

POLICY AND INTERGOVERNMENTAL AFFAIRS COMMITTEE
Council of the County of Maui

MINUTES

June 29, 2015

Council Chamber, 8th Floor

CONVENE: 9:01 a.m.

PRESENT: Councilmember Michael P. Victorino, Chair
Councilmember Don Couch, Vice-Chair
Councilmember Gladys C. Baisa, Member
Councilmember Robert Carroll, Member
Councilmember Elle Cochran, Member
Councilmember Stacy Crivello, Member
Councilmember Don S. Guzman, Member
Councilmember Riki Hokama, Member (In 9:05 a.m.)
Councilmember Mike White, Member (In 9:40 a.m.)

STAFF: Kimberley Willenbrink, Legislative Analyst
Tammy M. Frias, 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.: Robert Halvorson, Chief of Planning and Development, Department of Parks and Recreation (Item PIA-20)
Mark R. Walker, Deputy Director, Department of Finance (Items PIA-47, -48)
Lance T. Taguchi, County Auditor, Office of the County Auditor (Item PIA-48)
Lieutenant Reid A. Pursley, Uniformed Services Bureau (Kihei District), Department of Police (Item PIA-43)
Sergeant Surendar K. Singh, Support Services Bureau, Department of Police (Item PIA-44)
Jerrie L. Sheppard, Deputy Corporation Counsel, Department of the Corporation Counsel (Items PIA-20, -43, -44)
Jeffrey T. Ueoka, Deputy Corporation Counsel, Department of the Corporation Counsel (Items PIA-47, -48)
Edward S. Kushi, Jr., First Deputy Corporation Counsel, Department of the Corporation Counsel

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

CHAIR VICTORINO: ...*(gavel)*... Good morning, and welcome to the Monday morning, June 29, 2015 Policy and Intergovernmental Affairs Committee meeting. I'd like to call the meeting to order, I'm the Chair, Michael Victorino, and at this time, I would like to

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request that all cell phones be put on silent or turned off. Decorum will be maintained in the Chamber. This morning, let me recognize the Members that are here, our Vice-Chair, Mr. Don Couch from South Maui.

VICE-CHAIR COUCH: Good morning, Mr. Chair.

CHAIR VICTORINO: Good morning. From East Maui, Mr. Robert Carroll.

COUNCILMEMBER CARROLL: Good morning, Chair.

CHAIR VICTORINO: Good morning. The lovely lady from upcountry, Ms. Gladys Baisa.

COUNCILMEMBER BAISA: Good morning, Chair.

CHAIR VICTORINO: Good morning. And our good looking young lady from Molokai, Ms. Stacy Crivello.

COUNCILMEMBER CRIVELLO: Aloha, Chair.

CHAIR VICTORINO: Good Morning. And the other young lady, is just perusing right in, trying to run to her seat, and I will give her a second or two -- our lovely young lady from West Maui, Ms. Elle Cochran.

COUNCILMEMBER COCHRAN: Good morning, Chair. Aloha.

CHAIR VICTORINO: Good morning. Two, three members are excused at this time, Mr. Hokama, Mr. Guzman, and Mr. White. The Chair and Vice-Chair will be a little late, so we will go ahead and proceed and when they arrive then we will let them catch up at that point. From the Administration this morning, I'd like to call up mister, from the Parks and Recreation Division, Mr. Robert Halvorson. Mr. Halvorson, would you come up please. Also, we have Jerrie Sheppard from the Department of Corporation Counsel. Our faithful first Deputy Corporation Counsel, Mr. Ed Kushi. And good morning. And of course, from our invaluable Committee Staff, Ms. Kim Willenbrink.

MS. WILLENBRINK: Good morning, Chair.

CHAIR VICTORINO: And our Committee Secretary, Ms. Tammy Frias. Thank you. At this time, I would like to contact our District Offices to make sure that they are connected. Good morning, Hana, Dawn Lono, are you there?

MS. LONO: Good morning, Chair. This is Dawn Lono at the Hana District Office.

CHAIR VICTORINO: Welcome. And from our Lanai office, Denise Fernandez, are you there?

MS. FERNANDEZ: Good morning, Chair. This is Denise Fernandez on Lanai.

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CHAIR VICTORINO: Good morning. And our lovely young lady from Molokai, Ms. Ella Alcon. Ella, are you there?

MS. ALCON: Good morning, Chair. This is Ella Alcon on Molokai.

CHAIR VICTORINO: Thank you. As you'll notice, today's agenda, we have five items. I believe all five can be completed today but we'll see how far we get. Let us start with public testimony, and we know our District Offices are connected. And at this time, I would like to, seeing no one, is there anyone signed up for public testimony?

MS. WILLENBRINK: No.

CHAIR VICTORINO: None, okay. That's unusual. Whoa, almost don't know how to handle that without nobody here to make any public testimony. Well, I won't go over the 3 minutes, 2½ minutes when it turns yellow and then three minutes you'll need to stop. I mean if, everybody will kind of know that one. On the District Offices, let me start with them since I have no one here in the Chambers wanting to testify. Hana, Dawn, is there anyone wishing to testify?

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

CHAIR VICTORINO: Lanai, Denise, do you have one, anyone wishing to testify?

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

CHAIR VICTORINO: Molokai, Ella, is there anyone wishing to testify?

MS. ALCON: There is no one here on Molokai waiting to testify.

CHAIR VICTORINO: Well, with that being said --

VICE-CHAIR COUCH: No objections.

CHAIR VICTORINO: --no...can I finish, Mr. Couch? Some people like to anticipate. I wanted to keep public testimony open 'til another hour. Mr. Couch, now you gotta no objection. No, with no objections, I will close public testimony.

COUNCILMEMBERS: No objections.

CHAIR VICTORINO: Thank you. All right. Thank you, ladies. Have a great day.

ITEM PIA-20: INTERGOVERNMENTAL AGREEMENT WITH STATE DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES TO ESTABLISH A SEWER LINE MAINTENANCE AND INSPECTION PROGRAM FOR LAHAINA CIVIC AND RECREATION CENTER (CC 15-111)

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CHAIR VICTORINO: Okay, let's go straight to Item No. 1. Item 1, an Intergovernmental Agreement with the State Department of Accounting and General Services to Establish a Sewer Line Maintenance and Inspection Program for the Lahaina Civic and Recreational Center, this is PIA-20. You have, we are in receipt of correspondence dated May 4, 2015, from the Department of the Corporation Counsel, transmitting a revised proposed bill entitled A Bill for an Ordinance Authorizing the Mayor of the County of Maui to Enter into an Intergovernmental Agreement with the State of Hawaii, Department of Accounting and General Services. The purpose of the revised proposed bill is to authorize the Mayor to enter into an intergovernmental agreement with DAGS to establish a sewer line maintenance and inspection program that includes cost sharing of the facilities situated at the Lahaina Civic and Recreational Center, Lahaina, Maui, Hawaii. At this time, Mr. Halvorson, I, you and, I forgot the young lady's name, excuse me, I'm sorry, dear, I forgot your first name. Hang on, I'm gonna--wait everybody, just let me find this so I--because I, I'm the one that forgot it. Ms. Jerrie Sheppard, if you would like to make, give an opening statement, I will allow you at this time. Whichever one wants to start off, please. And before you do, let me recognize the presence of Councilmember Riki Hokama from Lanai.

COUNCILMEMBER HOKAMA: Chairman.

CHAIR VICTORINO: Good morning, sir. Go ahead, Mr. Halvorson.

MR. HALVORSON: The Department has no opening statement other than what the Chair read about the issue.

CHAIR VICTORINO: How about you, Ms. Sheppard?

MS. SHEPPARD: This was coordinated with DAGS so that we don't have tree root incursion without us being able to take care of remedial action in advance. It would minimize any kind of effort or damage that we might have in the future.

CHAIR VICTORINO: Okay. Thank you. I guess one question I have and then I'll open up to the panel, this sewer system is shared between us and the State for their facilities on, in that area? Is that correct?

MS. SHEPPARD: That's correct.

