

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

MINUTES

April 14, 2016

Council Chamber

CONVENE: 9:03 a.m.

PRESENT: Councilmember Riki Hokama, Chair
Councilmember Robert Carroll, Member
Councilmember Elle Cochran, Member
Councilmember Don Couch, Member
Councilmember Stacy Crivello, Member
Councilmember Don S. Guzman, Member (in 9:30 a.m.)

EXCUSED: VOTING MEMBERS:
Councilmember Mike White, Vice-Chair
Councilmember Gladys C. Baisa, Member
Councilmember Michael P. Victorino, Member

STAFF: Michele Yoshimura, Legislative Analyst
Steve Selee, Legislative Analyst
Shelly Espeleta, 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.: Marci Sato, Budget Specialist V, Budget Office, Office of the Mayor
Stewart Stant, Director, Department of Environmental Management
Michael M. Miyamoto, Deputy Director, Department of Environmental Management
Eric Nakagawa, Chief, Wastewater Reclamation Division, Department of Environmental Management
Michael Ratte, Chief, Solid Waste Division, Department of Environmental Management
Michael Kehano, Assistant Chief, Solid Waste Division, Department of Environmental Management
David Taylor, Director, Department of Water Supply
Paul Meyer, Deputy Director, Department of Water Supply

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Jeffrey T. Ueoka, Deputy Corporation Counsel, Department of the Corporation
Counsel

OTHERS: Susie Thieman, Executive Director, Lokahi Pacific
Mitch Skaggerberg, President, Maui County Veterans Council

PRESS: Akaku: Maui Community Television, Inc.

CHAIR HOKAMA: . . .*(gavel)*. . . We shall bring the Council's Committee on Budget and Finance to order. Today is April 14, 2016. Present this morning for the Committee is Mr. Carroll.

COUNCILMEMBER CARROLL: Good morning, Chair.

CHAIR HOKAMA: Ms. Cochran.

COUNCILMEMBER COCHRAN: Good morning, Chair.

CHAIR HOKAMA: Mr. Couch.

COUNCILMEMBER COUCH: Good morning, Chair.

CHAIR HOKAMA: Ms. Crivello.

COUNCILMEMBER CRIVELLO: Good morning, Chair.

CHAIR HOKAMA: We excuse Ms. Baisa, Mr. White and Mr. Victorino. They're on Oahu fighting for our TAT and Mr. Guzman is also excused. Please turn off all your noise-making devices to silent or off mode, please. Before we start our day's review, we shall take public testimony from those interested in sharing thoughts with the Committee regarding the Fiscal Year 2017 Budget Proposal. This morning we'll ask Susie Thieman if she would please come forward. Please state your name, if you represent an entity, share that with us, and you have three minutes to share your thoughts.

. . .BEGIN PUBLIC TESTIMONY. . .

MS. THIEMAN: Thank you very much. Good morning, Budget Chair Hokama --

CHAIR HOKAMA: Good morning.

MS. THIEMAN: --and Councilmembers. Thank you for being here and taking the time to listen to testimony like I'm giving. I'm here, I'm Susie Thieman, I'm here on behalf of Lokahi Pacific and the Mokuahau Affordable Housing Subdivision that we're building. Just a little bit of background on Lokahi Pacific. We're an established nonprofit housing agency, a community development corporation, otherwise known as a CDC, and a designated home CHDO, which is, stands for Community Housing Development

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Organization, with a mission to improve the quality of life, both economically and socially, of residents to the County of Maui. With goal-oriented vision and broad collaboration, Lokahi Pacific develops sensible and successful projects that enriches the economic climate of the County, increases the inventory of affordable and special needs housing and ensures that residents participate in that enrichment and share in its benefits. And we do that by the properties that we offer, like the Business Incubation Program at the Pono Center, the _____ offices and the Commercial Kitchen, the apartment rentals that we have for the mentally and physically challenged, as well as low-income rental apartments, the office building, which houses three nonprofit agencies, and, of course, the affordable housing, which I'm here to talk about today. As you know, we're currently in the process of building an affordable housing subdivision in Wailuku. We have what we consider to be a serious problem. When we accepted the County's affordable housing grant of \$2 million to purchase the property and do the civil work, we had estimates that indicated that all of this could be accomplished with this amount of money. As our plans progressed through the various County departments, one of the departments made a requirement that put this project more than \$200,000 over budget. The Department of Water Supply is requiring us to extend an 8-inch waterline that they installed up the street from our property sometime ago and left our block on the old 6-inch waterline. In order for them to approve of our project and our plans, we were put in a position of accepting this requirement and the associated cost to do this work and to install this waterline and connect it to several people's properties between the start of that project and our property. When the bids came in for this offsite water project, the low bid was \$219,000. I'm happy to say that we have financing for this amount in the overall budget that was financed, is being financed by Bank of Hawaii for the total construction of this project. Now that sounds like the problem's solved, but it's not. If we accept that money and build this with borrowed money, we must increase the price of the house to the buyer by \$14,000 each house. This may disqualify some of the buyers that we have ...

CHAIR HOKAMA: You can finish your comments on ...

MS. THIEMAN: Okay, I'll hurry, thank you. I believe many of you were here in November when I talked to the Housing and Human Concerns Committee about this problem. Many of you had said, we need to help you and that's what I'm looking for is that help. I mentioned in earlier comments at that time that the Department of Water Supply offers a rebate program on this type of work. That amounts to \$81,000. So if you take that away from the 219,000, the total cost to us would be \$137,000; however, that rebate comes in the form of, it's a 50 percent reduction, according to their calculations of what they pay for, that comes in the form of 5-year, once-a-year payments so, and it starts a year after the property is finished. That does not help us with the purchase price of the house. I'm here to ask for your help. Please, these people need affordable housing. They're lined up, they're ready to go, that 14,000 could make a big difference to them. And one last thing, if I might, did I understand that the Department of Water Supply is looking for an increase in price in the water meters in this next budget year?

CHAIR HOKAMA: They are making a proposal to this Committee, yes.

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MS. THIEMAN: Okay. That, of course, would be another issue for us because we're looking at the \$6,000 now. If that increases, it's another cost we have to pass on. Thank you for listening to me and I hope you can help us --

CHAIR HOKAMA: Okay.

MS. THIEMAN: --help them.

CHAIR HOKAMA: Thank you for your testimony. Any questions, Members? Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair, and thank you, Ms. Thieman, for being here. The question I have on the water meters, if, for whatever reason, you're able to get some sort of assurances or some sort of raising of funding, whether it's through us or through somebody else, prior to July 1st, can't you just say, okay, we want to get the water meters?

MS. THIEMAN: I tried that. When I first heard that that was a possibility, I contacted the folks over at the Water Supply Office and they said they don't take reservations for water meters in Central Maui. We just have to order them when we're ready for them 'cause they'll put 'em on their list immediately to go out and install. I don't know if we can work something out with them for this special case or not.

COUNCILMEMBER COUCH: Okay.

MS. THIEMAN: We will certainly try.

COUNCILMEMBER COUCH: Alright. Thank you, Chair.

CHAIR HOKAMA: Thank you. Any other questions by the Members? We appreciate your comments and we will see what we can do to assist --

MS. THIEMAN: Thank you very much, I appreciate --

CHAIR HOKAMA: --this worthy project.

MS. THIEMAN: -- your consideration --

CHAIR HOKAMA: Thank you so much for being here.

MS. THIEMAN: --on behalf of our buyers. Thanks.

CHAIR HOKAMA: Okay. Is there anyone else wishing to provide testimony this morning before this Committee? Come forward, state your name for the record and give us your thoughts, please.

MR. SKAGGERBERG: Good morning. My name is Mitch Skaggerberg, President of the Maui Veterans Council. I wanted to ask that, we've had a budget of \$9,000 for each of the last few years but we're asking for a supplemental addition to that this year because of

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some extraordinary events that are going on. Number one, we're going to have a huge parade in Honolulu that all the neighbor islands are going to be involved in, and hopefully all the mayors. That's going to happen within nine months. It's going to require quite a bit of travel expense. Our Council's also undertaken four major events in the last year that we need extra help for. One is the dedication of the expansion of the cemetery, which is going to be happening in about eight months. We're also, have taken it upon ourselves to do the World War II monument that's long overdue. That's going to be some other cost in putting that on. We also are, let's see, we've had two or three outreach programs that we've started this year, the most important one, to the homeless veterans. And we're kind of penny-pinching to do a right job. We have more demand than we can and that will be a part of it. We are also, starting next fiscal year, trying to figure out a way how to raise money on our own for that event as well. To this day, we've helped five homeless veterans get housing, one back in college. This is something that's a high priority for us and we want to continue it and expand it. The County Fair booth, we've had to drop out of that because of the cost of it, \$9,000 doesn't go a long way, especially with that booth, it's probably about 1,000 to \$1,200. We want to get back into it because that's a good way to reach our youngest veterans, the Afghan and Iraqi veterans. And you've all seen that, probably, display over the former years. We really need to do that and we need your help for that. Lastly, we're getting a lot of demands from the Wounded Warrior Program. We've hosted two Wounded Warriors this last year. We expect three or four this year. So that means getting 'em out on canoes, Ron Bass is helping us there, and, perhaps, even Parks Department said we should do that on our own. So we're getting \$9,000 now under the Mayor's Budget but this year, because of all these extraordinary events that we are taking on for the first time, we're asking you to up that to 18,000, in other words, giving us another 9,000, and that's a one-time only, next year we won't have all these things converge at the same time. And we want to thank you for your appreciation of what we do, of coming to our events, and it's always good to see you and give a report. Things are going better than ever. We're doing more work than ever and, you know, the average age of our Council now is 70 years so some of you can appreciate doing a lot more and getting older is a real challenge. But bless you for all the work you're doing.

CHAIR HOKAMA: Thank you.

MR. SKAGGERBERG: Any questions?

CHAIR HOKAMA: Questions for the gentleman? Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you. And good morning, Mr. Skaggerberg, nice to see you. There is another line item for \$4,000 for cemetery work in Lahaina. Is that affiliated with your group --

MR. SKAGGERBERG: No.

COUNCILMEMBER COCHRAN: --with Mr. Paul Laub, no?

MR. SKAGGERBERG: Yeah.

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COUNCILMEMBER COCHRAN: Okay, that's a separate thing?

MR. SKAGGERBERG: That's the Western ...

COUNCILMEMBER COCHRAN: West Maui --

MR. SKAGGERBERG: Yeah, West Maui --

COUNCILMEMBER COCHRAN: --Council?

MR. SKAGGERBERG: --group, yeah.

COUNCILMEMBER COCHRAN: Okay, alright, thank you.

MR. SKAGGERBERG: The big thing we're doing, is long overdue, is we've put together some money for the World War II monument, which we're hoping to actually dedicate this July 4th.

COUNCILMEMBER COCHRAN: Okay.

MR. SKAGGERBERG: It's in the process of being made now.

COUNCILMEMBER COCHRAN: Okay, very good.

MR. SKAGGERBERG: Thank you.

COUNCILMEMBER COCHRAN: Thank you for all your work.

MR. SKAGGERBERG: Okay.

CHAIR HOKAMA: Any other questions for the gentleman? Thank you for your testimony --

MR. SKAGGERBERG: Thank you.

CHAIR HOKAMA: --this morning. We'll go to our Hana District Office and ask Ms. Lono if anyone wishes to provide testimony?

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

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

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

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

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

CHAIR HOKAMA: Thank you, ladies, for your assistance. Members, there being no further request for testimony before this Committee, testimony shall be closed for today's meeting with no objections.

COUNCILMEMBERS: No objections.

CHAIR HOKAMA: Thank you, Members, so ordered.

. . .END OF PUBLIC TESTIMONY. . .

**ITEM 1: PROPOSED FISCAL YEAR 2017 BUDGET FOR THE COUNTY
 OF MAUI (CC 16-29)**

CHAIR HOKAMA: This morning we're going to start off with the review of Capital Improvement Program request from the Department of Environmental Management. We're going to focus more on the Wastewater component first, before we go to Solid Waste. So we'll ask our Director, Mr. Stant, if he has any opening comments as it regards to his Department's Capital Improvement Program.

MR. STANT: Thank you, Mr. Chair, and good morning, Councilmembers. Just, thank you for having our Department here this morning to discuss the Capital Improvement Program. I do have the Division Chiefs here for discussion and questions, not only on our FY '17 proposed but also on current projects that's happening now. Thank you.

CHAIR HOKAMA: Okay, thank you. I was remiss not to introduce Ms. Sato, who is joining us this morning, Members.

MS. SATO: Good morning, Chair. Good morning, Councilmembers.

CHAIR HOKAMA: Thank you for being here. I think she'll make it more pleasant for us than Mr. Baz so we appreciate the change of venue. Mr. Nakagawa, why don't you start off with your first project you'd like to review and give us a page reference?

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CAPITAL IMPROVEMENT PROJECTS

DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

MR. NAKAGAWA: Alright. Good morning, Chair, and good morning, Members. My name's Eric Nakagawa.

CHAIR HOKAMA: Mr. Nakagawa, you gotta speak up in the mic 'cause Mr. Carroll is depending on you to get the page number right for his review.

MR. NAKAGAWA: Alright. Good morning, Chair. Good morning, Members. My name's Eric Nakagawa, Wastewater Division Chief. So the first project we have is on Page 700 and it's Project No. CBS-1119, and it's the Countywide ...

COUNCILMEMBER COCHRAN: No, no.

MR. NAKAGAWA: Wrong? Oh, yeah, but, okay. I apologize.

CHAIR HOKAMA: No problem.

MR. NAKAGAWA: I guess mine is wrong. I must have not got the update. Mine is...so right now we are on Page 724.

CHAIR HOKAMA: Seven twenty-four, Members.

MR. NAKAGAWA: Project No. CBS-1119, it's the Countywide WWRF Consent Decree, I guess, facility project. So what happens with this project, as a reminder or as a summary, is that we have a bunch of projects that we do within our facilities, Countywide. We have five different treatment facilities, Kihei, Lahaina, Kahului, Molokai and Lanai. And this project kind of encompasses all of those, those internal plant upgrades and replacement improvements that we need and this year we have some electrical system upgrades in our Lahaina and Kahului facility. We have some building kind of maintenance, renovation, painting project in there. We also have some headworks and chlorine mixing building repairs in our Kahului facility. We also have some Kihei Pump Station within our Kihei facility. And our last project, we also have some improvements to our aeration system within our Kahului aeration basins. So, of this, out of these five projects, this is what the 1.6 million is for.

CHAIR HOKAMA: Okay. You have a list of what you using this year's money on? The 2 million we gave you for this year, Mr. Nakagawa? You have a list of the projects that you using this current year's money for?

MR. NAKAGAWA: The current year's money for Fiscal Year '16, yes, we do. And that one was, we had a Countywide SCADA upgrade. That was kind of the majority, bulk of that money. I think the, it's a design, construction fund so a quarter of that money went to, or little less went to the design and we still have slated for the construction of that project. We also had some diffusers that we bought for the Kihei facility as well as some miscellaneous building repairs, painting and that kind of stuff, in our Kihei

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facility. So that was the, that's what the 2 million is encumbered for for this current fiscal year.

CHAIR HOKAMA: You know what would be, to make things move faster for both you and us as we move forward, maybe for next year, ahead of the review, send us the list of what you've done with the current year's monies.

MR. NAKAGAWA: Oh, yeah, perfect, yeah, that's a great suggestion.

CHAIR HOKAMA: And give us, just a, you know, the monies encumbered, this is where we at, you know, we waiting for bid opening or something, you know --

MR. NAKAGAWA: Yeah, definitely.

CHAIR HOKAMA: --or notice to proceed in 30 days.

MR. NAKAGAWA: Okay.

CHAIR HOKAMA: That would make it so we can, you know, that'll make it easier for you guys too.

MR. NAKAGAWA: Yeah. Okay, thank you, Chair. Yeah, I'll do that next year.

CHAIR HOKAMA: Okay, so, I, from what we hear then, from the current year, there's no, you going to encumber everything, right?

MR. NAKAGAWA: Oh, yes, definitely. I think, in my 15 years, I had like, maybe, two projects that we kinda didn't encumber. One was 'cause of a lawsuit.

CHAIR HOKAMA: Okay, no, and again, because we going through the, you know, as we go through our reports, you know, we show un-encumbrances and whatnot so we're concerned nothing's, what's happening --

MR. NAKAGAWA: Yes.

CHAIR HOKAMA: --because the money's not being --

MR. NAKAGAWA: Yes.

CHAIR HOKAMA: --from our perspective, you not capturing it so it's like, is it stalled, is your project stalled, did something else happen that you no more time for divert to this projects now, that another project has higher priority? So part of that reporting to us back for next year would help us be able to make more sense with the financial reports we get --

MR. NAKAGAWA: Yeah.

CHAIR HOKAMA: --from Finance at whatnot.

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MR. NAKAGAWA: Okay. Will do, Chair.

CHAIR HOKAMA: Thank you. Ms. Crivello, any questions on this project?

COUNCILMEMBER CRIVELLO: Is this in regards to the Countywide, regarding the Consent Decree, Wastewater Reclamation Facility, no? Is this what it's, this monies are for?

CHAIR HOKAMA: Mr. Nakagawa?

MR. NAKAGAWA: Yes, Ms. Crivello, that's exactly what it's for.

COUNCILMEMBER CRIVELLO: So without going into, you know, generically, what does the Consent Decree request of the County as far as the equipment or replacement materials?

MR. NAKAGAWA: Yeah, Chair. Yeah, so the Consent Decree, if we can all remember, in the '90s we, unfortunately, all of our infrastructure started failing and we had a bunch of spills that went out into the environment and the result from that, we ended up under this Consent Decree in 1999 and we basically went on for the next 15 years, roughly, under this Consent Decree, which allowed us to establish programs and allocate resources to really beef up our infrastructure as well as our staffing, resources, everything, so that we operated in a more efficient and more proactive way. And what happened is we recently, I think we already came before this body and we recently, I think it was two years ago now, we, in year '14, we actually ended our Consent Decree but the, what happens is, even though we're not under, legally, the Consent Decree, the programs continue so that we don't fall back to where we were in the '90s.

COUNCILMEMBER CRIVELLO: So this 1.6 million is basically just to rehabilitate and replace existing equipment or systems?

MR. NAKAGAWA: Yeah, Chair. Yeah, so, that's exactly what it's for.

COUNCILMEMBER CRIVELLO: Okay, thank you.

CHAIR HOKAMA: Thank you. Mr. Couch? Ms. Cochran?

COUNCILMEMBER COCHRAN: No.

CHAIR HOKAMA: Mr. Carroll? The Chair has to make a correction on himself. I was half right, half wrong, okay. And so, the Department does give us status and I forgot that I asked for a Countywide status of all projects so Department of Management, through Mr. Regan, responded to the Committee under MD-1, BF-1, where the departments assisted this Committee with giving us a status as of December 31st of their projects within their areas of responsibility. And there you will find the 2016 projects, as Mr. Nakagawa indicated, the SCADA projects, and again, this is CIP money so it's supposed to be for capital improvements. This is not operational or R&M monies, okay. So you can refer to that and I would say, Mr. Nakagawa is right, everything is

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geared to be fully encumbered in about September/October. So that means that they're following their process of getting toward construction. Mr. Nakagawa, as the Members are moving forward and looking for ...

MR. NAKAGAWA: Alright. So the next project ...

CHAIR HOKAMA: If you can give us the next project number?

MR. NAKAGAWA: Yeah, next project number is CBS-1128, Countywide Wastewater System Modifications, and that's on Page 726. And, basically, this is the one that we've been experiencing fluctuations. This is, every year we come in, and we've been experiencing fluctuations in the bidding climate as far as construction, as well as design services. So what we established about, I don't know, maybe about eight years ago now, is this means of, in case all, there is any type of bid overruns, that we were able to still encumber the funds, still allow us to do the projects and go ahead with those projects and so this is a continuation. And this year, last year it was half a million dollars but we expended that within the first six months of our fiscal year. So this year we, because construction we've experienced is kind of ramping up, our bids have been coming in high on the design and construction side. So we kinda bumped it back up to 1 million. We thought maybe we could draw back because construction started slowing down but then we ran into problems and so we kinda had to increase it back to what it was at \$1 million.

CHAIR HOKAMA: Mr. Carroll, questions, sir, on this request? Ms. Cochran? Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. Mr. Nakagawa, if you've expended the last year's appropriations, have you been able to come in for a budget amendment?

MR. NAKAGAWA: Yes, Chair.

CHAIR HOKAMA: Mr. Nakagawa?

MR. NAKAGAWA: We did come in for one. That was for a filter project, if you remember, and that was recently approved and taken care of. The paperwork's all being done. However, I guess, because it's already, I guess, just process-wise, because we're already in the proposed for this year's budget, by the time we meet and everything, I just, I think it wasn't, I guess, time necessary, you know what I mean, to come in for another amendment because it wouldn't be heard until, it would be too late so that's the drawback of that one.

COUNCILMEMBER COUCH: Okay. Thank you, Chair.

CHAIR HOKAMA: Ms. Crivello?

COUNCILMEMBER CRIVELLO: No questions right now. Thank you.

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CHAIR HOKAMA: Thank you. So, Mr. Nakagawa, one of the things that we would ask you and that is part of the rationale, Mr. Couch, if you recall, why it, last year we made adjustments on requests --

COUNCILMEMBER COUCH: Right.

CHAIR HOKAMA: --was that we wanted to know what is that environment out there? What is the challenges facing people like Mr. Nakagawa to do projects? But for this Chair, you guys definitely know, there's a line where I won't cross where I will feel that the bid is more than the project is worth and I won't spend the money. So, you know, part of it is for them to have their flexibility but if it goes over a certain amount, we really gotta think about, do we want to do the project now at that price? And we know that the contractors are busy and so their prices is not lean and mean, it's, you want the job done, we can do it but this is your price, make up your mind, okay. We welcome Mr. Guzman.

COUNCILMEMBER GUZMAN: Good morning, Chair.

CHAIR HOKAMA: Mr. Guzman, we're on Page 726 of CIP with Wastewater and Environmental Management. So, Mr. Nakagawa, at this point in time, what are your facing? Thirty percent exceeding project estimates? Fifty percent? What are some of the challenges you see in the bidding environment that would have us look at this, to support your request?

MR. NAKAGAWA: Yes, Chair. Yeah, we've been, I mean, I can get the exact numbers 'cause we have 'em but the --

CHAIR HOKAMA: Yeah, just give us a range.

