

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

MINUTES

March 17, 2015

Council Chamber

CONVENE: 9:03 a.m.

PRESENT: Councilmember Riki Hokama, Chair
Councilmember Mike White, Vice-Chair
Councilmember Gladys C. Baisa, Member
Councilmember Robert Carroll, Member
Councilmember Elle Cochran, Member
Councilmember Stacy Crivello, Member
Councilmember Michael P. Victorino, Member

EXCUSED: VOTING MEMBERS:
Councilmember Don Couch, Member
Councilmember Don S. Guzman, Member

STAFF: Michele Yoshimura, Legislative Analyst
Mark R. Pigao, Legislative Analyst
Yvette Bouthillier, Committee Secretary
Ella Alcon, Council Aide, Molokai Council Office (via telephone
conference bridge)
Denise Fernandez, Council Aide, Lanai Council Office (via telephone
conference bridge)
Dawn Lono, Council Aide, Hana Council Office (via telephone conference
bridge)

ADMIN.: Sananda Baz, Budget Director, Office of the Mayor
Scott Teruya, Administrator, Real Property Tax Division, Department of
Finance (BF-77)
Mark R. Walker, Deputy Director, Department of Finance (BF-26)
Jacob Verkerke, Chief Technology Officer, Management Information
Systems Division, Department of Management (BF-26)
David Goode, Director, Department of Public Works (BF-30)
Jeffrey T. Ueoka, Deputy Corporation Counsel, Department of the
Corporation Counsel

OTHERS: Alvin Yoshimori, GYA Architects, Inc. (seated in the audience) (BF-30)
Richard Miyabara, GYA Architects, Inc. (seated in the audience) (BF-30)
Tanya Lee-Greig, Cultural Surveys, Hawaii, Inc. (BF-94)

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Blossom Feiteira (BF-94)
Others (3)

PRESS: Akaku: Maui Community Television, Inc.

CHAIR HOKAMA: . . .*(gavel)*. . .The Council's Committee on Budget and Finance shall come to order. This is the Committee's meeting of March 17, 2015. Present this morning, we have Committee members, Mr. Carroll, --

COUNCILMEMBER CARROLL: Good morning, Chair.

CHAIR HOKAMA: --good morning, sir, Ms. Baisa, --

COUNCILMEMBER BAISA: Good morning, Chair.

CHAIR HOKAMA: --good morning, Ms. Cochran, --

COUNCILMEMBER COCHRAN: Aloha.

CHAIR HOKAMA: --Ms. Crivello, --

COUNCILMEMBER CRIVELLO: Good morning, Chair.

CHAIR HOKAMA: --good morning, and Mr. Victorino.

COUNCILMEMBER VICTORINO: Top of the morning to you and happy St. Patrick's Day to you and all the Irish, whether they're by blood or by heart.

CHAIR HOKAMA: Okay, thank you, sir. And we also recognize the presence of Mr. White at the Committee meeting. Mrs. Guzman and Couch are excused. Before we start our agenda this morning, Members, first let's put all our handheld devices on vibrate or silent mode, please, and I will ask our Staff, has anyone requested to provide public testimony? Okay, we have had no request for public testimony in the Chambers. We'll ask our District Offices if there is anyone wishing to comment? We'll go to Ms. Lono in Hana, if there is anyone wishing to provide testimony? Okay, Dawn, Ms. Lono, is there anyone wishing to provide testimony for today's meeting, please?

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

CHAIR HOKAMA: Thank you. Lanai, Ms. Fernandez, anyone wishing to provide testimony?

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

CHAIR HOKAMA: Thank you. And Ms. Alcon on Molokai, anyone wishing to provide testimony?

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

CHAIR HOKAMA: Okay, thank you very much, Members. With no one wishing to provide public testimony, testimony for today's meeting shall be closed.

COUNCILMEMBERS: No objections.

CHAIR HOKAMA: Thank you. Did we receive any written testimony for today's meeting? Okay, we have received no written testimony, thank you.

**ITEM 77: AMENDING CHAPTER 3.48, MAUI COUNTY CODE,
RELATING TO REAL PROPERTY TAX FOR MARRIED
COUPLES LIVING SEPARATELY (CC 15-39)**

CHAIR HOKAMA: Members, may I direct you, please, to BF-77, under the heading of Amending Chapter 3.48, Maui County Code, Relating to Real Property Tax for Married Couples Living Separately. This was referred to our Committee through Communication 15-39, from your Chairman of this Committee, whereby I have introduced a bill for a proposal for consideration to require a separated married couple to provide a copy of a separation decree and to file separate income tax returns for both spouses to qualify for homeowner status in different residences. This morning, we have from the Department of Finance, Mr. Scott Teruya, Real Property Tax Administrator. We also have Mr. Baz, our Director of Budget present with us. I'll ask Mr. Teruya if he has any comments he wishes to share with the Committee on this item?

MR. TERUYA: Thank you, Chairman and Members. Good morning. Before you is a little, some comments from the Clerical Section from Real Property Tax, just kind of summarizing the heightened amount of people that's been filing in recent years and therefore bringing this bill about to maybe cut down some of the loopholes or to at least address the issue that some people may be claiming more than one home exemption by claiming that they live separately. Most recently we have a bill that requires owners to have filed resident income tax. So this bill is basically to limit or safeguarding the exemption that is a very big price to the homeowner. So Chairman, that's all I have for opening comments.

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CHAIR HOKAMA: Okay, thank you. Mr. Baz, any thoughts you wish to share at this time?

MR. BAZ: No, Mr. Chair. No, thank you.

CHAIR HOKAMA: Okay, thank you. I'll allow the Members to either give a comment or a question. Mr. White, any thoughts at this time?

VICE-CHAIR WHITE: Thank you, Mr. Chair. No, I think that the discussions that we've had with RPT in the past have pointed out that we've got a weakness in the current language in the Code, so I'm in support of moving ahead and interested in hearing the other Member's comments regarding this issue. But thank you for bringing it forward.

CHAIR HOKAMA: Okay, thank you. Ms. Crivello, any questions or comments?

COUNCILMEMBER CRIVELLO: No questions at this time, Chair, but, you know, what's before us I believe I should be in support of our Property Tax Division, what they're, why they're supporting this amendment.

CHAIR HOKAMA: Okay, thank you. Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you, Chair. No outstanding questions at this time but quite interesting. I never thought to look at a situation of this sort but it sounds like it's been prevalent and occurring more and more and so obviously needs to be addressed and I'll take the lead of the Department to see where we can manage this properly. Thank you, Chair.

CHAIR HOKAMA: Thank you. Ms. Baisa?

COUNCILMEMBER BAISA: Thank you very much, Chair. No questions. I think it's important we plug these kind of holes and that we have clarity. So I'm fine.

CHAIR HOKAMA: Thank you. Mr. Carroll? Thank you, sir. Mr. Victorino?

COUNCILMEMBER VICTORINO: Thank you, Chair. Question, you know, I've read this over, Mr. Teruya, and how prevalent is this? My first question, how often does this happen? And I imagine it probably happens more in today's society than it has in the past. And the second part is you have a separation decree. So even if they're separated at any point and but if they still file jointly, that has no effect on it, right?

CHAIR HOKAMA: Gentlemen? Mr. --

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COUNCILMEMBER VICTORINO: I mean, you know, so my question is number one, how much? And number two, if they file jointly even though they're living separately, because I know that happens still quite a number of times until more legal proceedings go through or a lot of times the judge or the court will say there's a cooling off period, you know, let's see if you can mediate or rectify and try to see if you can save your marriage, but anyhow, that's my question for whomever wants to answer it.

CHAIR HOKAMA: Mr. Ueoka?

MR. UEOKA: Thank you, Chair. As far as the tax implications and filing with the State, we're not sure on that. That's not really the County's prerogative on how they deal with that. We did look up in HRS 580 regarding separation. The Family Court may decree a separation from bed and board for a period not to exceed two years in any matrimonial action upon a petition for separation when the court finds the marriage is temporarily disrupted. So I guess all Real Property Tax was proposing is that if individuals are truly separated and they intend to reap the benefit of the Homeowner Exemption and the Homeowner Rate, since they are claiming they are separated, they're asking for proof that, the, of a Decree of Separation. As far as the income tax implications, I believe that was just language they felt appropriate but of course it is this body's decision as to whether this body feels that it is an appropriate addition. Thank you.

