes. The material that we're agreeing on, the finalized version of it is something that the Parks Department can work with because it meets the safety standards. At least the rubberized format that was there, you know, will now comply with the safety standards. Otherwise, you've got to constantly be maintaining filling in, making sure the sawdust and everything is at the right level, right consistency so there's constant maintenance.

CHAIR WHITE: Yeah. Thank you, Mayor.

MR. ARAKAWA: And the original group...

CHAIR WHITE: We...

COUNCILMEMBER GUZMAN: Okay. Thank you, Chair.

CHAIR WHITE: You know we do have a lot of our agenda, we have until noon, so thank you, Mayor. Any other questions?

COUNCILMEMBER VICTORINO: Recommendation.

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

CHAIR WHITE: Okay. As we've discussed the Chair will recommend a proviso and the Chair's recommendation is to...well, without objection, we'll add the following proviso: provided that 50 percent of the funds are provided upon execution of the grant agreement and that the remainder of the funds are made available as a reimbursement to the grantee.

COUNCILMEMBER COUCH: No objections.

COUNCILMEMBER COCHRAN: No objections.

CHAIR WHITE: Any objections to that being added?

COUNCILMEMBER VICTORINO: No objections.

CHAIR WHITE: Okay. Then the Chair would recommend that we pass the revised proposed bill on first reading; and the filing of County Communication 14-211; in addition to allowing Staff to make nonsubstantive revisions.

VICE-CHAIR HOKAMA: I make the motion.

COUNCILMEMBER VICTORINO: Second, Mr. Chair.

CHAIR WHITE: Okay. It's been moved by Mr. Hokama, seconded by Mr. Victorino that we pass the bill as amended. Any further discussion, Members? Seeing none, all those in favor, please signify by saying "aye".

COUNCIL MEMBERS: Aye.

CHAIR WHITE: Those opposed, say "no". Measure passes eight ayes, zero noes, and one excused, Ms. Baisa.

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

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmember Baisa.

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

MOTION CARRIED.

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

CHAIR WHITE: Thank you, Members.

ITEM NO. 106: LAND ACQUISITION ALTERNATIVES FOR A COUNTY SERVICE CENTER (CC 14-157)

CHAIR WHITE: And we will move onto our next item BF-106. And we have correspondence dated July 10, 2014, from the Budget Director, with a revised proposed bill entitled A Bill for an Ordinance Amending the Fiscal Year 2015 Budget for the County of Maui as it Pertains to Estimated Revenues; Countywide, Government Facilities, Maui Business Park II Land Acquisition; Total Capital Improvement Project Appropriations; and Total Appropriations (Operating and Capital Improvement Projects). We also have a revised proposed bill A Bill for an Ordinance Amending Ordinance No. 4130, Bill No. 34 (2014), Relating to the Issuance of General Obligation Bonds of the County of Maui (Maui Business Park II Land Acquisition). And this revised bill incorporates technical revisions. And, Members, we also have on the agenda a proposed resolution Approving the Acquisition of 7 Lots in the Maui Business Park II at Kahului, Maui and the Dedication of 35.55 acres in Paia, Maui, Hawaii. And the reason for putting this item on the agenda was that I felt that there was very, there was strong support for us moving forward with this acquisition in particular. And that's not to say that we can't look at the other proposals in due course. And the Chair does intend to bring this item back up again in the near future to discuss other options. But it's clear to the Chair that we do need to move forward. It's clear to the Chair that this is a very good value, and all the items that were brought up by many of the testifiers make a lot of sense that this is in a very good location, very accessible to a large number of people from all areas of the island. It's also a parcel in Maui Business Park that is zoned with the highest density of the three proposed projects that we've been discussing, and it has a land area that's of adequate size to allow for additional structures to be added at a later date. And as you all know this is not, we're not saying what size the building should be, we're not saying anything about the, what the structure should be or who should be housed there, this is just the consideration of the acquisition. So I'm more than happy to open it up for comment and we'll start with Mr. Victorino.

COUNCILMEMBER VICTORINO: Thank you, Chair. And thank you for your recommendation. My only question is you mention at a later date you'd come and we'd

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

sit and discuss other options, and are you referring to the other parcels that was brought up in this, in these negotiations?

CHAIR WHITE: Yes. There are calculations of where, you know, what areas we...what amount of floor space we need and where it should go. And so I'm not suggesting that the others would necessarily be something we need to move on right away, but the Chair is willing to further discuss that.

COUNCILMEMBER VICTORINO: Okay. Well with that in mind I can support this 'cause I still have some genuine concerns about the other locations, especially the one right here at the corner of Honoapiilani, Waiale, and Kuikahi. So again, for the sake of expediency and to be able to get something moving I can support your recommendation. So thank you, Mr. Chair.

CHAIR WHITE: Thank you. Mr. Guzman?

COUNCILMEMBER GUZMAN: Oh, thank you, Chair. I too can support your recommendation. I have a couple of questions or at least one question that's somewhat on the tip of my brain. Would the acquisition of the A&B parcel, would that be conditioned that we do build the service center there and conditioned that if we do build it there then we get the park? Or can we build at another location?

CHAIR WHITE: It's my understanding that no, there are no conditions on it, that the land, both parcels come with the purchase price as outlined.

COUNCILMEMBER GUZMAN: As outlined, and there's no conditions that --

CHAIR WHITE: No.

COUNCILMEMBER GUZMAN: --that service center has to be at the A&B Business Park?

CHAIR WHITE: No. But I think it certainly is clear that we need to move the Business Park and...I mean the service center rather, and the Business Park is a parcel that makes sense.

COUNCILMEMBER GUZMAN: Okay. Thank you.

CHAIR WHITE: Mr. Carroll?

COUNCILMEMBER COUCH: I thought you were going right down the line.

CHAIR WHITE: I'm going to finish up with the Vice-Chair.

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

COUNCILMEMBER COCHRAN: He's just jumping around.

CHAIR WHITE: Mr. Carroll?

COUNCILMEMBER CARROLL: Thank you, Chair. I don't think I can add anything to this. I think it really is a good proposal. I think it's something that will well serve our people if we can get it together. Thank you.

CHAIR WHITE: Thank you. Ms. Crivello?

COUNCILMEMBER CRIVELLO: Thank you, Chair. I too will support this purchase, and I do hope we'll have further discussions as, if not today in consideration what the actual construction cost will be for us to build the service center, and actually other consideration when you take into the other proposals that we have, too. Thank you.

CHAIR WHITE: Yes. And my understanding that the Administration will be coming back to us I would assume pretty quickly with a request for design monies and a conceptual plan that would accommodate whatever the appropriate needs are for the service center and hopefully some of the Kahului sites where we're leasing property at this time. Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you, Chair. And yeah, I too concur with my fellow colleagues and yourself. I am able to support this recommendation. And but, you know, I'm also interested, Mr. Gleason's comments sort of bothersome. In a sense I guess he was brought into the fold early on and had negotiations and discussions occurring and then all, you know, these others came into play, also. And so because we're not in the loop in those types of negotiations, you know, or at least myself I can speak for, have not heard of prior engagements of that nature. So it, I think to look at the others too later down the road or if that's still an opportunity is there then it'd be something good to just take a look at and see if it's worthwhile in purchasing too for future expansions or whatever this County may need for services. But thank you for this opportunity, and I too can concur with your recommendation. Thank you, Chair.

CHAIR WHITE: Okay, thank you. Yeah just, I think it's important to note that the service center issue has been discussed for over two years and it is time for us to get moving, so I'm glad that the Administration brought us a proposal that we can move on. And it's certainly an outstanding proposal when you consider the gift of the land that we've been after for quite some time. Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. And like everybody else I'm very supportive of this acquisition and the handling of getting it out and getting it acquired. And then we can deal with the others later, but I do want to emphasize that the others are

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

also some good or at least one other one is a good deal that we could use potentially for affordable housing or anything else. So I'd certainly like to see that sooner rather than later as well. So thank you for bringing this one forward and getting it out. Thanks.

CHAIR WHITE: Mr. Hokama?

VICE-CHAIR HOKAMA: Chairman, thank you. While I would agree with you that this deal-- that's a good word--this is deal has merits, I would agree with others that spoke from testimony that I would prefer that so-called gifting be separated out. You know we can use the word innovation, inducements, you know, but for me I don't like the taste or feel that it gives me that the County can be bought. So, you know, I have concerns. I have not changed my position. I don't think we need to buy land to do a service center. I think the County owns enough real estate that we can look at those options. As others of this Committee I still support Wailuku Town to be the County seat, head of its civic responsibilities for all the islands of this County. So I've been consistent on that. It's interesting we're being asked to spend money and yet on another item we were told that we're not spending money. And so I find it one interesting agenda you've posted for us agenda, Chairman, today. And it's interesting that this Council has to be the fiscally responsible entity for the County, the one that is concerned about its debt load, that is concerned about its taxation on its various components of its residency. You know for me, Chairman, you know, all the proposals from the various property owners I would say, you know, was very good, they gave some very good advantages, but I don't like to feel that I was bought. Okay. My position, my gut feeling, and neither should this Committee or this Council be put in a position that offer is enough, we can be bought. I think there's a lot more integrity involved in this process that we are about to go down. I would like to know what the hell we going build. Why couldn't it fit at the municipal parking lot? We knew for years that this deadline was coming, this is nothing new for us. I think I've sat on this Council long enough to understand how the money works, I haven't been too wrong on how the money works. I can tell you I don't have a good feel about this. Yeah maybe timing-wise it makes sense to buy, well there's a lot of stuff I want to buy right now, Chairman, but I'm not willing to go into debt for some of it. That includes my own personal choices I gotta make. I know interest is down but the economy is not where it's at, it needs to be, Chairman. You've stated that, I've seen it. I visited our sister counties across the country, jobs is still the number one issue in this country and here we are spending money like it's going out of style. We've authorized a lot of projects for a lot of space, including right across this street. Where's the performance? Where's this new space? Where is this 7 percent attrition benefit we're supposed to get that was stated three years ago from this Administration? You know and I understand the makeup of the Committee, I know this is going to move forward and rightfully so, but I for one am going to raise my objections that I don't think we need to spend this money at this time for this purpose. There's other things that I think is higher

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

priority, and the next item is definitely a core issue by Charter for this Council and this Committee. So I thank you for this time, Chairman.

CHAIR WHITE: Thank you, Mr. Hokama. And, you know, we are, we all have different ways of looking at the various things that we discuss up here. The Chair looks at this not as something in which we're being bought but rather something that we're being gifted, and I understand and appreciate the comments from several that maybe they should be separated. But life isn't always that easy to separate into clear issues. This is a situation in which the acquisition and construction will allow us to offset ongoing costs, and I think that's the only reason that we're looking at moving forward is that or at least the Chair is willing to move forward because we are in a position to create a structure that will allow us to save money in the lease rents that we're paying not just at the current service center but in other facilities in Kahului as well.

