

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

MINUTES

April 27, 2016

Council Chamber

CONVENE: 9:11 a.m.

PRESENT: Councilmember Riki Hokama, Chair
Councilmember Mike White, Vice-Chair
Councilmember Gladys C. Baisa, Member
Councilmember Robert Carroll, Member
Councilmember Elle Cochran, Member (in 10:04 a.m., out 4:28 p.m.)
Councilmember Don Couch, Member
Councilmember Stacy Crivello, Member
Councilmember Don S. Guzman, Member (in 9:25 a.m.)
Councilmember Michael P. Victorino, Member (out 10:56 a.m.)

STAFF: Michele Yoshimura, Legislative Analyst
Carla Nakata, Legislative Attorney
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.: Sananda Baz, Budget Director, Office of the Mayor
Scott Teruya, Administrator, Real Property Tax Division, Department of Finance
Jeffrey A. Murray, Fire Chief, Department of Fire and Public Safety
Eric Nakagawa, Wastewater Reclamation Division Chief, Department of Environmental Management
Michael M. Miyamoto, Deputy Director, Department of Environmental Management
David Goode, Director, Department of Public Works
Marc Iwao Takamori, Deputy Director, Department of Transportation
Diane Yogi, Grants Administrative Officer, Department of Transportation
William Spence, Director, Department of Planning
Michele McLean, Deputy Director, Department of Planning
Erin Wade, Planner V, Department of Planning
Butch K. Buenconsejo, Director, Department of Parks and Recreation

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Brianne Savage, Deputy Director, Department of Parks and Recreation
David Ching, Deputy Managing Director, Department of Management
Keith Regan, Managing Director, Department of Management
Jacob Verkerke, Chief Technology Officer, Management Information Systems
Division, Department of Management
Jeffrey T. Ueoka, Deputy Corporation Counsel, Department of the Corporation
Counsel

OTHERS: Lynn McNeff, Chief Executive Office, Maui Economic Opportunity, Inc.
Michele Maalaea, Lahaina Site Director, Ka Hale A Ke Ola
Theo Morrison, Executive Director, Lahaina Restoration Foundation
Jeanne Skog, President and Chief Executive Officer, Maui Economic
Development Board, Inc.
Robert Collesano, Executive Director, Mental Health Association of
Hawaii
Dee Hamby
Others (10)

PRESS: Akaku: Maui Community Television, Inc.

CHAIR HOKAMA: . . .*(gavel)*. . . This meeting shall come to order. This morning, present is
the Vice-Chairman, Mr. White.

VICE-CHAIR WHITE: Good morning, Chair.

CHAIR HOKAMA: Committee Members, Mr. Carroll --

COUNCILMEMBER CARROLL: Good morning, Chair.

CHAIR HOKAMA: --Ms. Baisa --

COUNCILMEMBER BAISA: Good morning, Chair.

CHAIR HOKAMA: --Mr. Couch --

COUNCILMEMBER COUCH: Aloha. Good morning, Chair.

CHAIR HOKAMA: --Ms. Crivello --

COUNCILMEMBER CRIVELLO: Good morning.

CHAIR HOKAMA: --and, Mr. Victorino.

COUNCILMEMBER VICTORINO: Aloha and good morning, Chair.

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CHAIR HOKAMA: We excuse Ms. Cochran and Mr. Guzman. Before we start, we shall turn off our noisemaking devices in this Chamber. The Chair will enforce decorum if need be. We shall take testimony at this time, Members. Those that want to...are providing testimony, you have three minutes, three minutes only. At the 2-minute 30-second mark, the yellow light will indicate you have 30 seconds. The red light means you have no time left. First person is Lynn McNeff.

. . .BEGIN PUBLIC TESTIMONY. . .