CHAIR VICTORINO: So the cost savings for us is they'll be sharing whatever remedial actions we need to take during and into the future?

MS. SHEPPARD: Right, they're going to share 20 percent and the County will take care of 80 percent of the maintenance agreements, and then it also resolves issues in case there is a blockage and there is any damage, we can attribute it proportionally to the proper party.

CHAIR VICTORINO: Okay. Thank...

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MS. SHEPPARD: And if it's caused by an outside third party, we know how we're going to share that cost.

CHAIR VICTORINO: Okay. Thank you. Thank you for that clarification. I'll start out with the representative from the area, Ms. Cochran, do you have any questions?

COUNCILMEMBER COCHRAN: Yes, thank you very much, Chair, and thank you, Department, for being here. So currently, how have we been dealing with this? I mean we obviously have, it's an active sewer line and the users have always been there and so how have, you know, how is the responsibility been divvied up or what have you?

CHAIR VICTORINO: Mr. Halvorson?

MR. HALVORSON: The Department has borne that responsibility in the past.

COUNCILMEMBER COCHRAN: Okay. And so now we're just trying to make it in black and white, who's cost sharing what? And so I see the, there's a clean out, what's this called, PVC clean out, is to be installed? There currently is not one?

MR. HALVORSON: Not at that location.

COUNCILMEMBER COCHRAN: Okay, and then this installation is going to cost us, the County or is this also a cost sharing item?

MR. HALVORSON: That's going to cost the County.

COUNCILMEMBER COCHRAN: Is there an amount at this time?

MR. HALVORSON: It hasn't been bid out yet, no.

COUNCILMEMBER COCHRAN: Any general, kind of roundabout price range do you think? For this?

MR. HALVORSON: Under...

COUNCILMEMBER COCHRAN: Just budgetary, you know.

MR. HALVORSON: Under 10,000.

COUNCILMEMBER COCHRAN: Oh, okay. Nothing astronomical. And with...oh, sorry, Chair, if you don't mind, a follow up?

CHAIR VICTORINO: Yes, go ahead.

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COUNCILMEMBER COCHRAN: And with this particular installation job, is this going to create any type of hindrance to traffic because of EMS, fire, police, is in that kind of vicinity? Is that going to affect any of that?

MR. HALVORSON: No, it won't.

COUNCILMEMBER COCHRAN: Okay, alright. Well, very good, and I know the parking lot has the tree, because you're talking about root abatement and what have you. So has that currently affected, had caused problems there at all so far? Or is this why we're sort of looking into this agreement right now?

MR. HALVORSON: That's part of the reason, yes. I mean the tree intrusion has been a problem there for a while, root intrusion.

COUNCILMEMBER COCHRAN: Right. Okay. And, Ms. Sheppard, I noticed from the early communications, you noticed a discrepancy in the percentage. What, so we decide it's 80/20 not 65/35?

MS. SHEPPARD: Yes.

COUNCILMEMBER COCHRAN: Chair.

MS. SHEPPARD: Yes. Yes, it's 80/20, that was, initially it was 65/35 when Parks first looked at it, but after talking with DAGS about it and considering the volume of use by the Maui users there, plus the big tournament they have there every winter, it turns out more to be equitable at 80/20.

COUNCILMEMBER COCHRAN: Okay. Okay. Alright. Well, very good. Chair, I don't have any further questions. I think that this is, you know, in order to get taken care of. Thank you, Chair.

CHAIR VICTORINO: Thank you. Mr. Couch.

VICE-CHAIR COUCH: Thank you, Mr. Chair. And while I agree that this is something that we need to get done, I just have a question on Page 4 of the agreement. It says that the agreement ends on June 30, 2019, that's only four years from now. Is there any reason why it's so short?

CHAIR VICTORINO: Go ahead, Ms. Sheppard.

MS. SHEPPARD: That was negotiated with DAGS, that's about as far as they wanted to go in the future until we give this a trial basis and we can reassess the distribution of use.

VICE-CHAIR COUCH: Okay. Thank you, Chair.

CHAIR VICTORINO: Ms. Crivello?

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NOES: None.

EXC.: Councilmembers Guzman and White.

ABSENT: None.

ABSTAIN: None.

MOTION CARRIED

ACTION: Recommending FIRST READING of revised bill and FILING of communication.

CHAIR VICTORINO: Thank you very much, Mr. Halvorson and Ms. Sheppard.

MR. HALVORSON: Thank you, Chair.

CHAIR VICTORINO: I guess, okay, there we go, the Deputy.

ITEM PIA-47: INTERGOVERNMENTAL AGREEMENT WITH STATE EMPLOYEES' RETIREMENT SYSTEM TO ACQUIRE A GOVERNMENTAL ACCOUNTING STANDARDS BOARD REPORT (CC 15-183)

CHAIR VICTORINO: The next item is the Intergovernmental Agreement with the State Employees' Retirement System to Acquire a Governmental Accounting Standards Board Report, that's PIA-47. The Committee is in receipt of County Communication 15-183, from the Director of Finance, transmitting a proposed bill entitled A Bill for an Ordinance Authorizing the Mayor of the County of Maui to Enter into an Intergovernmental Agreement with the Employees' Retirement System of the State of Hawaii Relating to the Acquisition of Governmental Accounting Standard Board Statement, No. 68 Report. The purpose of the bill is to authorize the Mayor to enter into an intergovernmental agreement with the Employees' Retirement System, State of Hawaii, to obtain a Government Accounting Standards Board Statement No. 68, "Accounting and Financial Reports for Pensions" from its actuary, at the estimated cost of \$1,500. So, Mark, you're standing in for Mr. Agsalog, right?

MR. WALKER: Yes, I am.

CHAIR VICTORINO: Okay, so the Deputy will be standing in for Mr. Agsalog. So I will ask you if you would like to make an opening statement.

MR. WALKER: Thank you, Chair. Good morning, Committee members, good morning. Typically I would have Mr. Wayne Fujita here, who this is his bailiwick, right up his alley. He is not here today, so unfortunately, you get me. If I might, Chair --

CHAIR VICTORINO: Go ahead, Deputy.

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MR. WALKER: --I'm going to address both of our issues, which are 47 and the next item, which are, which is 48. No?

CHAIR VICTORINO: No, you just do 47.

MR. WALKER: Okay, 47.

CHAIR VICTORINO: Yeah. Please, I'm sorry.

MR. WALKER: Basically this is related to new GASB regulations and standards that are now required and this No. 47 is for an MOU disclosure that allows the ERS to contract with their actuaries, to prepare individual County disclosures required in our CAFR footnotes. Previously, we didn't have to do this or need this information, so now we do. I would further add that both our County Auditor, Lance Taguchi, and our External Auditor, Blake Isobe, both understand and recommend execution of this MOU. Thank you.

CHAIR VICTORINO: Thank you. Mr. Ueoka, do you have any opening statements?

MR. UEOKA: No thank you, Chair.

CHAIR VICTORINO: Thank you. And with your permission, Mr. Couch, I will let Mr. Hokama lead off if, you don't mind please. I mean, you know, he's our senior and member and has a great understanding of GASB. Senior member, I didn't say old, now, I'm not going there, stop it now. Mr. Hokama, would you have, would you like to start the questioning?

COUNCILMEMBER HOKAMA: Chairman, thank you. It's always interesting how we get bills for things that already I think we're paying for. You know, so help us understand, in the agreement with the retirement system, since we're part of the retirement system. Up to this time, for us to get anything specific about Maui's situation within the retirement system, we would have to pay for from the actuary, to know what is our true status as one employer, what is the balance of our obligations, how much we've paid, how much interest we have earned.

UNIDENTIFIED SPEAKER: Sure.

COUNCILMEMBER HOKAMA: That is not obtainable unless we pay for it from the actuary?

CHAIR VICTORINO: I don't know. Mr. Ueoka, would you like to take that question on?

MR. UEOKA: If I may, Chair, I'll take a stab at it.

CHAIR VICTORINO: Go ahead.