MR. NAKAGAWA: --it has been --

CHAIR HOKAMA: You know --

MR. NAKAGAWA: --fluctuating between ...

CHAIR HOKAMA: --just give us a range, don't have to be just --

MR. NAKAGAWA: Yeah.

CHAIR HOKAMA: --for this project but you know ...

MR. NAKAGAWA: It has been fluctuating between that 30 to sometimes 50 percent. I mean, it all depends on the type of project --

CHAIR HOKAMA: Right.

MR. NAKAGAWA: --and the complexity of that project.

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CHAIR HOKAMA: Right, right.

MR. NAKAGAWA: And the fortunate part, you know, even though bids will continue as construction climates goes up and down we only have, really, a handful of contractors can, that can do our work. And so, their prices will go up and down but at least it's not Joe Shmoe's, who can just bid, oh, I'll just do it for this, you know what I mean, like, it's pretty specialty work, so.

CHAIR HOKAMA: And that's the kind of information that helps this Committee. That's why we need you to share that, that, you know, what is your environment? So if you're telling us, it's not like there's thousands of contractors that can do this job, so we can kind of pick and choose, but if you have a selected field and, you know, there's only six companies and all six currently are all scheduled at full, you know, of course, I understand what the bid's gonna come back. So, yeah, and so we appreciate you letting us know that, what are, your challenges are regarding this. Members, any further questions needed on Project 1128? Okay, Mr. Nakagawa, next?

MR. NAKAGAWA: Alright. So the next project is Project No. CBS-1132 and it's the Countywide EPA Compliance Project. This project...oh, on Page 727. And this project is another project that we established through our Consent Decree back in the years and what this actually did was allow us to go ahead and inspect all of our gravity sewer lines where we, I think, if last year, for Fiscal Year '16, we did a big Countywide CCTV project, which, where we send in a camera into all the lines that we felt that was priority lines or we thought that might be in, deteriorating. And so we, with last year, Fiscal Year '16 money, we sent out a contract and we were filming 90,000 feet, majority of that footage is in the Wailuku-Kahului area and with this money, we're, this \$500,000, we plan on replacing a bunch of those lines and we're, what we're finding is, it's not complete yet, it'll be done in two months, but majority of the deterioration is in the Wailuku-Kahului area. And so this 500,000 will allow us to probably replace roughly around, unfortunately, only about 1,000 to 1,500 feet of line. And so this number may go up and down in the future, depending on how much more lines we need to replace.

CHAIR HOKAMA: Okay, thank you. Too bad that picture's not one gold-lined tunnel.

COUNCILMEMBER COUCH: Yeah.

MR. NAKAGAWA: This is, Chair, this is a great picture for, and even what you cued on, I think when it was ABC, about our fats, oils and grease, and that's really a picture of fats, oils and grease and that's how it builds up from the residents, clogs our lines and then ends up in spills so, just kinda FYI.

CHAIR HOKAMA: No, no, thank you. I mean, that's, you need to help educate us so we can make best decisions. Mr. Guzman, any questions?

COUNCILMEMBER GUZMAN: I'm okay. Thank you, Chair.

CHAIR HOKAMA: Ms. Crivello?

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COUNCILMEMBER CRIVELLO: I'm okay. Thank you.

CHAIR HOKAMA: Mr. Couch? Ms. Cochran?

COUNCILMEMBER COCHRAN: Not at this time.

CHAIR HOKAMA: Mr. Carroll? Okay, thank you, again. So is this, you currently finishing your closed circuit project and then you're also asking us to upgrade your closed circuit components, right, your equipment, I think, when we went through your Division's review?

MR. NAKAGAWA: Yes.

CHAIR HOKAMA: Okay, okay, got it. Next project, please, Mr. Nakagawa?

MR. NAKAGAWA: Alright. Next project is Project No. CBS-2732 and it's the Countywide Satellite Recycled Water Facilities and this is on Page 728. And this 200,000 is basically for the planning stage and what we want to do with this is we, in our dealings with EPA and DOH and you all, from the community, is we're trying to see if we can strategically place scalping plants. And what that does is allow us to strategically put these satellite facilities in areas, such as next to the golf course, where we already have infrastructure there. And it allows us to treat the water right where the water is needed and then irrigate either the golf course, Keopuolani Park, the new Central Park that's coming ahead. And so what this study will identify is, really, first, is that possible, how much is it going to cost and where can we strategically put those type of facilities? And we've been, last year we've been, we did travel to different areas and it, I guess, nationwide, it kinda is already happening. They're all under the same problems we are in that everything was built as a centralized treatment plant. Those plants are either, in their cases, it's really their land constrained so they can't expand their capacity, so what they're doing is doing satellite facilities. In our case, what we're facing is trying to utilize that water, kinda like Kauai. Kauai has a bunch of satellite facilities next to their golf courses and so they're able to reuse pretty much 100 percent of their water. And in this facility, that's kinda what we're doing with this project and hopefully, like one perfect area we're thinking about is like, Wailuku Pump Station, it's right on the water, it's right next to the harbor, we can remove it from the ocean, hopefully put it right next to Keopuolani Park and allow us to irrigate the entire park as well as UH-MC and all the areas right around there. And I think they could probably, according to our verification studies in R-1, it's, I think they use possibly about a million gallons throughout all the different areas over there. So that's kinda example of what this funds is going to be used for.

CHAIR HOKAMA: Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. So you're saying that these satellite facilities can clean the water to R-1 standards?

CHAIR HOKAMA: Mr. Nakagawa?

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MR. NAKAGAWA: Yes. Yeah, Mr. Couch, yes, that it correct. And so what happens with these facilities is they have two different types, is they have a full facility where they treat the solids and everything but the one we're looking at is really that you treat the water to R-1 standards and then you pass the rest of the solids back down to our centralized facility because it reduces the cost of that satellite facility, as well as, and then we already have infrastructure to take care of the solids at our centralized plants.

COUNCILMEMBER COUCH: Okay. Thank you, Chair.

CHAIR HOKAMA: Ms. Cochran?

COUNCILMEMBER COCHRAN: No.

CHAIR HOKAMA: Mr. Carroll? Mr. Guzman? Ms. Crivello?

COUNCILMEMBER CRIVELLO: I'm good. Thank you.

CHAIR HOKAMA: So the first area you would look at is that Keopuolani project, Mr. Nakagawa?

MR. NAKAGAWA: Yes, Chair, and, I mean, that's kind of what, when we kinda did a broad stroke over the County of Maui, that was one that, where there was kind of multiple criteria's with Wailuku Pump Station is right on the ocean and we just went through a revetment project that you guys approved and we're done with the Kahului Facility but then we just felt that, you know, because of the, we didn't want to harden over there so we're looking at maybe pulling that station back and it's in a distance that's pretty easy. And, fortunately, we have a big park right next to it, as well as UH-MC, that takes a lot of water also so, or it could possibly take, and so we're just looking at a broad stroke over Google Maps and, you know, what different facilities where we have existing infrastructure, that would be a perfect place first and a good starter.

CHAIR HOKAMA: I think you folks are looking in the right direction, definitely, getting away from the ocean, reducing impact on the total system. I'm kinda interested in this. Mr. Couch, you have a question?

COUNCILMEMBER COUCH: Yes. Thank you, Chair. The, looking forward to the FY 2021 and 2022, you show 2 amounts of \$12.5 million on each. Is that for just one station or is that anticipated several, how many stations is that going to be for?

CHAIR HOKAMA: Mr. Nakagawa?

MR. NAKAGAWA: Yes, Chair. Yeah, Mr. Couch, the, I think when we, if you do a rough rule-of-thumb, we kinda came out with that 20 to 25 million range but because of the, we have a 20-year CIP plan that is already slated for like force mains and other pump stations, we realize that we cannot burden everything in one year and so we try to spread it out so that sewer rates and that kind of stuff is not, doesn't spike up because of one project.

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COUNCILMEMBER COUCH: And on the study, I know you're talking about Keopuolani Park, but it's my understanding we do brackish water at Keopuolani Park. Wouldn't it be better to find a place to replace potable water? I'm sure there's places where we're having issues in West Maui potentially or even, I know Wailea, down in that area, is using potable water a lot to try and save potable water. You kill two birds with one stone kind of thing.

CHAIR HOKAMA: Mr. Nakagawa?

MR. NAKAGAWA: Yeah, Chair. Yes, and that is the different factors that we'll probably look into but as the Chair said, that was just, it's not set in stone, we're not looking at one area, we're looking at entire County of Maui. But it was just because we got done with the revetment project. We were just thinking like, this would remove the pump station out of the tsunami zone, pull it in, you know what I mean, so there's multiple benefits from our end as far as just wastewater --

COUNCILMEMBER COUCH: Right.

MR. NAKAGAWA: --that we would probably have to invest additional capital improvements to, just to, you know what I mean, to keep it running, so. But you are right, we are, we're not focused on one area, it is going to be Countywide and so they would identify a bunch of different areas with the criteria's that we set forth.

COUNCILMEMBER COUCH: Thank you. Thank you, Chair. Yeah, then I guess that would be kind of a policy thing that we would probably have to deal with, given as much information. Do we replace, do we move something that's close to the shoreline, which is very important, versus replacing some potable water uses so we can save potable water.

CHAIR HOKAMA: I would say the assessment that the, this is what they asking for, assessment money.

COUNCILMEMBER COUCH: Yeah.

CHAIR HOKAMA: Okay. So once an assessment is done, we'll figure out what is the lay of the ground, the terrain, we'll get a better scope of what the challenges are, and then we'll see what their potential project sites are, estimated costs, impacts, we'll look at a potential cost benefit ratio. But I hear your point about the potable water but I will also say, from this Chair's perspective, we have to try and make sure that Kahului does not shut down --

COUNCILMEMBER COUCH: Right.

CHAIR HOKAMA: --because it is the commercial business core of this whole County, the harbor, the airports, the banking. We cannot have Kahului shut down.

COUNCILMEMBER COUCH: Right.

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CHAIR HOKAMA: This whole County will stop.

COUNCILMEMBER COUCH: Yeah.

CHAIR HOKAMA: Okay. So it has, for me, certain other requirements of why we have to look at it potentially in a, from a governance point-of-view also --

COUNCILMEMBER COUCH: Right.

CHAIR HOKAMA: --and what it takes to run this County. So I just share that and that is why I'm open to this assessment --

COUNCILMEMBER COUCH: Yeah.

CHAIR HOKAMA: --'cause I think, you know, eventually we gonna have to make choices but the key is then how do you fund it, yeah, so. Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you, Chair, and thank you, Department. So these scalping plants, is that the same thing as satellite recycled water facility and scalping plant, are they the same thing?

CHAIR HOKAMA: Mr. Nakagawa?

MR. NAKAGAWA: Yes, Chair. Yeah, there's various names for it and I just called it a scalping because it's one word, I mean, it's easier to say than the satellite recycled.

COUNCILMEMBER COCHRAN: Right.

MR. NAKAGAWA: But technically it's called, it's kinda like a scalping plant because you're, basically what you're doing is you're, all the flow is going down to your central facility and you're just scraping some of that, you're just scalping some of that. So whether it's, like right now, we have an average of around 4 to 5 million gallons of raw sewage going to our Kahului facility. Depending on the need of Keopuolani Park, let's say they need 1 million gallons, we would scalp, you know, 1 million gallons from there and we could utilize it, get rid of it, pass the solids back down.

COUNCILMEMBER COCHRAN: Right. And, okay, thank you, just wanted clarification on that. But, so is this something that you, it's completely a new build or do you add something to the pump stations along the force mains and those things in order to accomplish this or you have to build entirely new whatever system or hub or, you know, at each point?

CHAIR HOKAMA: Mr. Nakagawa?

MR. NAKAGAWA: Yes, Chair. Yes, and so what would happen is if, for instance, let's just take an example, if we did move in the Kahului Pump Station, what we would do is re-divert that gravity flow, if possible, to our facility and then you would actually build

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a treatment plant with a smaller station, pump station, that will allow us to pump that, continue to pump that water. And so, but, you know, it's really the preliminary stages, we know it's done throughout the nation. What we'd like to do is make sure we're not the first to doing things. And what I'm happy to do is, like the Chair was mentioning earlier, is that when we're done with the study, we'll come before you guys, because it is a pretty new philosophy for us as, of County of Maui, even though it's done in the, throughout the nation. And we can just, we'll be able to show you guys, okay this is kinda what it entails, this is the philosophy behind it, here's our benefits, here's our pros and our cons and here's what kinda, fiscally, what it looks like it's gonna take and then we, as a community, can determine whether or not that's, you know, prudent or not.

COUNCILMEMBER COCHRAN: Okay. And thank you, but the reason why I ask is because I was kind of taken aback in your overall CIP projects, especially in regards to wastewater, that most of your focus is South Maui and Kahului while West Maui, I mean, are you feeling that West Maui we're pretty much up to speed and, you know, everything's good to go over there? And why I ask the question in regards to force main and pump stations is because you got four replace, you doing four force main replacements in West Maui and so would it be more feasible or whatever while you're designing that out to make those into scalping plants, whatever these facilities are, to expand the R-1 use in West Maui, in particular, heading North towards Kapalua or something? So that's kinda why I was trying to figure out how does that work and we're already going forward, you got execution of, design's done, contracts are in execution, so you really have the foundation already moving as in, you know, projects in West Maui currently. And, of course, we all know the litigation we're in. So that's why I'm trying to tie this in, if that's possible.

CHAIR HOKAMA: Department?

MR. NAKAGAWA: Yes, Chair. Yes, Ms. Cochran. Yeah, and so as far as the distribution of funds and the scheduling of where projects go as far as district-wise, I mean, Fiscal Year '16, we roughly, 50 percent of that money went to West Maui, majority, of course, went to our Stage 1A, the Wastewater Reclamation Facility, of getting that back up to the capacity that it's written down as and then also a bunch of pump station modifications and sewer force mains. So the way, and pretty much it's just a scheduled thing based on priority of our bigger studies that we come before you guys, and we just go systematically, we don't, we just make sure that it's pretty much evenly attacked, I guess, in, and to make sure that all of our infrastructure Countywide is addressed. And those priorities are just set by the conditions of the existing infrastructure that we get. And so if, and if, one year, it might be all of Kahului and then the next year it's all of Lahaina. I mean, it's just a priority on which, they all were built in different times and so they deteriorate differently depending on their conditions. So --

COUNCILMEMBER COCHRAN: Right.

MR. NAKAGAWA: --and then how that ties into your, as far as expanding, going north, we've, the first for us, that first task is really the recycled water tank that we're going to build

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mauka of the highway, yeah. And so, I think that's not 'til a little bit further 'cause we have the, already, the design funds, we're already proceeding with the design and I think that's about 40 percent done and I think this year is the year we ask for the, it's a little bit further but that's when we get the tank. Without the tank, it doesn't matter how you expand your distribution system. There's just not enough pressure to get them water --

COUNCILMEMBER COCHRAN: Okay.

MR. NAKAGAWA: --and so the first real build for the reliability and the, in the reclaimed water in West Maui is that tank.

COUNCILMEMBER COCHRAN: Is that coming up in this year's CIP?

CHAIR HOKAMA: You know what, we'll get to it when we get to it.

COUNCILMEMBER COCHRAN: No, so we are, it is in this year's, okay. Yeah, we'll talk more about that. Okay, thank you, Chair.

CHAIR HOKAMA: Anything else on this request? Mr. Nakagawa, next project?

MR. NAKAGAWA: Next, okay, next project, CBS-3213, this is Countywide Permit Compliance Project and this is on Page 730. And the idea behind this project is really water quality, monitoring, sampling and testing project. And as you all know, because of our lawsuit and the potential permits that we may have to get in the future and the continuing regulations getting tighter and tighter from EPA and DOH, what we wanted to do with this project is really see what would it entail to and how much money would it cost in order to acquire sampling, testing, as if we did have these type of permits. So that in the future what we can do, if we are required to go that route, how much will it cost us on an annual basis and what the reality is on that, fulfilling those permit requirements. And so, right now we're renegotiating our UIC permit. We have an application in for our NPDES permit and depending on where that goes, we may need this on an annual basis and we may not. So that's the whole background and the project description for this one project.

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

COUNCILMEMBER COCHRAN: Yeah, thank you, Chair. And so there's a \$50,000 grant which states, for water quality, sampling and monitoring. So how does that relate to this, if at all?

CHAIR HOKAMA: Mr. Nakagawa?

MR. NAKAGAWA: Yes, Chair. So that, it could relate, hopefully. The problem with that is, I guess, like when I explain about the grant is, is the lawsuit, and trying to figure out how and when can we procure those type of services through that grant. And that was, that grant was actually proposed to me through an individual who actually is going to retire this year from DOH so we put that in as a placeholder as we mentioned

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in ABC, in our ABC budget, but it's not necessarily guaranteed. And so, what we want to make sure is, we want to put out either an RFP or a proposal out there to figure out, you know, who these type of, who's out there and get a realistic, I guess, cost of how much it's going to be and then we can go ahead and try to see if we're going to actually pursue the actual sampling part. So like this, we're really, this will really tell us who's out there, what we're going to do and hopefully, possibly, even do the water sampling part. But, initially, we wanted to see what would it take in a bigger sense. It's kinda stepping back in a bigger picture.

COUNCILMEMBER COCHRAN: But this money, then, is it mainly for equipment that you'll be needing in order to carry out this, testing and monitoring?

CHAIR HOKAMA: Mr. Nakagawa?

MR. NAKAGAWA: Yes, Chair. What I envision is probably you hiring different consultants who already do it nationwide. You get a company who does it, who takes care of water 'cause we're not the only ones. I mean, nationwide, there's thousands of people who already have NPDES permits and I'm sure there's companies out there that already focused and do this fulltime. And from there, what we can do is, they can let us know, okay, this is the type of resources you're going to need. And I imagine maybe the next year we'll be able to come in with different types of equipment or whether we're just gonna...and my, what I'm thinking is, we're probably going to have, we'll sub it out at first to the professionals who do it all the time and then maybe in-house we'll be able to move towards doing it ourselves and procuring any type of equipment, any type of additional lab stuff that we need in order to do it. But, I am, just the top of my head, I'm almost positive this would be something that you actually sub out, just for QA/QC reasons, I mean, for regulatory reasons, but maybe, hopefully, we could do it in-house one day.

COUNCILMEMBER COCHRAN: Okay. Thank you, Chair.

CHAIR HOKAMA: Mr. Carroll, questions? Mr. Guzman? Ms. Crivello?

COUNCILMEMBER CRIVELLO: Thank you. No.

CHAIR HOKAMA: So hearing your response to Ms. Cochran's question, and that more than likely, you're gonna consider third-party contract, why wouldn't you ask me for this under Professional Services in your Division, Mr. Nakagawa, instead of a CIP proposal?

MR. NAKAGAWA: Yes, Chair. So Professional Services, because what, well, for this project, is, I have it under the Capital Improvement Project because it's a, to me, it's kind of a bigger encompassing project that includes, it's going to include all the different areas and the different facilities, so the way, in the Professional Services, I have, I think, slated \$70,000, whatever it is, in that one, ABC. And so what this does is whenever I've hired actual design consultants and that kind of stuff, it's always been through or any contractors, it's always been through CIP. So my, the Professional Services that

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we typically use for is really things that we've already established, like our rate models, our lawsuits that we had outside counsel.

CHAIR HOKAMA: Yeah, but, you know, until we create the project, there is no project, yeah. So, for me, I don't have a problem, you, for us to look at this under Professional Services if a project results from the use of that monies from your contract. I wouldn't see a problem why Finance through a ledger adjustment, shift that expense over to a capital cost, and then you still can capture that as part of your, you know, project because there is a project now.

MR. NAKAGAWA: Right. Okay, yeah, Chair. I'm totally open to that as long as somehow I can figure out...it's just been a, I guess whenever we came to ...

CHAIR HOKAMA: You know, 'cause, again, yeah, we're going to...because each project will be identified in the Budget that Council passes. So if there is no project, there is no project. We will have details and a narrative and a description of every project. So that's why I'm looking at this in a different manner because until you have one project to ask us for, I cannot see how we're --

MR. NAKAGAWA: Okay.

CHAIR HOKAMA: --going to justify this as a CIP request at this --

MR. NAKAGAWA: Okay.

CHAIR HOKAMA: --time.

MS. SATO: Chair? And I think that's something that we're trying to work with with Finance as well, just to identify components that, what can be capitalized and what is, shouldn't be capitalized.

CHAIR HOKAMA: Okay. And I know that, you know, this is some of the things we want to see in the upgraded financial reporting system that we are being asked to consider purchasing. So, you know, there are definitely things that we would like to see in the software capability to provide information that departments need and this Council needs to make financial decisions. Any other questions on this request, Members? Having none, Mr. Nakagawa, next project please?

MR. NAKAGAWA: Alright. So, next project is CBS-1160, and this is the South Maui Recycled Water System Expansion, and it's on Page 733.

CHAIR HOKAMA: Seven thirty-three, okay.

MR. NAKAGAWA: And, so this project, we are already in the design phase. We are gonna build a second 1 million gallon recycled water tank in the, right next to the existing 1 million gallon water tank. And right now, we basically go through our 1 tank once a day and so what this will allow us to do is have the necessary redundancy, as well as in case any equipment failures or whatever, we still have enough water for the existing

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users and this also will actually help us operationally because it'll allow us to pump water to our tank during the day when we are off the grid from our PVs from, that we recently completed a few years back. And so we'll utilize that savings from the PV, the electrical use, and then pump up this. So it also has operational savings. And then, this also allows us to, we have this certain fire hydrants that we have throughout South Maui and what this does is allow us to meet that fire requirement as far as the, I guess, fire pressure and that kind of stuff.

CHAIR HOKAMA: Okay. Mr. Couch, you have questions of this project?

COUNCILMEMBER COUCH: No.

CHAIR HOKAMA: Ms. Cochran?

COUNCILMEMBER COCHRAN: No, Chair.

CHAIR HOKAMA: Mr. Carroll, questions? Mr. Guzman? Ms. Crivello?

COUNCILMEMBER CRIVELLO: No.

CHAIR HOKAMA: We are getting revenue, right, from your R-1 distribution, out of this system right now, Mr. Nakagawa?

MR. NAKAGAWA: Chair, yes, that is correct. We are getting some revenues back.

CHAIR HOKAMA: Okay. How much of that current facility you got there is actually, you're at what, 100 percent capacity, currently, Mr. Nakagawa?