MS. McNEFF: Good morning, Council Chair, Budget Chair Hokama and Councilmembers. I'm here to talk about transportation. As you know, a budget is forecasting what you expect expenses to be given the historical information. I understand that Council Chair White feels that there was a hidden increase due to a reduction in fuel cost. However, any savings was utilized to cover an increase in expenses like insurance, repairs and maintenance or employee benefits. We replaced five engines this fiscal year. We cannot commit to giving staff increases without an increase in funding. As Ms. Cabebe told you, there was no salary increase in Fiscal Year 2015. The Human Service Grant is very different from the Paratransit Grant. The Human Service Grant is a reimbursement on expenses so if we do not use all the money, the money is not...goes back to the County, whereas the Paratransit Grant is a fee for service. We needed to bid a certain fee for the hours that we provided the service. We do not get paid for the bus wash, the fueling or the training that we do for staff. We factored it, that into the bid. The RFP did indicate that there could be a 5-percent increase each fiscal year pending funding. MEO has saved the County nearly 2.5 million over the 3 years because we are 825,000 less than the previous provider per year. We bid the Paratransit bid five years ago. This is our third year in the contract. When we started, there were 700 eligible clients. Today, there are over 1,100 eligible clients. The Fixed and Commuter Contract received a 5-percent increase last budget year. We did not receive any increase in either Human Service or Paratransit. We appreciate the long hours you put in to develop a Budget for Maui County and your previous support. We humbly ask you to consider an increase in Human Service and Paratransit. Thank you.

CHAIR HOKAMA: Thank you, Ms. McNeff. Members, questions for the lady on testimony presented? Thank you very much, Ms. --

MS. McNEFF: Thank you.

CHAIR HOKAMA: --McNeff. Michele Maalaea?

MS. MAALAEA: Good morning and aloha, Council Chair Hokama and Committee Members. My name is Michele Maalaea. I'm a certified substance abuse counselor and the site director of KHAKO in Lahaina. I've worked for KHAO [sic] since 2010 and I'm here on behalf of a reconsideration of the funding for the Substance Abuse Program that Ka Hale A Ke Ola provides to their clients. I ping-ponged back and forth since yesterday about whether I was gonna write a speech or whether I was just gonna speak to you

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from my heart about what I know about this program, and I landed on the heart side. So I brought a couple notes but I'm not, you know, I'm just gonna tell you what I think in my experience. I was the program director for that chemical...sorry chemical dependency program for over three years. We ran an excellent program. It's been a fundamental part of KHAKO in the 30 years that KHAO [sic] has been on that property. Twenty sixteen is their 30-year anniversary. This program is the core of...not so much the housing but helping people figure out why are they homeless. It's not even a question. Forty to 60 percent of our clients come in with a substance abuse disorder, either abuse, dependence, they have mental health involved. Our agency is able to provide education and prevention services in-house. There's no waiting list. There's no waiting time. It's available to them. It adapts to their needs and their schedules. This program helps people. I work side by side with a woman who's been there for eight years. She was a client of KHAKO. She graduated their CD program. She is a competent, amazing case manager who's become a part of this society and a excellent part of our agency, and she credits it to this substance use program. You know, I'm a certified substance abuse counselor. I'm able, through our program, whether we have this funding or not, but it's helpful to provide, you know, agency and State-approved substance abuse assessments to the clients so they can go straight into treatment, not wait that extra time to have somebody come from another agency or do an assessment three weeks from now. They might be dead in the bushes by then. I don't know why it wouldn't be approved. All I'm asking you is to please reconsider. There's testimony that was given by 17 clients and I know Monique and Joy will be more than happy to be here on Thursday. I appreciate your reconsideration and I'm gonna pray for your reconsideration of this matter. Thank you.

CHAIR HOKAMA: Thank you, Ms. Maalaea. Any questions for the lady? Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair, and thank you, Ms. Maalaea, for being here. Is this...this is the \$97,000?

MS. MAALAEA: Yes, sir.

COUNCILMEMBER COUCH: And is that a new program or is that a...

MS. MAALAEA: I believe that it's a reconstruction of our prior program. Our prior program was up to nine hours a week. They're still striving to make that. There was another grant through HUD that didn't come through so they're trying to still work to keep this going. I believe this will happen no matter what but the extra funding keeps people who are educated in substance abuse running those programs.