COUNCILMEMBER VICTORINO: Thank you for that clarification. Again, I guess it hinges on the decree, basically, is what you're clarifying for us and of course, you know, the parties involved, yeah, Mr. Chair? It would be really up to the parties?

CHAIR HOKAMA: That's correct.

COUNCILMEMBER VICTORINO: Yeah, so, okay. So I just wanted that clarification.

CHAIR HOKAMA: No, that's a good question. That was a very good question.

COUNCILMEMBER VICTORINO: Thank you.

CHAIR HOKAMA: Okay.

COUNCILMEMBER VICTORINO: But one question wasn't answered. How, I didn't get...

CHAIR HOKAMA: Mr. Teruya, can you respond to that portion of the question?

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MR. TERUYA: Chairman, currently we have about 50 properties reaping these split exemptions and more recently, just recently in the last three years. The situation that we're having problems with that often goes to the Board of Review is the husband is the worker who lives in the 48 states. The wife doesn't have a job but she lives on Maui and they claim to be, they have the married and I guess filing taxes as jointly in the Mainland. So the problem that we're having is this is going forward to the Board and the Board is being in favor of the appellate. So, we're saying that you should be living here and filing taxes here but they don't have that, so we're just trying to clean up some of this language that's giving the Board a hard time as well in deciding. So just every little thing that comes forward we're trying to just crack down on it and at least address it and maybe it would be easier for the Board of Review to handle these cases.

COUNCILMEMBER VICTORINO: So thank you, Mr. Teruya. So it's not so much, pardon the expression, a local issue as much as someone living outside of the State working in the mainland or the contiguous 48 and claiming, and then the wife living here. Okay. Okay, I got the picture now. Thank you for that clarification. Thank you, Mr. Chair.

CHAIR HOKAMA: Okay, thank you very much. Further questions, Members? Comments regarding the proposal? Yes, Ms. Cochran?

COUNCILMEMBER COCHRAN: Chair, thank you. And so your last consideration on your handout in requiring providing a copy of Decree of Separation and filing separate income tax returns official, is that one or the other or both would need to be...

CHAIR HOKAMA: Mr. Ueoka?

MR. UEOKA: Thank you, Chair. The "and" would mean both.

COUNCILMEMBER COCHRAN: So "and"?

MR. UEOKA: "And", yes.

COUNCILMEMBER COCHRAN: Okay. I mean, I know you're asking us to insert this language but I would just, if we're asking the filer, tax filer, you know, for both because I do separate returns. I kind of fall in the one-half of this bracket.

MR. UEOKA: Oh.

COUNCILMEMBER COCHRAN: You know.

MR. UEOKA: If I may, Chair?

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CHAIR HOKAMA: Mr. Ueoka?

MR. UEOKA: Thank you, Chair. I believe this is only if you're claiming two Homeowner's Exemptions on two different properties based on a separation, then it would be applicable. So if you are going to claim that exemption, or two exemptions, one for one or one-half of the marriage and one for the other half of the marriage, which is separated right now, then you'd have to produce these extra bits of evidence so that you could get the two Homeowner Exemptions. So it's, if you're asking for the extra, basically the Department is asking for proof that the situation truly exists.

COUNCILMEMBER COCHRAN: Right, right.

MR. UEOKA: Thank you.

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

CHAIR HOKAMA: Thank you very much. Any further questions, Members? If not, the Chair is going to recommend that we move this to Council for Council consideration and decision making. I am going to ask that we allow the Staff to make nonsubstantive changes and revisions as well as...hold on one second, my understanding is we need to insert, in the proposal, in the current ordinance, Members, we are, I'm going to ask for approval for, to allow the Staff to make any reference to "husband and wife" to be changed to "married persons", and that is to be able to encompass all types of civil unions and other legally recognized relationships. So if that is not an issue with the Committee, if you would --

COUNCILMEMBER VICTORINO: No objections.

COUNCILMEMBER BAISA: No objections.

COUNCILMEMBERS: No objections.

CHAIR HOKAMA: --by consensus allow the Staff, thank you.

COUNCILMEMBER VICTORINO: No objections. Go ahead.

CHAIR HOKAMA: Okay that is, so are you clear on what I'm recommending, Members, to move this forward? Therefore I'll entertain a motion to, for Council to consider a Bill for an Ordinance Amending Chapter 3.48, Maui County Code, Relating to Real Property Tax.

VICE-CHAIR WHITE: So moved, Mr. Chair.

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COUNCILMEMBER VICTORINO: Second Mr. Chair.

CHAIR HOKAMA: I have a motion made by Mr. White, seconded by Mr. Victorino. We're under discussion, Members? Any discussion?

COUNCILMEMBER VICTORINO: No.

CHAIR HOKAMA: Having none, all in favor of the motion please say, "aye"?

COUNCILMEMBERS: Aye.

CHAIR HOKAMA: Opposed, say "no"? Motion passes with seven ayes, two excused. Thank you very much, Members.

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

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmembers Couch and Guzman.

MOTION CARRIED.

ACTION: FIRST READING of revised bill.

**ITEM 26: AMENDING FISCAL YEAR 2015 BUDGET:
AUTHORIZING THE TRANSFER OF AN
UNENCUMBERED APPROPRIATION BALANCE
WITHIN THE DEPARTMENT OF FINANCE (CC 15-43)**

CHAIR HOKAMA: If I can now refer you to Budget Item BF-26. This comes under the heading of Amending Fiscal Year 2015 Budget, Authorizing the Transfer of an Unencumbered Appropriation Balance within the Department of Finance. And we have this through a Communication 15-43, from Mr. Baz, our Budget Director, where he's requesting us to approve a transfer, one, unencumbered appropriation balance 65,000 to Countywide Costs, Fringe Benefits to Countywide Costs, General Costs; and \$65,000 from Countywide Costs, Fringe Benefits to Accounts Program due to budgetary shortfalls by the end of Fiscal

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Year 2015. The Department is also projecting shortages in Countywide Costs, General Costs for Centralized Postage, 25,000, Rentals and Facilities, 40,000, and Accounts Program shortages in Premium Pay of 45,000 and Professional Services of 20,000. So this morning, I'll ask...and we also have Mr. Walker, our Deputy Director of the Department present with us so either Mr. Walker or Mr. Baz, who's going to give us our opening comments, please?

MR. BAZ: Good morning, Mr. Chair. Sandy Baz, Budget Director. Happy morning, all Members. So today before you this morning is a resolution. A resolution is allowed to be able to be transferred of appropriations within a department versus a normal budget ordinance that you see, which crosses departments. The Department of Finance has identified deficits in certain areas within their Department, which Mr. Walker will explain, and they've also identified some savings that they've had within their area so that they can transfer that money to the appropriate function. So Mark Walker, Deputy Director of Finance is here to explain the details of that, Mr. Chair.

CHAIR HOKAMA: Okay, thank you very much. Mr. Walker?

MR. WALKER: Good morning, Chair, Committee Members. Thank you. I come before you today on bended knee. First of all, I guess we'll talk about the Countywide items. First of all, our Rentals and Facilities were requesting 40,000. At the time we submitted our budget last year, we, as you do and I guess everybody, you have to make some guesses, estimates, and the reason in general for this shortfall is that we underestimated the increases in the AOA Fees for the various lots that we own in the Maui Lani Fairways and Sandhills. That's 53 lots as well as we were out to bid on maintenance contracts for those lots and grossly underestimated the cost of those contracts. Additionally, those maintenance costs have been compounded by the weather and, you know, again these are homeowner associations, the weeds grow fast. We've had to go in there many, many more times than we ever expected. We were thinking maybe once the month at the most and we've had to do that a lot more than we thought. Also, we had an unexpected expense related to the purchase of the new service center lot from A & B. We had to prepay some AOA dues of about \$7,000. As relates to Centralized Postage, we're requesting an additional 25,000. Our budget was tight to start with and as it turned out, we had a carryover bill at the beginning of this fiscal year of \$25,000 carried over from '14, which obviously cut into our budget. The mail volume has increased as well and so when we submitted this budget item, we were dealing with a November '14 financial data. Data as of the end of February shows that we could probably use a little bit more money but I think we can do a little bit of magic and maybe hold back on the payment of some bills, et cetera going forward if that's what we have to do to get this additional 25,000. I mean, if we could get an additional 45,000, that would really make me comfortable but I, you know, we've submitted the 25 and I'll stick with that if that's the will of the