MR. UEOKA: Mr. Hokama, my understanding, I'm not sure what happened in the past but I was told the reasoning for this from Mr. Fujita, was that, with this passing of GASB

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68, we required additional information that was normally supplied. So what happened was, the ERS contracts, and they have some kind of, an actuarial report done with their contractor, and they're already like 90 percent of the way there for the information for us, so to do that extra last leg of work, they were willing to do an additional contract that we sign up with ERS for, to pay for, to get that extra information rather than us contracting on our own and having to have them do the whole thing. So it's, I think it's just because of this additional information required by GASB 68 that we need to do this additional contract.

COUNCILMEMBER HOKAMA: Is it something that the actuary is required to perform anyway, regardless of 68?

MR. UEOKA: No. This is additional information being provided for the individual counties, from the actuary.

COUNCILMEMBER HOKAMA: So it's a GASB requirement that the actuary doesn't provide us as an employer?

CHAIR VICTORINO: Mr. Ueoka?

COUNCILMEMBER HOKAMA: I'm just trying to understand the situation, gentlemen, since you're asking to pay for this.

MR. UEOKA: Actually, we aren't in contract directly with the actuary, it's actually the ERS, this is the ERS' contract with the actuary and...

COUNCILMEMBER HOKAMA: Well who is the ERS? That's us.

MR. UEOKA: Oh, well...

COUNCILMEMBER HOKAMA: We don't pay, they don't exist.

MR. UEOKA: Yes, we're part of the ERS but it's for information that they typically get for their, I'm assuming they do some kind of annual auditing report for their organization. So they get like a certain amount, but we need a little bit more information for our County needs. For our CAFR, so...

COUNCILMEMBER HOKAMA: You can tell us at this open session what those needs are?

MR. UEOKA: I, I'm pretty sure...

COUNCILMEMBER HOKAMA: From GASB?

MR. UEOKA: Yeah, I don't know what they are.

COUNCILMEMBER HOKAMA: Mr. Walker, you know what GASB...

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MR. WALKER: I would have to get back to you on that, Mr. Hokama.

COUNCILMEMBER HOKAMA: I mean, I think we should just be well informed, Chairman. I think that they should tell us why they need this information and what information is it. I'd be curious, I just want to know what they want from us.

CHAIR VICTORINO: I don't think that's unreasonable, Mr. Hokama.

COUNCILMEMBER HOKAMA: I think we need to, you know, it helps us be educated, Chairman.

CHAIR VICTORINO: And the public also.

COUNCILMEMBER HOKAMA: As what GASB is requiring us to provide. I guess they want more transparency regarding certain numbers but I'd like to know what they're asking for. Do you have a deadline for this approval, Mr. Walker?

MR. WALKER: Well it's going to be in this year's CAFR, so I mean I think, if it's not passed today, I think we have time to get the information. But well, I think...

COUNCILMEMBER HOKAMA: You can get that information for the Committee --

MR. WALKER: Yeah.

COUNCILMEMBER HOKAMA: --through the Chairman's request?

MR. WALKER: Yes.

COUNCILMEMBER HOKAMA: I would request that for your consideration, Chairman.

CHAIR VICTORINO: No problem.

COUNCILMEMBER HOKAMA: Thank you.

CHAIR VICTORINO: With that in mind then...

MR. UEOKA: Chair?

CHAIR VICTORINO: Go ahead, I'm sorry. Go ahead, Mr. Ueoka.

MR. UEOKA: I'm sorry, in Exhibit "A", it kind of does outline the scope of work. I am not an accountant so I won't pretend to truly understand what all of this additional information is, but it does outline, essentially, what they will be doing for us, or for the, I guess, us through the ERS.

COUNCILMEMBER HOKAMA: This is a requirement for GASB and not the retirement system right?

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MR. UEOKA: Correct.

COUNCILMEMBER HOKAMA: So this ten-year requirement of the schedule, Mr. Walker, that starts from this year and moves forward? Or is this year and moves back nine years?

MR. WALKER: I don't know specifically. My assumption is that it moves forward. But I don't know specifically.

COUNCILMEMBER HOKAMA: And this percentage of our total pension liability, is this something for the rating agencies to make adjustments on our bond status?

MR. WALKER: I mean, I think all of that information obviously is going to be in the CAFR, and they would grade us on the whole, that certainly would be a component.

COUNCILMEMBER HOKAMA: I'm assuming the State is included in reporting to, on 68 also, Mr. Walker?

MR. WALKER: I'm sorry?

COUNCILMEMBER HOKAMA: I'm assuming State as an employer is also required to fulfill 68?

MR. WALKER: I would believe, I believe so.

COUNCILMEMBER HOKAMA: So more than like you're going to have, the actuary is going to have to put out...so what is this saying about the nine versus the all ten employers requesting this proposal now? If all employers ask for it, then ERS pays for it? If we all ask for it individually, the County pays its own? Is that the deal?

MR. WALKER: I, I'm not aware of that issue.

COUNCILMEMBER HOKAMA: Isn't it part of the ordinance? System anticipates ten employers requesting, if less than nine, each requesting will pay the share. So I'm assuming if everybody asks, then we don't pay. Somebody else is gonna pay. The system's gonna pay?

MR. UEOKA: If I may, Chair?

CHAIR VICTORINO: Go ahead, Mr. Ueoka.

MR. UEOKA: I believe the cost is 13,500 total, so it should, if, I think, if everyone complies, the 10 government employers then would pay \$1,350, if not, we're gonna pay more. Because it'll be \$13,500 divided by less, so each person will have a bigger piece of the total to pay. Thank you.

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COUNCILMEMBER HOKAMA: Who's our actuary?

CHAIR VICTORINO: Go ahead.

MR. UEOKA: Thank you, Chair. I believe the ERS' or actuary they're working with is Gabriel, Roeder, Smith and Company, GRS.

COUNCILMEMBER HOKAMA: Chairman, thank you for letting me ask questions.

CHAIR VICTORINO: Alright, you're welcome. Mr. Couch?

VICE-CHAIR COUCH: Thank you, Mr. Chair. And I know it's none of you guys' fault, but the information they want, in reading their proposal, that's a lot of money for that amount of information and I would've assumed that they're at least halfway decent record, they have halfway decent recordkeeping. So to get this information for \$13,500 I think is fairly excessive. But that's between GRS and I guess, us, or ERS actually. But you know, as much as I hate to disagree with Mr. Ueoka, the fee on Page 5 of 6 of Exhibit "A", it says it's a fixed fee at \$1,500 per employer/component unit, provided that we have at least 9 employers. If it's 9 or less, you divide the 13,500 by that number of employers. Which basically says that if you have 10, they're getting an extra \$1,500 just, you know, that's pure profit for them, on top of whatever else they're doing. So I am a little, as Mr. Hokama is talking about, confused as to why it's so much for fairly easy to do, maybe one or two people a day, or two. But I guess we're kind of stuck because it's between ERS and GRS. Is that right? Is that how it goes? And so we either...

MR. WALKER: Yes, I mean we weren't involved in any negotiations on this, this is...

VICE-CHAIR COUCH: Right, so we either take it or leave it. But we need that information.

MR. WALKER: Correct. In order to get a clean opinion on our audit.

VICE-CHAIR COUCH: Okay, I don't like it, Mr. Chair, but I think we're stuck. But I'd like to hear what everybody else has to say.

CHAIR VICTORINO: Well, I think what I want to do at this point, just to forewarn you now, I'm going to defer this matter and get answers to the questions. So, you know, if you got questions, ask them now, because, and don't be repetitious, we got the questions I want answered and I got a couple more, but I'll listen to everybody. Mr. Carroll, do you have any questions? Sir?

COUNCILMEMBER CARROLL: No, just what was brought up already.

CHAIR VICTORINO: Thank you. Ms. Baisa?

COUNCILMEMBER BAISA: Nothing except is this time sensitive in any way?

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CHAIR VICTORINO: No, it's not.

COUNCILMEMBER BAISA: So then, no problem. We'll wait for the answers.