COUNCILMEMBER COUCH: Okay. Thank you.

MS. MAALAEA: Thank you.

COUNCILMEMBER COUCH: Thank you, Chair.

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COUNCILMEMBER VICTORINO: Chair? Quick question.

CHAIR HOKAMA: Mr. Victorino?

COUNCILMEMBER VICTORINO: Yes. You said 80 percent but what is...how many clients do you average per year as far as substance...

MS. MAALAEA: Eighty percent of?

COUNCILMEMBER VICTORINO: Of what?

MS. MAALAEA: No. I said 40 to 60 percent of...

COUNCILMEMBER VICTORINO: Oh, 60 percent. Okay, I apologize.

MS. MAALAEA: Forty to 60 percent of our adult clients have some type of...

COUNCILMEMBER VICTORINO: So how many clients do you help during the course of a year? Number?

MS. MAALAEA: I believe...I can tell you how many clients are in the CD program at any current time. I don't have the answer.

COUNCILMEMBER VICTORINO: What is it in the current time then so...

MS. MAALAEA: Okay. So in Lahaina we have probably 35 to 50 and in Central I'm guessing 65 to 80 --

COUNCILMEMBER VICTORINO: Okay. Thank you.

MS. MAALAEA: --who fall in that group.

COUNCILMEMBER VICTORINO: Okay. Thank you.

MS. MAALAEA: Thank you.

COUNCILMEMBER VICTORINO: Thank you for that information, Ms. Maalaea. Thank you, Chair.

MS. MAALAEA: Thank you.

CHAIR HOKAMA: Thank you. Theo Morrison?

MS. MORRISON: Good morning. My name is Theo Morrison, Executive Director of Lahaina Restoration Foundation. Thank you very much for working so hard on this Budget. I can see it's difficult. I know that. I work on my own budget but it's nowhere as complex as yours. I'm here today to talk about the Lahaina Harbor Front

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Improvement Project Phase 2-A. But first, I'd like to just give you our progress on Phase 1. Several of you came to our blessing we had last weekend. We're ready to start the project probably the...probably around May 15th and we'll be finished in October. So this is a \$750,000 project right in front of the...where the canons are, in front of the Lahaina Harbor...Lahaina Harbor. So today...so that project will be done this fiscal year. Today I wanna talk about Phase 2-A. When I originally came before you in Lahaina, we asked for 1.5 million for the entire Phase 2. However, we've reconsidered based on your Budget so we are now just going for a portion of Phase 2, and so we're calling it Phase 2-A. And this Phase 2-A is located on what we call the mauka Lahaina Library lawn, which is County property. And I have tax map keys, which I...it's part of your packet that you just received. It should be noted that the Lahaina Library building actually encroaches upon the County property. And there is one small section of...on the south side of that property that is actually State property. It's just a small slice. It's not integral to our project. So the other drawing I gave you is a conceptual plan of this park. This is not an a maintenance project. This is an improvement project. This is a very nondescript type of park. This was also...this location is the king's taro patch, was a king's taro patch so that's what we wanna do is bring back the emphasis on to kalo and kalo education, having a lot of different varieties of kalo planted there. The other significant thing is in Phase 1 we completed all the major environmental permits for the entire project so we're actually ready to start on Phase 2-A once we have the funding in place. So this is a community-based project entirely planned by the community under...with the guidance of paid professionals. So thank you very for your consideration and I'll be here all day if you have any questions.

COUNCILMEMBER VICTORINO: Chair? Chair?

CHAIR HOKAMA: Thank...hold on.

COUNCILMEMBER VICTORINO: Okay.

CHAIR HOKAMA: Thank you, Ms. Morrison. So again, so we're clear, we're looking on one of your attachments lot number 246001010. That is the site for this financial request, Ms. Morrison?

MS. MORRISON: Correct.

CHAIR HOKAMA: Okay. So I guess you're right, there is a building within the parcel.

MS. MORRISON: Yeah, the library.