VICE-CHAIR HOKAMA: So, Chairman?

CHAIR WHITE: Yeah?

VICE-CHAIR HOKAMA: If I may ask from your comment, then I would assume that if made fiscal sense to this Council, if I read the Charter we don't need anything else, the Council can initiate. If we don't need all this land then I am thinking one of the options then is we can sell the land for other public purposes or use the funds from the sale for other public purposes which I would not be adversely against. 'Cause we're definitely buying a hell of a lot more land than we need for what the stated cause was, stated purpose was. So I hope we consider that. That is one of the options that the Council has is we can sell our assets.

CHAIR WHITE: Well that would certainly be --

VICE-CHAIR HOKAMA: Maybe that's something we should consider, Chairman.

CHAIR WHITE: --a consideration for a future Council, but at this point we are looking at purchasing land for the service center and for expansion of the beach park area in Paia and Baldwin Park. So any further questions or comments, Members?

MR. ARAKAWA: Question for clarification. Mr. Chairman, just for clarification.

CHAIR WHITE: No, I'm, we're moving on on the agenda, but thank you.

MR. ARAKAWA: I just wanted clarification on what you guys are saying.

VICE-CHAIR HOKAMA: Chairman, this is the Committee's discussion.

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

CHAIR WHITE: This is...no, I'm sorry.

VICE-CHAIR HOKAMA: Period.

CHAIR WHITE: Yeah. Thank you, Mayor. If nothing, if no further comments, the Chair is ready to make his recommendation.

COUNCILMEMBER VICTORINO: Recommendation.

COUNCILMEMBER CRIVELLO: Recommendation.

CHAIR WHITE: Okay, the Chair recommends...wait, one second for a recess. . . .(*gavel*). . .

RECESS: 11:17 a.m.
RECONVENE: 11:18 a.m.

CHAIR WHITE: . . .(*gavel*). . . The Budget and Finance Committee will come back to order. Okay, Members, we'll take these three items separately, and the first is a proposed resolution approving the acquisition as I stated earlier, but we do need to allow Staff to make a technical adjustment to the acreage. It's currently stated at 35.55 acres. It was stated at our last meeting that the acreage is in the neighborhood of 30. So in passing this I would like to allow Staff to make a technical change to get the exact acreage.

COUNCILMEMBER VICTORINO: No objections.

CHAIR WHITE: Additionally this resolution includes a reference to the purchase agreement and other documents, those...some of the exhibits are not yet available. So we will, in passing this we will make sure that we have all those exhibits in place or in hand and attached prior to first reading. So with that, the Chair recommends that we pass the resolution with those amendments and with the understanding that the attachments will be provided at the appropriate time prior to first reading.

COUNCILMEMBER COUCH: I move to approve, Mr. Chair.

COUNCILMEMBER VICTORINO: Second.

CHAIR WHITE: It's been moved by Mr. Couch and seconded by Mr. Victorino to pass the resolution authorizing the acquisition of 7 lots in the Mau Business Park II development. Any further discussion, Members? Seeing none, all those in favor, please signify by saying "aye".

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

COUNCIL MEMBERS: Aye.

CHAIR WHITE: Those opposed, say “no”.

VICE-CHAIR HOKAMA: No.

CHAIR WHITE: There are seven ayes, one no, and one excused, Ms. Baisa, and the no is Mr. Hokama.

VOTE: AYES: Chair White, and Councilmembers Carroll, Cochran, Couch, Crivello, Guzman, and Victorino.

NOES: Vice-Chair Hokama.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmember Baisa.

MOTION CARRIED.

ACTION: ADOPTION of resolution as revised.

CHAIR WHITE: And moving to...and the revised proposed bills...

COUNCILMEMBER COUCH: Chair?

CHAIR WHITE: Yes?

COUNCILMEMBER VICTORINO: Chair, I think...need a recess.

CHAIR WHITE: Okay. Recess. . . .(*gavel*). . .

 RECESS: 11:21 a.m.
 RECONVENE: 11:22 a.m.

CHAIR WHITE: . . .(*gavel*). . . The Budget and Finance shall reconvene and the Chair will entertain a motion recommend adoption of the proposed bill, the Bill for An Ordinance

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

Amending the Fiscal Year 2015 Budget for the County of Maui as it Pertains to Estimated Revenues; Countywide, Government Facilities, Maui Business Park II Land Acquisition; Total Capital Improvement Project Appropriations; and Total Appropriations (Operating and Capital Improvement Projects); and allow Staff to make nonsubstantive changes.

COUNCILMEMBER VICTORINO: So move, Mr. Chair.

COUNCILMEMBER COUCH: Second.

CHAIR WHITE: It's been moved by Mr. Victorino, seconded by Mr. Couch to pass the bill as noted. Any further discussion, Members? Seeing none, all those in favor, please signify by saying "aye".

COUNCIL MEMBERS: Aye.

CHAIR WHITE: Those opposed, say "no".

VICE-CHAIR HOKAMA: No.

CHAIR WHITE: Measure passes, seven ayes, one no, Mr. Hokama, and one excused, Ms. Baisa.

VOTE: AYES: Chair White, and Councilmembers Carroll, Cochran, Couch, Crivello, Guzman, and Victorino.

NOES: Vice-Chair Hokama.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmember Baisa.

MOTION CARRIED.

ACTION: FIRST READING of revised bill.

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

CHAIR WHITE: The Chair would recommend passage of A Bill for an Ordinance Amending Ordinance No. 4130, Bill No. 34 (2014), Relating to the Issuance of General Obligation Bonds of the County of Maui (Maui Business Park II Land Acquisition); and by the way we will not be filing the County Communication.

COUNCILMEMBER VICTORINO: So moved.

COUNCILMEMBER COUCH: Second.

CHAIR WHITE: It's been moved by Mr. Victorino, seconded by Mr. Couch to pass the bill as noted. All those...

VICE-CHAIR HOKAMA: Chairman?

CHAIR WHITE: Any further discussion? Yes, Mr. Hokama.

VICE-CHAIR HOKAMA: As I noticed in parenthesis it says "Maui Business Park II Land Acquisition", this is for all the 30 acres or this is just for the 7 lots?

CHAIR WHITE: It's the 7 lots and the total so that...let me check with Staff if there's a...

VICE-CHAIR HOKAMA: And so it's been already determined by Corp. Counsel that since the open space or the 30...the beach property is a gift, Open Space Fund does not qualify for consideration. Would that be your understanding, Chairman, from Corporation Counsel?

CHAIR WHITE: Corp. Counsel.

MR. UEOKA: Yes, we would not be able to use the Open Space Fund for this purchase.

VICE-CHAIR HOKAMA: Okay, thank you.

CHAIR WHITE: Any further discussion? Seeing none, all those in favor, please signify by saying "aye".

COUNCIL MEMBERS: Aye.

CHAIR WHITE: Those opposed, say "no".

VICE-CHAIR HOKAMA: No.

CHAIR WHITE: Measure passes with seven ayes, one no, Mr. Hokama, and one excused, Ms. Baisa.

**BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui**

September 2, 2014

VOTE: AYES: Chair White, and Councilmembers Carroll, Cochran, Couch, Crivello, Guzman, and Victorino.

NOES: Vice-Chair Hokama.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmember Baisa.

MOTION CARRIED.

ACTION: FIRST READING of revised bill.

CHAIR WHITE: Thank you, Members.

**ITEM NO. 124: DEPARTMENT OF ENVIRONMENTAL
MANAGEMENT, SOLID WASTE DIVISION, FISCAL
YEAR 2015 BUDGET (CC 14-212)**

CHAIR WHITE: And we'll move to our last item on the agenda. The Chair's gonna take a quick recess. We'll be back in two minutes. . . .(gavel). . .

RECESS: 11:24 a.m.

RECONVENE: 11:33 a.m.

CHAIR WHITE: . . .(gavel). . . The Budget and Finance Committee will come back to order. And, Members, we're moving onto the last item for today which is the Department of Environmental Management, Solid Waste Division, Fiscal Year 2015 Budget. This is an item that I referred to this Committee so that we could discuss the challenges with the trash pickup and landfill hours being significantly adjusted. And the Chair brought this up because of the significant concerns and rightful concerns of our residents and all of our constituents. They have been subjected to a lack of service that I think is unconscionable. And of course it's been blamed directly on this Council for the budget cuts. And when we were in the budget deliberations...actually not budget deliberations, in between the passage of the budget out of Committee and first reading at the Council

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

level, I was reminded of what happened last year because once again the Administration tried to throw recycling under the bus. And if you recall last year we were given the budget on March 25th, on that same day the Administration announced the closure or the intended closure of the recycling centers. There was a huge public uproar because all of our citizens appreciate being able to be responsible with their things and participate in recycling. That uproar resulted in the Administration backing off on that proposal and we moved forward with the, you know, with the Solid Waste pickups, the landfill hours and so forth and nothing was cut. So fast forward to this year, all of you will remember that when we received the budget from the Mayor, there were funds for Solid Waste in three places. One was Solid Waste operations, the other one was the Environmental Protection and Sustainability program that was developed, and the third pocket was in the equipment bond which held about just under \$2 million of equipment proposed for the Department. What the Committee did was we put all of the monies, we took the bond money out and made it cash and put it into Solid Waste operations as equipment. We took the Environmental Protection and Sustainability program and said we feel that it's best that this operation be handled by the, by somebody at the Managing Director's level who can tell each of the departments whether it's Public Works or Human Concerns or others what they need to do to be sustainable and responsible in providing environmental protection. We did not feel as a group that it was appropriate for us to put that burden on a single department head in such a way that he may not have the ability to tell the other department heads what to do. So that's why we put...we all agree with the formation of that department and that program but we put it off for another year, and we moved those funds into Solid Waste operations as well. So as Mr. Regan stated this morning, there's about a \$200,000 difference, and on a \$16.7 million budget that's right around 1 percent. And being an operator of a business, a 1 percent change is something that any manager ought to have the ability to accommodate and make necessary adjustments. But the point, the main point that we need to consider is that last year after threatening to shut down all the recycling centers, all the operations continued even though they basically said we don't have enough money to do that. All the operations of the landfill and trash pickup continued as usual. There was no interruption. The Chair's concern is that it appears that that was possibly due to the fact that that wasn't an election year, this is. I don't think it's too much of a reach to say that if you want to try to take advantage of a very small adjustment which, you know, when you talk about cuts in government, a cut to this budget is simply not giving them the same increase they asked for. So we actually increased their budget in Solid Waste overall, and basically a significant increase because of the equipment. But the way this Committee transmitted the budget out of Committee was in such a way that they had all \$16.7 million in one bucket so they had total flexibility with which to make adjustments to cover whatever expenses and whatever responsibilities they felt were most important. Unfortunately somewhere between the time we passed it out of Committee and the time it came up for first reading, the Administration chose to send letters to the recycling companies and contractors that provide diversion from the landfill, a letter announcing that they were only going to