MR. NAKAGAWA: Sorry, Chair, what was that? What was the question?

CHAIR HOKAMA: What capacity are you at? You're at max right now, with this current 1 million gallon tank?

MR. NAKAGAWA: Yes, Chair.

CHAIR HOKAMA: So whatever you pump in the, I mean, somebody's using the water right?

MR. NAKAGAWA: Yes, Chair. We go through a tank, I believe, once a day. So the biggest user is the golf course.

CHAIR HOKAMA: Elleair?

MR. NAKAGAWA: Elleair, yeah.

CHAIR HOKAMA: Okay.

MR. NAKAGAWA: I think they use roughly, out of the million gallons, I think they use anywhere from 800,000 to 900,000 gallons a day.

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CHAIR HOKAMA: Okay. But your second million that we gonna project adding to the system, you know how much demand there is to use that now additional million gallons?

MR. NAKAGAWA: Yes, Chair. We do have that in our verification study and I know it's slated for, I just don't know which projects are accounting for it. But, once again, this, I think this tank is more for, not only the amount of users we have, it's more for the fire protection and the redundancy so that we can save on our electricity cost also, yeah, during the day when we pump.

CHAIR HOKAMA: I just want to see how much, you know, other general use benefits we having from the R-1 water.

MR. NAKAGAWA: Yes.

CHAIR HOKAMA: Okay, very good, very good. And, Members, this is an SRF request and currently it is a rate that is hard to beat. Yes, Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. On that SRF, and it--maybe that's a question for Ms. Sato--I thought we were having a, we had a limit of what we can get, like \$10 million or something like that, a year, or is that going to be down the line?

CHAIR HOKAMA: No, the County's not open to, we are being requested to consider, by the Feds and the State, to consider utilizing more SRF loans.

COUNCILMEMBER COUCH: Right. But I thought we were at a cap of 10 million. Or that's a program they're going to start later down the line?

CHAIR HOKAMA: You are aware of any cap on this, Ms. Sato?

MS. SATO: I'm not aware of any cap but I know an e-mail was sent adjusting some changes in payments, I believe. I would have to check on that though --

COUNCILMEMBER COUCH: Okay.

MS. SATO: --the payment plans.

COUNCILMEMBER COUCH: Thank you.

MS. SATO: Thank you.

CHAIR HOKAMA: Mr. Nakagawa?

MR. NAKAGAWA: Yes, Chair. There's no cap. Basically, the DOH gets Federal money every year, I think in the ball range of 5 to 10 million every year, but they also have all their repayments and so right now we have a pretty good, actually a really good relationship with DOH because we always take their money. We're always ready. And so they're

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always looking ways to kind of give us more of those funds 'cause they're under pressure from their Federal EPA side to get rid of the money, so.

CHAIR HOKAMA: Yeah, they need to do the spend down.

COUNCILMEMBER COUCH: Yeah.

CHAIR HOKAMA: So, we are now at 3/4 percent total, principle and cost.

COUNCILMEMBER COUCH: And cost, yeah. So, heck yeah. Thanks.

CHAIR HOKAMA: That's good for us from one perspective, not when they gouge us with one 80 percent overrun. Next project, Mr. Nakagawa?

COUNCILMEMBER COCHRAN: Chair?

MR. NAKAGAWA: Alright.

COUNCILMEMBER COCHRAN: Chair?

CHAIR HOKAMA: Ms. Cochran?

COUNCILMEMBER COCHRAN: Can I ask, on this particular, this project, the tank, it says, operating impact, long-term effects will be slightly higher operation and maintenance costs, periodic tank cleaning and valve maintenance. Is there a dollar amount behind that statement?

CHAIR HOKAMA: Mr. Nakagawa?

MR. NAKAGAWA: Yes, Chair. Yeah, we do have, all of our maintenance, all of our expenditures, man power, as well as funds that we expend, we do track that through our central maintenance program so, and I don't have the number off the top of my head but --

COUNCILMEMBER COCHRAN: Okay.

MR. NAKAGAWA: --we'll be able to provide that if you need.

COUNCILMEMBER COCHRAN: Alright. Yeah, just curious, if you had a figure but it's okay. Thank you.

CHAIR HOKAMA: He gave us 30,000, Ms. Cochran, from the bottom of the sheet.

COUNCILMEMBER COCHRAN: Oh, right there, okay.

CHAIR HOKAMA: Oh, that's their estimate.

COUNCILMEMBER COCHRAN: Okay.

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CHAIR HOKAMA: That's their estimate, yeah, round numbers. That will not, I'm sure he'll need more money if they do a whole tank assessment cleaning, interior/exterior. That's a big tank, a million gallons. Okay, Mr. Nakagawa, next project?

MR. NAKAGAWA: Alright. Next project is Project No. CBS-1917, Kulanihakoi Street Recycled Water Extension, and this is on Page 734. And this kinda is--I just remembered after you asked me the question, Chair--this is one of those projects that, this is an extension from the Waipuilani Recycled Waterline that Mr. Couch put in and that we will go all the way up, along Kulanihakoi up to the Piilani Highway. And what this will do is allow us to service the Kihei High School with water. I think they roughly anticipate using roughly 200,000 gallons of reclaimed water a day as well as the other entities along that street that will allow, will be required to hook up and take water.

CHAIR HOKAMA: Okay.

MR. NAKAGAWA: And that's about it.

CHAIR HOKAMA: Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. You know, when I first saw this project, I thought, why are they pushing it uphill and where are they going to put the pump? But I guess because the tank is high enough up the hill, the pressure is enough to push it back up the hill? Is that how that works?

CHAIR HOKAMA: Mr. Nakagawa?

MR. NAKAGAWA: Yes, Chair. And so, it'll, you know, my estimations based on the tank elevation of 200 and over here is maybe 100 or so, so that'll give them around roughly 50 psi. They may need to, if their site is big enough, they may have to put in a booster pump to reach the upper areas.

COUNCILMEMBER COUCH: Yeah, but that would be on them.

MR. NAKAGAWA: 'Cause typically, you want around 60 psi for your irrigation system. So they may need a slight--but that's not any different that any of our other users who are along this system. We recently had a telephone conversation with the DOE and so it seems to, we're ironing out how and what, who provides what and that kind of stuff for this project.

COUNCILMEMBER COUCH: And the other question I have that I hope you will certainly take into consideration, don't know if you heard our discussion yesterday on CIP for Public Works but one of their CIP project is to repave Kulanihakoi so I would assume you would do your job first and then, you know, coordinate with them. I would hate to see something like what may happen on Puukolii.

MR. NAKAGAWA: Yes and, Chair? And, yes, we do, you know, we do, in all of our projects, whenever we have to do a trench in the roadway, like this Kulanihakoi, Public Works

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does mandate that we pave half the roadway of that, the side that we actually trenched up. So the reality of, you know, it is an inconvenience, though. So hopefully in the coordination of these two projects, we're able to go in before them. But even if we're not, it might be a slight inconvenience when we install it but the after, look and everything, it looks exactly the same.

COUNCILMEMBER COUCH: Well, but wait. It's not so much the looks or the inconvenience, it's the fact that we spent a lot of money to pave it and then you're going to come in and tear it right back up. That's the concern.

CHAIR HOKAMA: Mr. Nakagawa?

MR. NAKAGAWA: Yes, Chair. And that'll take, Mr. Stant and Mr. Goode will be able to work that out. But when we bid out projects, just keep in mind that we do, part of our construction plans is to reconstruct that half of the roadway.

COUNCILMEMBER COUCH: Sure, sure.

MR. NAKAGAWA: So hopefully, like you said, if, they've never allowed us so far but we could just do a temporary patch and then they could come right in after us and then reconstruct the entire road at one --

COUNCILMEMBER COUCH: Right.

MR. NAKAGAWA: --time.

COUNCILMEMBER COUCH: Right.

MR. NAKAGAWA: Yeah.

COUNCILMEMBER COUCH: Okay. Thank you. Thank you, Chair.

CHAIR HOKAMA: Other questions on this project, Members? Mr. Nakagawa, tell us what happened over 12 months. Last year you asked me for 1.2 million for this project. Now it's at 1.7. What happened in 12 months for a 42 percent jump in estimate? Mr. Nakagawa?

MR. NAKAGAWA: Yeah, we can get back to you but I just need a, what, 1.2, I not too sure --

CHAIR HOKAMA: Last year --

MR. NAKAGAWA: --what we're referencing.

CHAIR HOKAMA: --under this budget, under this project, the budget estimates that we were given was 1.2 million and so, again, we just ask you, you know, as with other projects, what factors has impacted you enough for another half a million dollars?

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MR. NAKAGAWA: Oh, okay, okay. Yes, Chair. So the, I think, so that was in our Fiscal Year '16, we showed Fiscal Year '17 as 1.2, that's what...okay. So what happened with this project is we were supposed to go down the North-South Collector but due to some type of hold outs, I'm not too sure, something to do with a bridge because Public Works was in charge of that project, I not too sure is, I think it, almost positive it was a bridge, we had to kinda alter our alignment because we're no longer going down that North-South Collector corridor. And so we were already working, we'd been working with the high school for the past five years, I think it was, and so they're going to come online and we had to figure out a way to provide them with water.

CHAIR HOKAMA: Okay. I mean, it's good to know what kind of factors you have to deal with because Mr. Couch is gonna need to find that half a million dollars. Any other questions on this project, Members? Okay, next project?

MR. NAKAGAWA: Alright. Next project is CBS-2321 and this is the North Kihei Mauka Transmission System, and that's on Page 735. And what this project involves is, it's really, it's another study or POR to really figure out if we need a mauka transmission system. And what's happening in Kihei, unlike the other areas, is that Kihei, the facility has capacity but our collection system, it's, it doesn't have the capacity required. So all, we haven't taken into consideration a lot of these north of the highway type of developments, like the school, and I believe there's other, couple developments that were approved in the Maui County plan and so what we want to contemplate and see, do we really need a, this mauka transmission system so that these different landowners can tie in into our system? 'Cause if not, what happens is, what we typically do is tell them, well, in order for your to tie in, you need to upgrade all of the infrastructure that comes down South Kihei Road, all along there, then all the way down to Kalama Park and then coming back up to our treatment plant. And so what we're trying to do here is trying to see, get a ballpark figure, what would it be, what it will take in order to develop this, and then how do you either distribute that assessment fee later and that kind of stuff.

CHAIR HOKAMA: Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. So ultimately the developers that are hooking up to that will pay for most of that line. Is that ...

CHAIR HOKAMA: Mr. Nakagawa?

MR. NAKAGAWA: Yes, Chair. And, yeah, and so Kihei has, I believe, it's like, we have a sewer assessment fee for Kihei. It's currently at \$4.35 or something per gallon that they anticipate, it's based on whatever they generate, sewer, the amount of wastewater they generate. And maybe if we, what I'm thinking is, if we put in this type of infrastructure beforehand, maybe you prorate that and put in an algorithm for that and then you calculate how much additional on top of that \$4 people would pay for this type of infrastructure.

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COUNCILMEMBER COUCH: But wouldn't that be at Change in Zoning time, where you can add that--I guess, that may be for Corp. Counsel --

CHAIR HOKAMA: Mr. Ueoka?

COUNCILMEMBER COUCH: --that we can assess that? Would it be at Change in Zoning time as opposed to whenever, subdivision, or whatever you're talking about?

MR. NAKAGAWA: Yes.

COUNCILMEMBER COUCH: Because, my, the reason I ask that is because pretty much we've done all the Change in Zoning on that area already, just recently too. Would've been nice to know that so we can, we could tack that on if necessary.

MR. NAKAGAWA: Yes, Chair. The actual sewer assessment fee, not too sure when it is along the building permit, but then whenever anybody comes in for a building permit, that's when we are, assess that, a sewer assessment fee.

COUNCILMEMBER COUCH: But you're asking for an additional amount.

MR. NAKAGAWA: Yeah, Chair? Once, again, only if it works out when we, after we analyze, after we determine what are this infrastructure is, trying to figure out how do you recoup that cost, basically we're coming up front, and how do you recoup it. So what we're trying to figure out is maybe in the future, maybe you do it that way, you add a additional amount, maybe not. I mean, maybe that \$4.35 will allow us to recoup that money also.

COUNCILMEMBER COUCH: Okay. Thank you, Chair.

CHAIR HOKAMA: Members, I would refer you, if you need to, to EM-1, BF-1, date is March 23, Director Stant has responded to the Committee's question regarding a update on the assessment fees. There are two regions, Central Maui and one is Kihei, the other is Kihei. Kihei has two fees that the Council has allowed the Department to collect since 1992 for developments utilizing expansion capacity in the Kihei Wastewater Reclamation Facility and/or create additional impact upon the Kihei Wastewater Collection System. So you will see index code 41101 and 41103 is the two components of accounts that create balances for the Department to utilize in projects such as these, Mr. Couch.

COUNCILMEMBER COUCH: Thank you, Chair.

CHAIR HOKAMA: Any other questions on this project, Members? Having none, we shall take a break. Thank you, Members. Thank you, Department and Staff. We'll be in recess 'till, what do you guys want, 10:30? Ten thirty. . . .(gavel). . .

RECESS: 10:20 a.m.
RECONVENE: 10:33 a.m.

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CHAIR HOKAMA: ...*(gavel)*... Okay, Members, let's continue the review of Wastewater projects from Environmental Management. Mr. Nakagawa next project, please?

MR. NAKAGAWA: Aight, Chair. So next project is CBS-2730 and this is the Kihei Wastewater Reclamation Facility RTU Upgrades. It's on Page 737 and --

CHAIR HOKAMA: Okay.

MR. NAKAGAWA: --and this is for 1.5 million and this actually came up in our operating budget, where we already, this is part of that RTU replacement as far as our existing RTUs have already, they're pretty much on its last leg. Actually one of 'em has failed to work and that's why we have requested that as part of one of the C items in our budget but this is the construction for the remaining 11 RTUs that we need to replace at the facility that has been over 20 years old.

CHAIR HOKAMA: So this is part of your overall SCADA updates?

MR. NAKAGAWA: Yes, Chair, that is correct.

CHAIR HOKAMA: It's a component of the system, right?

MR. NAKAGAWA: Yes, Chair, that is correct. So the SCADA is the software and this is the hardware that it talks to --

CHAIR HOKAMA: Okay.

MR. NAKAGAWA: --work our equipment.

CHAIR HOKAMA: Okay, very good. Ms. Cochran?

COUNCILMEMBER COCHRAN: No, Chair. It sounds like this is something that's kinda overdue and needs to be done and hopefully we're getting the best bang for our buck on this material, though. Nothing else, Chair.

CHAIR HOKAMA: Thank you. Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. You already, one is being replaced, right? So this is for the other 11? Is that what I'm hearing?

CHAIR HOKAMA: Mr. Nakagawa?

MR. NAKAGAWA: No, clarification, one needs to be replaced immediately.

COUNCILMEMBER COUCH: I'm sorry, one is being replaced through your C Account?

MR. NAKAGAWA: Yes.

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COUNCILMEMBER COUCH: Okay. And then the other 11 is through this account? Why wouldn't you just throw this into your C Account, other than the fact of fearing us cutting it in half?

CHAIR HOKAMA: Mr. Nakagawa?

MR. NAKAGAWA: Yes, Chair. Because this is just part of the design that we already had, you guys already approved through the SCADA project. It's a continuation of--we just had to single it out because of the amount of money --

COUNCILMEMBER COUCH: Gotcha.

MR. NAKAGAWA: --and it becomes a Capital Improvement project.

COUNCILMEMBER COUCH: Okay. So, essentially, about 140,000 per unit?

CHAIR HOKAMA: Mr. Nakagawa?

MR. NAKAGAWA: Yes, Chair. I mean, we estimate it probably around 120-130, but then you also got --

COUNCILMEMBER COUCH: Right, contingency.

MR. NAKAGAWA: --they have other type of infrastructure that they need to install, other than just the RTU unit, yeah.

COUNCILMEMBER COUCH: Understood. Alright, thank you, Chair.

CHAIR HOKAMA: Okay. Ms. Crivello?

COUNCILMEMBER CRIVELLO: I just wondering, seems like it's such a critical need and, like you said, if the units go down, you would have to man the facility. Did you request for this at some other budget request or is this--I'm wondering why you folks wait 'til it reaches this point?

MR. NAKAGAWA: Yeah, Chair? Yeah, so, we requested the design funds last year, I believe. So that's the one I was talking about that we were going through this whole SCADA upgrade. We also doing this, this is part of that upgrade. And, actually, I mean, we did ask for this once before --

COUNCILMEMBER CRIVELLO: Okay.

MR. NAKAGAWA: --but the cost was too high.

COUNCILMEMBER CRIVELLO: Okay.

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MR. NAKAGAWA: And so we had to cut out the, we had to divide the line and cut out the equipment side out because that was the bulk of the cost and we proceeded with the SCADA side.

COUNCILMEMBER CRIVELLO: Okay. Thank you, Mr. Nakagawa.

CHAIR HOKAMA: Mr. Carroll, any questions? Let's see, okay. What's your projected lifecycle of your, the units you're purchasing, Mr. Nakagawa? What's your anticipated lifecycle?

MR. NAKAGAWA: The lifecycle cost or how long does that, those unit last?

CHAIR HOKAMA: The unit, you know, you're gonna purchase, how long does it last with proper maintenance before it comes obsolete or it's like, it cannot do the job?

MR. NAKAGAWA: Well, the, I believe, this year, I mean, these existing Bristol Babcock RTUs they're the original ones. So the equipment itself can last a typical, I don't know, maybe 10 to 15 years; however, it's the SCADA and program, like anything --

CHAIR HOKAMA: Right.

MR. NAKAGAWA: --right, I mean --

CHAIR HOKAMA: Yeah, your program.

MR. NAKAGAWA: --that thing, those things, like your guys' computer upgrades every three years and so the part is really how to communicate and the communication side.

CHAIR HOKAMA: No, I think SCADA is critical and that you get a good system because it's part of our critical infrastructure. And so for, I'm very open to the request. Okay. Any questions, Members? Okay. Next project, please?

MR. NAKAGAWA: Yes, the next project looks like it's CBS-2734, Countywide WWRF Chlorination System Upgrade, and that's on Page 738.

CHAIR HOKAMA: Okay, explain this project to us, \$2 million.

MR. NAKAGAWA: Yes, and, Chair, so basically, in our, at our three facilities, pretty much, we utilize chlorination to disinfect in Kahului, as well as keep algae under control at all of our facilities. What this is doing is basically replacing those chlorination system, it's, they're all over 20 years old, they're actually breaking down. And what we just found out is that chlorine, the cylinder, the gas, is no longer going to be available here on Maui. And so what this will do is allow us to upgrade all of the three different facilities with an onsite generation. And what that does is two benefits. It allows us, all it is is salt, so you can pick it up at Home Depot. And what it does is it allows us to develop this chlorination to disinfect, as well as algae control. Or if the numbers come out, we might go to a bulk type of chlorination system, which they do still provide here.

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

COUNCILMEMBER COCHRAN: And the upgrade, is it, so it's not moving them any farther away from potential tsunami zones or what-have-you at all? This is just the whatever, the container, or kind of upgrades in a sense?

CHAIR HOKAMA: Mr. Nakagawa?

MR. NAKAGAWA: Yes, Chair. So the original design was, which was 100 percent, did have a fixed location and it, we have a tsunami, enclosed doors, it's all contained. But with this new, what we found when we were looking at this new technology, which will be cheaper, but it's also gonna be a mobile system and because of the chlorine demands are going down, because everywhere we're starting to produce R-1 water through UV disinfection, the amount of chlorination required at our facilities is less and more for algae control. And so what we're doing with these mobile, if there is a warning, it becomes like any other piece of equipment that we have at our facilities is we get, hopefully with enough notice, we disconnect it and we can, we're able to move it out.

COUNCILMEMBER COCHRAN: Okay, excellent. That's very, yeah, good, good option. Thank you.

CHAIR HOKAMA: Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. And I know Mr. Nakagawa mentioned that chlorine gas isn't going to be available anymore. That was, that's a unfortunate byproduct to the HC&S closing 'cause they are the ones that kept ordering a lot of the chlorine. However, the Department of Water Supply needs chlorine as well. Are you working with them or are they going to switch over to these kind of generators as well?

CHAIR HOKAMA: Mr. Nakagawa?

MR. NAKAGAWA: Yes, Chair. Yeah, and that is actually correct. We actually coordinated with Department of Water Supply, with Brewer.

COUNCILMEMBER COUCH: Right.

MR. NAKAGAWA: Brewer is the one main --

COUNCILMEMBER COUCH: Right.

MR. NAKAGAWA: --supplier. And when we talked to their CIP side, this is the exact system that they're looking into at their facilities, so.

COUNCILMEMBER COUCH: Gotcha. Okay, thank you. Thank you, Chair.

CHAIR HOKAMA: Okay. Ms. Crivello?

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COUNCILMEMBER CRIVELLO: No, I'm good. Thank you.

CHAIR HOKAMA: Mr. Guzman?

COUNCILMEMBER GUZMAN: I'm okay. Thanks.

CHAIR HOKAMA: Mr. Carroll? Okay, next project, please?

MR. NAKAGAWA: Alright. Next project is CBS-3196 and it's Kenolio Road/Koki Place Sewer Rehabilitation and it's on Page 739. And, basically, this is just one of those problem areas that we're having that we've experienced several sewage spills over the past ten years and they, it was CCTV'd and there is, there's some bellies and some joints that disconnected, so then we need to just replace this area.

CHAIR HOKAMA: Okay. Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. The question I have is, you're going to have to tear up Kenolio Road in that one small section, the cross of the T, it looks like?

CHAIR HOKAMA: Mr. Nakagawa?

MR. NAKAGAWA: Chair. Yes, that is correct. We've had some success in the past with pipe bursting. So it allows us to not be as intrusive, I guess, if you will. But depending on what this--I'm not too sure what the exact materials is for this, existing material for this sewer system is, we may or may not be able to utilize that.

COUNCILMEMBER COUCH: And then it looks like you're coming down between, down a driveway. Is there an easement down there? 'Cause that's not a road, that's, I know, I mean, those condos are where I live so that looks like it's through someone's yard, really.

CHAIR HOKAMA: Mr. Nakagawa?

MR. NAKAGAWA: Yes, Chair. Unfortunately, in the past, yeah--like in Happy Valley, a good example--I mean, sewer systems were built under buildings --

COUNCILMEMBER COUCH: Wow.