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Committee. As relates to the Countywide telephone, we're requesting an additional 50,000. My understanding here was that we, you know, we got a new telephone system and we expected that rollover of that project and completion of that project to be done by November of 2014. That did not happen and when we projected that project being completed in November, from there on we were going to be releasing lines that we already had and so our second half expenditures were going to be a lot less. Well, the project hasn't been completed yet. And so the savings that we were hoping for have not been realized. As it relates to, yeah, as it relates to our Accounts Division of the Finance Department, we're requesting \$65,000 in total, \$25,000 for Professional Services, which is earmarked for our ADP Payroll Processor, who charges us based on transactions, and we've had many more transactions this year due to some large changes, I think with Police, as well as kind of the uncertainty of the Summer PALS program, where we get a bunch of new employees in anyway. It's all resulted in a number of more transactions we get charged for and that's \$20,000 as mentioned. On the Premium Pay, we have historically had Premium Pay at about \$80,000 average per year. Our budget for this year is 30,000. We've overspent it already to the tune of 20,000. So we're at 50,000 already. We're asking for an additional 40,000, which would bring us in at 75,000 total, a little under our historical average, and basically we've had a lot of GASB changes in the last three years. It's fairly high-level accounting stuff that takes a lot of time and that's been compounded by the fact that we've had numerous vacancies in high-level Accounts Division positions. I will say that despite those obstacles, the Division has done a good job in getting our CAFR out. We were a couple of months late last year and we cut that down this year and so I applaud them, but it has taken a lot of time and a lot of effort by three or four very specialized people and that accounts for a lot of the Premium Pay that you're seeing. And that concludes my remarks for now, Mr. Chair.

CHAIR HOKAMA: Thank you, Mr. Walker. Mr. Baz, any comments you want to share.

MR. BAZ: No, Mr. Chair. I think he described that pretty well. We're here to answer any questions that the Committee might have.

CHAIR HOKAMA: Okay, very good. Before I ask the Committee for their questions, I will inform the Committee, I had a very frank and candid discussion with the Director of Finance and we're going to work hard to make sure this type of request does not come back next year. I am not happy with this request. I understand the request but the Director and I will work hard because the CAFR is done annually so I don't want to hear the same thing next year about this type of request. I'll start with Mr. Carroll. Mr. Carroll, sir, any questions? Thank you. Ms. Baisa?

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COUNCILMEMBER BAISA: Nothing specific. I understand budget amendments and I also understand your remarks. Thank you.

CHAIR HOKAMA: Thank you, ma'am. Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you, Chair. And my, yeah. No questions. I understand and it's unfortunate that we are sitting here looking at this but as you stated, you had a frank, candid discussion and my overall, I guess, question is how, what has the Department learned from this and how do they intend to not have it repeat again? And you basically, you know, reiterated my thoughts. So thank you, Chair.

CHAIR HOKAMA: Thank you. The Director is very much aware and the Director has given me his assurances that it's a priority for him as well just like the Committee. Thank you. Ms. Crivello?

COUNCILMEMBER CRIVELLO: Thank you, Chair. I have one question as to the cost of our County telephone system. So there's an additional 50,000 that we're adding to this cost. Is the projection of meeting the deadline due to the contractor or the vendor or is it due to our IT people? Is it our fault that we're being penalized?

CHAIR HOKAMA: Mr. Walker?

MR. WALKER: I have Mr. Verkerke here, who's in charge of that project.

CHAIR HOKAMA: Mr. Verkerke, would you come just join us down here. Yeah, and just come down here please.

MR. WALKER: And he'll answer that specifically for you.

CHAIR HOKAMA: Yeah. Yeah. With no objections, Members, I'd like to have Mr. Verkerke come as a resource person.

COUNCILMEMBERS: No objections.

CHAIR HOKAMA: Okay, thank you, Members. Thank you for joining us.

MR. VERKERKE: Good morning, Chair. Good morning, Members. I think we're dealing with a combination of factors here mostly on the County's side. The vendor and contractor have been responsive throughout the project. We're dealing with scheduling challenges that have impacted how we went about sequencing the rollout. We had hoped to, for instance, to be able to convert Council Services and the Clerk's Office late last year, which would have allowed us to retire the existing PBX system we have here. That's not, because of

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elections and other things going on last year we were asked to hold off so that's happening in the next couple of months. That will allow us to retire the big old phone system in the basement and that will constitute a lot of savings for us. We ran into staffing challenges. So in order for us to roll out the phone system, we need to upgrade substantial portions of the network so timing all that with staff availability it took longer than we had anticipated. As I mentioned yesterday, we look to wrap it up this summer so the savings in being able to eliminate some of the redundant lines for the two phone systems will show up the next year so this should be the last time that we are faced with this kind of an expense.

COUNCILMEMBER CRIVELLO: Thank you. Thank you, Chair.

CHAIR HOKAMA: Any other questions, Ms. Crivello?

COUNCILMEMBER CRIVELLO: No, thank you.

CHAIR HOKAMA: Thank you. Mr. White?

VICE-CHAIR WHITE: Thank you, Chair. I don't have any questions for Mr. Verkerke, but for Mr. Walker, the question I have is that you mentioned there were significant vacancies.

MR. WALKER: Yes.

VICE-CHAIR WHITE: And I would have assumed that the savings from the vacancies would have offset the need for the payment of Premium Pay.

MR. WALKER: We've tried to fill them with temporary hires for the most part.

VICE-CHAIR WHITE: Are those contract people? Or...

MR. WALKER: Yes. We'll I don't know if they're contract people or, I mean, they're employees but it's not a permanent, I mean they're not permanently assigned to it. It's at that pay rate but it's, you know, they don't have the job. They go through DPS again and maybe Sandy can explain it.

MR. BAZ: The term is emergency hire.

MR. WALKER: Right.

MR. BAZ: We have the ability to hire with, outside of the Civil Service system for up to 90 days for a position. So if they have a vacancy that they deem it an emergency that they can fill it then they try very hard to get somebody in for at least a short period of time. And the vacancies, I believe the vacancies that he

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mentioned were from previous, they have a lot of new hires and they do have, I think, majority of the positions are filled right now. I think there's only one position left to be filled so the savings that you might normally see from a lot of vacancies I don't think was realized in the accounts program because of all of this extra work.

VICE-CHAIR WHITE: Okay, thank you. And what are the, we have significant costs for the, it seems, for the lots in Sandhills. What are the plans for those lots?

MR. BAZ: Thank you. Mr. Chair, thank you. In anticipation of that question, I did discuss this with our Mayor and he is working with the Department of Housing and Human Concerns on looking at the idea of providing those lots for future affordable housing and so we're looking at that and they're trying to determine what's possible in that area, you know, with the, because it's already got the infrastructure, different things like that. The County would, initially, what we're discussing, is the Council, the County would retain the land and do some kind of leasehold to a developer who would like to use those lots to build affordable housing for County residents.

VICE-CHAIR WHITE: Thank you. Thank you, Chair.

CHAIR HOKAMA: Thank you. Mr. Victorino?

COUNCILMEMBER VICTORINO: Thank you. And thank you, Mr. White stole that question from me. That's okay because that was what my leading question. But secondly, and again, I guess, maybe I'm putting the cart before the horse, how would that fit in with, especially in these areas where CC&Rs and building restrictions are extremely, extremely tight. I mean, codes that are put in that particular types of subdivision sometimes makes it very almost to the point of unaffordable to make affordable housing. You know, I'm using that pun but really, seriously, all joking aside, this is a difficult problem and I maybe don't even want to go too deep into it now. That would be my number one concern. I mean, I love the idea but that's the concern I have because the restrictions in building and the types of building and the type of roofs you can have and et cetera, et cetera just makes it so, so encumbersome *[sic]* on anybody building anything affordable so I wait to see how that pans out. Second question is has any thought been given as far as maybe getting some land exchange for equal value if that was also another idea that has been bantered about that these lots could be exchanged for lots in areas where maybe working people are more prevalent? Could we, you know, could really could have what we call affordable housing built and maybe even at a higher rate because of the exchange rate and some of the other ambiances that could come along with that?

MR. BAZ: Thank you, Mr. Chair.

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CHAIR HOKAMA: Mr. Baz, before you answer, Members, I want you to focus on the narrow parameters of the agenda item.