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

authorize six months of their one-year contracts. I take offense to that because I will not and I don't think any of you will allow recycling efforts to be thrown under the bus. Additionally, these people who are running these companies have their own employees, have their own financials that they've got to look after, and so to throw them into a tailspin and then and call it the Council's budget cuts is just...I have another word for it but it's malarkey. And I think we have a responsibility to get to the bottom of this and see how it is that when we pass a budget out with full flexibility that they say they can't handle the adjustments to the budget when we actually made it much easier for them to cover whatever costs come up. The previous year's budget for equipment was I think 4...a little over \$400,000. The request this year was for a million, nine eighty-something, and so all they would have to do is make small adjustments here and there and they'd be able to cover the responsibilities that they have done so well in covering for a long time. Another item that has been brought up is the item of all the fines. Well, the vast majority of the fines resulted prior to this Administration coming into office. There was one large one that came in I believe in April or May of the year that they came into office. Since then the operation has done extremely well and we have not to our knowledge sustained any additional violations of anywhere near the significance of those in prior years. So I take my hat off to Mr. Ginoza and his operation because I think they've done a very good job. And the other reason just to refresh everyone's minds as to why we were holding back on approval of additional positions was for two reasons. One was that Anaergia is slated to come into the picture in 2016 or '17, and it was told to us that when they come in the number of positions in landfill in particular is going to be reduced. So why should we be increasing for the short term for an eventual reduction? And if we were going to reduce those positions then shouldn't those positions have been LTAs instead of permanent positions. The other thought is that we've discussed during budget was that if and we said this to every department, if these positions are so critical that we must have them added to the County's payroll then find us positions in other departments. And the response that we got, the response that I got on a couple of occasions was well yeah, but then you're pitting one department head against another. Well that's where leadership comes into play. Leaders have a responsibility to make decisions that provide for the reallocation of resources. The other thing that the Chair is a bit concerned with is that even had we authorized these positions, these positions would not have been in place for four months, so how do we reconcile the fact that none of these positions would have been available for four months and yet the services are cut within the first month of the fiscal year. So I'm sure you all have your concerns about what's going on. The Chair is simply not going to stand by and allow this injustice to our taxpayers and the, you know, the pileup of trash along our residential streets. And I'm not sure that a budget amendment is necessary, because I think they have the necessary funds with which to take care of everything this year just like they did last year. They've got more money than they did last year. As you recall we provided them a budget amendment of about \$860,000. They've not used...they've not had to use that amount. My understanding is that by the end of the year there was an amount of \$885,000 of Carryover/Savings. So

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

with that I'd like to go to Ms. Cochran as the subject matter Chair for your comments/concerns.

COUNCILMEMBER COCHRAN: And thank you very much for those opening comments, Chair. And I appreciate you putting this, posting on your agenda in your Committee. And 'cause as we might all recall that are affiliated with my IEM Committee, on August 11th Corporation Counsel advised us against any discussion on matters such as this pertaining to Solid Waste Division in light of a recently filed lawsuit involving the former Solid Waste Chief...Division Chief. And so IEM at that point was forced to end its meeting without having an opportunity for discussion. So I believe Staff has handed out the, a memo to ourselves and also Administration and it was in reference to those 12 or some odd questions that I had trying to vet through in my Committee. And thank you, Corporation Counsel, for replying. And I believe we're able to discuss all but one which is number two which is in direct relation to the lawsuit being filed by Mr. Takamine. So I would like to also mention, Chair, that I think your comment in regards to, you know, being an election year, I just find it really troubling that we got muzzled at my meeting and in trying to explore, you know, fiscally responsible solutions to compliance issues, and yet Administration basically intentionally, you know, is squandering the public's money on a PR campaign I feel almost intended to mislead the people of this Maui County. And as you say we need to redeem ourselves as Council members. You know we're not here to be demonized and to look as bad. You know we are being responsible I believe and made the right decisions during this budget deliberations. I applaud the public, you know, testifiers who actually see this occurring. And I take personal offense, Chair, if I may state because I have been, my name has been dropped that I'm solely responsible for this situation, this community is in for landfill cutbacks and what have you. And I mean I've been getting e-mails to my office wanting refunds personally from me, so yes, I do take offense. And so I hope to be here today to clear the air to once and for all explain on the record in open public view what is occurring. And personally and for this Council too to say the true matter of the, you know, the true nature of this matter and it's not about what we, decision we made as a Council. Thank you, Chair, for this opportunity.

CHAIR WHITE: Yeah. Thank you. And I can appreciate your concern with the singling out. I was texted that someone called the Solid Waste Division this morning just to ask which can to put out next Thursday and they were told to call Mike White's Office. So, you know, this knows no bounds. For the Vice-Chair of Committee, Mr. Hokama, any comments? And then we'll go down the line.

VICE-CHAIR HOKAMA: Well, Chairman, it's interesting at this part of the fiscal year which is the beginning is when we're trying to deal with this, 'cause I had great faith in our directors, deputy directors that they have enough management skills to be able to deal with a fiscal year budget especially in its first month. Because many people are

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

watching, not only us, not only their people they supervise but the private sector, how we are operating. And I'd be curious coming from the private sector what some private sector peers are saying about our ability to operate on a budget that many of them would kill for. But stating that, Chairman, obviously there's a numbers issue here. Doesn't matter what part of the cycle we're in, election year, first year of term, whatever it may be, but, you know, Council has not continued to do its oversight ability over the last few terms. And I believe we need to get back on a regular basis of auditing departments. And I think this Department rises to the top for consideration to be audited. And I think that's something this Committee needs to consider and move forward from the Council so we can expedite it and do a full-on audit of this Department. Because this Department comes to my Committee too often, and when you gotta come to my Committee it's not a good place to be. Okay. So there's something afoul here, 'cause this is nothing new for me, dealing with compliance issues and whatnot. Okay. The County has been dealing with this for many years. And why we cannot get under this thumb is about operations, 'cause I can read budgets. A lot of people can or may not but hey, we just grandly posted a what, \$100 million Carryover/Savings three years ago? So I find it hard to believe we don't have money when we can post Carryover/Savings of 50 to \$100 million. Who's deceiving the Council and the taxpayers? So I don't have a problem auditing there, Chairman, to get some answers. I think that's something we need to consider. I think not just the General Fund, people who help subsidized 'cause we all know we are subsidizing this program, the pickup. But I think we've made choices from hearing the community about recycling, and if I remember Mr. Ratte correctly, wasn't that one of the reasons how we looked, he asked us to approach the funding is to make sure that the recycling wouldn't be gobbled up by the regular operations? I got in the minutes. I can read it but I don't need to 'cause the Members know what Mr. Ratte said about recycling to the Budget Committee.

CHAIR WHITE: No, it might be helpful if you were to read it so that the public can understand.

VICE-CHAIR HOKAMA: This is on Page 25 of the April 29, 2014 meeting, Mr. Chairman, and this is our verbatim minutes. And to be fair to Mr. Ratte I'm picking the part because he had a very long response to another Committee questions, I believe from you Chairman. So this is how he goes, I'll read the part that I believe is pertinent and try to be fair to Mr. Ratte. Our major Fiscal Year '15 expansions are as follows, we have proposed a new Sustainability Division. We need some Operations positions and we need to shore up our Engineering section. The new Sustainable Division will address environmental concerns beyond the Department's current abilities. The new division is made up of current Solid Waste Division staff and a few E/Ps to address the voter approved Charter amendment. This thought has been put into this plan and will incorporate our recycling section separating them out from the refuse and landfill budget allowing their monies to be used for recycling rather than being robbed for operational needs. Okay. That's his statement. Okay. And that's what this Committee remembers. That's why people like Ms. Cochran

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

fought hard for West Maui's program because this is what we got from the Department comments. You know, Chairman, for some this thing is not going to be over until we can come up with what I think is the third-party audit. Let's go get the professionals, let's have them review it. If they're doing something wonderful we should be applauding the Division and if not, let's make the corrections. But one thing I do feel, Chairman, it's not fair for our employees who drive those trucks every day, who work hard to try and maintain the cleanliness of this County to be the sounding board for residents who are upset at the Administration's decisions. Okay. They're making those choices of how to respond to this issue. Okay. But it's not fair for those rank and file employees to take the brunt. They should be calling Mr. Ginoza, they should be calling the Mayor, they should be calling us, not venting out on our people who are just doing their job. I'd be kind of curious how this is going to turn out, Chairman. But I'm not going to let go, and I'm going to ask this Committee really consider 'cause I have no problem pushing for an audit from this meeting. Thank you, Chairman.

CHAIR WHITE: Well you bring up several very good points, and I think the most important point to me aside from the audit is that in past years there were never any budget amendments this early. Of course they haven't presented us one, so if it was a real problem they should have presented us a budget amendment. But the reality is that in every year past they have provided the services that our communities deserve and pay for and come to us later in the budget with an amendment if they feel that they're going to have a shortfall either because of their revenues being lower or their costs being higher. So that's what normally happens, and it's happened many, many times over. It's highly unusual to have them cut the services in the beginning of the year, and that's why Ms. Cochran and I are pretty comfortable saying that this is, this has nothing to do with budget, it has everything to do with this being a campaign season. And, you know, I think we've, we made statements during the budget time that there are areas that are loaded up and areas that are not. And if we need to shift resources go ahead and shift 'em. It's not beyond me to look at comments that I brought up during the budget session where the expenditure for the Mayor's Office, the proposed expenditure for this year's budget would have been 72 percent more people than he had when he left office the first time and at 92 percent more cost. So maybe that's an area where some of the positions and funds can be shifted. It's, you know, it's very concerning that, you know, when you have a DOE looks like they're going to get funds cut, what do they say, we're going to cut all the sports programs because they know that's what everybody wants. So come election time well how can we make our point. So they put out the word blame it on the Council, blame it on the Council. And I'm sorry but I'm not accepting any blame. The Administration made a determination that they're going to cut the services, pure and simple. It's not us that initiated the lack of service and it's not us that can fix it. We provide the money, they operate it. And so unfortunately I have a commitment very shortly.