MR. NAKAGAWA: --and people subdivided later and built and you'll see those projects coming in the future.

COUNCILMEMBER COUCH: Great.

MR. NAKAGAWA: But to answer your question, yes, typically, if it is, like Kihei's a little more planned developed I mean, we pretty much usually have all the easements for the out layers, it's just the super old areas, like Happy Valley, where we have a problem.

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COUNCILMEMBER COUCH: I guess my concern is that we just, two years, within the last two years, repaved Kenolio Road and, again, it seems like there's a lack of coordination. I don't know if this came up after that or, I just, sometimes you just question if you guys are talking or not. Thank you. Thank you, Chair.

CHAIR HOKAMA: I understand, Mr. Couch, I understand. Any other questions on this project, Members? Okay, again, Members, they're proposing, we shall dispose. Next project, Mr. Nakagawa?

MR. NAKAGAWA: Alright, I believe our next project is CBS-1131 and it's Environmental Protection Agency Sewer Rehabilitation and this is on Page 747. And what this project will do is help us to construct this Ku Drive line replacement. Once again, this is another project that has reached its end useful life. We've CCTV'd it already and we're gonna go in and replace the existing sewer line. We also have another project that we need to do, which is, I guess we've identified as a problem area, and that's design the North and South Mokuahau Piihana Line along with this replacement and to kinda let you guys know, like, this is another project, we had couple projects that we hopefully were going to be able to do with the sewer rehabilitation last year but because of costs and that kind of stuff, we may have to utilize this years' funds with, that's Olu Drive and Spreckelsville. So depending on the cost, we prioritize whatever lines we find and we do as much as we can and just continue to chug along in replacing all these damaged areas.

CHAIR HOKAMA: Okay. Is this behind Takamiya's and the old Kimura Market? Is that the area, up behind ...

MR. NAKAGAWA: Yeah, Chair. I live Kihei. So I know this is in the Central area, so I not too sure where.

CHAIR HOKAMA: Okay, sorry.

MR. NAKAGAWA: Sorry about that.

CHAIR HOKAMA: No, I just assume everybody as old as me know about those stuffs.

COUNCILMEMBER COCHRAN: Chair?

CHAIR HOKAMA: Yes, Ms. Cochran?

COUNCILMEMBER COCHRAN: Yeah, it's, if you go down to the end of Kaohu and shoot straight across, then you're gonna go up the road and you'll come into this area.

MR. NAKAGAWA: Yeah, Chair, according to ...

COUNCILMEMBER COCHRAN: So what is that called, Sand Hills?

MR. NAKAGAWA: Yeah, according to Mr. Ueoka, that's the Sand Hills, he thinks.

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CHAIR HOKAMA: Okay, sorry, okay, no, 'cause I saw Mokuhau Piihana replacement in your verbiage to so I just was trying to figure out where this was. Okay, Sand Hill, Nakoa Drive, got it. Okay. Questions on this project, Members? Looks like it's, needs the help.

COUNCILMEMBER COCHRAN: Yeah, Chair?

CHAIR HOKAMA: Ms. Cochran?

COUNCILMEMBER COCHRAN: And so this is in regards to a Consent Decree? This is part of the 1999 and sort of a scheduled calendar of sorts?

CHAIR HOKAMA: Mr. Nakagawa?

MR. NAKAGAWA: Yes, Chair. Yeah, so this was already identified through our previous CCTVs and part of the Consent Decree report, yeah.

COUNCILMEMBER COCHRAN: Okay. Okay, thank you.

CHAIR HOKAMA: Any other questions, Members? Next project, please, Mr. Nakagawa?

MR. NAKAGAWA: Alright, next project is CBS-3206, and that's Central Maui Regional WWRF and this is in Waikapu. It's on Page 749.

CHAIR HOKAMA: Seven forty-nine, Members. Okay.

MR. NAKAGAWA: Alright, and so, this is one of those projects, once again, that it's, could be looked at as a scalping plant but this one is really envisioned as a true, I guess, kinda regional plant only because the reality is that it's on the outskirts of our system so there's no reason to send the solids back through our entire system. And based on the map that you guys see here on the, on this project, on Page 749, there's some large developments that are going to happen right in that area and in order to accommodate that amount of flow, once again, is, it's significant infrastructure cost to the existing capacity. And so what we're imagining is there's gonna be a huge regional park there, or possibly in the future, and when, what we're hoping to do is, one, the goals is try to divert some of that flow, that existing flow, from Wailuku Heights along Waiale, maybe we can turn that around, come to this new regional facility so that it lessens the burden off of our existing infrastructure, or existing Kahului Treatment Plant, as well as utilizing that reclaimed water right there in this location. And maybe in the future, who knows if, what the plans are for HC&S, maybe it either goes to the park or we can always give the water to HC&S or whoever else is going to be over there. But it does give us flexibility to, one, reduce the amount of flow going to our Kahului Treatment Plant and then utilize the water somewhere that's, that can take it immediately. And so that's kinda what this project is about.

CHAIR HOKAMA: Thank you. Mr. Guzman, any questions?

COUNCILMEMBER GUZMAN: No, I don't have any questions.

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CHAIR HOKAMA: Okay. Mr. Carroll, questions, sir, on this project? Ms. Cochran?

COUNCILMEMBER COCHRAN: No, but pretty excited about hearing this and hopefully we get assistance, monetarily, on this 48 million plus price tag at the end by all these added developments that are gonna be popping up all over so, just to keep that in mind that we would like assistance with the funding. But, not at this time, Chair, thanks.

CHAIR HOKAMA: Thank you. Mr. Couch?

COUNCILMEMBER COUCH: Thank you. Pretty much what Ms. Cochran said is I'm assuming that this Waikapu Country Town and Waiale subdivisions are going to be contributing to this, A. B, they haven't had Change in Zoning so that's potentially another issue but what is your thoughts on how they're going to help pay for this?

CHAIR HOKAMA: You know what, Mr. Couch, I don't want to put the Division in one difficult situation.

COUNCILMEMBER COUCH: Okay.

CHAIR HOKAMA: Because entitlement is our jurisdiction.

COUNCILMEMBER COUCH: Right, but I think there's some laws that are already there. I don't know.

CHAIR HOKAMA: I would just say, you should look at this project from a planned future infrastructure expansion. I don't want it for other, you know, subsequent Councils to say, was this a consent of zoning approval intentions?

COUNCILMEMBER COUCH: Gotcha. Okay. Yeah, 'cause you're right, 'cause it's gonna be ...

CHAIR HOKAMA: 'Cause this is based on development approvals --

COUNCILMEMBER COUCH: Right.

CHAIR HOKAMA: --that have yet to be before the body for consideration.

COUNCILMEMBER COUCH: Right.

CHAIR HOKAMA: And so I don't want us to make a decision on a project that we even haven't made decisions on land use. You know, I know we got a plan and I'm happy to have the Department have the monies to plan and do their assessments but nothing more until we decide where we wanna go because this community plan is eventually gonna come up.

COUNCILMEMBER COUCH: Correct. And probably --

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CHAIR HOKAMA: And this community may say --

COUNCILMEMBER COUCH: --a little bit before ...

CHAIR HOKAMA: --this is not what we envisioned our planned...a planned area to look like.

COUNCILMEMBER COUCH: Yeah.

CHAIR HOKAMA: So I don't want to preempt things prematurely on the community's behalf.
But I think it's a smart request by the Department for future expansion --

COUNCILMEMBER COUCH: Yeah.

CHAIR HOKAMA: --planning.

COUNCILMEMBER COUCH: It's really good forward thinking.

CHAIR HOKAMA: Yeah. But I don't want to push them and speculate on our kuleana.

COUNCILMEMBER COUCH: Okay. Thank you, Chair.

CHAIR HOKAMA: Thank you. Any other questions? Ms. Crivello?

COUNCILMEMBER CRIVELLO: I realize that this dollars amount is just to acquire land and possibly design. Are you folks looking at any particular parcel, in mind anyway, an idea of where about you would like to ...

CHAIR HOKAMA: Mr. Nakagawa?

MR. NAKAGAWA: Yes, Chair. If you see, I think the County already has a little parcel. Whether or not that works for us, 'cause we kinda looked at the general planning area. We also looked at possibly a different location that's real similar to that area, but, yes, to answer your question, yeah, we do have an area that already is slated for, on County land already --

COUNCILMEMBER CRIVELLO: Okay.

MR. NAKAGAWA: --I believe. And then, if not, there's couple other areas that are, right adjacent to it. We've talked to A&B, who's this Waiale project, and then maybe possibly even right across the street on that HC&S side.

COUNCILMEMBER CRIVELLO: Okay, thank you.

CHAIR HOKAMA: Okay, thank you. You know, Mr. Couch, I don't want you to think that I am not open to, I don't have a problem with conditions of zoning --

COUNCILMEMBER COUCH: Oh, yeah, yeah.

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CHAIR HOKAMA: --and assessing the landowner/developer a fair share of financial responsibility. I prefer this route because I think the Department should be part of helping us drive when the project should go forward instead of being dependent and waiting for a developer to say, I'm not ready to go yet --

COUNCILMEMBER COUCH: Right.

CHAIR HOKAMA: --but we need the infrastructure, well, but we're not ready to go yet.

COUNCILMEMBER COUCH: Yeah.

CHAIR HOKAMA: Okay. I'm trying to make a big change in how we gonna get some of the infrastructures in place to deal with the issues that we deal with currently, every day. So even on the type of conditions with this project, if it does happen, my thing is, then before you do anything else, you will build the affordable as a requirement of approval, that must be first. If you don't want to do that, hey, because we hear it every day now --

COUNCILMEMBER COUCH: Yeah.

CHAIR HOKAMA: --housing, housing, housing. We heard Ms. Thieman, housing, housing, okay, so my thing is we gotta help change the way we do things and I think the nine of us have the will to make it happen. So I'm just looking at ways to be able to present to the rest of you on how we may want to approach the issue from an insanity approach to a sane approach. Any other questions for this project, Members? Mr. Nakagawa, next project?

MR. NAKAGAWA: Alright. Thank you, Chair. Next project is CBS-3233, the Wailuku-Kahului WWRF Solids Building Renovation, and this is on Page 751.

CHAIR HOKAMA: Okay.

MR. NAKAGAWA: And, basically, this one is, it's a butler building that houses our, all of our solids handling equipment and it's pretty much deteriorated, structurally because, as you imagine, it's right on the ocean so this is one that we just basically gotta structurally repair as well as replace.

CHAIR HOKAMA: Okay. We understand what salt water does to anything. Ms. Cochran, any questions?

COUNCILMEMBER COCHRAN: No. I've seen this area, not recently, recently, but when I first got on the Council. Everything's so corroded over there so I'm sure it's a needed thing. Thank you.

CHAIR HOKAMA: Mr. Carroll, questions? Mr. Guzman?

COUNCILMEMBER GUZMAN: No...

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CHAIR HOKAMA: Ms. Crivello?

COUNCILMEMBER CRIVELLO: No.

CHAIR HOKAMA: Okay.

MR. NAKAGAWA: Alright. Next project --

CHAIR HOKAMA: Next project?

MR. NAKAGAWA: --CBS-1144. This is the Lahaina Wastewater Reclamation Facility Modification, Stage 1A. The, this is a--oh, on Page 753.

CHAIR HOKAMA: Seven five three, got it.

MR. NAKAGAWA: And this is one of those projects that we have already acquired the design, we're gonna bid this out in October of this year, and so this is just the other half of the money that hopefully the, all of the costs will cover the improvements required.

CHAIR HOKAMA: Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you, Chair. And, yeah, huge job. So you're going to have to shut part of this down, obviously, in order to do the construction. Is that, how is that gonna pan out? Less, R-1, well, yeah, how's that gonna offset the production of the facility?

CHAIR HOKAMA: Mr. Nakagawa?

MR. NAKAGAWA: Yes, Chair. Yes, this is, so just a little reminder, this is the improvements that will be for our '75 side. So we have two sides in our Lahaina Facility. One was built in, the original plant, in the '75 side and this is, and we actually operate on the '85 side, which is the one that meets our current permit requirements. And this project, once again, just is bringing back that '75 side up to par. So the '85 side runs perfectly fine at the current flows that it is now and so there will be no shut down or interruption of service.

COUNCILMEMBER COCHRAN: Okay, very good. So then that means we'll have more capacity then, once this is up and running and completed, this adding on 1975 section?

CHAIR HOKAMA: Mr. Nakagawa?

MR. NAKAGAWA: Yes, Chair. It actually won't create more capacity, it'll just bring us back to what our book says, that the capacity should have because right now, just a reminder, the '75 side doesn't meet our nitrogen requirement side because that was, that requirement came after the plant was built. And so what this is doing is just

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replacing the existing infrastructure and allowing us to have the capacity that we should have.

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

CHAIR HOKAMA: Thank you. Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. I see that you have appropriated FY 2016. Did you say that you weren't able to do anything with that? Because, the only reason I ask is because if you do the math, it's way more than \$21.5 million that you show here on the 6-year total.

MR. NAKAGAWA: Yes, Chair? Yeah, so we did ask for 12½ million, this was Fiscal Year '16, but kinda like the other satellite projects that I explained to you earlier, the actual price tag, that estimated, is going to be roughly 30 million. So what we did was kinda prorate those over the two years so that it helped us, to allow us to keep our sewer rates at a minimum level. And so we are going to expend that, well, we're going to bid it out in October, but hopefully we don't need more than the 25, like it's estimated to be 30, and so we just put in another placeholder in '18 just in case we need to do a future contract amendment for that extra amount.

COUNCILMEMBER COUCH: Okay, so this might be a question for Ms. Sato, again. If you do the math in here, at least the appropriation ensuing, and then FY 2018, I see \$31 million and here it shows 21.5 in the 6-year total. So what happened?

MS. SATO: Chair?

CHAIR HOKAMA: Ms. Sato?

MS. SATO: That fiscal, that 6-year total, is for Fiscal Year '17 and then the ensuing years. It doesn't include the prior fiscal years.

COUNCILMEMBER COUCH: Oh, okay.

MS. SATO: Thank you.

COUNCILMEMBER COUCH: Thank you.

CHAIR HOKAMA: Yeah, so I'm looking at it as a \$25 million project.

COUNCILMEMBER COUCH: At least.

CHAIR HOKAMA: Twenty-six, well ...

COUNCILMEMBER COUCH: If you do the 3 numbers, it's 31, as he said.

CHAIR HOKAMA: It's 35 if you add it all up.

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COUNCILMEMBER COUCH: Yeah.

CHAIR HOKAMA: Okay, but ...

COUNCILMEMBER COUCH: Okay. Thank you, Chair.

CHAIR HOKAMA: Again, we are going to look forward to not having a 2018 request.

MR. NAKAGAWA: Alright. Next project is CBS-1161 and this is the Napili No. 3 Force Main Replacement, and it's on Page 755. This is basically a, one of the force mains that was identified through our EPA Consent Decree studies that's now up for replacement. It's roughly 2,000 feet long and it's a 16-inch diameter pipe that was constructed in 1985 so it's about that time that we replace it.

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

COUNCILMEMBER COCHRAN: Thank you, Chair. And this is going to entail tearing up that road --

CHAIR HOKAMA: Mr. Nakagawa?

COUNCILMEMBER COCHRAN: --that runs along Lower Honoapiilani Highway?

MR. NAKAGAWA: Yes, Chair.

COUNCILMEMBER COCHRAN: Or no?

MR. NAKAGAWA: Yes, it will be.

COUNCILMEMBER COCHRAN: Okay, so then that means, is that Hui Nui in Honokowai, around the Kauhale Apartments, maybe about half a block down? Is that where that road is and then you're going to go all the way down to Hoohui in Kahana?

CHAIR HOKAMA: Mr. Nakagawa?

MR. NAKAGAWA: Yes, Chair. That does, according to this map, that's pretty much where that force main goes. So I believe that's ...

COUNCILMEMBER COCHRAN: And so, oh, this is, oh, sorry, this is in Napili. So you're going, so I'm from Napili south.

CHAIR HOKAMA: Is this by the Embassy?

COUNCILMEMBER COCHRAN: So this is gonna...no, this is more north. Sorry, I was going the opposite direction. So Hoohui, and then this is heading north then, towards Kapalua. Sorry, I was heading south. And so, in that regards though, so did we complete the southern portion then already? Times Supermarket, you know, from

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that end of Honoapiilani, Lower Honoa [sic], have we don't any force main upgrades on that end already or is that scheduled to be?

CHAIR HOKAMA: Mr. Nakagawa?

COUNCILMEMBER COCHRAN: Do you know?

MR. NAKAGAWA: Yes, Chair. I can look at it but there, if you look at the next project, we have, our Napili 5 and 6 and I believe that is going the direction that you're talking about.

COUNCILMEMBER COCHRAN: That looks like it's heading more north. But, the only reason why I ask, Chair, I mean, this whole tearing up the road thing. I mean, we hearing all through South Maui this is occurring and then talking about all the R-1 expansion along this route, you know, I just thought, if we're going to dig all this up now, is there any way to pre-plan for the future build out expansion of the R-1 too, just to avoid the situation. Maybe in a couple years, we'll be ready but, we went through this whole thing of digging it up, inconveniencing the community and now we're going to do it again. I mean, I just trying to pre-plan this if that's possible.

CHAIR HOKAMA: What we can do, Ms. Cochran, is I'll have Staff place in the Committee report the sense of coordination that the Committee is expressing regarding the projects to maximize ...

COUNCILMEMBER COCHRAN: Right. And also ...

CHAIR HOKAMA: You know, we understand what you trying to do, which is, scheduling it right, being cost effective so that, again --

COUNCILMEMBER COCHRAN: Yeah.

CHAIR HOKAMA: --we don't cut the road after we paved the road.

COUNCILMEMBER COCHRAN: Right.

CHAIR HOKAMA: Yeah. So we get it.

COUNCILMEMBER COCHRAN: Okay, very good, thank you. And then the other item that comes into play along this roadway is the Phase IV and, you know, we have that whole, there's a whole litigation issue occurring with that area and deferral agreements of sorts. So that, too, comes into play with this section. Just wanting to make sure we have all our bases covered as we're progressing down this roadway and addressing what needs to be at that time and not have to keep ...

CHAIR HOKAMA: You brought up a very good component. So, Mr. Nakagawa, that is what we would also have you ask your fellow departments to assist you is, especially with Planning and Corp. Counsel, deferred payment agreements for property owners' pro rata share of improvement, road improvements or whether this qualifies under that

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category. We have agreements, it was a practice of the County, I guess, in the past but we have commitments from property owners to pay their pro rata share and so I would say, you need to capture as much of that as possible, all of it as possible, to reduce then the impact on the regular fund. So I would ask, if, you know, Planning can assist you, they would be one of the responsible departments, Corp. Counsel would be involved because it's a legal document. And we just offer that as one way to get additional revenues.

MR. NAKAGAWA: Okay, will do, Chair.

COUNCILMEMBER COCHRAN: Yeah, thank you, Chair, and Public Works, for sure --

CHAIR HOKAMA: Yes.

COUNCILMEMBER COCHRAN: --in the loop in that, definitely, Public Works. Okay, well, thank you.

CHAIR HOKAMA: Thank you for bringing that up. Other questions, Members, on this project? Okay. Mr. Nakagawa, next project, please?

MR. NAKAGAWA: Alright. Next project is CBS-1162, Napili 5 and 6 Force Main Replacements. Once again, this is, this has been another force main that was identified in the previous studies to be replaced because it's at its end useful life. The design is already pretty much complete and we're probably gonna bid this out in January, I believe, of 2017.

CHAIR HOKAMA: Thank you, Mr. Nakagawa. Ms. Cochran, questions on this project?

COUNCILMEMBER COCHRAN: No, Chair. No.

CHAIR HOKAMA: Thank you. Mr. Couch?

COUNCILMEMBER COUCH: No.

CHAIR HOKAMA: Ms. Crivello?

COUNCILMEMBER CRIVELLO: Not at this time. Thank you.

CHAIR HOKAMA: Mr. Guzman? Mr. Carroll, any questions on this project? Okay, I think this is another pretty straight forward and you basing this on the same assessment study that you presented in previous projects. So let's see, this year's, the construction money, Mr. Nakagawa?

MR. NAKAGAWA: Yes, this year's, that's the construction funds.

CHAIR HOKAMA: Okay. Next project?

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MR. NAKAGAWA: Alright. Next project is CBS-1163, Sheraton Wastewater Pump Station Modifications, and this is on Page 759.

CHAIR HOKAMA: Okay.

MR. NAKAGAWA: So the purpose of this project, we already have the design funds and that's, the design is on its way. And the purpose of this project is to replace the pumps, the motors, generators, SCADA, et cetera. These are the, basically those old can stations, if you guys recall when we were going through replacing all of 'em, that were metal cans that housed all of our electrical equipment and pumping equipment and we're getting rid of all these cans 'cause they're at its end useful life and then we're just replacing it with nice, concrete structures and all electrical equipment above ground so that any type of flooding and other environmental conditions won't impair our operations.

CHAIR HOKAMA: Okay, this has nothing to do with the line itself, yeah, Mr. Nakagawa? It's about the pump structure, right? Your station or your structure, right? This is not about the line to and from the station?

MR. NAKAGAWA: Chair, yes, that is correct.

CHAIR HOKAMA: Okay, because I don't want the Committee to be confused with that purple line.

MR. NAKAGAWA: Oh.

CHAIR HOKAMA: You know, because the line shows you also cross the highway. So I'm going, like, oh my God, that's all, \$1 million?

MR. NAKAGAWA: Yes, Chair. Yeah, sorry, that's actually our reclaimed waterline right there so. I don't know how that got in the photo but, yeah, it's actually that blue dot, or blue square, that, the Sheraton Pump Station location.

CHAIR HOKAMA: Okay. So that is on golf course property, Mr. Nakagawa, or is that in a County easement or right-of-way?

MR. NAKAGAWA: Chair, yeah, I believe it's in a easement right now and it's right at the, right outside the cul-de-sac, when you do that turn around right there across from the Sheraton driveway.

CHAIR HOKAMA: Oh, okay. Yeah, I don't think I've hit a ball that far off line so I don't recall that building. Ms. Cochran, questions?

COUNCILMEMBER COCHRAN: Thank you, Chair. So in this area, 'cause I know Hawaii Water Service provides the potable for this area, Kaanapali Operators Association maintains, you know, all the infrastructure in this resort area. So County does the sewer? We supply the sewer provisions in this area? 'Cause seems like everything else is private.