COUNCILMEMBER COUCH: State library.

COUNCILMEMBER VICTORINO: The library, yeah.

CHAIR HOKAMA: Okay, okay. No, this helps us have a good sense where the project in relationship to Front Street, Pioneer Inn, Courthouse, Banyan Tree Park area. Being

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one of the users of the ferry system to Lanai, is this gonna impede normal transit servicing for Lanai and Maui residents going back and forth on Expeditions?

MS. MORRISON: The whole project, especially Phase 1 which we're involved in right now was planned to facilitate the passengers, especially the local residents going back and forth to Lanai and Molokai. That was a huge part of our consideration. We see them every day with all their boxes and boxes from Costco. We've made the pedestrian area bigger. We've made it safer. And part of this project, the Phase 1 Project, we will...the businesses in the area including ourselves, we'll be hiring a traffic control person to be out there to direct...to keep the traffic moving because we've seen that taxis stop in the middle of the street --

CHAIR HOKAMA: Right. Right.

MS. MORRISON: --and really jam things up. So we'll have our improvements but one of the very significant findings that we made during this planning process was we need a person out there. So we plan to do that as a community, not as a County. We're not asking for money for that.

CHAIR HOKAMA: Okay. Thank you. The second one that you are well aware of is a...it's hard enough with just the boxes and whatnot that Lanai's travel back and forth with but you know, when there's boat day --

MS. MORRISON: Yes.

CHAIR HOKAMA: --it gets more crazy --

MS. MORRISON: Yes.

CHAIR HOKAMA: --because of the routing of vehicular traffic, security requirements for cruise ships, is that all take factored in to your projects, Ms. Morrison? Because you and I know it gets to be a bear down there with the cruise ship requirements, the regular locals for interisland transit programs. You got the charter boats.

MS. MORRISON: Correct.

CHAIR HOKAMA: You know what goes on there.

MS. MORRISON: I know. Yes, I do know. Yeah.

CHAIR HOKAMA: And that's my concern because it gets messy there once the cruise ship parks and...

MS. MORRISON: Right. So yeah, we'll be working with them. The DLNR is also improving that whole area in front, directly in front of Pioneer Inn, and they'll be doing in addition to that new pier they're building, which will also help with the congestion. So yeah, we totally...I mean we're not gonna abandon this project physically just when

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the beautification is done. We definitely want it to work and we know it needs management so we plan to be down there.

CHAIR HOKAMA: Are you getting any kind of support from the cruise ship entities since you're enhancing also their clients' experience?

MS. MORRISON: We didn't set out to enhance the cruise ships' passengers' experience. We set out to enhance the local community's experiences. So yes it will enhance their experience so we plan to talk to them but we didn't start that way at all.

CHAIR HOKAMA: No, no, no. I just --

MS. MORRISON: Yeah.

CHAIR HOKAMA: --wanted to know whether, you know, they felt to participate with you --

MS. MORRISON: Oh.

CHAIR HOKAMA: --on this project. Mr. Victorino?

COUNCILMEMBER VICTORINO: Yeah, thank you and thank you, Mr. Chair. You asked a few of my questions so that helps that. What I wanted to ask you, Theo, this will just complete that one phase that you're talking along Market Street and Front Street touching, abutting the backside of the library, right?

MS. MORRISON: The library lawn. We're not gonna do Market Street. We looked into...

COUNCILMEMBER VICTORINO: No, no, no but I mean abutting, what I mean --

MS. MORRISON: Yes.

COUNCILMEMBER VICTORINO: --it's touching Market Street.

MS. MORRISON: Phase 2-A. Correct.

COUNCILMEMBER VICTORINO: Phase 2-A. Okay. And then the other consideration and we talked about a little and we we're gonna discuss it further is, maybe even some...we'll see what happens with some of the park assessments if that maybe helpful in this area too. So we'll be working on that but thank you. I appreciate this downsizing and making what we can get done right away done.

MS. MORRISON: Correct.

COUNCILMEMBER VICTORINO: And that's what we've talked about. So --

MS. MORRISON: Yes.