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

COUNCILMEMBER VICTORINO: Mr. Chair? I know, yeah, I know you have a commitment and you know we have a commitment and we're not going to be here to voice this afternoon. So I just want to make one very clear point. Though I agree with you, Ms. Cochran, and Mr. Hokama and what you've said to this point. Unfortunately the name Mike doesn't seem to stop with White 'cause I get all the calls too, so don't worry about it. And I've been blamed many times. I spent this whole weekend going to many functions and the question was what about the refuse. So, you know, so I've spent a lot of time. Just because your name is White doesn't leave Victorino out of it 'cause it's Mike. Okay, so let's be honest. So I've been blamed. My office gets calls just like all of you. The bottom line in this is three things for me. I agree with what you've said, but number one all of this has been done without us being put in the loop now. And I'm talking during budget time 'cause budget time a lot of things are said. Remember I said to each department and you too, Mr. Ginoza, is what I said, what can you live with and what can you live without, right. And you made your case and I think we tried to accommodate as much as we could but we felt your case was sold to us. And all the departments did that across the board. And so not to blame you in any way but that was done. Secondly was I've never had this in the eight years that I've been sitting in this seat, cutbacks by a department without coming to us and say look, if we don't get this money we're going to have to cut services. Okay. Not cut services and then make it a big hoopla about it. Okay. Leave politics out. I could care less about politics. I'm saying the people are suffering for it, they're coming back to us, okay, and without a real good explanation. So, Mr. Ginoza, that's another thing, a real good explanation is going to be needed today. Third and the most important thing in all of this is if you need the money that bad you've always and all the departments have come to us for a budget amendment. Real simple. And if we say no at that point in time then the onus falls back on us. But these have been processes that have been here. I don't know about the money moving, yeah, we proviso'd certain things, you know, different equipment and this and that, so we did put provisos in and I know I've read them over. But still the fact is in my mind, Mr. Chair, is this wasn't fair to put us in this predicament, all of us, both Administration and Council, I mean just to put us in this. The consumer out there is upset that this has happened, and they're not understanding why. They're not understanding what's going on and they're beginning to feel this is political, and I keep saying no, no, no, it's not, it's because we've had this misunderstanding and we're going to correct it. You know I've taken that posture. And I've taken the heat all weekend, every function I went to somebody was upset about the trash pickup. They didn't care about GMO, they didn't care about anything else, the trash pickup. So I think that has brought our community together. So I hope you guys can come up with some legitimate answers. And I really think the solution is simple, we need to put back what we can put back. And if you're talking major holidays like Ms. Schaefer said, okay, fine, let them go negotiate that, come back to us later and we can discuss it.

CHAIR WHITE: Right.

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

COUNCILMEMBER VICTORINO: Thank you. That's all I had to say.

CHAIR WHITE: That's their kuleana, not ours.

COUNCILMEMBER VICTORINO: Yes, yes, exactly.

COUNCILMEMBER COCHRAN: Chair?

CHAIR WHITE: Ms. Cochran, then we'll...

COUNCILMEMBER COCHRAN: Thank you. I know, lunch hour. But to Mr. Hokama's point in regards to an audit, I already submitted that item and it's gonna come up on full Council agenda. So to Mr. Hokama's comments.

VICE-CHAIR HOKAMA: Thank you.

CHAIR WHITE: Okay, appreciate that.

COUNCILMEMBER COCHRAN: Thank you.

CHAIR WHITE: And, Members, I have an engagement I've got to get to. So we'll be in recess until 2 o'clock. ...*(gavel)*...

RECESS: 12:03 p.m.
RECONVENE: 2:04 p.m.

CHAIR WHITE: ...*(gavel)*... Budget and Finance Committee will reconvene. And, Members, we had a good discussion this morning, and this afternoon I'd like to continue our discussions regarding Solid Waste. I know that the Members that aren't here I'm sure have additional perspectives to share and questions to ask. So my feeling is that I would rather have the broad discussion with the majority of the Members here. So I do want to give everybody a chance to share their concerns at this point, and, you know, as we stated this morning, the big challenge is understanding how a roughly \$200,000 shortfall on a \$16.7 million budget results in the cessation of services to our residents when a projected \$800,000 shortfall was projected last year and there were still no cessation of services. So with that, Mr. Carroll?

COUNCILMEMBER CARROLL: Could we ask questions of...

CHAIR WHITE: You may ask questions of Mr. Ginoza, but I will not be recognizing the Mayor.

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

COUNCILMEMBER CARROLL: Thank you. Mr. Ginoza, you know we had a lot of discussion the first time and it was interesting, and of course the question is that with the funding that the Administration says they need, you know, to continue the services is a very small percentage of your total budget. And that there should be ways administratively to supply the services necessary for health and welfare because there are other, there are things over there that could be considered to be cut. It has been brought out that leaving garbage out for all of this period of time is a serious health concern, and that have you considered since in the period of time that's passed anyway that you can go over there and adjust the funding that you have to satisfy the needs of our community is what it comes down to and restore the services to what they were previously?

MR. GINOZA: Mr. Chair?

COUNCILMEMBER CARROLL: Chair?

CHAIR WHITE: Mr. Ginoza.

MR. GINOZA: While the four positions was part of our Department budget, if you follow the chronology of events from earlier this year from February in Infrastructure Committee we explained that we have systemic concerns with regards to the operation of the Department and that the amount of fines and penalties that we pay are one, not sustainable and not acceptable. And that for us a status quo operation is not prudent to continue with. And so if you look at it what we're trying to do is be more proactive with how we manage the Department. That it is me and my staff that stare across the table with the Department of Health regulators and tell them that we're trying to be more proactive in order to not get these fines and penalties. And so if you look at in previous years we've tried not to...we've gone into the year knowing that we have a shortfall, and why do we always go through that situation? I mean Mr. Hokama brought up that we should be audited, we did have a Department audit done in 2009 which said that there was a shortfall in Engineering, in Operations staff, in Long-Term Planning, and that the Department operating in crisis mode which is something that we don't feel is appropriate such a highly regulated Department. And that's why it's not looking at whether or not holiday service alone should be maintained or not, it's looking at we also need resources and in operating the entire Department from reducing the risk of regulatory noncompliance.

COUNCILMEMBER CARROLL: May I continue, Chair?

CHAIR WHITE: Yes.

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

COUNCILMEMBER CARROLL: It was brought out and even during the budget hearings it was in discussions it was brought out several times that if found yourself in a position like that that a budget amendment could always be sent down. No budget amendment was ever sent down. Is that because you have a hard time figuring the amount or what I'm asking is that the situation we're in I find it difficult to understand why a budget amendment wasn't proposed with a rationale and the facts behind it.

MR. GINOZA: We explained during the budget session that without having that funding that we would curtail services soon, and when, you know, we presented options in the April, at the end of April during this Committee's meeting which showed the four options that we're looking at. Either getting funding or...for personnel, contracting, or curtailing other discretionary services, or cutting back service, and by basically not allowing us to do the top three it came down to reducing services. And that's why if you look at the Council passed a budget with provisos restricting spending on recycling at the end of May, and then the Mayor vetoed the budget saying that we don't want to curtail services with Solid Waste. And a few days after that we explained that with the budget as it is we're going to close on holidays and curtail landfill services. And yet the following week this body overrode the veto. And so we felt that that was appropriate notice to say that there will be ramifications, there will be consequences to not being appropriately funded. If you look at what happened last year we wanted to drop the...because we were under funded we were going to drop the drop box program, and then we had to come in for a budget amendment and this body basically came after us saying, you know, do you not know how to manage money, that you left us in a pickle that we either pass this budget amendment or you're telling us you're going to close landfills a lot during the rest of the year. And so we thought that it'd be more appropriate to plan it or be, have a stronger voice during the budget discussions and to not put yourselves in a position of either approve a budget amendment or not while it was fresh in your mind.

COUNCILMEMBER CARROLL: May I continue?

CHAIR WHITE: Yes.

COUNCILMEMBER CARROLL: That is fine as what you have said, that's great, but once we got into it and the budget was finished and proposed and everything else and actually got inside and had the cutbacks and everything, and then you had the documentation of all this and what it would cost, that would have been the time to send down a budget amendment and say hey, here we are and come up with a rationale. Because we're not over here to do anything else but to serve our people and give them the services they needed. By not doing that you forgoed [sic] using a really good tool to bring out all this argument again saying okay, this is where we're at right now, we only have these certain hours, this is what we're forced to cut back to, et cetera, et cetera, et cetera, and usually that's the general purpose of a budget amendment. And then you would have the

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

information, you could have showed the documentation and everything else but that failed to happen. That would have made it a lot easier for this Council to go over there and review and consider, and you would lose nothing and it would give the public and us a chance to go over there and look at what you brought forward and reconsider. And I would hope that...

MR. GINOZA: And that was the back and forth that we expected with the vetoing of certain line items in the Mayor's budget that before or while contemplating the line item vetoes that there would be a healthy discussion between the Administration and this body. But, you know, we weren't called back, and so maybe the opportunity for audit may be the budget process that should be audited.

COUNCILMEMBER CARROLL: Well personally as a Council member I wish you had sent down a budget amendment with the information and everything else and where we're at right now. That seems to me that would have been the most prudent action to be able to find some resolution; however, I think I've said enough, Chair. Thank you.

CHAIR WHITE: Ms. Crivello?

COUNCILMEMBER CRIVELLO: Thank you, Chair. Thank you, Councilmember Carroll, for those questions that I'm sure we all don't quite understand, especially since the letters that have gone out to the public and the kind of headlines really threw the Council under the bus. And I think we have opportunities or we can work together to make matters better for the sake of our public safety and public health. That's how I look at it. And, you know, when we talk about the recycling funds, so it was put back but recycling on that is being, is still being cut. So I don't know why that is so. And then Mr. Ratte, the April 29th Budget and Finance minutes said that there were positions and I guess that would be the working supervisor's positions or supervision, looking at reinstating that. So I don't know why that wasn't filled like four-five years ago, and that's kind of what he said, that were initially in the budget five years ago. But it was never filled. And, you know, so again kind of question why, why, why? And the other concern I have also is our Chair for the Environmental sent out a questionnaire and as it was stated earlier to your Department, Mr. Ginoza, that the question about, at the, regarding the compliance issues and I guess the respond was that because we've been advised by Corporation Counsel not to have that discussion. But compliance issues have been addressed to the public, and I'm wondering why we cannot go further and have these questions answered. And maybe that question is for Corporation Counsel, because that has been addressed to the public. And in all fairness in respond to your communication to the clients and as well as to us, we'd sure like to have these issues addressed as far as the landfill facility. And I go a little further on the island of Molokai. You're closed...you're open at 8:00, you're closed at 1:00. Okay. And you have the number of employees that you've always had there, you have your working supervisor that you depend on as far as turning in

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

reports and what have you. And 1 o'clock, I mean...and you close 1 o'clock on Saturday. It's, it is to me poor, poor planning in trying to serve your community or our community. It just doesn't fit well with our constituents. It doesn't fit well I think...I don't know how this affects budget and compliance, 'cause if you want to be in compliance then we need to relook at the Department of Health permit which many of us have access to and really address some of the issues that are being brought up with the Department of Health and how we can be in favor of being in so-called compliance. I don't expect any kind of comments at this time for you, I'm just kind of venting in my own way as to the frustration that I hear from my constituents back home as well as many people on Maui as to what they're putting up with. And I think we underestimate the intelligence of our community, they've got more questions than maybe we do when it comes to whose fault it is. I think it's not a matter of pointing fingers but how can we make things better and not have the insinuation that this is a political warfare. And I think we sometimes lose sight of what when we say we want to provide core services. And it's a shame. It's a shame what we're putting our public through. And I cannot imagine that in your...in the Department's role of trying to make savings and cost to deprive...in fact even depriving the employees of serving their community as well as they wish to do so. Yeah. That's it, Chair. Thank you.