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CHAIR HOKAMA: Mr. Nakagawa?

MR. NAKAGAWA: Yes, Chair. Yes, that is correct. We actually maintain that station as well as the Kaanapali Pump Station, which goes, that, I forget what the name is, the drive, right in the middle of the golf course. So that's the one we're, you guys already approved and it's almost complete, so. But we maintain all of our infrastructure along that area.

COUNCILMEMBER COCHRAN: Okay. Thank you, Chair.

CHAIR HOKAMA: Okay, thank you. Members, any other questions on this project regarding the Wastewater Pump Station Modifications located near the Sheraton, Kaanapali?

MR. NAKAGAWA: Alright. So the next project is ...

CHAIR HOKAMA: You know what, what I was going to --

MR. NAKAGAWA: Sorry.

CHAIR HOKAMA: --ask you, Mr. Nakagawa --

MR. NAKAGAWA: Yes.

CHAIR HOKAMA: --and then we can go right to the next project. But two things I wanted to say. We need to think about how we want to name projects because I had a question presented by, you know, a resident, why we doing a hotel project?

COUNCILMEMBER COUCH: Right.

MR. NAKAGAWA: Oh.

CHAIR HOKAMA: Because it's an assumption that this is for Sheraton.

UNIDENTIFIED SPEAKER: Yeah.

CHAIR HOKAMA: It is located by the Sheraton but it is not a Sheraton project. This is a County project. So I just share that because people who just look at the documents, that may not be familiar, are going like, why are we doing one private company's project for them? And so, you know, we explain, they understand. So I would just ask if we can, you know, consider that. Members, I would just also like to share with you, again, that as part of the audit report from our auditors dated October 19, 2015 and transmitted through the County Auditor, Mr. Taguchi, you will find his recommendations on Page 19 of his report, 15-01, regarding the centralization and coordination of Capital Improvement Projects for this County. And if the CIP group on the 9th Floor was working, as we were explained during that creation, we wouldn't have this issues and we wouldn't have the concerns that Ms. Cochran brings up today 'cause it would've been addressed. So it's something your Chair is going to think

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about regarding the existence and status of that coordination. If it doesn't work out under its current form, I'm happy to look at another form. With that, Mr. Nakagawa, if you would please move to the next project? Thank you.

MR. NAKAGAWA: Yes, Chair. So the next project is CBS-1174 and that's the Napili No. 4 Force Main Replacement on Page 761. Once again, this is just another force main that has reached its end useful life and we'll be replacing that 2,000-foot force main along Lower Honoapiilani Road.

CHAIR HOKAMA: Thank you. Ms. Cochran?

COUNCILMEMBER COCHRAN: No, Chair. These jobs need to be done but I'll tell you, not going to be some happy people, seeing this road being torn up and detoured and oh, my, the bus system and everyone else under the sun, so just not looking forward to that part of it but the job needs to be done.

CHAIR HOKAMA: Yeah, thank you. Yeah, so, Mr. Nakagawa, you heard some of the challenges that, you know, Ms. Cochran believes may impact that area upon construction so we would ask that you give good notice, advanced notice, clear scheduled timings and whatever you can do to adjust the time of day and days of the week that the project is done to minimize any community discomfort, we would appreciate those considerations.

MR. NAKAGAWA: Yeah, will do, Chair.

CHAIR HOKAMA: Thank you. Other questions from the Members regarding this project? Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you for bringing that point up, Chair, 'cause I want to highlight that Public Works has done an awesome job as in when they go in and slurry sealing's, seal coating, the different neighborhood, subdivisions, they give 'em early enough warning and explanation, what they're gonna do and they get zero complaints. Because they've been, the community is kept in the loop, told way ahead, you know, contacts if there's any issues, whatever, and just educated and, you know, made awareness to what the job was going to entail and the people had no problem. They understood the need and, yes, it's going to be inconvenient but at least they were given heads-up and so they really appreciate it and things run really smooth that way. So, thank you, that's a really good point, Chair.

CHAIR HOKAMA: Okay, thank you. Any other questions for the Department on this project, Members? Having none, Mr. Nakagawa, next please?

MR. NAKAGAWA: Alright. Our last and final project is CBS-3202. It's the Lahaina Wastewater Facility Upgrade for Direct Potable Reuse. It's on Page 763.

CHAIR HOKAMA: Seven sixty-three, okay.

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MR. NAKAGAWA: So just to be clear, this is just a high-level study that we need to possibly, I mean, you know, need to explore to figure out if--you know the philosophy in our, of our Department, we try to figure out all the different options that is out there and into addressing, you know, we have a injection well lawsuit right now and if certain possibilities, you know, if certain alternatives doesn't work, we, you know, this is one of the type of projects that is already done nationwide and we've been visiting a bunch of facilities in California, in Texas, and all over, where they already advanced and done this direct potable reuse. So what we're trying to do and trying to stay ahead of the game is really look at this type of technology, look at this type of one water source and figure out, is this a place for us in Maui. And when the lawsuit does end, is it, and all other alternatives is exhausted, is this something that we, as a community, want to pursue? This just really gives us the knowledge and the background and the what would it take in order implement this type of alternative.

CHAIR HOKAMA: Okay, thank you. Questions, Members, on this project? They're asking for their study money right now, assessment money.

COUNCILMEMBER COCHRAN: Yeah, and --

CHAIR HOKAMA: Ms. Cochran?

COUNCILMEMBER COCHRAN: --all up for a study and comments from the community and everyone else about this. Yeah, so, this doesn't have anything to do with, this is converting that, running the water back to the facility itself, or into our potable source? That's kinda the idea, right, R-0 and potable, sharing, cooking, drinking stuff?

CHAIR HOKAMA: Mr. Nakagawa?

MR. NAKAGAWA: Yes, Chair. So what this involves, just from what I saw at other municipalities is, it's an additional treatment, which is R-0, like you mentioned, with microfiltration and reverse osmosis and what they do is basically take our R-1 water, clean it even further into a, so that you meet DOH standard, to where it becomes a potable reuse. All of the, pretty much all of the other states, it always is either injected into the ground, where the water source is taken out or it's blended and mixed with some type of river water or whatever it is, but it's the same source as what the drinking water uses and then they take it out, they treat it and distribute it.

COUNCILMEMBER COCHRAN: So the R-1 that we inject, if we upgraded that to R-0, would that put us in a whole different situation, especially, well, with litigation or just, is that an acceptable practice? As you said, some states are doing that. They're injecting it back down into the aquifer or, you know, water table, as R-0, which is deemed pretty much, you know, pure source.

CHAIR HOKAMA: Mr. Nakagawa?

COUNCILMEMBER COCHRAN: Oh, wait, I think I woke Mr. Ueoka up. Sorry.

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MR. NAKAGAWA: Basically...it's not nothing to do with the lawsuit. She's asking do other states inject the water. Yeah, so ...

COUNCILMEMBER COCHRAN: Yeah, he can answer it that way.

MR. NAKAGAWA: Yes, Chair. So, yeah, so other states already inject R-1 potable, I mean, R-0 water, into ground and it's called groundwater recharge system. And, basically, what happens is they utilize that water and take it out at other areas.

COUNCILMEMBER COCHRAN: Right.

MR. NAKAGAWA: Yeah.

COUNCILMEMBER COCHRAN: Okay. And this hasn't, so this isn't that tank--I see the line running up by the Mahinahina Treatment Facility. So that's, the water shoots up there, it's gonna be treated down below or up there?

CHAIR HOKAMA: Mr. Nakagawa?

MR. NAKAGAWA: Yes, Chair. The way this direct potable reuse, from what we've researched, it's my understanding, we treat it through R-0 processes, we send it up and they have a reservoir up there that they get surface water from, they pull from that surface water and then do their treatment to meet their DOH requirements. So, basically, to answer your question, it gets treated below and, actually, technically, it gets treated again above.

COUNCILMEMBER COCHRAN: Okay, alright. Alright, very interesting.

CHAIR HOKAMA: So more than likely, it's cleaner than the surface water entering the system --

COUNCILMEMBER COCHRAN: Right.

CHAIR HOKAMA: --before treatment, before treatment.

COUNCILMEMBER COCHRAN: Right, right, right.

MR. NAKAGAWA: Yes.

COUNCILMEMBER COCHRAN: Okay.

MR. NAKAGAWA: That's correct.

COUNCILMEMBER COCHRAN: Yeah, just, yeah, interesting to see a study. Thank you, Chair.

CHAIR HOKAMA: Again, Members, they asking for an assessment, amount of funds to do an assessment and a study. So, yeah, nothing is --

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COUNCILMEMBER COCHRAN: No.

CHAIR HOKAMA: --set and this is what we're going to get our due diligence information from. Any other questions on this project, Members? Having none, anything else, Mr. Nakagawa?

MR. NAKAGAWA: No, Chair, that was a handful.

CHAIR HOKAMA: Yeah, good job, good job. Okay.

COUNCILMEMBER COCHRAN: Chair?

CHAIR HOKAMA: We'll take the...yes --

COUNCILMEMBER COCHRAN: Sorry, just real quickly though --

CHAIR HOKAMA: --Ms. Cochran?

COUNCILMEMBER COCHRAN: --sorry, Chair. I know it's not in this budget but it was, the soil aquifer treatment, the \$100,000. Is that still a go? We gave the 100, it says contract execution pending so, 'cause I know --

CHAIR HOKAMA: Mr. Nakagawa?

COUNCILMEMBER COCHRAN: --that was another study per se and how to utilize our water.

MR. NAKAGAWA: Yeah, so, Chair. So that is already encumbered and we're going to get our study and, by the end of September. So that's already contracted and we're just awaiting the study.

COUNCILMEMBER COCHRAN: Okay, very good, thank you for the update.

CHAIR HOKAMA: Okay --

COUNCILMEMBER COCHRAN: Thank you, Chair.

CHAIR HOKAMA: --Members, we are done with Wastewater. We're going to take a five-minute recess and bring, get prepared for Solid Waste. . . .(gavel). . .

RECESS: 11:26 a.m.
RECONVENE: 11:35 a.m.

CHAIR HOKAMA: . . .(gavel). . . We are back to order. Members, we will now move into the Solid Waste component of the Department. We definitely will not complete before the mid-day break so we'll do as much as we can and then we'll do our break and then continue this afternoon to finish up. So at this time, Mr. Stant, Mr. Ratte, if you can give us a project and a reference to start this review.

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MR. RATTE: Thank you, Mr. Chair. Thank you, Councilmembers. Yes, we have a, eight CIP projects and six equipments that are in our CIP budget. The first project we have is on Page 722 and this is a Countywide Landfill portable lighting systems that we want to install in areas where we don't have any electrical capacity nearby and it's mainly at the outer landfills, such as Hana, for example, and some on Lanai and Molokai. So these are small turbine systems with a small PV panel. If any of you have looked at what we have at the Kihei Treatment Facility entrance, they're similar to that in nature. This is much cheaper than running conduit and infrastructure to some of these remote locations and is to address areas that we have to access in the dark, at night, or early morning hours, and sometimes in emergency conditions so this we see as the most advantageous way to get lighting in these areas.

CHAIR HOKAMA: Okay. Will they have a power storage component to this project, Mr. Ratte?

MR. RATTE: Yes, correct. There will be lithium battery systems, it's part of the package.

CHAIR HOKAMA: And, again, I'm just asking if it was part of your consideration and can it handle security systems like cameras on your office areas if, or you do any transaction areas? I'm just looking if we can also have some additional video components of your security.

MR. RATTE: It's possible. However, most of where the components that you're talking about would have electrical capacity already, like near the buildings so we certainly could put security systems in with existing electrical that we do have. These were mainly for exterior areas, like out at our flare system, our gas monitoring wells and areas where we don't have current electricity. If we did want to put camera systems on these, I believe those are low energy consumption components that we could put security cameras at those locations if we needed to.

CHAIR HOKAMA: Okay. So this will design and install, right, the 250,000 you asking us?

MR. RATTE: Correct.

CHAIR HOKAMA: Okay. You don't expect a sister agency for throw a roadblock in front of you for another assessment or a finding of no significant impact or any other bureaucratic requirements that we're not aware of at this time?

MR. RATTE: None that we're aware of at this time.

CHAIR HOKAMA: Good, good job. Ms. Cochran?

COUNCILMEMBER COCHRAN: No, Chair. I saw the windmills were going full blast the other day. I saw them yesterday. But I'm glad, thank you for asking for the backup battery storage, which has always been my thing with MECO and all that stuff so hopefully you find a good system in order to... 'cause that's how I live and I know it's

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important to get good storage capacity to offset the times when you're not having wind or sun to take care of your electrical needs. So thank you, Chair.

CHAIR HOKAMA: Thank you. Mr. Carroll?

COUNCILMEMBER CARROLL: Thank you, Chair. Is Hana Landfill on the list of sites?

MR. RATTE: Yes, certainly. In fact, probably the majority of these units, that's our top priority is Hana, because there is no electrical capacity at that site at all, even in the office building area.

COUNCILMEMBER CARROLL: Because of the removing stuff from the outside of the landfill, aren't in the landfill area, there's going to be a lot of changes, I think, in the area. So would you be waiting until that is completed to do this or you have plans to go to someplace on the landfill that won't be disturbed and put this inside?

MR. RATTE: Yes, the latter option that you just mentioned because we have ongoing safety considerations as we speak now for lack of lighting. We certainly will incorporate the schedule and the components of the design that you mentioned into where we locate these but we do have some urgent needs right now for lighting there.

COUNCILMEMBER CARROLL: Thank you. Thank you, Chair.

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

COUNCILMEMBER CRIVELLO: So which landfills actually is it, for this amount of dollars --

MR. RATTE: We ...

COUNCILMEMBER CRIVELLO: --or how many are you...

MR. RATTE: Sure. We are estimating about 20 units total for this amount of money, which includes an underground concrete base and then the pole system and then the turbine and the PV, and the battery system component.

COUNCILMEMBER CRIVELLO: So actually 20 landfills?

MR. RATTE: No, 20 total units, 20 total light systems that we would be installing. I don't have the exact quantity for each landfill. It would depend on where the bid comes in. If it's around 20, it could be 16, it could be 22, somewhere in there, depending on the amount of cost but Molokai probably would receive about 4 to 6 of these units.

COUNCILMEMBER CRIVELLO: I was thinking overall, for this amount of dollars.

MR. RATTE: About, we're hoping about 20.

COUNCILMEMBER CRIVELLO: Twenty landfills?

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MR. RATTE: Twenty lights.

COUNCILMEMBER CRIVELLO: No, I'm wondering how many landfills --

MR. RATTE: Oh --

COUNCILMEMBER CRIVELLO: --are you looking at.

MR. RATTE: --all four, all four of our active landfills.

COUNCILMEMBER CRIVELLO: Okay, thank you.

CHAIR HOKAMA: Thank you. Mr. Couch, any questions? Okay, Mr. Ratte, next project?

MR. RATTE: Okay, our next project is on Page 723 and this project is a Countywide project for overall Environmental Compliance System Design and Construction. This is similar to the Wastewater Division's Consent Decree CIP projects, where it encompasses projects throughout the County and all of our landfills and all of our closed landfills. This will address unforeseen conditions that we cannot plan for. For example, we have projects that require us to expand or replace infrastructure that we have that comes about during the fiscal year itself. For example, we could have surface emissions, exceedances [*sic*] that require us to add additional gas wells or additional gas monitoring or groundwater wells, which are a CIP infrastructure increase that we need to do; however, if we don't have funding to handle it and it is a compliance related item, we wouldn't, may not have enough time to come in for a supplemental budget to do the project. So this is a amount of money to have available for these unforeseen CIP projects that do come about. We have addressed them with B Account monies in the past; however, from what we learned last year with Council and with Budget, those are CIP infrastructure, so this is money to address Council's concern last year that was brought up as well as further definition of what a CIP is and what operations is. So this is not a slush fund or slush monies or anything like that. This is monies in place to handle CIP infrastructure improvements during the fiscal year as they come up and we do have, normally, several of these each year.

CHAIR HOKAMA: Okay. Mr. Couch, any questions?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. And, kinda the same question that I had for your predecessor this morning is how quick do you need these funds to be allocated? Or how long, how far in advance do you know about these projects that you couldn't do a supplemental or, you know, a budget amendment?

MR. RATTE: Normally when there's an occurrence where one of these projects would come up, it needs immediate addressing by the County and then we have to, basically, tell Department of Health what our plans are and how quickly we're going to address it. Without getting into detail about the deadlines when it comes to compliance related with DOH, when we get notified that one of these projects is done, we have to address it immediately. So I would call them emergency based type projects but they are infrastructure improvements. We would have to immediately go to design, which is

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also CIP so we would need monies, basically, immediately to do this, by rights, within weeks.

COUNCILMEMBER COUCH: Okay. Thank you, Chair.

CHAIR HOKAMA: Okay. So how you folks were doing this in the past, I guess, was B Account funds. So if you asking me for this money in this manner now, did you folks make adjustments to your B Account requests?

MR. RATTE: We've looked at our B Account this year and a few, we have taken that into consideration. Aside from union contract agreements and fuel and electrical costs that were adjusted, our B Account from an operations perspective has not gone up very much, whatsoever. So even though our costs have increased with inflation and various things like that, we've taken this project into account to offset those, the savings that we would get where we would normally use B Account monies for. So we have taken that into account in that manner. And, to clarify, we're asking for \$500,000. If we only spend 250,000 of this, it is, I believe this is bond monies, we just simply would not use that money. So this is more of a safety valve for us to address CIP related projects that come up that we just don't have enough time for, coming in and waiting a couple of months to start it. So our hope is is that we get approval for this to use, if we need it, and if we don't, we will not use it.

CHAIR HOKAMA: And we appreciate, the Committee appreciates your Division's situation and how you would like to approach it. We are addressing some of the concerns brought up by the County Auditor as it regards to CIP projects and what we need to do, what Council needs to consider to ensure compliance to the projects that we approve is done within the parameters of our intentions as it was presented to the Committee and as funded by the Committee through presentations, not what the project morphs into after we give funding. So, you know, we understand your request and we're gonna work with you to find ways to, because if it's not part of the Budget document, Mr. Ratte, there is no project, so that we can avoid future situations that we have with, that's currently under review by the Auditor. Members, questions? Mister--I'll go right down the line--Mr. Guzman? Ms. Crivello?

COUNCILMEMBER CRIVELLO: Thank you. Thank you, Chair, for your comments 'cause I was going to lead into that because it's, your request is rather broad. But if you are aware of what's required for your compliance, or whatever it is that's regulated, is it not possible because you folks are, on your employee's side, you've mentioned that you folks have to, like do a checkpoint to make sure you're in compliance. And if it's not, aren't you prepared or are you all in compliance to date because you're not being specific and, I guess, like Mr. Hokama said, you don't have a project?

CHAIR HOKAMA: Mr. Ratte?

MR. RATTE: That's a very good question and hopefully I can clarify it for you. What happens at our landfills at times is we will be in full compliance with our air emissions as well as our leachate and gas collections. And then, if all of a sudden, there's a hit on it that becomes a concern for us and for Department of Health and then they require us

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to add an additional well immediately, that's the type of work we're talking about. So it can't be foreseen, the geological changes that happen subsurface in the landfill cannot be foreseen, so we cannot identify whether we might need a new air emission well or gas collection system in improvement or immediately until those hits come. Certainly we try to project as best we can but this project was in an attempt to address, I believe it was Mr. White's concern last year about spending B Account's monies that could be attributed better to a CIP project. So this was basically try to make sure that when we have infrastructure improvements, that we spend it from CIP. But, hopefully, that answers your question about why some of the components geologically that happen subsurface are not able to be forecasted.

CHAIR HOKAMA: Ms. Crivello?

COUNCILMEMBER CRIVELLO: That's...thank you. Not that I can truly accept your explanation, but thank you.

CHAIR HOKAMA: Thank you. Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. I just wanted to make sure it's correct on the record. You said this was going to be Bond Fund and it looks like it's from your Solid Waste Fund.

CHAIR HOKAMA: It's, yeah, special funds. It's the proposed ...

COUNCILMEMBER COUCH: Special funds, but not bond.

CHAIR HOKAMA: No. It's not bond.

MR. RATTE: Yes, that's correct.

COUNCILMEMBER COUCH: Alright, thank you.

CHAIR HOKAMA: Ms. Cochran?

COUNCILMEMBER COCHRAN: Yeah, thank you, Chair. I was also trying to figure out what exactly, what is this for, enable operational enhancements for environmental regulatory requirements and I'm just trying to refer to that audit, Chair and I think we were asking if personnel, the bodies, were sufficient to keep them in compliance and it founded, yes, that people on staff, are positioned to make sure, maintain acceptable levels of regulatory compliance. And if I recall, it was mainly the monitoring of sorts or the reporting of sorts that a lot of the compliance issues had originated from. So if we have the bodies and the people now to keep on top of that portion of it, I don't understand why we continue to receive, you know, bad grades or whatever, and where this fits in, I mean, 'cause as I understand the actual equipment, operations itself is up to par but it was the monitoring and reporting manpower things that were occurring but now that we took care of that issue, I don't see where we should have any compliance issues at this time. And so I'm just trying to figure out why is this needed. And according to our audit, you're looking good in this respect.

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CHAIR HOKAMA: Mr. Ratte?

MR. RATTE: Thank you, Mr. Chair. Yes, very good question. This is directly related to infrastructure changes and non-manpower. So these are emergency replacements or emergency additional wells under the ground or gas collection system infrastructure immediate needs and emergency repairs, not even actually repairs, but complete new wells, that we're talking about, whether it be a gas monitoring well or air quality monitoring. So it's not a staffing component per se, it's a matter of making sure that we fund these replacements or additional wells that we need appropriately.

COUNCILMEMBER COCHRAN: Okay. 'Cause the operating impact narrative does mention enable efficient and reliable monitoring so, of the compliance systems. So it kind of made me think about actual manpower, who will be monitoring. I know the machinery does the monitoring but you gotta read it to, so anyways, Chair, I'm just, again, seems very broad and general but I am understanding somewhat of what you're saying this, for your Department, is wanting to utilize this money for so it's up for discussion.

CHAIR HOKAMA: It's one of the challenges that we'll have in trying to meet, to adjust our document to fit some of the comments as recommended by the Auditor and as well as to meet the request of the Department so we'll look at ways of how to make it work.