COUNCILMEMBER VICTORINO: Okay, sorry, Mr. Chair, I mean...

CHAIR HOKAMA: No, no. I understand the question and it's good questions. I just don't feel comfortable within the parameters of what I've posted that we should be having this discussion at this time.

COUNCILMEMBER VICTORINO: Okay.

CHAIR HOKAMA: So if we can just...

COUNCILMEMBER VICTORINO: What I'll do, Mr. Chair, if that's alright with you, I will forward you my request so that you can then forward it to the Administration?

CHAIR HOKAMA: Yeah. That would, we're happy to do so.

COUNCILMEMBER VICTORINO: Yeah, okay. So if those questions could be answered in that methodology then I'd be fine with that. I mean, I didn't mean to stray off.

CHAIR HOKAMA: No, no, no, no, no.

COUNCILMEMBER VICTORINO: Again, when the question was asked --

CHAIR HOKAMA: It's a good question.

COUNCILMEMBER VICTORINO: --I just wanted to expound on it but I understand. And finally, I'm going back to you, Mr. Walker, is this year's budget, you know, because this year's budget is coming to us very soon, does this take into consideration a lot of these shortfalls that you've had this year? Have you seen, pardon the expression, seen the light?

MR. WALKER: I believe so.

COUNCILMEMBER VICTORINO: Okay. And if you do, then, you know, you had your candid talk with them, Mr. Chair, but I want to make sure that if their budget can build in these needs that we won't have the continuum. But of course, correcting some of the problems may be really the overarching solution. So thank you. Thank you, Mr. Chair. That's all.

CHAIR HOKAMA: Thank you. Any further questions, Members? The Chair will recommend to you that I am open to a motion to move forward this to Council

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whereby we will be recommending to Council to authorize the transfer of an unencumbered appropriation balance within the Department of Finance, Fiscal Year 2015 Budget. Now my answer is we need to revise this resolution? Okay, we have a revised resolution attached to your communication dated February 25th, Members.

COUNCILMEMBER VICTORINO: Okay.

CHAIR HOKAMA: Okay, and that is what I'll be asking you for consideration to move forward to Council for Council's final decision. I appreciate your comments. Again, I can tell you the Director and I had a good talk. We will be working on this together. And one of the reasons, I can tell you, Members, is my concern for Mr. Baz in a way, it is hard for me to see Mr. Baz finalizing a new budget not knowing what is his true numbers on carryovers and other savings because we keep running amendments for this year's budget. So, you know, Mr. Baz has to get it finalized and sent through the Mayor's Office and signature in a few weeks, and so I've expressed my concern to Director Aagsalag and also to Mr. Baz that I may be making adjustments on how and when I will only consider budget amendments, because I don't think it's fair to put Budget Office and this Council in a position of not having good updated numbers once we enter Budget Session. And for me, you're going to make the best decision on the best information we give you at the current time and it's hard when we keep processing amendments that keeps changing the totals every action we take, so I'm just letting you know how I'm proceeding and what I'm doing to try and make it more accurate and informative for you as Committee Members. With that, I'll entertain a motion.

VICE-CHAIR WHITE: So moved, Mr. Chair.

COUNCILMEMBER VICTORINO: Seconded, Mr. Chair.

CHAIR HOKAMA: Thank you. I have a motion by Mr. White, seconded by Mr. Victorino. Any discussion, Members, on the proposed resolution? Having none, all in favor of the motion, please say, "aye"?

COUNCILMEMBERS: Aye.

CHAIR HOKAMA: Opposed, say "no"? Motion passes with seven ayes, two excused Mrs. Couch and Guzman. Thank you, Mr. Walker.

MR. WALKER: Thank you, Chair, Committee.

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

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmembers Couch and Guzman.

MOTION CARRIED.

ACTION: ADOPTION of revised resolution.

MS. BOUTHILLIER: Mr. Chair, file the communication.

CHAIR HOKAMA: Oh, thank you for that. With the preceding item, BF-77, and this item, Members, with no objections and by consensus do we have any issues with filing those Communications 15-39 as well as 15-43?

COUNCIL MEMBERS: No objections.

CHAIR HOKAMA: Thank you. So ordered. Thank you very much for that reminder.

**ITEM 30: AMENDING FISCAL YEAR 2015 BUDGET: MOLOKAI
BASEYARD DESIGN AND CONSTRUCTION (CC 15-74)**

CHAIR HOKAMA: Okay, let us go to Public Works. May I direct you to BF-30, three, zero. This is amending the Fiscal Year 2015 Budget, Molokai Baseyard Design and Construction. We have a series of ordinance proposals from Mr. Baz through County Communication 15-74. This morning, we have Director Goode from the Department of Public Works to give us comments regarding this request before the Committee. Mr. Goode? Mr. Baz?

MR. BAZ: Thank you, Mr. Chair. I'll start off this morning. So before you are three ordinances. One is an amendment to the budget ordinance that just amends the title of the project in the Molokai Community Plan area called Molokai Baseyard to identify it as Molokai Baseyard Design and Construction, and the other two bills are the corresponding bond authorization and lapsed bond authorization bills that fund that appropriation. This, in discussions, and the Director of Public Works will explain it in detail, during Budget deliberations

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last year, the appropriation for the Molokai Baseyard was cut to \$4.5 million and this has necessitated the Department and Department of Management to review the scope of the project and requires a redesign of that and now that they've scoped that project down a little bit. So we want to make sure that the funding that is appropriated for this fiscal year is authorized to be spent for the design of this redesign. So, Chair.

CHAIR HOKAMA: Okay, thank you very much. Director Goode, any comments you wish to share at this time?

MR. GOODE: Thank you, Chair. Good morning, Members. Dave Goode here from Public Works. Where we left off from last Budget Session is that we had, you know, significantly less money and the Council's direction was to scope the project down to meet basic needs with a lower budget. We, the Department asked for help from the Managing Director's Office, primarily Al Murata was assigned to the project and he's done a really, really good job of trying to get to that budget and actually feels fairly confident we are close to \$4.5 million. That will be proven with the bids, of course, and we'll see where we end up but we're, he anticipates that based on reduced scope on almost all facets of the design conceptually, that's what we've basically done at the conceptual level, working a lot with our Highway's Division in terms of what, you know, they can basically live with rather than what they'd want, perhaps, is the way to look at it. I feel pretty confident we can get there but it does require some redesign. So we've completed a full design for both phases. As you may recall, there's a Phase I and Phase II. We stopped the contract on Phase I when we were presented with unacceptable change orders. We went to bid the whole project 'cause we thought we'd get some cost savings. The other fly in the ointment was we had the original architect retired. We had to get another architect. And so basically, you know, we're at a point now where we have completed designs for the original project, which, you know, we could always bid out if we had to, but we're ready to, we've identified all those conceptual changes as part of that final redesign and feel relatively comfortable we can get pretty close to that 4.5, again, depending on what the bids come in at. It's really, it's a little more unpredictable on Molokai with that size of a contract and what the bids will come in at. So with that, Chair, we just want to make sure that we're planning to spend approximately \$300,000 to redesign the site and basically every building and make them smaller and employ some other cost reductions that we see, and the architects, who actually happen, are in the audience if you need any specific questions. My understanding they've committed to approximately two-month turnaround. So once this Council passes this, we can process the amendment, and they're looking at a two-month turnaround going actually submitting for permit, getting the first round of comments, and based on those first round of comments we'd feel comfortable enough to go out to bid in September, which would meet the year and a half deadline, hopefully, to get a contractor under contract. So we're excited about the possibilities and just

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wanted to make sure that the budget is worded in such a way that we're all comfortable moving forward with that design. Thank you.

CHAIR HOKAMA: Thank you. So, you heard the Director. We do have the architects. We have Mr. Yoshimura and Richard here to answer questions. So is there any need to, anyone wants the architects and see what they have or anything? Mr. White?

VICE-CHAIR WHITE: I don't think there's any need for the architects for this level of decision, but I think it would be great to see what the new conceptals look like in another month or two as we go through.

CHAIR HOKAMA: We don't have anything visual at this time, Director, do we?

MR. GOODE: No. We have kind of get overall site plan of the original Phase I and Phase II with a lot of pencil marks on it, but if you want to indulge me for a minute or so I can give you some highlights --

CHAIR HOKAMA: Sure.