CHAIR WHITE: Thank you. Ms. Cochran?

COUNCILMEMBER COCHRAN: I get a chance again? Thank you, Chair. And yeah I do hear the frustration. But I think, you know, for me what started this, I mean I was trying to make sure that the recycling, especially in West Maui because I was hearing, you know, overabundance of concerns about the removal of drop boxes and what have you. And so that was the main intent of those provisos. And as Mr. Hokama stated in the minutes and that was one of my bullet points in regards to Mr. Ratte using the word robbed in quotes. He did, he wanted to make sure that funds were used for recycling and diversions were protected from being robbed by Operations program. And so I think that was the main intent, it was not about to put anybody in some hardship predicament to where you had to cut all these services and what have you, it was for the protection of, to keep the service in place. And, you know, Acting Director then stated it. And that's what I followed through with. So, you know, I beg to differ with the explanation by the Department just now in regards to the veto and all the stuff that had happened. It was just solely for the protection of a service that this community is wanting and demanding and through surveys and everything else has asked for. So, you know, I have much more to talk about, Chair, but I'll just stop at that and let others chime in at this point. Thank you.

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

COUNCILMEMBER COUCH: Thank you, Mr. Chair. Mr. Ginoza, you just mentioned an audit that you said was done, was that by you, your Department on your Department?

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

MR. GINOZA: It was done during the previous Administration so I believe it was funded by, there must have been a line item as part of the Fiscal '09 Budget to audit out the...it was an operational assessment of the Solid Waste Division. So it was actually just a Division audit --

COUNCILMEMBER COUCH: Okay.

MR. GINOZA: --not a Department audit.

COUNCILMEMBER COUCH: Has that report been given to the Council?

MR. GINOZA: I'm not sure, I just saw a copy of it, and Mr. Ratte alerted to me, alerted me of the existence of that today and I remember seeing it a while ago.

COUNCILMEMBER COUCH: So you didn't rely on it then to do your budgets and your staffing requirements?

MR. GINOZA: I looked at it when I first started to understand the challenges of the Department and of that Division knowing that we have had a history of noncompliance and related fines and violations, and to help understand the operational challenges. For instance, you know, Ms. Crivello mentioned that, you know, we didn't fill the operator positions back when we had funding. Well actually we were, we had just gotten funding and were in the middle of interviewing when at that time the Budget Committee took away the funding, and that's why we didn't, we weren't able to fill those positions. So whereas the year before they saw the need, when we were actually filling 'em they were eliminated. And so if you read the operational assessment, this audit that was done, it explains that as I mentioned that the Department or the Division typically kind of looks at a short term, has a short-term focus and is really reactive in nature. And that we really should put more operational staff and engineering staff toward being more proactive to prevent potential risks of violations before they arise. And so that's consistent with what the mantra we've been trying to pursue. And, you know, we've explained our five-year plan and getting the Department to be cognizant of the issues with the permit and the challenges of operating a landfill or five landfills. And so that's kind of where we're at is it's consistent with what we've been doing. So I would imagine that if you...I welcome you guys to do an audit of the Department, but I would think that the recommendations would mirror the recommendations of this possibly internal audit but that was commissioned and done by an outside entity.

COUNCILMEMBER COUCH: Okay. 'Cause that would be something that we would...I mean I would certainly love to see what that is.

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

MR. GINOZA: Okay.

COUNCILMEMBER COUCH: You know you had mentioned that you didn't have the bodies last year, but you still were able to maintain compliance, as far as I can see. I mean I, you know, in Ms. Cochran's communication, the stuff that's come back, I don't see any kind of violations or notices of violation last year or the year before. So --

MR. GINOZA: . . .*(inaudible)*. . .

COUNCILMEMBER COUCH: --I'm just wondering how you did it last year without the bodies that you requested for this year.

MR. GINOZA: To say we didn't get...I mean we did get violations last year and, you know, we addressed that in Mr. Hokama's Committee, and it's a matter of how you manage risk of violation. And for us it's a matter of the way we've been managing it in the past has not been adequate and that as many calls as we've been getting for missed holiday pickups, when there's a *Maui News* article about we got a fine, I get inundated calls with how come you guys not managing that? And so it is really a matter of how much oversight do you give versus how much risk you're willing to take as far as noncompliance. So we're trying to manage that, and without really getting the resources we don't know how well we're really going to do because we will always have that risk.

COUNCILMEMBER COUCH: And, Mr. Chair, that's one of my other questions is, you know, and then maybe that audit would help us or just want to find out why, how do you think you're out of compliance?

MR. GINOZA: I will provide that audit to this body, and it's just from my management perspective I do not feel like playing Russian roulette with DOH, and that I would rather manage this Department to be proactive about not risking noncompliance. And I know that's as subjective as you can get that we need to put more resources into maintaining compliance. You know if we want to get into areas of concern I'm sure Mr. Ueoka here will welcome a motion to go somewhere else.

COUNCILMEMBER COUCH: Well, you know, and as it's been brought up I don't know, I think by Ms. Crivello, that you mention compliance issues in your letter to the public. So does that kind of open it up for discussion or I don't know what the legal issues are. Because it's my understanding that it's, that's the crux of everything is compliance, and what I would love to know is if we're not in compliance now or if we are...are we or are we not in compliance now, if not, what, how are we out of compliance? And I'm guessing that immediately Mr. Ueoka is already grabbing for the microphone, but those are the questions that are important to me. The other question is...and we can go back to that if that's the case. The other question is, you know, Mr. White brought it up is that in

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

what, three years we're going to have Anaergia or whatever have 85 percent of landfill diversion. So while I did make the motion to increase your positions during the budget, I got no second. So I understood at that time what the issue was. Why not have limited term positions? Because in three years they're gonna be not needed if we're cutting 85 percent diversion to the landfill.

MR. GINOZA: I wouldn't say that with the implementation of the waste conversion project that we wouldn't need our landfill and refuse collection workers, that we would likely take in a lot of the things that we currently do not operate as part of our County waste collection and waste management programs, things such as like, you know, transfer stations or like household hazardous waste or the drop boxes. I mean things that we could do ordinarily if we had staff and then we'll have staff with project implementation. So it's not something that...we don't foresee a, that we won't need staff or a curtailment of staff with project implementation.

COUNCILMEMBER COUCH: So you're saying that if we were to...I mean if we would have given you the staff that you asked for at budget...first of all Mr. White brought up another good question is if we just said yeah, you get the positions, here it is September 1st, you still wouldn't have filled the positions but yet you would have the landfills still running?

MR. GINOZA: Yes, we've had discussions with the State Department of Health to address some areas of concern, and we explained to them that we're going in for these additional resources and that the way that our budget system works is that we don't get them for a few months. So we asked for some kokua as we try to get these areas addressed, areas of concerns addressed.

COUNCILMEMBER COUCH: So again that goes back to and again Mr. Ueoka's at the ready. So you're discussing stuff with the Department of Health right now and they're saying look, we're going to fine you or we're going to give you a notice of violation or whatever it is they do, but you're asking them for hey, hang on, we're asking for bodies so we may or may not get 'em.

MR. GINOZA: The normal process is that they do regular audits of our solid waste facilities as well as wastewater facilities, I mean different branches, and when they come out they will give us the results of the audit and point out areas of concern. So for instance something that's been problematic for us is litter control, flagging, and...litter control, flagging, and other things about closed landfills or after storm events. And so those are the kinds of things that because we're in the business of running a landfill we need either staff or time or a combination of both to address these things that are kind, almost related but unrelated to operation of a landfill or a consequence of operating a landfill that we don't have resources for. So for instance with litter control we close the landfill an hour

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

early and deploy the staff to pick up litter so that we don't have that area of concern. Flagging is where trash is poking out of the cover material and we address that. I mean these are issues with the State Department of Health because of health and safety issues with vector control and other issues, and yet just because we have staff to operate the landfill doesn't mean we also have the appropriate time because we're open so much to address these issues that are also part, a big part of operating a landfill but is not as glamorous as being open to the public but is a crucial part of doing the landfill. And so these are concerns that the State brings up either while they're doing the audit or as part of the post audit documentation that we take very seriously and they take very seriously. And if we don't address that's where our being stubborn and not listening to them, that's when you start getting the consent decrees and the fines and such. And so we try to be proactive that, you know, of course we don't want any areas of concern, but when one is brought up, it is first and foremost how do we address that. And these are some of the concerns that have been recently brought up, not to say that they haven't been brought up before, but we've taken a, definitive measures to meeting with the Department of Health to address these concerns to show that we're proactive, that we're not ignoring them. Because, you know, we don't want to get into this litigious environment with them and have them just have us act when they levy a fine. So it's something that we are in compliance, there are areas of concern, we want to address those as well as other things that we know may arise as an area of concern in the future. And that's just an effort to be more proactive in how we manage a landfill. It's very regulatory.

COUNCILMEMBER COUCH: So it sounds like and forgive me, Mr. Chair, for the analogy, I'm reading a book about medieval time so it sounds like the axe is right at our neck and if we don't act they're gonna chop our head off or...

MR. GINOZA: Yeah, we try to meet with them on a monthly basis to say okay, this is how we're addressing the other areas of concern, you know, please help us try to get there in...we're not trying to be out of compliance obviously. I mean we're trying to address everything, but at the same time we run landfills and where we're challenged is the oversight of the landfills from a permitting perspective, from a ensuring that you're following the operating permit. I mean these are things that require more than just me trying to read it and...I mean I'm not going to be there 24 hours a day or, you know, every day and we need people to be on top of those things and we haven't in the past. And that is the challenge that we're trying to shore up.

COUNCILMEMBER COUCH: Yeah but I just don't...I mean you guys can come in for overtime, I mean instead of closing at 1:00, close at 2:00 or whatever time you usually close and then have people stay the extra hour overtime. Wouldn't that be cheaper than having bodies, more bodies that we have to pay for for years?

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

MR. GINOZA: Well we're not...with closing an hour early does not mean we address the areas of concern that are in front of us. I mean there are other actions that we're going to take, and so even with the closing on holidays we fully anticipate coming in for a budget amendment because there will be a shortfall because we are unable to borrow from the recycling section of the program anymore because of the proviso. And so there is more to be done.

COUNCILMEMBER COUCH: So this isn't a bodies versus dollar issue, it's bodies versus compliance?

MR. GINOZA: We gave you a bodies versus money versus what we need to cut in order to address these concerns.

COUNCILMEMBER COUCH: And you still, you have that? Is that something that's...

MR. GINOZA: It's in the binders under the date 4/30, April 30th in the Budget and Finance Committee binders.

COUNCILMEMBER COUCH: April 30th. You know what item? Oh, the big...