COUNCILMEMBER COCHRAN: Thank you, Chair.

CHAIR HOKAMA: Mr. Carroll, questions, sir, on this component? Okay, Members, we are at that point of the day where we will take our mid-day break. So when we return, we shall continue and finish the review of Solid Waste with our Department representatives. So until then, we shall be in recess 'til 1:30 p.m. . . .(gavel). . .

RECESS: 11:55 a.m.
RECONVENE: 1:33 p.m.

CHAIR HOKAMA: . . .(gavel). . . Okay, let's get back to work, Members, please. Let's finish up Solid Waste for DEM. Director Stant is with us as well as Mr. Ratte, Mr. Kehano, for your resources. Mr. Ratte, next project, please?

MR. RATTE: Thank you, Mr. Chair. Thank you, Members. This is our third CIP project. It's located on Page 731. This is the Hana Landfill Makai Berm Waste Removal Project. You may recall from last fiscal year, this is a identified area where we had some unpermitted waste that was dumped outside of our grounds back in the late '80s and early '90s so this is a historical measure that we gotta address from the past. So this is a regulatory compliant project that definitely needs to get done. We're moving into the second phase of this project at this point. We're, we've completed the inspection, we've completed the design, we've also had monies from last fiscal year where we're addressing areas there. Once we get permitted, even in this fiscal year, in FY '16, we're gonna start that work. But this money, the \$2 million we're asking for in FY '17, is to continue that effort and you'll see an FY '18 number in there as well but this

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project is one that, don't really have any choice, we have to definitely address this and we've been advised that this is a CIP project that is critical in nature for us.

CHAIR HOKAMA: Thank you, Mr. Ratte. If I, again, you know, my memory is not as solid as a young elephant but it's still pretty good. Last year, I thought this was going to be just a \$2 million request this year. Did some...so, you know, inform us, how this occurred, whereby this is now a \$4 million construction? I thought this would cost us 2 after last year's review. I may have missed something, Mr. Ratte, so give us a little bit more about this additional 2 for '18, 2 million for '18.

MR. RATTE: Certainly. There may have been a misunderstanding last year and/or, if not, the initial estimate for the project was based on preliminary reviews of the site. Since that period of time, we've actually done exploratory well drilling to determine the extent of the waste and the depth that this has to be dug out basically. So it is a larger extent than we initially anticipated and a greater horizontal area as well that's involved. So unfortunately, it's a bigger project than initially anticipated. We have hired, prior to now, _____, who's a very well respected environmental consultant to do this in-depth evaluation of the system and this is their determination of cost estimates.

CHAIR HOKAMA: Okay. Mr. Carroll, questions?

COUNCILMEMBER CARROLL: Yes, thank you, Chair. You've determined the area...is the recycle center in the area to be cleaned?

MR. RATTE: No, it is not. Good question. It's in a separate area. Upon that recycling item though, however, it should be noted that a good percentage of the material that we're going to excavate out can be recycled. I know it's not exactly what you asked but it's additional information that's positive for us because we can excavate green waste, rock and dirt, and earthen material out of there and actually utilize that for cover material on the existing landfill there. But the current recycling center will be maintained and continue to operate and won't be affected by this operations.

COUNCILMEMBER CARROLL: Thank you. And as you proceed over there to bring material to the sanctioned site, do you have any idea of the volume that you're going to bring inside?

MR. RATTE: Not off the top of my head but I can certainly provide that to Council. We do have those calculations available in our Engineering section.

COUNCILMEMBER CARROLL: Alright. There is some concern, as you know--I'm sure you've been to the landfill--the last rainstorm we had, people couldn't even get up the hill, a lot of them, because it's so steep and it's so high and it's so dangerous that I was going to request that either gravel or temporary paving be put inside because it is a concern and now you're going to bring more material inside that's going, if you're going to put it the same place, it's going to make the problem even worse. So do you have a location within the area besides up where most of the trash goes?

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MR. RATTE: Yes, we do. We have an identified staging area for the material to be processed. Also, along those lines, we do have a plan in place to refurbish that roadway system. It's something that happens from time to time when we get heavy rains at all landfills so we are gonna rebase that road going up into the working face where the community needs to drive.

COUNCILMEMBER CARROLL: And as this project proceeds, is there anything in there to where, I see the other projects have, to where they take care of the gas, they drill the holes to monitor and then addressing the methane that's in there. Is that part of the project?

MR. RATTE: It's a very good question. It's not part of the project because we're basically going to excavate all the way down to virgin ground level before any of this material was in there. So we're gonna pull all that material out. In the evaluation, we determined what the gas content is now, so there's no unsafe condition in the excavation but once we're done, this is going to be back to virgin elevation ground that was there before and so there's no need to put any infrastructure in there at all.

COUNCILMEMBER CARROLL: Also, is there anything in there, we've talked about the green waste, and right now we're hauling it out and we'd like at least a limited operation over there to where they grind up green waste and it be available for the community and the farmers. They say they don't want to grind it all because they can't, weight limit, bringing the truck out of ground when it's too heavy. But it seems that we could have a limited amount of green waste that was processed over there, would be advantageous for all because that would in the end would be less that you would have to truck out here. Is that, can that be considered?

MR. RATTE: Yes, we've definitely been considering that ongoing for the past, over the past year and a half now. We've been working diligently with Hana Ranch--they have a new name now but with them--in hopes that they were going to get permitted with Department of Health to actually take the green waste and process it themselves. At this point in time, they have not secured that permit and they may or may not be able to so myself and the Director have talked about this issue to see what we can evaluate with in-house resources. Currently, right now, we're fully tasked with just running that landfill and to create a, an additional amount of resources and manpower to mulch that green waste and make it available and load people when they come in, isn't something we currently have resources to do but if Hana Ranch folks are completely unable to do and get permitted for the green waste processing, then we'll have to, you know, sharpen our pencils to see what we can do with in-house resources, if that's possible.

COUNCILMEMBER CARROLL: The last I heard, Hana Ranch wasn't really interested because they didn't want to get into the sale of green, processed green waste, liability problems and everything else so it seems, for the community, is going to be able, and all of our, I mean, we have like 60 flower growers outside there. We have a lot of farming going on. If they're going to make use of it, it's going to have to be on County property. It's not going to work with, on a ranch area. They're not really interested in it. They don't really need it. Maybe far in the future, but for the immediate future or

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the very near future, anyway, I'm hopeful that we can put something together over there for that green waste and service our people. And, again, it'll, in the end, it'll save some because that'll be less that you have to haul out.

CHAIR HOKAMA: Okay, why don't you do an --

COUNCILMEMBER CARROLL: Thank you.

CHAIR HOKAMA: --assessment on Mr. Carroll's request, Mr. Ratte, and see if, what your Division can do and let us know if it's a cost impact --

COUNCILMEMBER CARROLL: Chair?

CHAIR HOKAMA: --adjustment.

COUNCILMEMBER CARROLL: The reason I brought that up now incidentally, is because, since they're going to be moving more material inside, if they could consider the area that they might do this. Instead of using the whole thing, they might set aside someplace. Otherwise it would be more difficult later to set up the area for the green waste. Thank you.

CHAIR HOKAMA: Thank you, Mr. Carroll. Members, any other questions on this project? Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you, Chair. And I'm looking at the CIP status report as of December 31, 2015 matrix, the long piece of paper that we were given, in regards to this item and it shows that total, initial appropriation of 250,000 and, I guess, currently balance of 98,500 and the status is, waiting for archeologist proposal for plan and monitoring. So where is that?

MR. RATTE: Excellent question. Right now, we, as I mentioned, we have completed the design NPDES permit and EA so we've made quite a bit of progress. What's remaining before we can hit the ground running here is a scheduled meeting with the Hana Advisory Committee and that's scheduled for June. We don't foresee any negative problems from there so our goal here is to start the ground running with the remaining funds that we have available to us in FY '16 on or about July of this year.

COUNCILMEMBER COCHRAN: Okay. And so this sifting out the soil of sorts and getting all the, you know, doing the remediation itself hasn't actually started, this still needs to be completed first?

MR. RATTE: That's correct.

COUNCILMEMBER COCHRAN: Okay. And that, as you say, around June or so, mid-year?

MR. RATTE: Yeah.

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

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CHAIR HOKAMA: Okay. Any other questions, Members? Next project, please, Mr. Ratte?

MR. RATTE: Okay, we're on Page 740, and this is the Molokai Landfill EA, Environmental Assessment. As we discussed when we were going over the Operations budget, this is land that we currently do own. We're looking at taking the remaining acreage that we do have available and completing this Environmental Assessment to allow us to expand the usable landfill area to continue to landfill. I think we're looking at about four years remaining right now with the current landfill so this is a standard process for us to begin this work now at this time so we're available, landfilling prior to our current phase being filled.

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

COUNCILMEMBER CRIVELLO: I think your landfill at the Kalamaula site will probably reach its capacity at 2020 and then you probably won't be anticipating funding after Fiscal '17. So what's the anticipated timeline when you folks made your man mountains, manmade mountains there? It's, your airspace is ridiculous.

MR. RATTE: Right. You're correct, and in our current estimations is about 2020 when the current landfill that we have there permitted will be filled. I think I understand the question correctly, but this EA will move us forward to be able to have a new landfill available to us prior to 2020 and that will take us out to about 2042 with this next phase of the landfill.

COUNCILMEMBER CRIVELLO: So right now, your, the existing EA allows for 12 acres, like you mentioned, and then the, what is it, 19 acres, that this new EA will extend it to?

MR. RATTE: Correct.

COUNCILMEMBER CRIVELLO: And that will provide up until 2020?

MR. RATTE: The new phase will provide up until 2042. The current phase we have permitted now will take us to 2020.

COUNCILMEMBER CRIVELLO: Interesting. I have a question. How do you folks measure your airspace, you know, your packing and, you know, 'cause no sooner you're jumping to the development of a new cell? Is, and is there a process or some manner that the air space is under, controlled with the packing of the trash or what have you? Because I see that as a major problem because you've got manmade mountains there that's really not very desirable as far as the environment and all what you're packing too, and I also note now you have a new equipment operator so maybe that will help in trying to control the airspace, which, I believe, is part of you folks problem, not being able to do that.

MR. RATTE: All very good questions. We would look at it as challenges. Certainly the compaction rate of our current equipment at a landfill goes into the formula that we figure out but essentially, there is 3-D mapping that takes place from aerial photos

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and it's utilizing a GPS system so you can see what your topography of the land is and how high the Department of Health would permit the landfill for. So with that 3-D modeling and with GPS, you can determine how much actual cubic yards of space that you have and then you take into account the amount of compaction ratio that you have with your equipment and your manpower and then that ...

COUNCILMEMBER CRIVELLO: So these...understand, I don't, I'll never remember how your process is but I'm just trying to ask if that's something that you folks fully implement or are you starting it now?

MR. RATTE: We've been implementing that for at least the past 5 to 10 years, longer than when I've been in the Division, there's been this 3-D mapping system set up to enable that, combined with the compaction rate.

COUNCILMEMBER CRIVELLO: Well, I think your compaction rate needs to be improved. Thank you.

CHAIR HOKAMA: Other questions on this project, Members? Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. And the question I have is, as you have said, you're going to try and do something around 2019-2020 but I don't see any subsequent year funding. You have any ideas what that's going to be or is that a separate project?

MR. RATTE: Yes. There will be, once we determine and get the land use, the next phase would be going into a design and I do apologize, that's not showing on here just yet. The design would probably come in potentially in 2018 or '19. So when we're here next year, they'll be design and construction phase of this that's in there to enable us to be prepared by 2020.

COUNCILMEMBER COUCH: Thank you, Chair.

CHAIR HOKAMA: Okay, thank you. Any other questions, Members, on this project?

COUNCILMEMBER COCHRAN: Chair?

CHAIR HOKAMA: Ms. Cochran?

COUNCILMEMBER COCHRAN: So this is, the open project now called Kalamaula Closed, a remediation that's been appropriated \$400,000? Is that what this is? I'm looking, again, Chair, at that list of status reports of, as of December 31st and it shows Kalamaula Closed, remediation 400,000, balance available 342,350, and status as of December says preparation of final closure plan, including bid specs for final maintenance as per outline plan gaps. So that project I just mentioned in relation to this request is, how does this all tie in together?

MR. RATTE: Okay, great question. Kalamaula, and you'll see there in the, it's an abbreviation, it's a closed landfill there on Molokai. And this is FY '16 funding that we

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have available to us to actually do the work at that closed landfill as well as others. We have four closed landfills and all four of 'em we've gone through inspection, identification, actually design and bid specs, and we're going to put all four of those out to bid in the next couple of months. And so Kalamaula is one of those projects. So that's separate from the actual Molokai Landfill.

COUNCILMEMBER COCHRAN: Okay, okay, just wanted to get a better bearing on this. Thank you very much.

CHAIR HOKAMA: Thank you. Any other questions? Next project, Mr. Ratte?

MR. RATTE: Thank you, Mr. Chair. Page 741 is the next project and this is at Central Maui Landfill. This is a Phase V Gas Collection System Expansion. So as the landfill gets built up, our gas collection system has to continue to be built to collect that gas. Just in general terms, that's how it's constructed as it gets higher and higher up, you put more gas lines at different elevations to continue to collect your gas. So in this case, we're looking at needing to get this done by the end of Fiscal Year '17 is our goal. In general, when you put waste down, you have to start to collect gas within five years of actually landfilling that waste. So this is just a systematical approach to our design and plans of operating and maintaining the landfill per regulatory requirements.

CHAIR HOKAMA: Okay. What are you doing with the captured gas at this time, Mr. Ratte?

MR. RATTE: At this time, we're flaring that gas and ...

CHAIR HOKAMA: Is that, any other potential uses of that energy for some type of other type of a smaller pilot projects that could use the energy that you guys using from the gas?

MR. RATTE: Certainly. And if this body recalls a few years back we had attempted to make electricity from that and we had some challenges with risk between the County and that developer so we had fully intended to do that at that time. What the current plan is is, and it's inside of the Anaergia contract, to utilize that gas and future gas to create their onsite electrical needs for their facility.

CHAIR HOKAMA: What would you estimate in 2016 dollars the value of what we just burning from the collection system at this point in time?

MR. RATTE: I would have to get back to you on that because I'd have to look at the amount of gas we have and what the current market is for that.

CHAIR HOKAMA: Yeah, we just want an estimate --

MR. RATTE: Sure.

CHAIR HOKAMA: --to see what kind of values we dealing with and if there's ways we can assist you to place that in a, something beneficial.

MR. RATTE: I may even have that number for you within the next 15 minutes or so.

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CHAIR HOKAMA: Yeah, thank you, Mr. Ratte. Members, questions on this project? It's a compliance requirement. Ms. Cochran?

COUNCILMEMBER COCHRAN: And, yes, thank you, Chair. And so that, the item that we spoke about earlier on Page 723, Environmental Compliance System Design of half a million dollars, is this that fund, the 500,000, would that have been something that could be used for this, a compliance issue comes up or something in this vicinity of the landfill and you could tap into that money in order to, I don't know, create another well or whatever that might be needed to do, be done?

MR. RATTE: It could be but the direction that we had tried to describe is, as earlier in the day, it would be for unanticipated and unplanned events and projects that we didn't know about. In this particular case, because we know the tonnage coming into the landfill, we know the elevation as it's rising up, we generally know when we're going to need to put these gas lines in, so this is a planned project. This is something that we could use that type of money for it but normally this is a planned thing so it wouldn't really fall under the definition of what we had put in the FY '17 Budget for the 500.

COUNCILMEMBER COCHRAN: Okay. And I think this is the more, you know, this is an actual project, per se, versus the other, that's why we had questions like, what is that, this is not really a project, so why is it a CIP? But, anyways, okay, thank you.

CHAIR HOKAMA: Members, questions? Mr. Ratte, next project, please?

MR. RATTE: Thank you. Page No. 743. This is a Leachate Collection and Recovery and Electrical Distribution Upgrades and this is at the Central Maui Landfill. As we mentioned, we have a couple of things going on at every landfill: leachate is one, gas is another and then groundwater is another that we monitor. In general, leachate collection systems at all landfills is very regulatory related and there's elevations that are required to meet. So at Central Maui Landfill, we have leachate storage tanks. We also have a pumping station that you can see there in the picture. It's quite deep down under the ground and that's measuring and monitoring what the leachate level is at the bottom of the landfill. So this project actually has been a long time coming and something that has been needed to be done. We did do an interim B Account repair to maintain compliance out there but this project is actually to do a much longer term sustainable replacement of the system that's required.

CHAIR HOKAMA: So how much have we paid in fines since 2011, Mr. Ratte?

MR. RATTE: For this particular item, we did actually get a fine. I believe it was \$133,000, I think. I can confirm that but it was for this very type of issue at Central Maui with leachate management.

CHAIR HOKAMA: That notice of violation, is there a clock to address and correct the violation?

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MR. RATTE: When they give us a notice of violation, or a NAV, a Notice of Apparent Violation, those are the first little ticklers that we get from Department of Health but I have not determined any rhyme or reason for whether those go to a fine or not. Sometimes it gets determined on the complexity or the environmental impact that Department of Health would foresee that particular thing to impact. So I don't believe there's any calculation that they use for a timeframe. When they give us the NAVs or NOV's we certainly have a timeframe to respond on what we're going to do. And even if we do respond and do the repair or the replacement or whatever is necessary to get back to compliance, we've found that even upwards of a year or more later, sometimes you still experience a fine.

CHAIR HOKAMA: Okay. This is Central Maui Landfill. Ms. Cochran, questions?

COUNCILMEMBER COCHRAN: In the project description, NEC stands for what, NEC requirements?

MR. RATTE: That's an electrical acronym, National Electrical Code.

COUNCILMEMBER COCHRAN: Okay.

MR. RATTE: Yeah, so we have some electrical distribution system and components there that need to be brought up to Code to give us a little more sustainability long term. As I said, this is a, quite an old system there that we've been holding together with operations and maintenance monies but it's come time to replace this whole system.

COUNCILMEMBER COCHRAN: And it looks like also safety issues in regards to personnel too, 'cause they have to climb down into this thing, right?

MR. RATTE: That's correct.

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

CHAIR HOKAMA: So is our County electrical code so different from the national code? I mean, you folks refer to the national code but what the Council does is update, you know, what the Statewide, all the counties agree to. So is there different standards that we aren't aware of?

MR. RATTE: No, I think most counties and most all states would adhere to the same code from a national standard.

CHAIR HOKAMA: Okay, I was just, we just was wondering if there's two different standards. Members, any other questions on this project? Having none, Mr. Ratte, next?

MR. RATTE: Thank you, Mr. Chair. Page 745. This is a SCADA system for Central Maui Landfill. It's been long coming for us out there to have an automated system that's monitoring the activity that we have going on out there on a 24-hour basis. Currently, when it rains, we're not aware offsite of what the leachate levels are, we're not aware of the various amount of rainfall that we're experiencing at the site so this is a much

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smaller SCADA system in comparison to what we would have at the wastewater facility that's connecting all of our pump stations and treatment plant functions and controls to a central computer system. But this is a major step for us to have this system in place to actually monitor, record data in real time and it is directly related to regulatory compliance of our leachate gas, leachate system storm water and it also gives 24/7 monitoring offsite of rainfall. And I think in the long term, this project will save us money, it will keep us in better compliance and keep us much more proactive versus reactive and as well as potentially save time to address things when they may need to be addressed in the middle of the night versus the next day when it comes to things like the flare system that we talked about earlier that really does need 24/7 monitoring onsite and we don't, obviously, have staff there all night long. So this system is to address all those needs for the entire facility and to tie all sensing equipment available to us to central computer.

CHAIR HOKAMA: So how are you currently meeting the needs without this system?

MR. RATTE: We send staff out in the middle of the night if it's a pretty major rainstorm to go check leachate levels, to check our systems available, so it does incur some premium pay there. In addition, we do it from a manual perspective. So we will have to go down into wells like you saw on the previous page versus having sensing equipment that'll monitor it for us and tell us where it's at. The gas system, we're monitoring it manually but we're doing it, you know, during the day when we have staff out there only when we really should be monitoring that on a 24/7 basis and it's much, much better for data collection and much more informative for us to project the future.

CHAIR HOKAMA: I'm not going to argue that, I would tend to agree. My question is more about, why didn't you ask us for this sooner than now?

MR. RATTE: I think we ...

CHAIR HOKAMA: I mean, it seems to, you know, I mean, there's so much...you know for us, especially when we keep hearing about fines and penalties, it drives us kinda crazy, especially if it's a continuation. And so this is, to us, a very smart request. We just curious why you didn't come sooner for this consideration? Is there, was there other issues regarding this project?

MR. RATTE: It's a very good question. We've tried to do what we can with the resources we have in house. I believe this was looked at as early as about a year and half back and we evaluated it with other CIP and looked at what we're doing and then available monies through the County's budget and what we were asking for in FY '16. It was a prioritization basis, I guess. Certainly it is a component also of being able to get it through the budgetary process from management to you guys. But for us, we're getting by on a manual basis but this is going to take us into, you know, with current technology so apologize for not asking for it sooner.

CHAIR HOKAMA: Would you be able to tell us or give us a educated ballpark estimate on how much we've already paid in penalties for this area from the CML?

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MR. RATTE: I'd have to look back at the historical records. We do have them readily available. I don't have 'em right in front of me. It would be difficult to attribute specific fines or penalties we've had for not having a SCADA system there but I think it's --

CHAIR HOKAMA: No, it's more about --

MR. RATTE: --indirect.

CHAIR HOKAMA: --the issues of, you know, from Health Department, let's say, big rainstorms, where they said, not enough cover, it got washed away, you have one leachate issue and so we're going to fine you this much. That's what we want to know, in comparison to the cost of the project because if you come up and say you had, through the years, we've paid out \$2 million and we looking at a project that is asking for \$400,000, we gonna go, hmm, why did we pay that extra monies in fines when we could've put in one whole system for you already? So that's, we just trying get a sense, you know, because we understand the need to move forward in technology but since you're also asking us for, to doing this, which I'm very open and I'm pretty much into getting into the cyber side now more. So Mr. Couch has some allies in this area but, you know, I'm happy to look at this, but I'm now wondering what is Anaergia's role then? If we're going to pump in all this investment and yet we are planning to turn over the landfill, help us understand the request as far, and then, again, within a couple years, we're gonna, as we understand it currently, Anaergia now transitions in, Mr. Ratte. So I'm gonna, we're going to be paying--oh, it depends how we finance this. I'm just trying to make sense with the additional request for investment, the time of the return for us, and then knowing that more than likely a third party will be coming in and taking over some of your responsibilities. And so I'm gonna have to balance should we really do this investment if another third party is gonna come and then take responsibility to provide within the parameters of the contract or the agreement?