MR. GOODE: --and show you the anticipated changes. In the general site layout, one of the items, you may recall, we have a lot of perimeter retaining walls. And I think they were at least a half million dollars' worth of work, so those have been eliminated. And so we'll have some graded slopes, and so those have to be, we lose a little bit of area but with a little smaller package it works. The canopy structure has been reduced in height and size down to six bays and also eliminated the CMU walls. The gable ends would be employed so we could add bays later. The mechanics' shop is reduced in width from 50 to 40 feet and we eliminate the backside rollup doors and also eliminate some CMU walls there, which would basically we go with a steel frame and shell. The admin building we've reduced by 33 percent overall size from about 3,840 square feet to 2,560. And these are conceptual in nature but they've also, you know, preliminarily looked at the spaces within that and how that 33 percent reduction in size would work. They eliminated a clerestory façade on the roof. More simple hip roof with the truss framing. Looking at some alternatives to CMU. CMU can be tricky on Molokai. You know, it depends on who's making cement and importing it and so there's a possibility of using either wood framing or some modified steel framing. And then there's a handful of other small, as you get into the nitty gritty of the details, a lot of opportunities, but those are the big ideas that we feel can get...plus we did, we did some work. We busted up a lot of the ground, dug up a lot of rocks so that work has already been done, and so the next contract would assume the current site conditions.

CHAIR HOKAMA: Thank you for that.

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MR. GOODE: Yeah.

CHAIR HOKAMA: I'll ask the Committee for their questions at this time, Ms. Crivello, we'll start with you.

COUNCILMEMBER CRIVELLO: Thank you, Chair. Thank you, Mr. Goode, for being here and accommodating how we could make this happen. So I'm trying to recall, what was the original that, how much have we reduced in savings with this new plan?

MR. GOODE: I'd say at least \$3 million.

COUNCILMEMBER CRIVELLO: Okay. And tell me again on a mechanics' shop, how much of a reduction? If I recall coming from the Public Works people, that was the key, especially from our retired Mr. Arce. In fact, he's still inquiring, making sure that our shop is fully in place. So how much of a reduction are you looking at?

MR. GOODE: I don't have the percent reduction. Maybe Alvin has that or Richard but the width was down from 50 to 40 feet. The length may have been also cut a little bit. We only, you know, we have three mechanics so, you know, the question is how many bays will be appropriate? Well, you think at least three, maybe four, to have a piece of equipment perhaps that's waiting for a part. So I don't have any more details on that at this point. But we are working very closely with our garage and our Molokai supervisor, Isaac, over there as well as the Wailuku bosses and, you know, trying to make something that, you know, again that works, you know, that fits our needs currently.

COUNCILMEMBER CRIVELLO: Right. Well thank you again. And so actually to, when we're talking about the re-design, we're just looking at 300,000?

MR. GOODE: Correct.

COUNCILMEMBER CRIVELLO: Okay. Okay, thank you.

CHAIR HOKAMA: Thank you. Ms. Cochran, questions?

COUNCILMEMBER COCHRAN: No, not at this time. Just want to thank the Department for revisiting and adjusting it to, you know, better suit our needs and purposes and monetary needs. Thank you, Chair.

CHAIR HOKAMA: Thank you. Ms. Baisa?

COUNCILMEMBER BAISA: No comment, thank you.

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CHAIR HOKAMA: Thank you.

COUNCILMEMBER BAISA: My colleagues have covered it.

CHAIR HOKAMA: Thank you. Mr. Carroll? Thank you. Mr. Victorino?

COUNCILMEMBER VICTORINO: Thank you, and just a real simple question. Mr. Goode, does this meet the needs of Molokai for the next 15, 20 years out? I mean, that was the whole part of it too is not just for today but futuristically. Has this encumbered or encompasses what you really, really anticipated you wanted as far as looking forward?

MR. GOODE: Yeah, we think it does. I think beyond that, you know, if the population was to double, at least we'd have, like for instance, you know, having gable end buildings allows us to add bays more easily so if, you know, in the far future I think we can add to it.

COUNCILMEMBER VICTORINO: Okay, good, because I think that's the problem with sometimes with government, Mr. Chair. We build very narrow-sighted and we build for today and tomorrow comes very quickly and it's exponentially more when we have to add to these buildings so if it's built for that purpose then I'm glad to hear that and can support it. Thank you, Mr. Chair.

CHAIR HOKAMA: Thank you. Mr. White?

VICE-CHAIR WHITE: No further questions, thank you, Chair.

CHAIR HOKAMA: Okay. Anyone else has a comment? If not, the Chair will recommend to have a motion put forward to send to the Council three proposals for bills for an ordinance. The first one would be to amend the Fiscal Year 2015 Budget for the County of Maui as it pertains to Molokai Community Plan Area, Government Facilities, Molokai Baseyard Design and Construction. The second would be A Bill for an Ordinance Amending Ordinance No. 4130, Bill No. 34 of 2014, Relating to the Issuance of General Obligation Bonds of the County of Maui, Molokai Baseyard Design and Construction; and third, A Bill for an Ordinance Determining that Part of the Proceeds of General Obligation Bonds of the County of Maui Heretofore Issued is in Excess of the Amounts Required for the Purposes for which Bonds were Initially Issued or May or Should not be Applied to those Purposes, and Directing Such Proceeds to Other Public Improvements or Authorized Purposes of the County of Maui; as well as filing of the communications.

VICE-CHAIR WHITE: So moved, Mr. Chair.

COUNCILMEMBER CRIVELLO: Second, Mr. Chair.

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COUNCILMEMBER VICTORINO: Seconded, Mr. Chair.

CHAIR HOKAMA: Thank you. I'll take the motion from Mr. White and I'll have the second from Ms. Crivello. Discussion, anyone? Ms. Crivello, any comments?

COUNCILMEMBER CRIVELLO: Yeah, just get that two-months turnaround.

CHAIR HOKAMA: Okay. Very good comment. Thank you. No further discussion, all in favor of the motion, please say, "aye"?

COUNCILMEMBERS: Aye.

CHAIR HOKAMA: Opposed, say, "no"? Motion passes seven ayes, two excused. Thank you very, very much, Members.

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

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmembers Couch and Guzman.

MOTION CARRIED.

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

**ITEM 31: AMENDING FISCAL YEAR 2015 BUDGET:
MOKUHINIA ECOSYSTEM RESTORATION PROJECT
(CC 15-75)**

CHAIR HOKAMA: Okay, do you guys want a short break or shall we just power through?

COUNCILMEMBERS: Power through.

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CHAIR HOKAMA: Let's power through? Okay. I'm with you, Members. May I direct you, please, then to Budget and Finance 31, this is Amending the Fiscal Year 2015 Budget, Mokuhinia Ecosystem Restoration Project. We have received this through a Communication 15-75, from Mr. Baz, the Budget Director, and in his proposed bill for an ordinance, he is requesting consideration of funding from Carryover/Savings in the General Fund by \$50,000 and placing this in the West Maui Plan area, Mokuhinia Ecosystem Restoration Project. And there is also a certification of additional revenues that is also part of the attachment. Mr. Baz, your comments please?

MR. BAZ: Thank you, Mr. Chair. Good morning, again, and I, the person that would normally be here sitting here representing the Administration is on vacation this morning, Ms. Wendy Taomoto. She has been managing this project directly and she did give me an update on this project request and I do have some information, which is in my office so I may be asking for that morning recess because I just realized that I forgot to bring it down, but it is, this amendment is to pay for some fencing along the border area of the Malu Ulu O Lele Park, Mokuhinia Pond area. The archaeologist is here if you have any questions specifically about the archaeological inventory study that you funded previously that's a part of the BF-94. But this, they've been doing some initial work over there. They've identified some significant items and would like, in the plan is this fence is there to protect the site from open areas that are currently making it so that anybody could just walk onto the property and so the CIP Coordinator, Wendy Taomoto, recommended that we produce this budget amendment so that we can get this funded right away to get that fencing and protect the site. So I do have a map and some other information if you'd like to see that. We could take a break and we'll get that to you.

CHAIR HOKAMA: Okay I'll ask, I'll have the Committee, and Members, so that we can have the type of discussion that may be required, I've also posted BF-94, which is the Mokuhinia Ecosystem and Moku`ula Restoration Projects and in that, under that heading, we've received the archaeological study. Whereas I have posted on the agenda for this two items, 94 and 31, I am not going to be asking for action today on it. I wanted us to get the information and I wish Mr., oh here we are, we'll see with Mr. Baz. So, Mr. Baz, maybe for us, because some of us know we grant Moku`ula revenue streams through some of our assets, can you tell us why the County is being asked to provide the fencing funding for this Mokuhinia Project, please?