CHAIR VICTORINO: Yeah, and that's exactly where I'm going. Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you, Chair. And to a certain point, I mean, in the very beginning, it says no due date and then we are saying that we want audit accuracy for fiscal year ending tomorrow. And by September 2015 a pension disclosure is needed. So there is sort of a timeline going on here.

CHAIR VICTORINO: No, it's not that big a deal right now, Ms. Cochran, but I'm comfortable with this and I can defer it until the next meeting but go ahead.

COUNCILMEMBER COCHRAN: Thank you, Chair. But I'm looking at all the communications to Mr. Fujita, via ERS or wherever, and this was asked to get this MOU going since last August 2014. Here we are almost July, I mean that's like, you know, almost a year later, why is it that this has taken that long or been put on the backburner for all that time? I mean I see this happening a lot, through your Department, it's just things are like last minute, okay come on, we got to do this. I know there's no due date but it's kind of like this was head's up to your Department since last August.

CHAIR VICTORINO: Mr. Walker?

MR. WALKER: I would note that there's, they didn't even enter into a contract with the actuary until April of 2015. So we didn't even know what it was going to cost, let alone...

COUNCILMEMBER COCHRAN: Yeah.

MR. WALKER: Right? So...

COUNCILMEMBER COCHRAN: Thank you. I know, I'm not looking at cost, I'm just looking at the process. I'm just looking at when a letter was sent to the Department to this MOU, then it says they would like to have this executed by May 15th and blah, blah, you know, on and on. So it's just something where, Chair, you know, we're getting it, it applies to ending tomorrow, and it's just kind of crunchy feeling on the dates, but anyway. Thank you, Chair, for this time and we'll finish this off later.

CHAIR VICTORINO: Thank you. Ms. Crivello?

COUNCILMEMBER CRIVELLO: Nothing. Thank you.

CHAIR VICTORINO: Mr. Guzman?

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COUNCILMEMBER GUZMAN: Thank you, Chair. On No. 2, the terms of conditions, last sentence, if the employer requests additional services or information beyond what GRS understands to be customary or reasonable. What is the, what are the standards of customary or reasonable? Is that within the, anything outside that scope of work, on the letter dated April 9, 2015? Is that my understanding?

CHAIR VICTORINO: Mr. Ueoka, go ahead.

MR. UEOKA: Yes, that is our understanding.

COUNCILMEMBER GUZMAN: Okay. And in reviewing the scope of work, anything outside of what they, they've indicated would be unreasonable?

CHAIR VICTORINO: Mr. Ueoka, go ahead.

MR. UEOKA: I'm not sure if it would be unreasonable, but they're gonna do this scope of work as outlined in the letter, and supposedly, that is what we will need to satisfy the GASB 68 requirements for the County of Maui's CAFR. And I guess, if we needed any more information than that, it may be at an additional cost. It would be depending on what we ask for from GRS.

COUNCILMEMBER GUZMAN: So, and follow up, Chair. In reviewing the scope of work from the Finance Department, is there any additional items that you would've like to have seen in this scope to be included?

MR. WALKER: No. My understanding from Mr. Fujita is no. This should handle everything we're gonna need from a reporting requirement.

COUNCILMEMBER GUZMAN: Sure, because I don't want to be coming back and saying oh yeah . . . *(inaudible)* . . .

MR. WALKER: I'm just telling you what he told me is that he thinks that this more than covers what we need. Not more than covers, this covers what we are gonna be required to report.

COUNCILMEMBER GUZMAN: Okay. Thank you, Chair.

MR. WALKER: Yeah. Thank you.

CHAIR VICTORINO: Thank you. Seeing no other questions, without objections, I will defer this matter and hopefully bring it up at our next meeting. When is our next meeting scheduled, Ms. Willenbrink? Because that, you know, if the concern about time was, you know, I hope to ascertain this information fairly quickly.

MS. WILLENBRINK: Our next meeting is scheduled for July 20th.

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CHAIR VICTORINO: July 20, yeah, it should be enough time. Okay, so hopefully by the July 20th meeting, I'll make sure that this item is put back on the agenda. So with no objections, I will defer this matter 'til the July 20th meeting.

COUNCILMEMBERS: No objections.

COUNCILMEMBERS VOICED NO OBJECTIONS (excused: MW).

CHAIR VICTORINO: Thank you. Alright, thank you very, very much. Thank you, Mr. Walker and Mr. Ueoka.

ACTION: DEFER pending further discussion.

ITEM PIA-48: INTERGOVERNMENTAL AGREEMENT WITH STATE OFFICE OF THE AUDITOR TO AUDIT THE SCHEDULE OF ALLOCATIONS OF THE STATE EMPLOYEES' RETIREMENT SYSTEM (CC 15-184)

CHAIR VICTORINO: Alright, now we'll move on to our third item and that's PIA-48. Now, being that we've deferred this...well, let me, let's just cover it and there's specific questions that this needs to have answers to then we can, well the old saying, kill two birds with one stone. This is an Intergovernmental Agreement with the State Office of Auditor to Audit the Schedule of Allocations of the State Employee Retirement System. Again, as I mentioned earlier, PIA-48. The Committee is in receipt of County communication 15-184, from the Director of Finance, transmitting a proposed bill, A Bill for an Ordinance Authorizing the Mayor of the County of Maui, to Enter into an Intergovernmental Agreement with the Office of the Auditor, State of Hawaii to Audit the Schedule Allocations of Employee Retirement System of the State of Hawaii, ERS. The purpose of the proposed bill is to authorize the Mayor to enter into an intergovernmental agreement with the Office of Audit, State of Hawaii, to audit the schedule of allocations of the ERS for Fiscal Year 2015 at a cost of \$3,900. Mr. Walker, I will let you open up with an opening statement, please.

MR. WALKER: Thank you, Mr. Chair, Committee members. Again, this is the same GASB 68, it's another requirement. We didn't, weren't required to provide this information previously, and again, my understanding is that this is basically our pro rata share of what this audit is going to cost and will provide the information that's outlined in the ordinance.

CHAIR VICTORINO: Mr. Ueoka, you have something you wanted to add?

MR. UEOKA: Just that, I believe this one, it _____ with the State Office of the Auditor and we have our County Auditor here, Mr. Taguchi, he may be able to give some insight on this requirement also. Thank you.

CHAIR VICTORINO: I was planning on calling him up, but I just wanted to hear what you had to say. Mr. Taguchi, would you like to join us up front? Good morning,

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Mr. Taguchi. If you would identify yourself and if you have an opening statement in regards to this requirement.

MR. TAGUCHI: Good morning, Chair Victorino and Members of the Council. Lance Taguchi, County Auditor. The MOU that is being requested is because, you know, as much as there are additional disclosures for GASB 68 regarding pensions, primarily, what's going to happen is that we're going to have to start disclosing unfunded liabilities, which is relatively a major impact on your financial statements for the County. There's two parts of this, the first part, I think, you guys were discussing regarding the actuary is going to have to break out information and detailed schedules for individual members of the ERS and we are one of the members. The contract for the actuary is handled by the ERS, and therefore, they will amend their contract with the actuary to get this information. So same is so for the audit component. The information presented by those, by the actuary in those schedules will be incorporated into our financial statements. Our auditors, Nishihama and Kishida have to have some reliance on those numbers, and the way that is most efficient for them to get reliance on those numbers is if the State auditors, auditor, I think it's KPMG, does the testing on those numbers because they audit the ERS. And we, then Nishihama-Kishida, which is the County's auditors, can rely on that information. It is the most cost efficient way to do this. If Nishihama-Kishida would try and audit that information on the schedules, it would be very difficult for them because they don't have access to the ERS records. So the State Auditor has proposed to do a Memorandum of Understanding, so that the work done by their auditors under contract, so they're going to amend their contract with KPMG, will be paid for by the various different component units in the ERS. So this MOU is also be going to, like, City and County of Honolulu, Kauai County, and the Big Island. But primarily what it does is allow our auditors N and K once again, to rely on the work of KPMG, which is the State auditors contracted auditor for the ERS.