MR. GINOZA: Yes.

COUNCILMEMBER COUCH: If it's the budget I mean we've got boxes and boxes.

MR. GINOZA: I have it, I can provide it.

COUNCILMEMBER COUCH: All right. I don't know, Mr. Chair, I think something can be done but I'm not quite sure. I don't like adding more bodies unless they're limited term. And I still don't...I don't think that was an adequate enough answer on the, you know, if we're going to cut stuff going into the landfill by 85 percent, do we actually need those extra bodies three years from now. I can see until three years from now but I still don't understand how that...I mean if you're going to cut 85 percent of your work how would...actually you would think less bodies would be needed even than what we have today. I don't understand.

MR. GINOZA: It's really how we want to manage that, because we could manage what that 15 percent going into the landfill would be at a, during a shorter duration and repurpose some of the workers at the landfill for other tasks which is what we envision. Is that we wouldn't need the workers to do landfilling activities all day because 85 percent of the trash would be diverted, but there are still many activities related to Solid Waste operations that could be done that we aren't doing, that we're either outsourcing or just not doing.

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

COUNCILMEMBER COUCH: Okay.

CHAIR WHITE: Yeah, I...

COUNCILMEMBER COUCH: I got plenty. . . .(inaudible). . .

CHAIR WHITE: Yeah, I think you're relating to a comment that Mr. Ginoza made during budget that there would be reductions in the staffing, and that's part of what we responded to. So, Ms. Baisa?

COUNCILMEMBER BAISA: Thank you very much, Chair. And I hope that I'm not redundant because unfortunately I had to miss a little bit of this discussion this morning. And by the way got the eyes 100 percent better than they were.

CHAIR WHITE: Oh, all right.

COUNCILMEMBER BAISA: So that's good, was worth whatever we went through. But I'm very, very concerned as I sit here. I'm not a happy camper. I think we have a crisis on our hands. Yesterday afternoon my landlady was wheeling her garbage cart out to the curb and I said I don't think you want to do that and she said why, and she said well they're going to pick this up tomorrow 'cause they didn't pick it up today, and I said no, they're not going to pick it up tomorrow, and she said, really? And I said well didn't you read your *Maui News*, she said oh, we don't take *The Maui News*, and I said well, didn't you get a letter? I said I got a letter telling us about this, and she said maybe I did, maybe it's sitting in a pile on my desk. And, you know, I've brought this up over and over and over about notifying the public and we assume that the public reads *The Maui News*, and I don't think very many people read *The Maui News*. And the second thing is not everybody reads letters, particularly when they come from Solid Waste. I mean if it looked like a sweepstake win they'd open it but, you know, Solid Waste, ah, we can read this later. So I was just kind of shocked when I told her and I said I suggest you go and open your letter and read it. And, you know, there's truth in that because this morning as I drove down our street on Hiwalani and up Iolani, I counted the cans that were sitting outside and almost every other house the cart was sitting on the, ready for pickup. And many of them were overflowing with the covers barely on with stuff sticking out. And some of 'em were sticking out and there was already trash beginning to gather on the ground. So to me this is not something we can sit here fooling around with and saying well, let's figure this out, let's, you know, take this apart and see who said what and when they said it and why they said it and what we did and what you did or what you didn't do. We have a problem, we gotta deal with this, and so what my question is, how are we going to fix this? Is there a fix and can somebody tell me what that is? Since I'm not...you're not addressing the Mayor, how about Mr. Ginoza? What do you need so

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

that we can take care of this problem? We gotta take care of it, our people are not being served and they're getting really upset.

CHAIR WHITE: Before Mr. Ginoza starts, I'd like to point out that last year we had the same situation, they've entered the year feeling underfunded not by anything we did because the underfunding last year must have occurred at the Mayor's review level. And because they came, they announced the shutdown of the recycling centers the day we got the budget, so it had nothing to do with us that related to underfunding. And it must have happened during the Mayor's review process or the Administration. So, you know, I think we're always reminded that we pass the budget and we make policy, we can't tell them what to do, and it's only the Administration that can fix this problem right now because it's their kuleana. It's not our kuleana because we've given them more than enough money to operate the Solid Waste Division through until the last three days of this fiscal year.

COUNCILMEMBER BAISA: That's why my question.

CHAIR WHITE: Yeah.

COUNCILMEMBER BAISA: What is it going to take for us to get over this?

CHAIR WHITE: Yeah, so the question is what are they going to do? Because we can't.

COUNCILMEMBER BAISA: They tell us what they're going to do, it'd be nice for us to know, because we're the ones that are on the pinhead. You know everybody's asking us.

CHAIR WHITE: Right.

MR. GINOZA: So there are two options, either we can submit a budget amendment for what would, what it would take to restore all services or we could continue to curtail services on holidays and over...I mean and at the landfills. And it is something too that is from listening to the budget deliberations in previous years where and I think Mr. White was the biggest, was the most critical about overtime costs. And if you look at what it costs us to run operations on holidays our guys get paid two and a half times their salary on holidays. And so from a fiscal management perspective we felt that we're still giving people at least once-a-week refuse collection which is consistent with other places in the nation, but we just live in a society where people feel compelled to have twice-a-week trash pickup which is actually a good experiment. Because if you look at some of the initiatives with zero waste and these other more sustainable initiatives they would say why are you doing twice-a-week trash pickup? So I would hope that if you urge us to reconsider the impacts on holidays that such measures as zero waste and all these other sustainable measures would come with a lot of funding, because it is something that costs

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

money, it is something that results in a reduction of refuse collection. And so I'm frankly confused. I mean do we want to save overtime costs, do we want to be greener, more sustainable, or do we want to listen to...we sent out 25...26,000 mailers and most of the public is just accommodating with the change in schedule. And the biggest backlash I've received is the lack of the word getting out. And to me that is a systemic problem that we saw even with the recent hurricane warnings that people do not get, on Maui people don't, you know, a lot of us subscribe to *The Maui News*, a lot of us don't. A lot of us read things in the mail, a lot of us don't. A lot of us read social media a lot of which is incorrect, and that is a systemic problem when we have issues such as these. The fact that people have not gotten the notice to me is a bigger problem, and that people have adjusted, many people have adjusted. But if you look at the trash service that we're giving, it's for a, your conventional home like couple or a couple with kids, not when we have 15 people living in a house, that's why they need twice-a-week refuse collection. Not where people live on a one-acre agricultural lot that they have so much green waste to deal with. And that's where, you know, the conventional people do not put it out twice a week full. And so that's what we're trying to understand is it's not a one size fits all, that I would say the vast majority of people are unaffected by this no holiday pickup and curtailed landfill hours.

COUNCILMEMBER BAISA: Mr. Ginoza, I hate to differ with you but I am the one who drove the streets this morning and I counted the cans and the buses...the boxes, and I also see the bags piling up inside the fence where they're saying if you don't pick it up today, when you pick it up the next time it's going to be a mess. And your mailer says if it's outside of the bin we're not picking up, so we're heading towards a big mess. My point here is we can sit here and we can talk about what we didn't do in budget, we can talk about people's habits or we can talk about whatever, but we have a crisis. What can we together try to do to deal with this? And if we want to work on a long-term solution, I'm fine, we need to do that, we have to have a long-term solution. But as we sit here the rubbish is collecting on the side of the road and pretty soon it's gonna be in the fields, in the rubbish, all over the place like we saw before, and I don't want us to go there. So I think it's kind of up to us to try to figure out what is a short-term solution, and I understand that, you know, you do these things, you say we cut the budget, okay we're going to cut the services. We are impacting our community and I know the game, okay. When I ran MEO it would have been real easy to say let's park the buses because we didn't get all the money we wanted, but we couldn't do that because we knew aunty was going to be waiting on her bench and by God we better pick her up because that's what we do. This is what we have, we have a situation. I understand that there's going to be a negotiation about more money because we need to do more and whatever, but right now it is a big impact on our community and I cannot look the other way, I just cannot. Mr. Chair, thank you.

COUNCILMEMBER CRIVELLO: Chair?

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

CHAIR WHITE: Ms. Crivello, followed by Ms. Cochran.

COUNCILMEMBER CRIVELLO: Thank you. I heard the Department give kind of two rationale as to why there's this reduction in service. One, at one point is about the not having the manpower to meet the compliance requirements, and then I just heard where well, you know, we're paying overtime for the holiday schedule pickup and maybe now, you know, people have to change their mindset as to how they take out their rubbish or if there's too much green waste or what have you. And I also heard in respond to some of the inquiries from Councilmember Couch, about there are other things in the landfill workplace that involves things that people don't see, for instance litter control. And I believe we have funding set aside to, that litter control to be outsourced. And I think that's for the Central Landfill. There's also the CIP budget to have the litter control fencing in place so that the litter don't get blown all over and it's more or less under control. Likewise what they do with the outlying district landfills. So I've also heard that we're trying to be in compliance and I think you've mentioned it yourself as far as the Department's been doing quite well in meeting the compliances under the State as well as the Federal. And that too to their credit, six positions, six-plus positions that they have not filled and still, you know, there's been improvement instead of declining response to the compliance report. So I'm just like the people who have to take out the trash and then gets totally confused as why, why, why, why we're going through all this. Yeah. Thank you, Chair.

CHAIR WHITE: Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you, Chair. And I think there's a lot of, yeah, unanswered questions and I'm not feeling a lot of straight answers at this point. But in regards to...and I, that is the crux, what Chair Baisa brought up, how are we going to address this? This is at a crisis at this point, Chair, and, you know, we feel how we feel, it is what it is but it's the community that is suffering right now. So looking at...I mean and Mr. Ginoza mentioned two choices and one being budget amendment. And you brought up a good point that why, if this was going to come down the pipeline, why wasn't it asked for prior? I mean before now, before today. And...

MAYOR ARAKAWA (speaking away from the microphone): I'm just gonna interrupt by saying one thing. I'm leaving. This whole thing is ridiculous.

CHAIR WHITE: ...*(gavel)*... Recess.

RECESS: 2:52 p.m.
RECONVENE: 2:53 p.m.

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

CHAIR WHITE: . . .(gavel). . . Budget and Finance Committee will come back to order.

COUNCILMEMBER COCHRAN: Thank you, Chair. And...

CHAIR WHITE: Please proceed, Ms. Cochran.

COUNCILMEMBER COCHRAN: Thank you. So I guess, Mr. Ginoza, I know you're saying that, you know, due to budget cuts we're in the predicament that we are in today, and so is it true that you need 200,000 to rectify the issues we're facing right now? Is that the bottom line dollar amount?

MR. GINOZA: I believe the Mayor will submit his budget as a budget amendment to see if that's something that you will consider. So that will be upcoming to resolve this.

CHAIR WHITE: But quite frankly they can resolve it right now just by simply --

COUNCILMEMBER COCHRAN: Right.