MR. BAZ: Thank you, Mr. Chair. Initial reason, the areas that are required to be fencing are not exclusively in the leased area that is leased to the Friends of Moku`ula is part of the reason. As far as the funding stream sources, we would have to have further discussion with the Friends of Moku`ula as far as, you know, their revenue stream that they receive from the parking lot license and the uses of those funds. I think that's something that could be discussed

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maybe if that item was brought up on a future agenda, we can get into details of that. We'll bring the Park's Department down here, who manages that as well.

CHAIR HOKAMA: Okay. There is an annual audit or recap of those?

MR. BAZ: From my understanding, the requirement is that an annual report is provided to the Department of Parks and Recreation.

CHAIR HOKAMA: Okay. We'll send a letter for that report.

MR. BAZ: But, Mr. Chair, my very efficient staff brought down the folder, and I've provided a copy to your staff to make copies of the fencing area for the Members.

CHAIR HOKAMA: Okay. Members, do you want that or do you feel comfortable enough to continue the discussion?

COUNCILMEMBERS: ...*(Inaudible)*...

CHAIR HOKAMA: Let's continue. Okay, good. So at this time I'll ask Ms. Cochran first if she has her questions on this item?

COUNCILMEMBER COCHRAN: Thank you very much, Chair, for this opportunity. And yeah, I think it'll be helpful for everyone to actually get a physical visual of where the fence line is, current existing fence lines where work is being constructed, the archaeological sites, surveys being done, and what have you so, you know, just to be clear in all of our heads when you're not that familiar. I'm not an expert at it but I'm quite familiar with the area myself so I had a sit-down with Mr. Baz yesterday just to get up to speed as to what the details are of this and I see there's new things that I've just learned too. So I think it's important that we get on the same page, so to speak. But it's important. This is, I hear your concerns, Chair, and you've heard mine in reference to Friends of Moku`ula and the revenue stream that we've given them, and yet we have this come to us and my, so that was my top question. But secondly, this is something that's needed. The archaeological work that's being done definitely needs to be highly protected. One of the gates were down last week and a jeep was driving around and it was, you know, not a good thing and Parks got right on it, put the gate back up, but it's needed for protection for the ongoing work that's to come, and I'm looking forward to seeing it come to its fruition. So where we can help out and assist I'd like to move, you know, positively here on out moving forward but also need to hold the people accountable for the funds that have been utilized thus far and that they're gonna probably be asking to continue to use in the future. So with that, I don't have any outstanding questions but I just want to let this body know that I'm very confident and that

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the use of this money for the fencing is a needed item. It's just, and it looks like we got our maps coming but, so that's my opening comments, Chair. Thank you very much.

CHAIR HOKAMA: Okay. That statement you shared with us about the fence was down and there was an unauthorized vehicle. Is that an issue with the visitor or is that an issue of our own residents that need to be maybe better informed of what we're trying to do or accomplish in that area?

COUNCILMEMBER COCHRAN: The particular jeep was a rental. I could tell. A visitor. I think they were just lost and was trying to do a U-turn in there and, you know, kinda get back on the road. But I have seen dirt bikes and local-type usage too, bicycles and people traverse it because it's a shortcut through, you know, place to place. But again, you know, this is, I believe, probably the most sacred area around and it definitely needs its due respect being shown at this point. So I don't know if Mr. Baz wants to go through the map that we've all been handed just now? And Chair, my other...

CHAIR HOKAMA: Yes, ma'am?

COUNCILMEMBER COCHRAN: Sorry. My other question in regards to this fence line and where it's going to be put is the boundary along the Waiola Church's cemetery corner because I'm, we're looking at the green line yeah?

CHAIR HOKAMA: Uh-huh.

COUNCILMEMBER COCHRAN: On this map and so that does run abutting the whole Waiola Church cemetery, where the wording of existing new fencing and new gate, that side of the map --

CHAIR HOKAMA: Right.

COUNCILMEMBER COCHRAN: --is where the cemetery and church is located and Ms. Taomoto knows the concern in this area in regards to an area called Tropical Road or Waianae Road and so I just, and she agreed that as County we need to determine exactly where are our boundaries and then from there it could be determined where this road and then the church's cemetery lines are also. So my question is if that's been done, going to be done? And it's going to be very, very important that we know exactly where this fence line is going to sit at this point. So that's just my question and would like follow-up from Department.

CHAIR HOKAMA: Okay. Mr. Baz, can you respond at this time?

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MR. BAZ: I, she did share, excuse me, Mr. Chair. Member Cochran did share that concern yesterday with me and I have not had a chance to follow up with Ms. Taomoto. She's off island. But I know she did mention that when I was having a pre-meeting last week with Wendy and she mentioned that the road issue. So as she knows of it I will definitely update her on the comments from Member Cochran and the Committee on this moving forward for sure.

CHAIR HOKAMA: Okay.

MR. BAZ: Yeah, so, Mr. Chair, if you would like?

CHAIR HOKAMA: Yeah.

MR. BAZ: Real quickly, if you hold the map in front of you up with the existing fence, new fence, new gate on the right hand side there, Shaw Street is on the bottom of the property. The left-hand road there is Front Street. You'll see the red line existing fence. Those red solid lines, excuse me, are existing fences along the boundaries of the Salvation Army site, the wastewater pump station, and the basketball court over there and the tennis court. So you can see those there. We are proposing, the existing, the new fence is the green lines along Front Street, along the parking lot, and along the areas as Ms. Cochran mentioned as well as some new gates so that there's some man gates to be able to go in and out of that property. A new feature on this map too is also the dotted lines are kind of the outline of the assumed area of Moku`ula Island.

CHAIR HOKAMA: Thank you for that. Ms. Crivello, questions?

COUNCILMEMBER CRIVELLO: Not at this time.

CHAIR HOKAMA: Mr. White?

VICE-CHAIR WHITE: Yeah, I think I'm comfortable. This does not appear to be the same fencing that we were told is going to be required by the Army Corps of Engineers so this appears to be more of a security fence for ongoing work, correct?

MR. BAZ: Correct.

VICE-CHAIR WHITE: Okay. Thank you. So I'm okay with it. Thank you, Chair.

CHAIR HOKAMA: Thank you. Mr. Victorino?

COUNCILMEMBER VICTORINO: No, all my questions have been answered. I'm comfortable with this. Thank you, Mr. Chair.

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CHAIR HOKAMA: Thank you. Mr. Carroll? Ms. Baisa?

COUNCILMEMBER BAISA: No, thank you. I'm grateful for the map. That was my big question, trying to figure out exactly where this was. I'm familiar with the name Moku`ula but not familiar with Mokuhinia. Thank you, Sandy.

CHAIR HOKAMA: Thank you. Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you, Chair. And so I'm looking at the blue areas, which denotes gates on the map?

MR. BAZ: Yes.

COUNCILMEMBER COCHRAN: Blue gates will be placed and so I see the one on Shaw and that one had been, had fallen down and now it's back up very nicely secured. Thank you for that. And then I do see the one that does about the cemetery, and so I'm just wondering exactly how, like where's that located? And then the reason? I know that the walking tour traverses through, they come through the cemetery and then they head out into the Mokuhinia/Moku`ula area and do their presentation. So that, and, you know, so I'm just looking at all the ingress and egress to this area and then off the, where the ahu is, the current ahu, off of the parking lot, it looks like there will not be any gates there and that seems to be normally where people go in and out. They've been doing, you know, native plant restoration in there and also, so I don't know if we want archaeologists to come down to maybe explain that they'll be utilizing other entrances or I don't, I'm not sure.

MR. BAZ: Mr. Chair, I'm not sure the architect or, and I definitely don't know exactly why the gates are placed in those areas, and it may just be that a number of gates are planned and the exact location may not be identified yet, she just wanted to, she made this up literally the day she was leaving so that she could, you could identify the property lines and things. The gates are for access. I understand what you're saying about the access from the parking lot to the Moku`ula property for the restoration. I don't know if they're planning on access from that rear, the top side parking lot there or not.