CHAIR VICTORINO: Thank you, Mr. Taguchi. Mr. Ueoka, you have anything else you wanted to add? Would you like to add, I should say?

MR. UEOKA: No thank you, Chair.

CHAIR VICTORINO: Thank you. And again, with permission, I will let Mr. Hokama start off with the questions. Mr. Hokama?

COUNCILMEMBER HOKAMA: This is just for the fiscal year ending 2015? This agreement, like the previous item we had, it refers specific to the fiscal year ending 2015. So your understanding is this just for --

CHAIR VICTORINO: Mr. Taguchi?

COUNCILMEMBER HOKAMA: --a year or --

CHAIR VICTORINO: Oh, I'm sorry.

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COUNCILMEMBER HOKAMA: --until we terminate? Well this one says Fiscal Year 2014 in the recital.

CHAIR VICTORINO: Mr. Taguchi?

MR. TAGUCHI: The, my understanding from speaking to the State Auditor, and Nishihama-Kishida, which is our auditor, is basically, this would be for the current fiscal year.

COUNCILMEMBER HOKAMA: Okay.

MR. TAGUCHI: And moving forward, there will be other charges. When I looked at it, after talking to our auditors, Nishihama-Kishida, they and I believed that this would be the most cost efficient method to do it. Nishihama-Kishida wasn't even sure if they could get enough confidence for a, to rely on these schedules. And if they can't get that confidence, then it may end up with a qualified opinion. The adjustments to the financial statements for the County of Maui, is very material. When we disclose the unfunded liabilities for pensions, it will be a considerable amount. So our liabilities will be materially affected. Understand that GASB 68 requirements will be across the board. So as much as our financial statements will be impacted, so will every government municipality that has unfunded liabilities. But it'll be a major impact. In relation to bond ratings, the effect will be noticeable, but once again, if we comparatively looking at other municipalities, it'll be the same. I mean, everyone will have considerable impact negatively.

COUNCILMEMBER HOKAMA: I'm assuming, this is all in preparation for 2018? When we gotta, when we are as an employer going to need to log down the Cadillac tax? Forty percent nondeductible, excise tax on County health plans.

MR. TAGUCHI: I'm...

COUNCILMEMBER HOKAMA: So this is all part of the strategy to prepare us for that requirement in a few years?

MR. TAGUCHI: I'm not sure about that part of it. But what I am aware of, is that the ERS or our pension liability, the disclosures have been, I guess, trailing our OPEB disclosures. Our OPEB disclosures, we're already required to disclose some part of it. The pension plan disclosures is kind of catching up. The goal of the government accounting standards board is that they wanted the financials to reflect more accurately the liabilities of the County in regards to pensions and I guess, OPEB or medical. So I'm not quite sure about the Cadillac plans and that, I haven't...

COUNCILMEMBER HOKAMA: Yeah, I'm just trying to figure out how each piece fits into the overall ability for us to pay our obligations. And how we're going to book it, because I want it not to be so much of a disadvantage for us. I mean I don't have a problem about being factual and showing it, but, you know, we can, we should provide it in a manner that is fair and doesn't hurt the County's ability to perform.

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MR. TAGUCHI: And I totally understand what you're saying. The difficulty, I guess, with the ERS is that counties doesn't, I don't think the ERS affords abilities for the County to do major, like, pre-payments, like the OPEB account. The ERS is controlled by the State, and we are allowed to do what, I guess, State law allows us to do, and what the ERS. But definitely, this will have some major impacts on our financial statements.

COUNCILMEMBER HOKAMA: Everything that is being requested for the auditor is something already there, right? They're not making it up or they're not going to find it or recalculate it, it's information there that they just need to put in a report format?

MR. TAGUCHI: Yes, in a sense that the information cumulatively with all the different participants is there and that is what the actuaries look at. What we're asking them to do is to break out information based upon individual counties, and that is my understanding that the ERS is negotiated with the actuary to do. Whether the ERS pays for it or charges the counties, I guess the ERS has decided that it will charge the counties for the information. I guess their position is that it's not a requirement of the ERS in total, but it's more of a County requirement. In relation to the auditing portion, in as much as this information will be presented, our auditors need to have some basis to rely on this information. And once again, after talking to Nishihama-Kishida, there really is no cost effective way for them to audit these schedules that are going to be provided to us, and therefore, they recommend that we participate in this MOU, and they can rely on the work of the ERS auditors, which is contracted by the State Auditor's Office.

COUNCILMEMBER HOKAMA: Thank you, Chairman.

CHAIR VICTORINO: You're welcome. Mr. Couch?

VICE-CHAIR COUCH: Thank you, Mr. Chair.

CHAIR VICTORINO: Oh, before you do that, excuse me, Mr. Couch, I hate to interrupt. I would like to recognize the attendance of our Chair, Mr. White.

COUNCILMEMBER WHITE: Good morning, Chair.

CHAIR VICTORINO: Thank you. Go ahead, Mr. Couch, I apologize.

VICE-CHAIR COUCH: Thank you, Chair. Just a couple of technical things I think. It, in the bill it refers to an MOU but it doesn't refer to any kind of exhibit or anything. Shouldn't it refer to Exhibit "1" and then the MOU be labeled as Exhibit "1"?

CHAIR VICTORINO: Mr. Ueoka? Mr. Ueoka?

MR. UEOKA: Thank you, Chair. It's not referenced in the reso; however, the reso is authorizing the Mayor to enter into a specific...

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VICE-CHAIR COUCH: This is actually a bill.

MR. UEOKA: I'm sorry. The bill is authorizing the Mayor to enter into a specific agreement. So it doesn't have to be attached as long as it's referenced properly. Thank you.

VICE-CHAIR COUCH: Okay, I'm just, you know, I want to make sure, I'm voting on exactly what we're discussing. It says the Council hereby authorizes the Mayor to execute the agreement with the terms and all the other necessary documents relating to the agreement and any amendments hereto. So we're just saying some sort of agreement that may or may not look like the one that we have here on the back? I, it's kind of like signing a blank check to me.

CHAIR VICTORINO: Mr. Ueoka?

MR. UEOKA: In the title of the bill it clearly references the agreement with Office of the Auditor to audit the schedule of allocations of the employer's retirement, employees' retirement system. And the Committee Report will likely reference the things. But if you would like us to send up a bill where it's directly referenced, I'm sure we can accommodate that. Thank you, Chair.

CHAIR VICTORINO: No, that won't be necessary.

VICE-CHAIR COUCH: Yeah, that's, I mean...

CHAIR VICTORINO: I think it's covered. You've covered it well enough for me.

VICE-CHAIR COUCH: Yeah, if he covered it, yup.

CHAIR VICTORINO: Okay.

VICE-CHAIR COUCH: And then the other thing is, and I'm not sure I heard the answer correctly. It's supposed to be the fiscal year ending June 30, 2015, right?

CHAIR VICTORINO: Is that correct, Mr. Taguchi or Mr. Ueoka?

VICE-CHAIR COUCH: At least the previous one was 2015 as Mr. Hokama said.

MR. TAGUCHI: We'll look into it, I believe it should be 2015. The June 20, 2014 statements are already issued. Yeah, it should be '15, that should be corrected.

VICE-CHAIR COUCH: Okay.

MR. TAGUCHI: Can the Budget Office check with the State Auditor's Office? Yeah, let me explain a little bit. The, this Memorandum of Understanding is being handled through the Department of Finance because when we receive the Memorandum of Understanding, the State Auditor's Office elected to have the Finance Director execute. It was just their preference. I do not see the need for us to try and get them to change

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it, because they were doing it as an accommodation for us. But I think that needs to be changed. I believe it is 2015, you are correct.

VICE-CHAIR COUCH: Okay. Thank you, Chair. And I just want to note that in the communication it does talk about 2014.