CHAIR WHITE: --doing what they've always done and do what they did last year. Just provide the services and come in later for a budget amendment. Again, we are not able to make them do anything.

COUNCILMEMBER COCHRAN: Right.

CHAIR WHITE: They, it's their decision, it's their kuleana, this mess is their kuleana, not ours. So --

COUNCILMEMBER COCHRAN: Right. And...

CHAIR WHITE: --just want that point --

COUNCILMEMBER COCHRAN: Sorry.

CHAIR WHITE: --to be clear that they can bring us the budget amendment but they have the money right now, we've authorized \$12.5 million in Solid Waste, that includes the equipment. And, you know, I have to point out again they're complaining about us proviso'ing the money but that's not the way the Committee passed it out. The Committee passed it out without any restrictions, then we took the money from three pots and put it all into one so they would have had all the flexibility in the world to, you know, use the money for outsourcing or other things.

COUNCILMEMBER COCHRAN: Right.

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

CHAIR WHITE: So to say that a \$200,000 shortfall is something that a person in charge can't deal with is just in my mind it's a little silly, and that's what makes this look just simply political. They're wanting to put the Council and some Members in particular in a tough spot, because this is the kind of issue that touches people's lives directly, gets them angry, gets them frustrated, gets them confused, and unfortunately this is the, a call made by the Administration not caused by us any more than last year's claim that they had to shut down the recycling centers. So --

COUNCILMEMBER COCHRAN: Right.

CHAIR WHITE: --this could have been handled the same way without any stoppage of service, without any closures of the landfill and so forth.

COUNCILMEMBER COCHRAN: Thank you, Chair, and for clarifying that. But for Mr. Ginoza, Chair, I have a question. So I know in the past that, you know, you have your shortfalls or you have your, you know, difficulties and challenges in getting the budget, you know, dealing with the budget and your responsibilities that you need to do. But I'm told that you folks never have cut the services to the community first like you did this time around. Normally it's the last thing on the...it's the last place you go, and rightfully so. I believe that this community should not be suffering the way they are. So my question is why did you folks go directly to cutting services to this community where normally all the past years you never went there first? You always tried to figure out another way, let's not buy this today, let's wait 'til later, you readjust. You know you prioritize differently. So bottom line you never had to cut services to this community but this year for some reason it's the first thing you folks went to, so I just want to know why.

MR. GINOZA: Really it's because it's a poor way to manage to not cut programs when you know you don't have enough money. I mean that's what was, what echoed through this Committee when we asked for budget amendment is why you asking for a budget amendment now and if we cannot approve it then we're going to cut services for days and weeks. And so we explained prior to the budget meetings in your Committee, we explained during the budget meetings that we're not operating like that. That if there's a shortfall and which is what happened on the year before and, you know, I mean it's just not an appropriate way to manage that you spend money that you know you're going run out of money at the end of the year. I mean who runs an operation like that?

CHAIR WHITE: Well and I'd like to interject that that what's you did last year.

MR. GINOZA: And that's why I don't think it's appropriate.

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

CHAIR WHITE: Well but you didn't cut services last year.

MR. GINOZA: And so...we said it last year and we came for budget...you know if it's a matter of if we come in for a budget amendment and you guys understand that we came in with a shortfall and don't just, you know, complain to us that we don't know how to manage and that you leave us handcuffed that we have no choice but to approve this amendment. I mean why not just give the money upfront and audit the Department? I welcome an audit. What you'll find is there are challenges and we can either be proactive or reactive, and as I'm managing this Department, fines and penalties are absolute waste of County money, of taxpayer money, and that to be proactive . . . *(audio missing)* . . . something that we give better service to the community, we reduce fines and penalties, and we just have government look better to our people and the community we're trying to serve. And it was something that yes, it's only four positions but they are four vitally important positions. We're not talking about we're not going to mow the grass couple more days because we don't have staff. It could be a health and safety concern, it could be that because we only have three people working at a remote landfill if one person is sick we shouldn't open the landfill and if we do we put at risk people who...the health and safety of our workers and of our residents. So if you want to play with that then that's fine but we don't.

COUNCILMEMBER COCHRAN: Chair?

CHAIR WHITE: Ms. Cochran.

COUNCILMEMBER COCHRAN: Thank you. And I mean you had a Division chief whose salary was around \$117,000 who's been out. He has nothing to do with this year's budget, and so that kind of money could of funded probably three positions, you know, it could have helped to...he was paid but not on the job. You were less that person on the job and on and on. So I don't understand what kind of management that is. And also these fines and penalties, I believe the brunt of those and noncompliance issues were back in 2011. We have the paperwork here. And since then I'm trying to calculate what are these fines, I know they don't come out to half a million dollars per year that you folks are stating. And all...I mean you're blowing this up to where it's completely not true. So if you have direct...what are the amounts of these fines and penalties right now prior, after 20...the big ones, you know, the big Molokai one and the big leachate stuff? You know I mean those are the huge 4.5 million totals. We're not looking at these kind of noncompliance fines and penalty issues today.

MR. GINOZA: We are.

COUNCILMEMBER COCHRAN: Big, in millions of dollars?

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

MR. GINOZA: Yes. Yes.

COUNCILMEMBER COCHRAN: Chair, I...yeah, I believe we did fund some positions, correct?

CHAIR WHITE: Correct.

COUNCILMEMBER COCHRAN: Yeah. And so with, even with those...

CHAIR WHITE: We funded...

COUNCILMEMBER COCHRAN: Three.

CHAIR WHITE: I believe we funded one for Hana and one for Central, but they asked for two for Central, one for Hana, one for Molokai, one for Lanai. But one of the strange things that's happened is that even though we funded the position for Hana, Hana Landfill hours were --

COUNCILMEMBER COCHRAN: Yeah.

CHAIR WHITE: --reduced. So you go figure.

COUNCILMEMBER COCHRAN: That's what I'm trying to do, Chair, figure. Thank you.

CHAIR WHITE: Mr. Ginoza, what was the amount of your submittal to the Administration for the 2014 Budget?

MR. GINOZA: I don't know offhand.

CHAIR WHITE: Can you provide us that? And I'd like to know what the amount of the budget was that was provided to the Administration and what was and how that compared to what the Council was presented? And I'd also like to know for 2015 what was the amount of the budget that you submitted to the Administration and what remained in the budget when it came to Council? Because I know there's very few departments that don't end up with reductions after going through the process that the Administration rightfully puts everyone through. But I need to know and I think the Council deserves to know whether we're getting blamed for shortfalls this year that are responsibility of the Administration's cuts as opposed to ours. And I bring that up because it appears to me that may have been what happened last year, that the Administration process reduced the budget to a point where you were uncomfortable and then you decided to announce the closure of the recycling centers to make your expenses meet the budgeted amount. So if you would be so kind as to provide us --

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

MR. GINOZA: Sure.

CHAIR WHITE: --that I would appreciate it. Any further questions, Members?

COUNCILMEMBER CRIVELLO: I do.

COUNCILMEMBER COCHRAN: Oh, go ahead.

CHAIR WHITE: Ms. Crivello, followed by Ms. Cochran.

COUNCILMEMBER CRIVELLO: Thank you. Thank you for allowing us the opportunity to kind of clear, have some clarity of what's going on. There's a proviso that went in for the convenience center. I would like to know where the contract is at this time as well as the where Ms. Elle had asked for the drop box in West Maui. Where are we with those two items?

MR. GINOZA: So with the convenience center we provided a few weeks ago to the Department of Health a draft Request for Proposals for them to comment on that, and they provided us comment. So we should be issuing that probably in the next couple weeks while we, when we implement the changes. With the West Maui Recycling Center, I actually have been trying to or I've been talking to the landowner to get a lease to be able to utilize that property by the, where the private one was. And actually I had a meeting this morning but I had to cancel because of this meeting, with the landowner. So we're still working with the landowner to try to figure out a lease for the County to be able to utilize that and then we'll put out an RFP for those services.

COUNCILMEMBER CRIVELLO: Okay.

CHAIR WHITE: Ms. Crivello, you're pau?

COUNCILMEMBER CRIVELLO: Oh, thank you.

CHAIR WHITE: Okay. Ms. Cochran.

COUNCILMEMBER COCHRAN: Thank you. And thank you, Ms. Crivello, for asking those questions. So back to the West Maui, you're talking about Kaanapali Land Management? Or what --

MR. GINOZA: Yes.

COUNCILMEMBER COCHRAN: --Maui Land and Pine...okay. So that particular area.

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

MR. GINOZA: The one by the smokestack where it was --

COUNCILMEMBER COCHRAN: By the smokestack.

MR. GINOZA: --before.

COUNCILMEMBER COCHRAN: Okay. And anything in the Napili area?

MR. GINOZA: Not with the money that we got proviso'd. It just costs so much. I mean it's, you know, we estimate over 15 times the cost of landfilling, so, you know, it's not something...since we're struggling with our landfill budget already, to go for something like that, you know, with not getting more money from this body, we're not contemplating anything in Napili.

COUNCILMEMBER COCHRAN: And a follow-up, Chair. The, are, have you been able to finally look through the questions that I submitted I think originally through my Committee, Chair, and then now I just submitted it via your Committee today. And having the responses from Corporation Counsel to let us know which questions we're able to address and which we are not or just the one actually, number two we're not. Can we be...will we be receiving direct answers to these?

MR. GINOZA: We can. If you wish to have a written response we can. I have my staff developing responses for those questions that --

COUNCILMEMBER COCHRAN: Okay.

MR. GINOZA: --Corporation Counsel said we could answer.

COUNCILMEMBER COCHRAN: Okay. Well very good. Yeah, I think it'd be a real drawn out --

MR. GINOZA: Okay.

COUNCILMEMBER COCHRAN: --long day if we had to discuss each and every one, but I appreciate...

MR. GINOZA: Sure, I'll provide that shortly.

COUNCILMEMBER COCHRAN: Okay, thank you, Director.

MR. GINOZA: Should I send it to your Committee or to this Committee?

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

COUNCILMEMBER COCHRAN: I'm not sure. Now it's in both Committees, right, Chair?

CHAIR WHITE: Just submit it to both.

COUNCILMEMBER COCHRAN: Okay, to both --

MR. GINOZA: So to you?

COUNCILMEMBER COCHRAN: --I guess? Is that how it works? And so, Chair, if I can ask in regards to a comment that was in the paper this weekend in regards to curbside. It stated that you folks are looking to phase it out.

MR. GINOZA: Yes.

COUNCILMEMBER COCHRAN: Within, by the end of the year, is that correct? Is that what it stated? I think by the end...

MR. GINOZA: Possibly December.

COUNCILMEMBER COCHRAN: Okay. And what is the reasoning? Because I guess there's people who really been enjoying that service.

MR. GINOZA: And there is a lot of people who are not, that they want the twice-a-week trash pickup like everyone else.

COUNCILMEMBER COCHRAN: And how...and you got these comments...is this via your survey that you had done at the DMV or something?