COUNCILMEMBER COCHRAN: Okay. Yeah. I mean I'm sure this is probably a work in progress but it's I guess basically denotes the boundaries in a sense of where this new fence line will occur and a gate could be popped in there.

MR. BAZ: I'm sure Ms. Taomoto will work with the architect on making sure that they have appropriate access and the Friends as well.

COUNCILMEMBER COCHRAN: Okay.

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CHAIR HOKAMA: I will be happy to entertain any Member's questions if you want to submit it to the Chair so that prior to me posting this item back for Committee action, we can get those responses to any Member that wants some information. So if you have some questions, I'll be happy to forward it on the Committee's behalf and we can get those responses when we post it for legislative action, Ms. Cochran.

COUNCILMEMBER COCHRAN: Okay, well very good. Thank you for that opportunity, Chair. Thank you.

CHAIR HOKAMA: Thank you. Anything else, Members? If not, I'm going to defer this item and then if you have questions, please forward it to your Chair and I will have it transmitted for appropriate consideration and response and then we'll post this item for Committee action with Ms. Taomoto's presence. So, Members, I am recommending deferral. Any objections?

COUNCILMEMBERS: No objections.

CHAIR HOKAMA: Thank you.

COUNCILMEMBER COCHRAN: Chair, sorry.

CHAIR HOKAMA: Yes, ma'am.

COUNCILMEMBER COCHRAN: Sorry real quick, though.

CHAIR HOKAMA: Yes.

COUNCILMEMBER COCHRAN: What or when are we, is there like, I guess, a deadline on it? Because I know the archaeological work is occurring. And so I'm just...

CHAIR HOKAMA: I'm willing to turn this around real fast.

COUNCILMEMBER COCHRAN: Okay.

CHAIR HOKAMA: The sooner you get your things in, I'll, you know, we'll provide the Administration sufficient time to make their response and then we'll post it back up for legislative action.

MR. BAZ: Um...

CHAIR HOKAMA: Mr. Baz?

MR. BAZ: Thank you. Yeah, it is as soon as possible. I actually initially told Ms. Taomoto to wait until the Fiscal Year '16 Budget to present this, and she

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insisted that we try to do this as soon as possible for the protection of the site. Like Mr. Hokama mentioned, I do really not like budget amendments and I try to prevent them as much as possible.

COUNCILMEMBER COCHRAN: Okay, very good. Well, thank you, Chair for that.

CHAIR HOKAMA: Okay, so, if any Member, again, please submit this quickly and we'll forward it and then we will, I'll look at a date for reposting. Okay, this item is deferred.

ACTION: DEFER pending further discussion.

**ITEM 94: MOKUHINIA ECOSYSTEM AND MOKU'ULA
RESTORATION PROJECTS, LAHAINA
(MISC.; Contract C5566)**

CHAIR HOKAMA: Item 94, Members, I brought this up as a vehicle in case we really wanted to broaden the discussion on Moku'ula and Mokuhinia, and that was just to allow the Committee to have wide parameters on its ability to discuss today, but I have nothing specific on this item. This is part of the archeological studies. So if you wanna talk about the archeological study, I know the archeologist is here, but my intent was to provide the parameters of wide discussion on this area. So Ms. Cochran?

COUNCILMEMBER COCHRAN: Yes, Chair, so you we, do you wanna bring down archaeologist down? I'd like to just get an update as to, yeah, what's been occurring and where, you know--

CHAIR HOKAMA: Sure.

COUNCILMEMBER COCHRAN: --where we're moving in the future?

CHAIR HOKAMA: Why don't you come, make yourself comfortable? Come join us and make yourself comfortable.

COUNCILMEMBER COCHRAN: And I think...

CHAIR HOKAMA: Good morning, thank you for being here.

MS. LEE-GREIG: Good morning.

CHAIR HOKAMA: If you would please introduce yourself to the Committee?

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MS. LEE-GREIG: My name is Tanya Lee-Greig and I'm with Cultural Surveys Hawaii working on the archeological inventory survey for Mokuhinia.

CHAIR HOKAMA: Thank you. Can you give us maybe a status as you best understand it at this time of the Mokuhinia component you're working on, please?

MS. LEE-GREIG: Sure. We just about a month ago received full acceptance of the archaeological inventory survey plan, so that is where we are at and then trying to plan the onset of field work. Our weather situation has not been conducive to doing a whole bunch of field work outside with our, the instruments that we are planning to use. So that's been put on the backburner a little bit along with some other activities that have been happening in the area. So now that hopefully the weather is more conducive to field work and the different community activities have come to a close, we are looking to begin work shortly. With regard to the fencing, and I know that that is closed, but I'd like to kind of bring it open again, we are looking at beginning the mechanical investigation toward the back of the pond closest to the Hongwanji and Waiola Church within the next two weeks as well as the parking lot. The logistics with this is that we will be using heavy equipment to do stratigraphic profiles of the back part of the pond as well as remove asphalt within the parking lot to be able to define the limits of Moku`ula Island that are beneath the parking lot. So that's going to take a little bit of logistical planning with the company that we have sub'd out to to do that piece of work. As we move...and that's, that part of the work is fairly safe, I believe, from archaeological standpoint because we will be backfilling everything immediately after we're done documenting. And the asphalt itself, once we have completed our work, will be restored. The concern with regard to fencing is as we get closer to trying to identify the limits of Moku`ula Island within the ballpark area, we will be doing that by hand, completely by hand, and so I am hoping to time that piece of work at about the same time that the security fencing can go in because it's a bit of a Catch-22. We can't do the work without identifying the limits of the island but in trying to do so, we're identifying the limits of the island prior to the restoration itself, and so the sensitive and the highly significant materials of the island itself become vulnerable at that point, which is the request for the security fencing. And which is the other reason why again I would like to time the hand testing nearest to the island at about the same time that the security fencing will be installed.

CHAIR HOKAMA: Thank you. Do you have anything to add, Mr. Baz?

MR. BAZ: No.

CHAIR HOKAMA: Okay. Ms. Cochran, I'll allow you the opportunity to have a question.

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COUNCILMEMBER COCHRAN: Thank you, Chair. And thank you, Ms. Greig, for being here. So stratigraphic profile, is that, have I seen maps of that, it shows the different...

MS. LEE-GREIG: The layers.

COUNCILMEMBER COCHRAN: I guess, yeah, the layers?

MS. LEE-GREIG: Yes. Yeah. Yeah, the layers.

COUNCILMEMBER COCHRAN: Because I think Public Works had shown some maps. Are you just trying to reconfirm that and to double check that yes, that's what it looks like underneath the fill? Or...

MS. LEE-GREIG: Right. So part of the thing is that we have those Public Works maps from 1916 that show the fill profiles of Mokuhinia because they had to know how much fill, like, you know, the, how many cubic yards of fill they needed. Since that time, there have been different episodes of fill work to level it out in order to create the ballpark itself. So in addition to that 1916 fill, we also have additional layers of fill to level it out so that the park facilities can exist. So part of our work is going to be trying to first identify where those modern fill episodes were in relation to the original fill episode and then in relation to the bottom of the pond itself, which is represented by a peat layer at the bottom of the pond. That will assist us as we move forward to use the 1916 fill profiles to also guide our work as we're getting closer by hand, sort of reverse engineering approach to that, but we need to first understand what happened in the modern time and lay that out against what happened in 1916 when they originally filled the parcel.

COUNCILMEMBER COCHRAN: Okay. Thank you. Just to get a better idea of what that all means in the first steps of this project. And I saw another map and it broke down the different areas which are still County run/owned, which are Friends of Moku`ula's license and leased, and then sort of the Mokuhinia area where US Army Corps will be partnering with County. And so if I'm not mistaken, I think some of the parts that you were describing you'll be working in, like the tennis court asphalt area, that's still County? That's not part of FOM? Is that correct?

MS. LEE-GREIG: The tennis court, when we did the overlays, the GIS overlays, the tennis courts were outside of our testing area. The asphalt parking lot that is currently under lease to FOM, I believe, is within the testing area. So that is the side fronting 505.

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COUNCILMEMBER COCHRAN: Oh, okay. I was looking at the asphalt back by Hongwanji.

MS. LEE-GREIG: Oh, by the Hongwanji.

COUNCILMEMBER COCHRAN: It's a different asphalt.

MS. LEE-GREIG: We won't be testing in that asphalt. We're going to be completely in the ballpark to do the mechanical excavation and model out, you know, where, what we're finding within those profiles with what was done in 1916.