CHAIR VICTORINO: And, you know, it does say clearly that is retirement system, State of Hawaii, ERS for the fiscal year ending June 30, 2014, in order to complete the CAFR audit for the fiscal year ending June 30, 2015. I think that's pretty clear but we'll follow up on that. But I think I understand that you, to complete the CAFR report, which Mr. Walker's report stated to us you needed to get this done to get the CAFR report done by 2000...by, for the year ending June 30, 2015. Am I incorrect in reading that, Mr. Ueoka?

MR. UEOKA: Thank you, Chair. I'm not real familiar with the process for the CAFR but what you just said does make sense; where you would be using the --

CHAIR VICTORINO: Previous years.

MR. UEOKA: --previous years' stuff for the current year's CAFR. That does sound correct. Thank you.

CHAIR VICTORINO: And if, and maybe Mr. Hokama can correct me if I'm wrong, but I've heard that done before. I mean you're doing the previous year to get the current year's CAFR. Am I correct in stating that, Mr. Hokama?

COUNCILMEMBER HOKAMA: Uh-huh.

CHAIR VICTORINO: Okay. Thank you. Okay, any other questions? Ms. Crivello, do you have any?

COUNCILMEMBER CRIVELLO: ...*(inaudible)*...

CHAIR VICTORINO: Mr. Guzman?

COUNCILMEMBER GUZMAN: No, thank you.

CHAIR VICTORINO: Mr. White?

COUNCILMEMBER WHITE: No, thank you.

CHAIR VICTORINO: Mr. Carroll, any questions? Ms. Baisa?

COUNCILMEMBER BAISA: No, thank you, Chair.

CHAIR VICTORINO: Ms. Cochran?

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COUNCILMEMBER COCHRAN: Thank you, Chair. And thank you, Mr. Taguchi, for being here. Just looking at the cost of this particular cost to us and then the last item, what is the difference? There's, it's this one will cost us. There's a given \$3,900 for us to pay for this audit and then the previous item it was dependent on how many participants, I guess, in it. So is this something that is also asked of each county to do or is this just us, Maui County?

CHAIR VICTORINO: Mr. Taguchi, if you can answer, we have Mr. Walker that should know that answer, but I'll leave it to you if you want to take a stab at it. If you'd rather Mr. Walker, let me know.

MR. TAGUCHI: I believe the cost of the audit is something that was prorated from the negotiations between the State Auditor's Office and KPMG. So they're amending that contract to do additional work to audit the schedules coming out. The audit work for the schedules, I would think would be, will involve greater hours than actually the preparations of the schedules because the actuary probably will be just running numbers off of a model, let's say. The auditor's would have to look at some documentation. In regards to auditing this information, there's two parts of it; one is to, that the ERS has the information through its actuary and that is what KPMG will be auditing. So from that point, KPMG will audit it, provide a level of confidence that our auditors can rely on. The information going into that actuary also needs to be audited but that will be done by our auditors Nishihama-Kishida, so the County supplies some information, our auditors will audit that. When that information goes into the actuary and they run numbers on the models, then it'll be KPMG that audits that. And our auditors should have some confidence by relying on the work done by KPMG. Like I said earlier, in my discussions with our auditors, they believe this is the most cost efficient method. They actually would not know, he was uncertain as to whether or not they could just do it themselves, but the cost would be astronomical. So he highly recommends that we enter into this agreement, Nishihama-Kishida, our auditors.

COUNCILMEMBER COCHRAN: Okay. Thank you. And so what we're doing has no bearing amongst other counties, you know, divvying up costs, if KPMG is doing what you're saying for other counties, is there like a, I don't know, a group rate kind of thing?

MR. TAGUCHI: Yeah, they took the cost for the amendment to the contract for them to look at these schedules separately, and I believe the State Auditor's Office prorated, you know, to the various --

COUNCILMEMBER COCHRAN: Oh, okay, okay.

MR. TAGUCHI: --counties, based on some *...(inaudible)...*

COUNCILMEMBER COCHRAN: Got it. Alright, thank you. Thank you, Chair.

CHAIR VICTORINO: Yes, Mr. Couch.

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VICE-CHAIR COUCH: Thank you, Mr. Chair. You know, I just, it might be that it's Monday morning and the coffee hasn't kicked in yet, but if we're doing this audit on the June 30, 2014 data but the previous item that we had is to break out the data for June of 2015, how are they gonna be able to do it if they don't have the data? This is why I'm confused about the dates.

CHAIR VICTORINO: Well wait a minute now, this is for the CAFR.

VICE-CHAIR COUCH: Right, but the, it's the data that they, we asked --

CHAIR VICTORINO: For '15.

VICE-CHAIR COUCH: --for '15, they're looking at it for, they want to look at that same data for '14; if I read this correctly, I may be reading this wrong.

CHAIR VICTORINO: Mr. Taguchi?

MR. TAGUCHI: Member Couch, that's a good observation. I think we need to take a look at it and get in touch with both the ERS and the State Auditor's Office to make sure that we have a clear understanding as to what they will be looking at. I, not having access to the ERS contract with the actuary, and not having access to KPMG's contract, with the State Auditor's Office, you know, we can call them. You know my office or the Finance Director's Office can call them and get that verified and then make the adjustments to this MOU, if necessary. But if the MOU has to be revised, then it will have to go back to either the ERS or the State Auditor's Office.

VICE-CHAIR COUCH: Okay, thank you. I'm assuming you're going to defer this?

CHAIR VICTORINO: No.

VICE-CHAIR COUCH: No?

CHAIR VICTORINO: That's a bad assumption at this point. But, you know, I'm going to say it this way; from now on, when you guys come in, can you guys come in with the answers? Because I get very frustrated bringing up things that I do not have the answers to. Okay? Do I make myself clear, gentlemen? With no objections, I'm going to defer this matter PIA-48.

COUNCILMEMBERS: No objections.

COUNCILMEMBERS VOICED NO OBJECTIONS.

ACTION: DEFER pending further discussion.

CHAIR VICTORINO: Thank you. I've made myself clear, you know, and they should have these answers, they shouldn't be coming here and saying I gotta look it up. No, I

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disagree with that wholeheartedly. Thank you very much, gentlemen, moving right along.

ITEM PIA-43: DONATION OF A FINGERPRINT MACHINE TO DEPARTMENT OF POLICE
(CC 15-169)

CHAIR VICTORINO: Next item is a PIA-43, a donation of a fingerprinting, fingerprint machine from, for the Department of Police. Do we have anyone from the Police Department? I thought someone was going to be here today, Ms. Sheppard. No?

MS. WILLENBRINK: Chair?

CHAIR VICTORINO: Yes.

MS. WILLENBRINK: We did get an e-mail that said Lieutenant Reid Pursley from Kihei station will be here, but he's not yet.

CHAIR VICTORINO: Okay.

MS. WILLENBRINK: Perhaps the meeting moved along quicker than they assumed?

CHAIR VICTORINO: Yeah, okay.

MS. WILLENBRINK: The item was scheduled for 10:30, so maybe he's thinking he'll be here at 10:30.

CHAIR VICTORINO: Okay. Let's look at our next item, if with no objections, I would move on to the next item.

MS. WILLENBRINK: It's the same, they're both Police donations.

CHAIR VICTORINO: I'm sorry?

MS. WILLENBRINK: They're both Police donations.

CHAIR VICTORINO: Oh they're both Police? Okay, so okay. So this is also a Police matter. Oh yeah, that's right, you said Department of Police. Very frustrating, but I guess it is what it is. We'll check with the Police Department to see when they'll be here. I hate taking a long break, because I'm not going to do that. I'm going to say we will reconvene at 10:15 and if they're not here, we're going to proceed. This meeting now stands adjourned to 10:15 a.m.

VICE-CHAIR COUCH: Recess.

CHAIR VICTORINO: Recess, recess, I know, I know. . . .(gavel). . .

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RECESS: 9:57 a.m.

RECONVENE: 10:17 a.m.