MR. GINOZA: No, this is just calls that we receive.

COUNCILMEMBER COCHRAN: Okay. In reference to that survey though, didn't you do a random type survey thing --

MR. GINOZA: Yeah and...

COUNCILMEMBER COCHRAN: --in regards to recycling or...

MR. GINOZA: With that one if I recollect correctly we asked how much people would pay for curbside and the median was zero, that more than half of the people said zero. And that, you know, people felt like the County was getting paid. And that's something that one of the testifiers had mentioned that what kind of contract is that that we have a curbside

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

program and yet we pay somebody to take the recyclables. And the answer to that is that because of nobody really wants...or not nobody but it, there's no local markets that want recyclable material. The material goes from Maui to Oahu to like Oakland to China to maybe even Vietnam and back to China, because there's no domestic market for those recyclables. And so because of the long travel nature of the recyclables, we need to pay to get rid of it. And so it is a service that costs a significant amount of money versus something that we make money from. And so if the testifier would like us to give them the recyclable materials, we'd be happy to. But we currently pay \$130 per ton to get rid of the curbside material materials. And as I mentioned we get significant negative feedback about people don't want to participate and want to opt out and yet it's mandatory via our program that they participate in. And so it is something that people are asking for twice-a-week trash service. And so we're still going through the numbers. The participation is I think less than 50 percent as far as the put-out of those recyclable in the green waste bins, and so it's a matter of do we inconvenience the public, a portion of the public? A lot of the residents say why don't you put it somewhere else rather than in our neighborhood, and so we're still looking at that information to decide whether or not to continue with that pilot.

COUNCILMEMBER COCHRAN: Okay. And yeah, I mean talk about we're already inconveniencing our public right now with the lack of trash pickups.

MR. GINOZA: That's what Kauai did too. They had a pilot curbside and they abolished it, and so they don't have pilot...they got rid of their pilot curbside collection.

COUNCILMEMBER COCHRAN: Okay. Okay, Chair.

CHAIR WHITE: Any other questions? Mr. Carroll.

COUNCILMEMBER CARROLL: Thank you, Chair. All of this conversation I find really disturbing because you've come up with no solutions, and the only real solution that you are saying that you have is you need more money. However, you didn't want to do a budget amendment because the Council members might scold you. This is not acceptable. Unless you have another solution you need to proceed with something that you feel would be a solution. I would hope that you would sit down with the Administration and say okay, do we have anything we can do to rectify this situation with the money we have now? If you cannot, if you do a budget amendment obviously you would come down with answering a lot of the questions and a lot of the concerns that this Council has brought up. Not to do so is saying you just give up and well, I'm just going to let it stay like it is. I don't think this Council or the Administration is allowed to do that, to take that attitude. We need to find a solution. If you feel the only solution is money, well, you need to do something about it. Bring it to this Council, bring it with the information that the questions were asked that we had over here, document it, and see

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

what we come up with. Otherwise, people are going to suffer, is all our families out there, all those people out there. Health and welfare is affected. I would hope that after this meeting I don't think anymore can really be said, that you'll sit down with your peers and hopefully you can work something out. I would like to see you work something out with the monies available. If you cannot, you need to come back and you need to put it down over here. I cannot make a budget amendment.

MR. GINOZA: And we will bring down a budget amendment.

COUNCILMEMBER CARROLL: The Administration makes the budget amendment. As far as I'm concerned you're Administration, you work with the Mayor. He can send down a budget amendment, I can't, we can't do this. What do you expect from us? Well, do a budget amendment, document it, send it down. Thank you, Chair.

CHAIR WHITE: Yeah, I think if there was a serious need and a desire for a budget amendment we would have had it by now. I agree with you this is just not right. We cannot initiate budget amendments, the Mayor is the only who can. Last year we were in the same position, we got a budget amendment in I believe it was February to ask for additional monies to take care of a shortfall. There's no question in my mind this could have been taken care of by the Administration on their own without coming to us for a budget amendment. They could have solved it before it was created.

COUNCILMEMBER CARROLL: I agree, Chair. I was just presenting the options that need to be considered and taken.

CHAIR WHITE: No and I appreciate that.

COUNCILMEMBER BAISA: Chair?

CHAIR WHITE: You know one of the things that was, as you mentioned, was that you were going back out for an RFP on the convenience center. Our understanding was that the convenience center was either close to being under contract or under contract.

MR. GINOZA: So there's two components of the convenience center if you recall during the budget deliberations. There's the household hazardous waste portion that's part of a consent decree agreement that we've had with State Department of Health. That's the one that we're going back out for an RFP. With the metals portion of that contract we currently get it hauled for free by a contractor, and so I'm not sure what is the current status of that but we wouldn't want to pay for services for something that we currently get for free. So I know there was a meeting today, this morning that I couldn't attend and my Deputy went and I don't know what the result was from that, but we do have an

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

existing Memorandum of Understanding with a provider to take the metals away from the Central Maui Landfill.

CHAIR WHITE: So what is the, what's the remaining piece?

MR. GINOZA: From the household hazardous waste? What do you mean the remaining piece?

CHAIR WHITE: Well you said you have the MOU taking it away and you said it was two parts, and I'm sorry I may have missed...

MR. GINOZA: Oh, so the other part was the household hazardous waste section of the...so we want to get rid of paints, solvents, corrosives, that kind of stuff that is harmful to the...we accept it at the landfill as part of household refuse but it is not necessary the best to just landfill. And so as part of an agreement with the State Department of Health as part of the last fine we got for the Central Maui Landfill leachate we're doing a household hazardous waste program as part of that convenience center. So that's one part and the metals is another part.

CHAIR WHITE: Okay. Somebody...did you have a...yeah. Ms. Baisa.

COUNCILMEMBER BAISA: I just wanted to say how I only want to repeat the words of the Vice-Chair. Mr. Carroll's done an outstanding job of saying where I'm at. I'm really glad we had this discussion today. I know that the community is very concerned about what's going on, and while they may not read *The Maui News* or read their mail they generally watch TV. I hear a lot of people say oh, I saw you on Akaku, so I know people are watching. But I want to say that I hope that reasonable people will try to do something about the situation we have going on. It's not a good one. It doesn't serve anyone well, and I believe that when we get a budget amendment this Chamber is going to be packed with people who will be in support of giving your Department what you need to do your job. And it's just really sad we've come to this point. I'm really, you know, it bothers me. I hate to see folks really upset and concerned and disappointed in government. We don't want to be that kind of situation. So if anybody can come up with a short-term solution, I encourage you to do it. We can't do it but if you can. And long term let's solve this situation because we have to. Thank you. Thank you, Mr. Chair.

CHAIR WHITE: Any further questions? Mr. Couch.

COUNCILMEMBER COUCH: Yeah, thank you. And along with what Chair Baisa said, do we have to wait for a budget amendment? What --

CHAIR WHITE: No.

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

COUNCILMEMBER COUCH: --would it take for you guys to get this back in gear now and then we'll work through the budget amendment, but get it going now, get everything the way it was, and then we can have our discussions. You've got six months to have the discussion before you run out of money, right? It's five or six months.

MR. GINOZA: Well the saving grace is the next holiday is Election Day so we go two months before the next holiday, so we'll get it down before then.

COUNCILMEMBER COUCH: Okay. It's just it needs to be...well the landfill closures too, it doesn't change the hours of the landfill. Sundays, you know...

MR. GINOZA: We're not open on Sundays.

COUNCILMEMBER COUCH: I know. You used to be, yeah?

COUNCILMEMBER BAISA: And shorter hours.

COUNCILMEMBER COUCH: And your hours are shorter now. What does it take to get that back? Can you do that now, come up with a budget amendment right away, then discuss it? Then we can discuss it without having this gamesmanship going on.

MR. GINOZA: Okay.

COUNCILMEMBER COUCH: I'm just curious what, if that could be done.

CHAIR WHITE: Mr. Couch, I think we should focus on just getting back to what was --

COUNCILMEMBER COUCH: Yeah.

CHAIR WHITE: --happening July 31st.

COUNCILMEMBER COUCH: Right, that's what I was asking.

CHAIR WHITE: Well but you, then you went on to talk about opening back up on Sundays and other things that are beyond the scope of what our immediate concerns are.

COUNCILMEMBER COUCH: I thought we were open on Sundays prior to July 31st.

COUNCILMEMBER BAISA: Chair, just to help shed some light I think we have a little bit of miscommunication. What I'm hearing from the public too is this closing of the landfill early adds to the problem, because if they have trash piled up at home and they want to take it, they gotta get there...what is it 2:00, by 2:00?

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

MR. GINOZA: Yes.

COUNCILMEMBER BAISA: And a lot of people are working and a lot of people have things to do and they can't get there. And then it's closed on Sunday which is when they would normally go to the trash, you know, dump and dump stuff. So I think that we really need to look, take a good hard look at what we're providing and maybe we do need a different budget so we can meet the needs of our community, I don't know. But I think we need to sit here and hash it out. You know our community deserves a service that meets their needs, because if they don't, if we don't we're going to go back to what we saw before and that is trash dumped in gulches and all over the place and we don't wanna go there again. We cleaned that up, we don't want to go back there. So let's try to find some reasonable solutions. Thank you.

CHAIR WHITE: Thank you. The Chair's position I will restate once again is that there is no rationale for these reductions in services to have been initiated the way they were. Last year we had I'm assuming a shortfall because they wanted to close the recycling centers to make their budget work. So they waited until February to come to us with a budget amendment. I assume that they can do exactly the same thing again this year. So to me the, what needs to happen is that the Administration needs to step up to the plate, solve this problem now that they've created, and then come back to us at a much later date to request an amendment in the budget if that's a necessity. So, you know, again, we're talking about 1 percent of a budget and yet we're throwing recycling under the bus, we're throwing all kinds of other things into a tailspin. I just don't buy it. I think they, well, they certainly have enough money to operate for the majority of the year, and I think the community is well aware that they want the services back to where they were. And it's, there's nothing that we can do with a budget amendment that can happen fast enough for them to do what they need to do. So I encourage the Administration to come back to us, but they need to fix the service and put everything back the way it was first. So with that I want to thank everybody for their comments and questions today. And thank you for giving up your Monday afternoon. And it's been a very lively and I think beneficial discussion. Thank you very much, and we are adjourned. . . .(gavel). . .

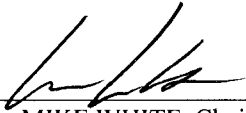
ACTION: DEFER pending further discussion.

ADJOURN: 3:21 p.m.

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

APPROVED:



MIKE WHITE, Chair
Budget and Finance Committee

bf:min:140902:ds

Transcribed by: Daniel Schoenbeck

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

September 2, 2014

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 17th day of September, 2014, in Kula, Hawaii

A handwritten signature in black ink, appearing to read "Daniel Schoenbeck", is written over a horizontal line.

Daniel Schoenbeck