COUNCILMEMBER COCHRAN: Okay. And when, question and then I can relinquish the floor, Chair, at this point, so who would be, who's kuleana is it for the perimeter wall of the island?

MS. LEE-GREIG: For restoration of the perimeter?

COUNCILMEMBER COCHRAN: To excavate?

MS. LEE-GREIG: Well, I believe that that kuleana lies with the restoration of Moku`ula. Our kuleana is simply to identify it. So once we identify the perimeter wall of Moku`ula Island, our work is done and we can put that down on the map for the Mokuhinia restoration part of it saying we have identified the perimeter of Moku`ula Island, here it is, and here are the limits of it. But our kuleana at this time is only to do, to identify the perimeter of the island and not restoration. So kuleana for that is with whoever's doing the restoration for Moku`ula Island is my understanding.

COUNCILMEMBER COCHRAN: Okay. Okay, as I understand, Chair, there is an existing wall that encircles the entire island so in my mind, if you can get to that wall, you're gonna, what's in it is the island, what's out of it is the loko, the Mokuhinia pond.

MS. LEE-GREIG: Right.

COUNCILMEMBER COCHRAN: So it's pretty, not simple, but I think that's your delineating hard-lined area that's there that you can now work out from or in from or however. Now you're definitely distinguishing who's kuleana is what. Once you get that boundary uncovered, and it is there, it is intact and it is below surface, you know, hundreds of centuries old pōhaku are in place currently, and if that can be hand uncovered, to me it's showing physical here it is and also, you know, now the project is a little more understandable and a vision can be seen by anybody walking by, you know, on a map or whatever, but decades later and we're looking at maps like this is very difficult to decipher what is going on. Yeah, we have a little more outlines going on here but that's

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just on a map. So that's just my kind of simplifying this whole project for me is, and I understand, you know, and I appreciate the work being done by archaeologists, US Army Corps stepping up, wanting to work with us, the County, and I just think that could be really a defining moment once that perimeter wall has been uncovered and surfaced. So that's just my comment at this point. Thank you, Chair.

CHAIR HOKAMA: Okay, thank you. Ms. Baisa, any questions?

MS. BAISA: No, no questions. Thank you.

CHAIR HOKAMA: Thank you. Mr. Carroll, no questions? Mr. Victorino?

COUNCILMEMBER VICTORINO: None at this time.

CHAIR HOKAMA: Mr. White?

VICE-CHAIR WHITE: Just a couple questions. Ms. Greig, the fencing proposal does not encompass the portion of the parking lot where you stated that there will be some mechanical work done to identify the boundary of the island. Is that going to be a problem?

MS. LEE-GREIG: It should not be. The asphalt itself provides a protective layer for the subsurface deposits and then as we are excavating, if we do not complete our hand testing that's within the open area of asphalt, there will be steel plates placed on top of the cut asphalt and then cold patch around it to seal it off, and so that will be how we will secure any sort of open trenches that may exist within the parking lot area.

VICE-CHAIR WHITE: And that will be done on a daily basis?

MS. LEE-GREIG: And that will be done on a daily basis, absolutely.

VICE-CHAIR WHITE: So you're, what you're trying to identify is where the large pōhakus are at the edge of island?

MS. LEE-GREIG: Yes. Yes.

VICE-CHAIR WHITE: I recall when the survey was done about 20 years ago, the edge of the island was exactly where they thought it was going to be. I think we found two locations.

MS. LEE-GREIG: Right.

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VICE-CHAIR WHITE: So I think it's great that you're starting on it. I think it's really, obviously a very important part of us moving this project forward. Thank you. Thank you, Chair.

CHAIR HOKAMA: Thank you. Ms. Crivello?

COUNCILMEMBER CRIVELLO: No questions at this time, thank you.

CHAIR HOKAMA: Okay, thank you. Anything else, Ms. Cochran?

COUNCILMEMBER COCHRAN: Yeah, thank you, Chair. Well, I guess it would probably, and I see Ms. Feiteira is also here from Friends of Moku`ula, Executive Director, because I guess with the uncovering the work that Mr. White was talking about, the asphalt at the parking lot, how is that going to hinder the revenue stream that they're currently being assisted by, and, you know I just, but that I think would be more of a question for Friends of Moku`ula. But in the meantime for Ms. Greig, it looks like your, the amount we're paying for your services, 116,000 or so?

MS. LEE-GREIG: Yes.

COUNCILMEMBER COCHRAN: And thirty, is it 34,000 has been expended, or?

MS. LEE-GREIG: For the inventory survey plan. For the plan and completing all of the background research for the plan, meeting with the museum to see where they were, where they left off and looking at their field notes, and so all of that research went into the plan as well as community meetings.

COUNCILMEMBER COCHRAN: Okay. And where, when does US Army Corps' money start kicking in? They're looking to assist with 5 million is it?

MS. LEE-GREIG: That I am unsure.

COUNCILMEMBER COCHRAN: You're not, oh, okay.

MS. LEE-GREIG: Yeah.

CHAIR HOKAMA: Mr. Baz, can you give comment to that at this time?

MR. BAZ: Mr. Chair, I know we have a cost-share agreement with US Army Corp of Engineers. I am not sure the exactly who pays what first and how it gets reimbursed but we do have an agreement with them.

CHAIR HOKAMA: Okay, we'll get that repost, Ms. Cochran, because Ms. Taomoto has a good handle on the Federal funding components.

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COUNCILMEMBER COCHRAN: Yeah. I think, Chair, that would be helpful just because the money's been there for quite a few years, and I've had community, been involved with the community meetings with the US Army Corps reaching out saying, you know, I understood there was some kind of deadline that if we weren't going to move, and maybe the things we're doing is our movement and they're still happy and good with it, but it could be yanked if we're not showing good faith effort on our behalf so I really, really hate to lose this type of Federal funding.

CHAIR HOKAMA: I'm sure if it was that critical, Ms. Taomoto would be in this meeting this morning.

COUNCILMEMBER COCHRAN: Yeah, okay. Well, yeah. I hope so. So at this point, yeah, I think just to get a little more overview of the funding aspect and again, you know, I hate to lose out on this type of funding.

CHAIR HOKAMA: No, no.

COUNCILMEMBER COCHRAN: And I know you're...

CHAIR HOKAMA: I believe we're all good on this.

COUNCILMEMBER COCHRAN: Okay.

CHAIR HOKAMA: We would like the Federal dollars to assist us in getting this project completed.

COUNCILMEMBER COCHRAN: Very good.

CHAIR HOKAMA: Completed. Mr. Baz?

MR. BAZ: Yeah, I just want to make a correction. We have not entered into a cost-share agreement yet. It's on the next steps to enter into an agreement so we might possibly be looking for this Committee for other purposes as well, or PIA.

CHAIR HOKAMA: Okay, thank you for that.

COUNCILMEMBER COCHRAN: Okay.

CHAIR HOKAMA: Anything else, Ms. Cochran?

COUNCILMEMBER COCHRAN: No, not at this time. Thank you for bringing up the item.

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CHAIR HOKAMA: Yeah, so the Chair will bring up the subject as soon as we can work it out with Ms. Taomoto. 'Cause I think she needs to be here to answer some of the questions. Thank you, Ms. Greig, for your help this morning. We appreciate your presence and thank you, Mr. Baz. So, Members, I don't intend to do any more on this today. I plan to defer it with no objections, Members?

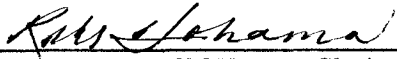
COUNCILMEMBERS: No objections.

CHAIR HOKAMA: Thank you very much. So again, last reminder. If you do have a question regarding either of these two projects, Mokuhinia/Moku`ula, please forward it to your Chair. I'll give you two days, by Thursday afternoon is the deadline so that we can start planning for reposting and take legislative action on the financial request. Okay, with that, there is no further business before this Committee, this meeting is adjourned. . . .(gavel). . .

ACTION: DEFER pending further discussion.

ADJOURN: 10:27 a.m.

APPROVED:



RIKI HOKAMA, Chair
Budget and Finance Committee

bf:min:150317:krr

Transcribed by: Kekai R. Robinson


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CERTIFICATE

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

DATED this 8th day of April, 2015, Wailuku, Maui, Hawaii.



Kekai R. Robinson