MR. RATTE: The short answer is yes, definitely. This is definitely recommended and we would need to do this regardless of whether Anaergia came on board or not because this is our responsibility inside the landfill. So we gotta monitor our leachate, we gotta monitor all the different control features that we have in our facility currently and into the future, even up until closure of the landfill, and then as hopefully, we're slowly learning more about landfills here, up until 30 years after, when we close it. So Anaergia wouldn't have those components of responsibility. They would be handling the gases we talked to talked about earlier, but it's still our responsibility to monitor that and get it right to them to where they're going to be operating. So a very good question and definitely these systems are definitely critical and necessary for us to operate regardless of what happens in the future.

CHAIR HOKAMA: Okay, thank you for that, Mr. Ratte. Members, questions on Central Maui Landfill, this SCADA request?

COUNCILMEMBER COCHRAN: Chair?

CHAIR HOKAMA: Yes, Ms. Cochran?

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COUNCILMEMBER COCHRAN: Didn't we have a contract with like an outside company that would run reports or somehow, like you can remotely monitor this? Wasn't there a contract, a mainland, actually, company, so they weren't even physically here on island? Is that still in, or is that, was that for the gas?

CHAIR HOKAMA: Mr. Ratte?

MR. RATTE: Certainly. I believe you're referring to Cornerstone, and we do use other entities as well, but what they do is different than what this is. This is a 24/7 online SCADA system that's monitoring. Our Engineering staff as well as our Operations staff utilizes data on a 24/7 basis with alarm base. We do certainly utilize consultants that come out to help with longer term, like quarterly reports, and even yearly reports, that are very extensive and involved and require vast expertise and they assist us with that. But that's a separate component than what this SCADA system has, for example. And if you compared it to Wastewater, we have SCADA systems that tie all of our pump stations together. So our staff needs to be able to monitor that but we would have consultants that would go to pump stations to do major evaluations or bid plans and specs of that nature that help us with longer term.

COUNCILMEMBER COCHRAN: Okay, alright, well, thank you for that clarification. Thank you, Chair.

CHAIR HOKAMA: Thank you for that question. Any other questions, Members? Mr. Ratte, next project, please?

MR. RATTE: Thank you, Mr. Chair. This is our last CIP project, asking for here. This is out at our Lahaina Refuse Baseyard that's actually currently located at the Wastewater Reclamation Facility out there. This is a long time coming as well. Wish I could put more pictures of this old trailer that we have out there.

CHAIR HOKAMA: Give us a reference, Mr. Ratte.

MR. RATTE: Oh, I'm sorry, that's Page 752.

CHAIR HOKAMA: Seven five two, Members. Thank you.

MR. RATTE: Apologize for that. Yeah, this current trailer that we have houses about eight staff that we have out there and as you can see in the picture, basically the floor's coming out of this thing but the roof is also damaged. We're having leaking issues out there. If I recall correctly, this may have been a hand-me-down from Public Works from quite, quite, many years ago, maybe this thing may be as old as 20 years old. We've made do with it to try to keep it repaired and utilize it as best we can but it's definitely, needs to be replaced at this point. It also has to be re-locatable because of the current operations at the wastewater facility and there's design work going on right now, the timing of this is kind of important because we have to relocate this office to another part of the plant out there so I do not think it would last another move. So we're looking at replacing this to house that eight staff to give them a place

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that's comfortable for them but actually they can utilize and not have issues with water damage and such.

CHAIR HOKAMA: So you need something mobile instead of something like a butler building?

MR. RATTE: Yeah, we've evaluated that option and I think because of this being located in the wastewater facility and there may be plans to have a central baseyard as well at some point, it gives us that opportunity to relocate it down the road. The internal structure of this facility is definitely commensurate with what we need inside but the relocate-ability of this, having axles, definitely gives us that opportunity to relocate it. It is a small building. It is relatively cheap when you consider what it does give to us. Utilities we can do in house in the Department to connect it up. So this we saw as the most economical means of solving this problem.

CHAIR HOKAMA: How big is this unit? We don't have dimensions. Is this like a 40-foot container?

MR. RATTE: I think it's what you'd call like a doublewide. I believe it's 24 by 30, I believe. I can get the details, if you like, of that. We do have this currently spec'd out already.

CHAIR HOKAMA: Yes, yeah, get us information, please? I'm assuming, what, you using Porta Potties or does the mobile structure contain comfort stations for your, appropriate for your staff needs?

MR. RATTE: Depending on where we locate it at the Lahaina facility, we're hoping to tie into their existing system that we have out there, water, sewer and electrical.

CHAIR HOKAMA: Okay. Ms. Cochran, questions?

COUNCILMEMBER COCHRAN: Yeah, thank you, Chair. And you said this existing trailer is out where the, in Honokowai, out at the Lahaina Wastewater Treatment Facility --

MR. RATTE: Yes, that's correct.

COUNCILMEMBER COCHRAN: --at Public Works...

MR. RATTE: It's at our wastewater plant and it's located over by Budget on that end of the facility out there.

COUNCILMEMBER COCHRAN: Okay.

MR. RATTE: But it is accessible through the wastewater treatment plant itself.

COUNCILMEMBER COCHRAN: And, okay, I don't know why I was thinking there was a proposal for an actual building itself. No, there hasn't been discussion about that, and perhaps some land in Lahaina to house it on?

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MR. RATTE: Yeah, we have looked into that over the past five years or more, to my knowledge, and land has been difficult for us to locate and we've done cost evaluation between that and locating it here. It is a small trailer, only eight staff, so in conjunction with Wastewater and the cooperation there, we're looking at the most cheapest alternative and this trailer can be re-locatable. If there was land available down the road, this certainly would be suitable for them to use anywhere.

COUNCILMEMBER COCHRAN: Okay. So that's not Solid Waste office up on Lahainaluna Road? Is that Water Supply?

MR. RATTE: It's not Solid Waste. I'm not sure.

COUNCILMEMBER COCHRAN: Okay, it's not Solid Waste, okay. For some reason I thought it was. Okay. No, Chair, but I know they're definitely in need of something, the poor kinda wayward, wondering office for these guys. So whatever we can do to help 'em make 'em feel at home.

CHAIR HOKAMA: Yeah, we wouldn't want Mr. Ratte to tell us Health Department shut them down for one unsuitable facility. It looks pretty bad in that picture. Members, questions on the project request? Okay, any, Director Stant, anything you would like to share before we conclude this review?

MR. STANT: No, Mr. Chair. Thank you. Thank you, again, for having our Department here today.

CHAIR HOKAMA: Thank you. Mr. Ratte, Mr. Kehano, anything you'd like to say before we wrap up the review?

MR. RATTE: No, nothing further. Appreciate your guys' time and efforts with us today and hearing us out. Appreciate your review.

CHAIR HOKAMA: Yeah, we thank you, gentlemen, for assisting the Committee in its review of your projects. We're gonna take a five-minute recess and allow Water to come down and prepare for the review of their projects. So we'll be in recess. . . .(gavel). . .

RECESS: 2:19 p.m.
RECONVENE: 2:25 p.m.

CHAIR HOKAMA: . . .(gavel). . . Okay, let us continue the rest of the afternoon and let's try and, the goal is to finish up Water Department CIP review, Members. So this afternoon we have the Director and Deputy of the Department to go over their projects. So at this time, Mr. Director, if you would give us a project title and reference the page that you will be referring to.

DEPARTMENT OF WATER SUPPLY

MR. TAYLOR: Thank you, Mr. Chair. Our first project is on Page 898. It's CBS-1075. It's titled Countywide Facility Improvements. This differentiates from the next project,

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which is Countywide Upgrades and Replacements from the sense that Countywide facility improvements tend to be more component replacements rather than the next project is larger scale system replacements. So we're asking for \$2.15 million. Our anticipated projects for this year are replacements of various well and booster pump station components. This includes GAC filters, the pump and booster components of the GAC filters for Napili and Hamakuapoko, booster pumps in North Waihee, Wakiu Well B, Kula Ag Park Station B, Napili Well B and, perhaps, some other sites if they warrant immediate attention. We want to re-roof one of the NASKA Baseyard buildings. This is one of our main butler buildings at the NASKA Baseyard. It's rusting through. It's in such poor condition that the PV Power Purchase Agreement provider wouldn't put PV on it 'cause he didn't feel the roof was structurally sound. Re-roofing the clearwell and reinforcing the embankment of the sludge dewatering reservoir at the Olinda Treatment Plant, refurbishment of the interior of the Lahaina and Mahinahina treatment plant clearwells and refurbishment of the interior and exterior of the Maunaolu Tank in Haliimaile.

CHAIR HOKAMA: Okay. You have any additional requirements? You make note of ancillary requirements.

MR. TAYLOR: Oh, I'm sorry, and I missed the fact that if we can complete these projects for less money than this, we also try to use this funding to support escalated project costs for other projects. What we've found that's best is rather than adding a buffer to each project, we combine those into one so that if a project is just a small amount over bid, with the short time we have to execute contracts, we have someplace to tap that money. So we might also use this funding for that.

CHAIR HOKAMA: Okay. And, again, as we told the other departments, to address some of the comments from the County Auditor, we are looking at, that if putting the projects in the Budget documents in the ordinance itself so that Council, there's no issues of intent on the Council's part, as well as Council will be funding as it has been presented before the body. So that is what we're gonna try and deal with to address comments regarding the Auditor and some of the concerns from Corporation Counsel. So we're going to work with you, Mr. Director, to still be within the narrow parameters of the ordinance requirements as we see fit and give you some flexibility to address some of your exterior factors that impact your cost. Members, questions on this request of 2.15 million? This is Water - Unrestricted. Do you have a sense of how you're gonna break up the 2.15 into the 5 projects, Director?

MR. TAYLOR: I do. Our estimates, our rough estimates, are that the well and pump station replacements are half a million dollars, the NASKA Baseyard re-roofing, half a million dollars, the Olinda Clearwell re-roofing, \$200,000, the sludge dewatering reservoir embankment reinforcement, \$250,000, the Mahinahina Clearwell, \$250,000, the Lahainaluna Clearwell, \$250,000 and the Maunaolu Tank, \$200,000. That adds up to \$2.15 million.

CHAIR HOKAMA: Thank you. Director, is that reservoir, Olinda Reservoir, is that considered under State law, a dam? And are we under certain statutory additional impacts that we may need to be aware of?

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MR. TAYLOR: I believe that is regulated as a dam. That's a small reservoir on the site of the treatment plant and I believe that it's probably got enough height that it's probably considered a dam.

CHAIR HOKAMA: Yeah. If you could confirm whether it is or isn't 'cause we just want to make sure that if it's part of another compliance thing, we, at least we have an understanding?

MR. TAYLOR: Yes, I can confirm with you that it is.

CHAIR HOKAMA: It is considered a State dam?

MR. TAYLOR: Yes, it's one of our six dams that are inspected under the State Dams Program.

CHAIR HOKAMA: Okay, we appreciate that confirmation, Director. At least one of this, 'cause I know we have additional responsibilities as owners or operators of a dam, correct?

MR. TAYLOR: That is correct.

CHAIR HOKAMA: Damn. Questions, Members, on this request? Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you, Chair. Thank you, Department, for being here. In your number one item, in regards to the GAC filters for Napili and Hamakuapoko, those are no longer under the responsibility of the companies to purchase these?

MR. TAYLOR: Thank you, Member Cochran. To be clear, I garbled my words when I was explaining this. These are the well and booster pump station components at those sites. They're not actually the GAC filters.

COUNCILMEMBER COCHRAN: Oh.

MR. TAYLOR: So even if there was no GAC filter at the site, we would still have to pump the water to make the elevation. So the pumps are our responsibility and actually when you pressurize the water, it just runs right through the GAC filters so nothing having to do with contamination affects whether or not you need the pumps. That's just part of our water movement infrastructure that happens to be at the same location.

COUNCILMEMBER COCHRAN: Okay, got it. Okay, very good. And then the booster pumps in the next sentence says Kula Ag Park Station B. Is that to help assist with the possible purchase of the extension, Kula Ag Extension?

MR. TAYLOR: That is not. That is simply the replacement of the existing B Station. There are two pump stations that provide water for the Kula Ag Park, one right off the ditch and one a little higher up. So, although the Office of Economic Development manages

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that site, we take care of that water infrastructure and those, it's the higher pump station pumps that need to be replaced.

COUNCILMEMBER COCHRAN: Okay. And item four, refurbishing interior of Lahainaluna, Mahinahina clearwells. What exactly does that mean? Like are they starting, the casing is eroding away?

MR. TAYLOR: That's almost, that's exactly correct. A clearwell is basically just a finished water tank. So it's the final water that comes out of the treatment plant, where it goes for storage before it's distributed out, where it is called the clearwell. They are concrete tanks. The interiors have signs of cracking, rebar corrosion so they need to be drained, cleaned, has to be prepped, what kind of rebar is showing is gonna have some prep on it, usually some epoxy caulking or something and then elastomeric coating of some sort that's NSF certified to be in contact with finished potable water.

COUNCILMEMBER COCHRAN: Okay. Okay, thank you. That's all, Chair.

CHAIR HOKAMA: Okay. Members, questions on this project? Any other question? Director, if you would move to the next project, please?

MR. TAYLOR: The next project is CBS-2299, Countywide Upgrades and Replacements on Page 899. So these are Countywide projects that are a little bit bigger. They are really complete replacement rather than major maintenance, which was the last project. We're asking for \$4½ million for a number of projects. The first is to construct a water tank to replace the existing 50,000 gallon Keanae Water Tank to address corrosion and deficiencies identified in the DOH sanitary survey. That is \$2 million.

CHAIR HOKAMA: Okay.

MR. TAYLOR: I'm sorry, Keanae, that is \$1 million. Design spillway improvements for the six raw water reservoirs serving Mahinahina, Olinda and Piihola treatment plants to address compliance in the dam safety regulations that was previously talked about. That is \$450,000. Design a waterline to upsize existing 6 and 8-inch lines along Baldwin Avenue and Paia to address substandard water pressure for fire protection. That is \$400,000. And that one anticipated to be probably a \$4 million construction project in the future. Fourth is design a waterline to upsize the existing 4-inch lines along Hobron Avenue in Kahului to address leakage and insufficient flow for fire protection. That's something that breaks often, including yesterday, I believe, is the last time it broke, \$150,000 for that design. The fifth is land acquisition for the Maluhia Tank site in Makawao and related booster pump station improvements. This will be a land appraisal--or, I'm sorry, the land appraisal was previously finished and this project, we are estimating land acquisition could be about \$100,000.

CHAIR HOKAMA: So you have your assessment done on that acquisition?

MR. TAYLOR: Yes, an appraisal has previously been completed. So this project is necessary as part of Upcountry improvements of our booster pump station system. As we get more water at a lower level to try and get it to users at a higher level, so it's part of the

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distribution system necessary to move forward with the meter list. Even if we have water, it's at a lower elevation, we have to get it to the people. So this is part of that ongoing project of pump station, booster pump station upgrades, that we can get water to a higher level.

CHAIR HOKAMA: Okay. Send us one copy of the assessment report --

MR. TAYLOR: Of course.

CHAIR HOKAMA: --from your assessors --

MR. TAYLOR: Okay.

CHAIR HOKAMA: --regarding to, so we can appreciate and understand your land acquisition request better, please?

MR. TAYLOR: We'd be happy to.

CHAIR HOKAMA: And just one copy is enough, one for the Committee.

MR. TAYLOR: Okay.

CHAIR HOKAMA: Thank you. The other components, Director, please?

MR. TAYLOR: The next is No. 6--there's a total of 8--No. 6 is construct a dry scrubber and containment system at the Kamaole Treatment Plant. This is a chlorine scrubber, there's a one-ton chlorine cylinder there, so we want to construct a scrubber system. It's already been designed. So the installation of this is estimated at \$300,000.

CHAIR HOKAMA: Okay.

MR. TAYLOR: Construct booster pumps to upsize the booster pumps at the Omaopio Tank in Kula. This is part of the pumping we have to do when the Olinda Treatment Plant runs dry and we have to pump to that water, we have to pump to those customers so that is \$2 million. That's the biggest bulk of this item. And the final component of this overall project sheet is design improvements to the water system served by the Opaepilau Water Tank in Haiku to address low pressure and inadequate storage for fire protection. And that is \$100,000 for a preliminary engineering report.

CHAIR HOKAMA: Bad shrimp.

MR. TAYLOR: Yes, that is the bad shrimp water tank. And that is just, you know, I had heard when Mr. Nakagawa was here earlier, I think, something about the names of --

CHAIR HOKAMA: Projects.

MR. TAYLOR: -- projects. These names go back decades. They are on blueprints, they're in all sorts of reports, it's what people around those sites call 'em, it's what our staff calls

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them and so a lot of these names just get carried on. Although they're not our preferred names, if we change the name, nobody knows what we're talking about. So I heard that comment earlier and I know we're all sort of stuck with some of these names that have been in the common language for a very long time.

CHAIR HOKAMA: Yeah, we understand, Director. And for some us, it's a historical description of something that occurred previously so we understand that. The one that I would like, because Mr. Couch gave us some insight, on component No. 6 regarding the chlorine project you asking us for. Our understanding is, because of GASCO and changes from a big customer like HC&S, the County's going to make adjustments regarding its approach toward chlorine and I guess your sister department mentioned moving towards salts if--is that what Mr. Nakagawa told us, Mr. Couch?

COUNCILMEMBER COUCH: Gas generation, I believe.

CHAIR HOKAMA: Right, yeah, so explain to us, you know, you asking us to put investment in this. Are you making any adjustments also regarding the ability to have your Department meet its chlorine requirements or replacement of those requirements?

MR. TAYLOR: We are planning on starting that with the Iao Treatment Plant Project, where we are, that project is bid with, its base bid is based on manufacturing chlorine at the site. And that would be--I don't think anyone's going to manufacture gas chlorine at the site. What you do is you use salt and you manufacture liquid chlorine, basically a very strong version of Clorox. But I don't know that anyone would try to manufacture gas chlorine at the site. So we are going to most likely install that system with our new treatment plant. Wastewater only has chlorine at their treatment plants. We have gas chlorine at treatment plants and also at well sites so we have a lot more places than they do. The movement from gas chlorine to something else would take us much, much, much longer and at this time we don't think it's realistic to move our treatment plants, which are large gas chlorine users, to manufactured liquid chlorine. So we, I think, we're still probably going to be committed to gas chlorine for some time to come at the majority of our facilities.

CHAIR HOKAMA: Mr. Couch?

COUNCILMEMBER COUCH: Thank you. It's not on the chlorine issue but, for instance, on No. 4 and No. 3, especially number three, design a waterline to upsize the existing 6 and 8-inch waterlines along Baldwin Avenue in Paia to address substandard water pressure for fire protection. You're just doing the design? And who would be paying for that, paying for the actual installation?

MR. TAYLOR: That would be a future Department of Water Supply project.

COUNCILMEMBER COUCH: So if that's the case, how come we don't want to do the one for the, we had a testifier here this morning about a few feet of --

CHAIR HOKAMA: Six-inch line.

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COUNCILMEMBER COUCH: --6-inch line to an 8-inch line, especially for an affordable housing project. Why wouldn't we do that?

MR. TAYLOR: We would like to do all of them. If you added them all up, there would almost certainly be hundreds of miles, literally, hundreds of miles. We, this component, we've, this is, I think, our third year in a row we've put this in our budget. We recognize that the community wants us to upgrade these smaller lines. When they come in, like the testifier came in this morning, which I happened to get to see, and I was familiar with that situation already, people want us to have those lines big enough for whatever their zoning allows. We recognize that we would like to do more and more of that. We can't do it all. There's literally, like I said, hundreds of miles. So we've identified projects we think where there's just the biggest bang for the buck. And that's something like Paia Town, where we know it's undersized, there's a lot of users in a very relatively short space, it is near a fire station, meaning that the Fire Department would probably get there before it all burned down, the buildings are very close together, which a fire in one would just spread quickly, it's very old construction. So we would like to put in lines everywhere. These older, denser, near fire station places, where we think you can get a really big bang for the buck. We think that's the best place to start. If the Council felt that there was some specific location that is the priority of the Council, you know, we wouldn't say that's a bad thing. It's just how much do we want to do, how much funding is there.

COUNCILMEMBER COUCH: Okay, so that would be, I think he just punted the ball into our court, I think.

CHAIR HOKAMA: And, again, I can appreciate the Director's predicament because it's pretty much our same predicament, he has more demand than resources. Just like us, we have more requests than resources, we know that. So I can appreciate his predicament and I can appreciate his prioritization philosophy but at the end of the day, we'll make those tweaks and adjustments to meet the overall benefit of the County. Any other questions in this area, Members, regarding this 4.5 request? Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you, Chair. And the number two, design spillway improvements for this six raw water reservoirs, spillways, is that the water coming off of the ditch system and then flows into your reservoirs or what is that?

CHAIR HOKAMA: Director?

MR. TAYLOR: When we saw this, I was wondering how we were going to explain it and I was actually speaking to your ex-aid, our newest engineer, about how to explain it and what I came up with is this. Remember, I remember when I was a kid in our old bathtub, there was a little drain just below the lip of the tub so if it got too full, it wouldn't overflow the tub. My tub at home does not have that anymore so if you don't turn it off in time, it overflows onto the floor. A spillway is that little hole that's lower than the lip of the dam so if it gets too full it won't overtop the dam. It has to be sized based on how much water is coming in to make sure that the water coming in can't

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overtop the dam. When a dam overtops, I mean, if this is the dam and the water is on my side and it overtops, it eats away the soil on the front end and can cause the whole thing to collapse. I think that's what happened on Kauai when lives were lost and I can tell you, from my experience, about 7 years ago, that's what happened to the 2-million gallon raw sewage reservoir at the Kahului Wastewater Treatment Plant that I got called about at 2:30 in the morning. When that happened, the dam breached and 2 million gallons of raw sewage ran out into the ocean. So making sure that your spillway on the front end of the dam can handle your flow and it doesn't overflow the top, is a huge safety and environmental protection aspect that you don't want to overlook.