CHAIR VICTORINO: ...*(gavel)*... The meeting of the Policy and Intergovernmental Affairs Committee will reconvene. As we had ended on Item 14, Item 4 I should say, we will start off on that item. And that is a Donation of a Fingerprint Machine to the Department of Police, PIA-43. The Committee is in receipt of County Communication 15-163, from the Chief of Police, transmitting a proposed resolution entitled Authorizing Acceptance of a Donation of a--that's a good one--Morphotrak Livescan Machine Replacement for the Kihei Police Station from the Hawaii Criminal Justice Data Center to the County of Maui, Department of Police, Pursuant to Chapter 3.56, Maui County Code. Okay, the purpose of this resolution is authorization of this Livescan and Digital Camera valued at \$25,586.38, from the Hawaii Criminal Justice Data Center, to the Department of Police, to be used in the Kihei Station. Oh, that's ...*(inaudible)*... Lieutenant, you're here, and I'll start with you, Ms. Sheppard, and then if the Lieutenant wants to give an opening statement afterwards, I will...go ahead. But go ahead, Ms. Sheppard, I'll let you start off.

MS. SHEPPARD: Thank you, Chair. This is a gift to the County to use to interface with the Hawaii Criminal Justice Data Center, and I think our Lieutenant Pursley can probably elaborate on its design and its use.

CHAIR VICTORINO: Okay. Lieutenant Pursley, would you like to continue on please.

MR. PURSLEY: Thank you, Chair and Council. We're asking for acceptance for this Morphotrak Livescan machine and what it, basically what it does is it captures, it uses biometric technology, it captures digital mug shot images, we're able to photograph distinguishing marks, tattoos, scars. It also captures fixed fingerprints and fixed palm prints. Again, it is valued at a little over \$25,000, completely donated by the Hawaii Criminal Justice Data Center, and what it is, it's going to replace the existing one that we had, this is one of the original ones that was in the Kihei Police Station, which has been in service since 2005. So this one is up for replacement, and the other, I guess, nominal fee, the old machine required a \$9,000 yearly service and maintenance program, this new machine requires only a \$4,000 annual maintenance. So it would also save us about \$5,000 a year just by putting this new machine in. Thank you.

CHAIR VICTORINO: Thank you. The Morphotrak Livescan and Digital Camera, I like that. And again, new technology in a changing world, and cost us, save us \$5,000 a year on maintenance costs, what is there not to like about this? Very good. I will let the area representative and the Vice-Chair have some questions.

VICE-CHAIR COUCH: No.

CHAIR VICTORINO: I know there's no questions, but I mean I just figured you wanted to say at least two words. Thank you.

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VICE-CHAIR COUCH: Nope. I'm fine, thank you.

CHAIR VICTORINO: Okay, that's all. Tell them thank you. Ms. Crivello?

COUNCILMEMBER CRIVELLO: Thank you.

CHAIR VICTORINO: Okay. Mr. Hokama, no questions? Mr. Guzman?

COUNCILMEMBER GUZMAN: No questions. Thank you, Chair.

CHAIR VICTORINO: Mr. White?

COUNCILMEMBER WHITE: No questions.

CHAIR VICTORINO: Okay. Mr. Carroll? Thank you. Ms. Baisa?

COUNCILMEMBER BAISA: Thank you very much.

CHAIR VICTORINO: And, Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you, Chair, and thank you, Department, for being here. So do all the other stations have these things?

MR. PURSLEY: They have one existing, yes. This is just a brand new one to replace. We have one of the older ones in the Department, so this is replacing the old one. But --

COUNCILMEMBER COCHRAN: But...

MR. PURSLEY: --all the other stations do have one.

COUNCILMEMBER COCHRAN: Okay, and are they up for replacement too perhaps?

MR. PURSLEY: I'm not sure what the status of the other departments, or the other stations.

COUNCILMEMBER COCHRAN: Okay. And I guess that's a normal amount of maintenance charge of \$9,500 per year? The unit is worth what?

MR. PURSLEY: Twenty-five thousand.

COUNCILMEMBER COCHRAN: No, even the old one?

MR. PURSLEY: I'm --

COUNCILMEMBER COCHRAN: Oh, you don't know.

MR. PURSLEY: --not sure what the old one is worth, no. It's ten-years old so I'm sure it's not worth 25,000.

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COUNCILMEMBER COCHRAN: Right, but it just seems probably paid more maintenance than the actual cost of the --

MR. PURSLEY: Yeah --

COUNCILMEMBER COCHRAN: --machine.

MR. PURSLEY: --possibly.

COUNCILMEMBER COCHRAN: But very good. Yeah, a great donation. Thank you, Chair.

CHAIR VICTORINO: Thank you. And it was 9,000, not 9,500, Ms. Cochran. It was 9,000 he mentioned, as far as the maintenance on the old machines. And this one will be 4,000. Am I correct?

MR. PURSLEY: Yes.

CHAIR VICTORINO: Thank you. And that's a big, big, big plus. Okay, any other questions? Seeing none, I'd like to make my recommendation.

COUNCILMEMBERS: Recommendation?

CHAIR VICTORINO: The Chair would like to entertain a motion recommending the adoption of the proposed resolution entitled Authorizing the Acceptance of a Donation of a Morphotrak Livescan Machine Replacement for the Kihei Police Station from the Hawaii Criminal Justice Data Center, to the County of Maui, Department of Police, pursuant to Chapter 3.56, Maui County Code, and filing of County Communication 15-169. Mr. Couch?

VICE-CHAIR COUCH: Thank you, Mr. Chair. I move to adopt the proposed resolution entitled Authorizing the Acceptance of a donation of a Morphotrak Livescan Machine Replacement for the Kihei Police Station from the Hawaii Criminal Justice Data Center, to the County of Maui, Department of Police, pursuant to Chapter 3.56, Maui County Code, and filing of County Communication 15-169.

COUNCILMEMBER BAISA: Mr. Chair, I second the motion.

CHAIR VICTORINO: Thank you. There's a motion by Mr. Couch and seconded by Ms. Baisa. Any further discussion?

VICE-CHAIR COUCH: Mr. Chair?

CHAIR VICTORINO: Mr. Couch.

VICE-CHAIR COUCH: Thank you. And this is the point where I would say thank you very much for, to the Hawaii Criminal Justice Center, and thank you, Captain, for bringing

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this up and getting us through it. Thanks. Lieutenant, I'm sorry. I give you a promotion.

MR. PURSLEY: Thank you for the promotion.

CHAIR VICTORINO: Make sure the check is in the mail too, for the difference. Okay, thank you. Anything else? Seeing none, all those in favor, signify by saying "aye"?

COUNCILMEMBERS: "Aye".

CHAIR VICTORINO: Opposed? Let the record show nine "ayes", no "noes".

VOTE:	AYES:	Chair Victorino, Vice-Chair Couch, and Councilmembers Baisa, Carroll, Cochran, Crivello, Guzman, Hokama, and White.
	NOES:	None.
	EXC.:	None.
	ABSENT:	None.
	ABSTAIN:	None.

MOTION CARRIED

ACTION: Recommending ADOPTION of resolution and FILING of communication.

CHAIR VICTORINO: And thank you very much. Lieutenant, good luck.

MR. PURSLEY: Thank you.

CHAIR VICTORINO: Thank you.

**ITEM PIA-44: DONATION OF SIX TABLET COMPUTERS TO DEPARTMENT OF POLICE
(CC 15-170)**

CHAIR VICTORINO: The last item today is Item PIA-44, it's a Donation of Six Tablet Computers to the Department of Police. The County is in, the Committee is in receipt of County Communication 15-170, from the Chief of Police, transmitting a proposed resolution entitled Authorizing Acceptance of a Donation of Six Apple iPad Air, 16 GB Tablets, Including Chargers and Covers, to the Department of Police, County of Maui, for Use by its Crisis Intervention Team, pursuant to Chapter 3.56, Maui County Code. The purpose of the proposed resolution is to authorize the acceptance of the 6 Apple iPad Air 16 GB tablets, including chargers and covers, valued at \$4,677.96, from the

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State Department of Health and the Department of, to the Department of Police for the uses in crisis, for the crisis intervention team. At this time, Ms. Sheppard, would you like to start? And I see Sergeant here also. Okay, go ahead.