COUNCILMEMBER COCHRAN: Okay. And this spillway, I'm just, I was just there, I was just trying to picture it. But, anyways, and then in regards to the chlorine gas leaks. So is there like a air monitor or something that says it's, 'cause you couldn't, you don't see it, that it's --

MR. TAYLOR: That's correct.

COUNCILMEMBER COCHRAN: --leaking, like propane gas coming out of your stove, you smell it rather than actually see it. So you have, we were just with Solid Waste and they have the SCADA system that monitors the, you know, landfill gas and whatever, leachate and things. So is that same type of equipment you have here to monitor the chlorine tanks?

MR. TAYLOR: It is similar from the sense that there is gas sensing equipment. In this case, the gas cylinder is inside a sealed room that's hooked up to this scrubber system and there's an automatic chlorine gas sensing system. Chlorine gas is heavy so they tend to be down low on the floor. If chlorine gas is sensed, it activates the scrubber, which floods it with other chemicals turning that gas chlorine into bleach, which is then caught in another containment vessel. So it's all contained, it's automated, and even if no one's there and there's a gas chlorine leak, it contains it, turns it into bleach, the bleach ends up in tanks, which is contained.

COUNCILMEMBER COCHRAN: Okay. Okay, very good, 'cause as we know, it can be quite deadly --

MR. TAYLOR: And those systems --

COUNCILMEMBER COCHRAN: --dangerous.

MR. TAYLOR: --I mean, we have some of those systems already. Wastewater has one at each of their facilities. So the County of Maui has wide experience with these. This is just one location that for whatever reason, it was never installed there.

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

CHAIR HOKAMA: Okay, thank you. Other questions, Members? So the spill is not just that whole, I would say you looking at something more like what we do it for swimming

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pools, there's that barrier that collects the water before it reaches the top, that 6-inch shield, you know, below the water surface?

MR. TAYLOR: It's, I think it would be analogous to that. It's supposed to catch the water and drain it before it overflows the top and it has to be designed based on the flows and to make sure that water is transmitted down below the dam to a safe place, into its receiving stream, that kind of thing.

CHAIR HOKAMA: So the standards are all set, we not guessing on what we need to design, right, the State has set up their parameters of standards?

MR. TAYLOR: The standards are, we have to do a hydrology study to see how much water might be coming in. Those are being done now. The Council's previously funded that so those are being done now. We'll know what the volumes are and based on those volumes, then we have to do the structural designs and then the construction to actually implement them onto the dam faces.

CHAIR HOKAMA: Okay. You need DOH to or DLNR to approve your permits, Mr. Director?

MR. TAYLOR: Yes. This is all, all of this started from the original DLNR Dam Safety Inspection Reports and we are in a compliance situation with those where we have to report on what our status is, get appropriate permits, et cetera.

CHAIR HOKAMA: Okay, got it. Any other questions in this area? Next project, please, Director?

MR. TAYLOR: Okay, the next project is CBS-1076 on Page 901. This is \$1 million for Countywide Conservation Program. Our anticipated projects for this are 100 percent leak repair. As we've, I think, shown Water Resources Committee recently, we've initiated a leak detection program, most of you probably seen the truck driving around, and we are finding many, many more leaks than we can address. We have previously put a project out to bid to address our first bunch of them. At this point, we're still tallying and recording where we're finding leaks. I think we have money in the FY '16 Budget that we will put together a bid package and address as many of those as we can and I foresee this as probably like a standing request for years to come. As we get a better handle on these, we're trying to address them in a rational manner.

CHAIR HOKAMA: Thank you. Members, questions on this request? Mr. Guzman, any questions? Mr. Couch? Ms. Cochran? Mr. Carroll, any questions on this request? Okay. Tell us where your, our leak team has been doing their projects with the current year's appropriation?

MR. TAYLOR: They've been all over. We're not, we are not sending them places by geography. We're trying to hit things by likelihood of leaks. Likelihood of leaks is old pipe, high-pressure pipe, and places where we're likely to find the leaks based on the pipe material and the way the acoustical sensing equipment works. So they've been all over, following those parameters of where we're likely to find them.

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CHAIR HOKAMA: Are you using closed circuit components or equipment to assist you in your locating of troubled areas?

MR. TAYLOR: Unfortunately, unlike wastewater lines, which don't run full, so you use CCTV equipment waterlines, just like the wastewater force mains, are always full and CCTV is not really possible. The only way that would be possible is to empty the lines.

CHAIR HOKAMA: Right.

MR. TAYLOR: So we use exterior acoustic sensing to try to locate leaks.

CHAIR HOKAMA: Owl ears. Questions, Members, on this request? So have you encumbered or have you expended all the money so far this year, we gave you this year, Director?

MR. TAYLOR: I don't believe we have expended any of the money this year. We are still, that's probably something that's going to go out to bid August or September as we see what have we found for this year. We certainly have a million dollars' worth of work so we're gonna wait to see, do we find anything bigger. What we are a little afraid to do is put what we found out to bid and then find bigger things and not have the money. So it's sort of something that we, it doesn't take us a long time to put something like that out to bid so we're going to tend to put that out towards the end of the CIP fiscal year.

CHAIR HOKAMA: Okay. Next project, please, Director?

MR. TAYLOR: Next project is CBS-1106 on Page 902. This is Upcountry Reliable Capacity. We're trying to use the term reliable capacity rather than source because it's more general and it basically means more water that we can serve to more people whether that's a source, direct source, or whether that's something that removes a bottleneck and is able to get more people water. So in this case, FY '17, we're requesting \$4.7 million. There are 3 anticipated jobs. The first is an exploratory well at Pookela site, calling it Pookela Well 2. The design is underway. This would be the actual drilling of a well at the same site as Pookela. The second would be the design of the facility for Pookela, contingent upon the results of the first step being done well. So the first step, \$2½ million, the second one \$200,000 and the third is construction of a chloramination system on the Lower Kimo system that would allow us to change the disinfection of the upper part of the Upcountry system so we can juggle water more effectively and basically balance the peaks and valleys of drought. And that is estimated at \$2 million, that's already in design.

CHAIR HOKAMA: Okay. Does that also enhance your and improve your system's need for less flushing? Or you still maintain the same flushing schedule with this addition of a better disinfection program?

MR. TAYLOR: I don't think that would have a significant impact. The flushing is really about lines that are small, sort of dead-end lines. And I think regardless of the disinfection, it's probably likely to be very similar.

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CHAIR HOKAMA: Okay. Members, questions for the components of this request? Mr. Guzman, any questions? Thank you. Mr. Couch?

COUNCILMEMBER COUCH: No.

CHAIR HOKAMA: Ms. Cochran?

COUNCILMEMBER COCHRAN: Chair, just wondering if any of this would help assist if that extension of the Kula Ag Park comes into existence for some source?

CHAIR HOKAMA: Mr. Goode...I mean, Mr. Taylor?

MR. TAYLOR: None of this would assist that.

COUNCILMEMBER COCHRAN: Okay.

MR. TAYLOR: The Kula Ag Park is basically the last customer on the Wailoa Ditch. So their water all comes from that ditch. The only thing that will get more water to that point is these East Maui instream flow standards hearings about how much water is allocated to whom for what purpose. That's really the source of that, of the water for any ag park expansion.

COUNCILMEMBER COCHRAN: Okay, good to know. Thank you, Chair.

CHAIR HOKAMA: Thank you. Mr. Carroll, questions? Ms. Crivello?

COUNCILMEMBER CRIVELLO: Thank you.

CHAIR HOKAMA: Thank you. One, I'm happy to see the movement of exploratory consideration, Director. Second, I'm happy that the Department is moving along, whatever you want to call it, capacity expansion, source development. I would prefer the departments help drive infrastructure improvements than wait for independent third parties or developers to do it on their time schedule. So I'm open to this and I have no problem with you recouping your costs through appropriate pro rata payments by those that connect to the improved system. So if you have recommendations on how to ensure making that happen, we're open to your recommendations and comments, Director and Deputy. But, again, I prefer that you folks take the lead in the area of water development and not wait for a third-party developer to tell us when they want to do expansion of water resources. Unless, of course, it makes sense that you can convince us, let them go first because they're ahead of our schedule, because they're private, they have two less hoops to jump through so they have additional cost savings and then we can say, we'll just reimburse them for their expenditures or whatever it be. I'm open to those kind of considerations.

MR. TAYLOR: Mr. Chair, are you interested in our comments to that statement or ...

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CHAIR HOKAMA: Just sharing that if you, you know, it's not a question, it's just something I want you guys to think about to move forward because there's things from a community standpoint we shouldn't be waiting on a developer. It's something I think that the County should show some leadership and moving certain things forward, especially community general infrastructure requirements and improvements. Okay, with that, next...any other questions for this, 4.7 million? Mr. Director, next request?

MR. TAYLOR: Mr. Chair, the next, CBS-1102 on Page 903, Central Maui Reliable Capacity. So similar to Upcountry but for Central Maui. The big project in Central Maui right now is the Iao Treatment Plant upgrade, which was funded last year at \$15 million. We have, the bids opened, the low bid was closer to \$20 million. There is a pending Budget amendment for the other \$5 million in FY '16 so that's the big source development project in Central Maui. So in FY '17, we only have one component and that is land acquisition and design for a new water tank near the existing Makai Heights water tank in North Kihei. So this is mauka of the highway, right at the entrance to North Kihei. This would, this will do a couple of things. It would solve our pressure problems plus provide storage for some projects that have recently been approved by the Council in that area. This is something where originally we were pushing the developers to build water tanks but because there's two different developers plus we have needs, we think the best thing to do is have us build the project as a CIP project, they will pay their fair share in their water system development fees. Yesterday, during rates and fees, we talked about those appropriate components of source, transmission and storage. So what we were originally thinking is they would build us a tank and not pay the storage component, but instead, we'll build the tank, we'll charge them that storage component and recoup that money that way. So it gets a little complicated for people that don't do this day to day but either way they're paying and so this way, we're leading the CIP project, taking their share rather than vice versa. And in this case, because of timelines, we think that's best.

CHAIR HOKAMA: Very good, Director. Yeah, especially this type of infrastructure, I prefer the County be the driver and the dog. I rather not be the tail that gets wagged behind. Mr. Couch, questions?

COUNCILMEMBER COUCH: Actually, yes. The thought is how come nothing in 2018? It's gonna take that long to get that land you think, a year to get the land?

MR. TAYLOR: Yeah, yes. If you look at the, I think this probably goes, probably for most major infrastructure projects Countywide, when you look at the procurement process of consultants, we have the money on July 1st, we have to go out through a process to hire consultants. We usually have signed consultants, scope of work contracts, in the fall. So that's when they start, you know, sometimes even later. And so we're just not ready by July 1st of the next year, we're not ready for Budget the next year, we don't even have plans, we don't have an EA, that kind of thing so skipping a year between design and construction for any project of any significant complexity tends to work because of the time it takes for procurement.

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COUNCILMEMBER COUCH: So the question I have is, some of these places are scheduled to open up in FY 2018 and looks like it's going to be two more years, if not three, before you get the tank built, after the 2018.

MR. TAYLOR: We will get it built as quickly as we can. I don't, I can't address how it will affect different parts of which project but I think developers come in all the time with their own time schedules of when they want to open, especially when they have infrastructure requirements that can't meet those, that is always something that we try to work with them on, especially if it's our responsibility to do the infrastructure, we do it as quickly as we can.

COUNCILMEMBER COUCH: Okay. Thank you, Chair.

CHAIR HOKAMA: Thank you for that question. So where are we in the land acquisition process, Director? Are we, is this money to do and hire a real property assessor to get your evaluations of the land or have you already done your assessment report requirements?

MR. TAYLOR: I don't believe there has been any outside work done other than interior, finding a suitable location. I don't think we've contacted landowners or done an appraisal yet.

CHAIR HOKAMA: Okay. So the key component is the 200,000 to get that squared away?

MR. TAYLOR: That is correct.

CHAIR HOKAMA: 'Cause once we figure out the land then we can start the design but we cannot design 'til we know the land.

UNIDENTIFIED SPEAKER: Right.

CHAIR HOKAMA: And I appreciate your questions about the projects but that is part of why the departments puts their comments accordingly. When you come in, we'll let you know because it's a fluid situation. So I appreciate that and I appreciate your question. Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. One more on that. Wouldn't it be--I know we did this for the little section on North-South Collector Road in, over by Keonekai Heights--would it be, if we have a willing seller, and we're just waiting, through the procurement process and everything, would it be better to do a friendly condemnation? Quicker, 'cause the minute we say, okay, we're going to do it, it has to go through Council and it's, all they're worried about is the price after that?

MR. TAYLOR: My understanding is condemnation also has to go through the Council.

COUNCILMEMBER COUCH: But...that's right. It only, it goes through here but once we do the resolution, it's our land and you can carry on, if it's friendly, it would be a friendly one.

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MR. TAYLOR: I'm not familiar enough with the processes of friendly condemnation to --

COUNCILMEMBER COUCH: Yeah.

MR. TAYLOR: --comment.

COUNCILMEMBER COUCH: We've had to do it before and it seems to have worked. It'd be quick. It'd cut a year off, I would think.

MR. MEYER: Thank you. Paul Meyer, Deputy. Most of these transactions don't actually go to a formal condemnation. A letter is written using a threat of condemnation and the appraisal is prepared and that's usually enough to generate the land transaction. The key is giving the seller, the condemned party, the benefits, tax benefits of reinvestment afforded by 1033.

COUNCILMEMBER COUCH: Oh, absolutely, but it would be a friendly one where they're okay with it too. It would cut a year off the thing in my opinion. But, anyway, that's just a thought.

CHAIR HOKAMA: We'll let the Department investigate which option and how they want to move forward with appropriate advise from Corporation Counsel. Any other questions regarding the 425 for this reliable capacity request, Members? Director, let's get to your next project, please?

MR. TAYLOR: Thank you, Mr. Chair. Next project is our last and final project. This is CBS-1092 on Page 904, West Maui Reliable Capacity, fits the same generalized definition of other areas' reliable capacity. In this component, we're asking for \$13 million for a single job and that is construction of the Mahinahina Well 1 facility and related transmission improvements. This is something that has come up, at least last year or the year before in Budget and Finance, certainly in Water Resources Committee. We drilled a well at about 1,400-foot elevation and we expected to get a million gallons a day out of that well. So we tested it and tested it and drilled a little deeper and retested it and we're only getting about three-quarters of that. So we've been, we struggled a little bit about, you know, should we develop it or should we call it a dud and move on? So we've crunched a lot of numbers and decided that it is worth going ahead with based on the water we can get, our needs, likely costs, the cost we've already sunk, the well that's already being sited and explored near it that we could share infrastructure. We ran some numbers and said, if it was worth doing a 1 million gallon well for 13 million, it's also worth doing a 750,000 gallon a day for 1 million [sic]. It doesn't affect the 25-year cost per thousand gallons more than about 15 percent. So since it's still better than our next option of just giving up on this hole we dug and starting over, it's still worth going ahead with. And I want to mention that if the next well produces, the infrastructure we're building as part of this project...let me be clear, the hole's already there, this funding will connect the pipe, the power, put the pump in, develop the site. If the other site is also developed, that will connect to this piping so we'll get double duty for this work we're doing now. We won't have to do that again. And because when you put all of those together, we did a long-term cost

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benefit analysis, it still worth going ahead so we think based on the water needs for West Maui, this is still a worthwhile project for the Department.

CHAIR HOKAMA: Okay and you're saying you gonna, we are now anticipating 3/4 of what we had originally, our expectations were? So we're down from 1 million to 750,000?

MR. TAYLOR: That is correct.

CHAIR HOKAMA: Well, it does make a difference in the system. Ms. Cochran, questions?

COUNCILMEMBER COCHRAN: Yeah, thank you, Chair. Well, and that's a great status update on this one 'cause last it sounded like we were just going to give up and go, oh, well, we thought we had something and let's move on so I'm glad that we can salvage this and move forward, although not what we expected but better than 0 so, yeah, I can be supportive. So 13 for this year, and then another 5? Is that for that other well you spoke about or that's just the continued infrastructure needed to utilize this well?

MR. TAYLOR: Thank you. The former, the first thing you said is correct.

COUNCILMEMBER COCHRAN: Okay.

MR. TAYLOR: This 13 million will put this well online.

COUNCILMEMBER COCHRAN: Okay.

MR. TAYLOR: And the 5 million in FY '18 would put, as long as we get a good pump test, would put the other well online. So that would finish this and we'd have both those wells, let's call it an extra 1.75 million gallons a day for a total of \$18 million and this would be, this section would be complete.

COUNCILMEMBER COCHRAN: Okay. And this would help assist in getting water all the way down into the Lahaina Town itself?

MR. TAYLOR: Yes, the West Maui system, and I was just checking with the engineers about this just right after lunch before I came to verify it. We have the ability to move water from the northern side, from the Napili side of the system all the way to the town side. So this water serves everything. There's some elevation points just below Lahaina Treatment Plant that maybe this water couldn't get to but from a, along the highway standpoint, this water can come all the way to Puamana. So, essentially, it helps the entire system, not just that localized portion.

COUNCILMEMBER COCHRAN: Okay. And so what's the guesstimation then for all this infrastructure to go, to kick this online and to provide service? Within the year or ...

MR. TAYLOR: It was put out to bid once before so we're ready to go out to bid. You know, what we would usually do is if this passes out of Committee, we'd probably just start moving to put it out to bid assuming that it'll pass first and second reading and if it didn't, you know, we obviously wouldn't execute the contract. That way we get a jump

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on it, it's ready to go out to bid. So I figure we open bids in July/August, have a signed contract a couple months later, start construction a couple months after that and so you're probably talking about starting construction towards the end of the year, even if it's a one-year project, somewhere I would guess the end of calendar '17, I would think. I think that's realistic.

COUNCILMEMBER COCHRAN: Okay. Alright, just to get a timeline. Alright, thank you. Thank you, Chair.

CHAIR HOKAMA: Questions, Members, on this project? Send us a aerial please, Director, of this project site, show us where the Well 1 is located and then where the potential second well is gonna be.

MR. TAYLOR: That's, we can do that.

CHAIR HOKAMA: And then show us where the transmission line bisects or how it's gonna serve the, both wells so that we can appreciate comments.

MR. TAYLOR: We'd be happy to do that.

CHAIR HOKAMA: Thank you.

MR. TAYLOR: And just for some geography the Mahinahina Treatment Plant and the wastewater large old reuse water reservoirs are at elevation 700 feet, right above the airport. These wells are up at about elevation 1,400 feet above them. So, just for your, you know, idea of where to look --

CHAIR HOKAMA: Right.

MR. TAYLOR: --that's where they are. So they're about twice the distance up as, above the airport as those existing facilities that I'm sure you're all familiar with.

CHAIR HOKAMA: You having good pressure from your test, Director? You have good artesian pressure or is there going to be needs for major pumps to move water?

MR. TAYLOR: These are pumped. There is no artesian pressure at these sites and they are submersible pumps that have to be lowered down about 1,400 feet and pumped up.

CHAIR HOKAMA: So is that part of the impact on the O&M at 300,000 per year?

MR. TAYLOR: That's correct.

CHAIR HOKAMA: Okay, shucks, I thought maybe we lucked out with some pressure that could help push the water at least up for you folks.

MR. TAYLOR: Unfortunately not, but I would, you know--Mr. Chair, could I make a link to something DEM talked about when they were here in this area?

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CHAIR HOKAMA: Sure, yeah.

MR. TAYLOR: Because this Committee had a discussion with DEM earlier today about the study of direct potable reuse --

CHAIR HOKAMA: Right.

MR. TAYLOR: --okay, and that's for the West Side. So if that goes forward--and we've been working with them on that about needs and we will continue to work with them on that--if that were to move forward, that would probably displace the need for projects like this. So in the future, if something like that were built, these would probably be only used as back up because those systems would be at a lower elevation, would probably be less expensive to operate and if we built those systems, I assume we'd be doing it because there was a disposal problem with the wastewater affluent that was wanting to be dealt with and so that would be a priority over pumping these. So I just do wanna, you know, in full disclosure point out that you probably don't need both that project and this project but at this time, there is no certainty of their project and so we are still moving ahead because I don't think we can afford to wait to see if that pans out or not. But I did want to disclose that because they are mutually, we don't need both and I think the Council should recognize that because they're both in this year's Budget.

CHAIR HOKAMA: Okay. We appreciate that candidness, Director, to help us make a better informed decision, so thank you. Further questions, Members on this request? Having none, I think we've complete Department of Water CIP requests. Director, Deputy, any additional comments you wish to share before we conclude?

MR. TAYLOR: No, we appreciate your helping to schedule us earlier than Monday and thank you for that, Mr. Chair.

CHAIR HOKAMA: You're welcome, and thank you for being flexible, Director. Deputy, anything you'd like to add?

MR. MEYER: Thank you, Chair. No, I don't, not at this time.

CHAIR HOKAMA: Okay, thank you very much, gentlemen, for your assistance in responding to the Committee's requests and questions. Members, we have, thank you so much, we have caught up quite a bit so the Chair thanks you for your assistance. We have concluded the requirements of the day. There is a 6:00 p.m. district meeting at the Haiku Community Center this evening so we look forward to the residents in that district to share their thoughts with us. There being no further business of this Committee, we are...Mr. Couch?

COUNCILMEMBER COUCH: What's on schedule for Monday morning or you haven't scheduled that yet?

CHAIR HOKAMA: Ms. Yoshimura?

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MS. YOSHIMURA: Mr. Chair. Office of Economic Development, we're doing their, covering their grants.

COUNCILMEMBER COUCH: So you moved that to Tuesday?

MS. YOSHIMURA: We moved it to Tuesday, now we moved it back to Monday.

CHAIR HOKAMA: Yeah, because we caught up with Water --

COUNCILMEMBER COUCH: Yeah.

CHAIR HOKAMA: --today.

COUNCILMEMBER COUCH: Good.

CHAIR HOKAMA: So that's why I said, you know, we...if not, Water would've come on Monday but the Director and Deputy were able to assist us today. Okay, any further questions? Having none, we are adjourned. . . .(gavel). . .

ACTION: DEFER pending further discussion

ADJOURN: 3:16 p.m.

APPROVED:



RIKI HOKAMA, Chair
Budget and Finance Committee

bf:min:160414:alp

Transcribed by: Annette L. Perkett

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CERTIFICATE

I, Annette L. Perkett, 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 5th day of May, 2016, in Haiku, Hawaii.


Annette L. Perkett
Annette L. Perkett