MS. SHEPPARD: Yes, I really don't have much to add, other than it's a gift from the State Department of Health to the Department of Police, and I think Sergeant Singh can answer any questions.

CHAIR VICTORINO: And would you like to introduce yourself and give an opening statement please?

MS. SINGH: I work first watch, so I think it's still good morning, right?

CHAIR VICTORINO: Yes, it's still good morning.

MS. SINGH: Good morning, everybody. Again, Sergeant Singh, I work at the receiving desk but I also, I'm the person, and myself and Dr. Dara Rampersad we started the CIT, this crisis intervention team for the Department. And so we got this grant monies and through the Department of Health and we bought these iPads for the CIT. Basically it will be used in the fields and the whole purpose was if we have a consumer, there's any problems with it, to communicate with their case managers and to communicate with the doctors at ER. But right now, ER doesn't have one because of what they are going through. So right now, it's just going to be mostly for each district, one iPad, and the case managers for all consumers.

CHAIR VICTORINO: Thank you, Sergeant Singh. I do have one quick question before I open it up to the rest. You mentioned that it would be distributed amongst the crisis team, this crisis team is throughout the County of Maui?

MS. SINGH: Yes, it's just that Wailuku, not the Wailuku District, I'm sorry, Maui Police Department crisis team, the district of Kihei, Wailuku, Hana, Molokai, and Lanai.

CHAIR VICTORINO: So these would be spread amongst all these districts?

MS. SINGH: Yes.

CHAIR VICTORINO: Okay, very good, very good. I will open up to questions, I will start with the Vice-Chair, Mr. Couch.

VICE-CHAIR COUCH: Thank you, Mr. Chair. More of a comment, if the Members would look at Exhibit "1", the letter from the State Department of Health, it's a compliment. Paragraph 1, it says today that the crisis intervention team is a fully operational program that has become the talk of the town and the envy for some. I want to say congratulations to --

MS. SINGH: Thank you.

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VICE-CHAIR COUCH: --for you on that. Those are pretty strong praises, coming from the State, so good job. And I'm gratified that we get these pieces of equipment. Thank you.

CHAIR VICTORINO: Thank you. Ms. Crivello?

COUNCILMEMBER CRIVELLO: Nothing, but I think we can appreciate something coming from the State and the Department of Health, added to that. But thank you, congratulations.

MS. SINGH: Thank you.

CHAIR VICTORINO: Mr. Hokama?

COUNCILMEMBER HOKAMA: Nothing.

CHAIR VICTORINO: Mr. Guzman?

COUNCILMEMBER GUZMAN: I don't have any questions, I just have a...well I guess I do. On the crisis intervention team, is that the team that is actually going out for the homeless as well?

MS. SINGH: We want to incorporate that. That is our future goal and everything. Right now it's not. But this is mostly for our consumers for mental health consumers, but eventually we want to because crisis intervention team, mental health, and homelessness, it all goes hand in hand. So yes, we definitely want to expand this program.

COUNCILMEMBER GUZMAN: Okay, so currently, it's just the mental health calendar?

MS. SINGH: Yes.

COUNCILMEMBER GUZMAN: Okay, thank you.

CHAIR VICTORINO: Thank you. Mr. White?

COUNCILMEMBER WHITE: No questions, just thank you for doing a great job.

MS. SINGH: Thank you, sir.

CHAIR VICTORINO: Mr. Carroll? Mr. Carroll? No questions? Ms. Baisa?

COUNCILMEMBER BAISA: Yes, thank you for the opportunity, I just want to compliment Office Singh on the work they're doing. Dara is a good friend of mine and I admire him and watch his work, and we're so lucky that he continues to work with Maui, and you guys are just doing incredible work. And imua, thank you.

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MS. SINGH: Thank you.

CHAIR VICTORINO: Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you, Chair. And good job to the Department, but I just, can you just real briefly explain what this project or program is? Because I don't quite understand. Mr. Guzman raised some questions.

MS. SINGH: CIT is anytime, CIT is basically a jail diversion program, so it started with, it started in Memphis 25 years ago and we went over there, got trained and we started training our officers and the different agencies within the County over here too, and a few outside of Maui County. When a person, usually when the person is to be in crisis and they commit some type of crime or something else, the main thing before was jail was the place to take them. So even if they had mental health issues. So what would happen is, say you went to a scene and the person committed a crime, and you will try to divert them, see if they need to go to the hospital, see if they need to take medication, or whatever. Basically it's a jail diversion program, and it doesn't mean that the charges are not going to be filed or anything else later, we work with, we have prosecutors that are trained in there, we also, the last class, we had Judge Bissen who got trained in it too. So it's like an ever expanding program. We're still kind of new, we just trained our fifth class couple of months ago, but we continue to want to do this. So basically, that's what it is, it's kind of like a jail diversion program.

COUNCILMEMBER COCHRAN: Okay, very good, excellent. Thank you for that explanation, and great job. Thank you.

MS. SINGH: Thank you.

COUNCILMEMBER COCHRAN: Thank you, Chair.

CHAIR VICTORINO: Thank you. You know, anytime we can avoid jails and help these youth, I think it's a big plus, anytime we can intervene, before it gets too far. And thank you guys, thank you, Sergeant Singh and all of the team, and all of our Police Department. Because many of them really do try hard to intervene before things get out of control, and I can say that with a lot of pride, I think our County has been in the forefront in this respect. So thank you very, very much. Any other discussion? If not, I'll make my recommendation.

COUNCILMEMBERS: Recommendation?

CHAIR VICTORINO: Okay. The Chair would entertain a motion authorizing, recommending the adoption of the proposed resolution entitled Authorizing Acceptance of the Donation of Six Apple iPad Air, 16 GB Tablets, Including Chargers and Covers, to the Department of Police, County of Maui, for the Use by its Crisis Intervention Team, pursuant to Chapter 3.56, Maui County Code, and the filing of County Communication 15-17. Mr. Couch?

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VICE-CHAIR COUCH: Thank you, Mr. Chair. I move to adopt the resolution entitled Authorizing Acceptance of the Donation of Six Apple iPad Air, 16 GB Tablets, Including Chargers and Covers, to the Department of Police, County of Maui, for Use by its Crisis Intervention Team, pursuant to Chapter 3.56, Maui County Code, and filing of County Communication 15-170.

COUNCILMEMBER BAISA: Mr. Chair, I second the motion.

CHAIR VICTORINO: It is moved by Mr. Couch and seconded by Ms. Baisa to accept the, for the motion recommending the adoption of the proposed resolution entitled Accepting the Donation of the Six Apple iPads. Any further discussion? Seeing none, all those in favor, say "aye"?

COUNCILMEMBERS: "Aye."

CHAIR VICTORINO: All opposed? Let the record show nine ayes, no opposition.

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

NOES: None.

EXC.: None.

ABSENT: None.

ABSTAIN: None.

MOTION CARRIED

ACTION: Recommending ADOPTION of resolution and FILING of communication.

CHAIR VICTORINO: Thank you very much. And good, luck Sergeant Singh, and to the intervention team with these iPads, and hopefully they will help you do a better job and help you continue your track.

MS. SINGH: Thank you. And thank you everybody.

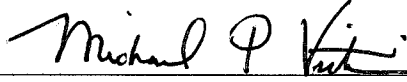
CHAIR VICTORINO: You're more than welcome, Sergeant Singh. That was our last item for today ladies and gentlemen, so with no objections, this meeting of the Policy Intergovernmental Affairs Committee is now adjourned. . . .(gavel). . .

ADJOURN: 10:33 a.m.

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APPROVED:



MICHAEL P. VICTORINO, Chair
Policy and Intergovernmental Affairs Committee

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Transcribed by: Kisha Tam

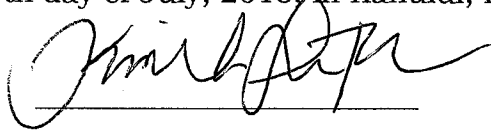
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CERTIFICATE

I, Kisha Tam, 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 19th day of July, 2015, in Kahului, Hawaii

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

Kisha Tam