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COUNCILMEMBER VICTORINO: --thank you, Chair, and thank you --

MS. MORRISON: Okay.

COUNCILMEMBER VICTORINO: --Ms. Morrison, for bringing this forward.

MS. MORRISON: Okay. Thank you.

CHAIR HOKAMA: Any questions for the lady? Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair, and thank you, Ms. Morrison, for providing us with this information. Just...I'm not sure if I missed it or not but is the State providing any funding?

MS. MORRISON: No.

COUNCILMEMBER COUCH: At all? And but we're doing stuff on their lands?

MS. MORRISON: We're not doing it on their land. This is County land.

COUNCILMEMBER COUCH: I'm sorry, for the whole project?

MS. MORRISON: No, but for maybe for the next phase, I mean the Phase 2-B on the makai library lawn, we will go for the grant in aid.

COUNCILMEMBER COUCH: Gotcha, okay.

MS. MORRISON: Yeah.

COUNCILMEMBER COUCH: And because of, you know, what Mr. Victorino said about potentially assessment funds, are you...do you know who owns the 2460089999, the essentially Wharf Street and that parcel that goes around the corner to Market Street?

MS. MORRISON: Correct.

COUNCILMEMBER COUCH: 'Cause it's not on our...

MS. MORRISON: DLNR.

COUNCILMEMBER COUCH: That is?

MS. MORRISON: Nine, 9, 9?

COUNCILMEMBER COUCH: Yeah.

MS. MORRISON: That one?

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COUNCILMEMBER COUCH: Eight, 9, 9, 9.

MS. MORRISON: Yeah.

COUNCILMEMBER VICTORINO: DLNR.

MS. MORRISON: That's DLNR land.

COUNCILMEMBER COUCH: That is DLNR.

MS. MORRISON: Well, actually that's the one in controversy.

COUNCILMEMBER COUCH: Right.

MS. MORRISON: So what...I've been in discussions with DLNR land and they're willing to quitclaim it to the County.

UNIDENTIFIED SPEAKER: Of course.

MS. MORRISON: And then the County takes possession of it and then the County...I had all the wording, sorry. But it has been...it is in negotiations so we're working on trying to clean that up. Basically that used to be Wharf Street.

COUNCILMEMBER COUCH: Right.

MS. MORRISON: So the State says it's a County road even though it's an abandoned County road, and the State...

COUNCILMEMBER COUCH: Because that takes you down to the project, Phase 1 too, right? You're gonna be dealing with some of that on Phase 1 according to the lines here.

MS. MORRISON: No. Phase 1 was all done through the County.

COUNCILMEMBER COUCH: Okay.

MS. MORRISON: Phase 1 is ready to roll.

COUNCILMEMBER COUCH: Okay. Thank you.

MS. MORRISON: Okay.

CHAIR HOKAMA: Okay. Anything else for Ms. Morrison? Okay, Ms. Morrison --

MS. MORRISON: Okay.

CHAIR HOKAMA: --thank you very much --

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MS. MORRISON: And thank you.

CHAIR HOKAMA: --for your presentation. Jeanne Skog?

MS. SKOG: Good morning, Chair --

CHAIR HOKAMA: Good morning.

MS. SKOG: --and Committee. I'm Jeanne Skog, president and CEO of the Maui Economic Development Board, and I'm testifying this morning on the Maui High School Automotive Program. I wanna preface by saying, normally this would be Leslie Wilkins 'cause this is her area but her father passed away a couple weeks ago so she's on the mainland for his celebration of life. Otherwise, she would be here. So some update on the Maui High School Program, it continues to produce state-of-the-art workforce training. The program serves 225 students in grades 9 through 12. Last year, 27 graduates with an automotive major all got jobs in local industry including Valley Isle Motors, Jim Falk, BMW Maui, Midas, NAPA, Porsche, Walmart Auto Center and several small private repair shops. Maui again sent students to the national competition and brought home a very prestigious 4th place finish. This is the first year the Department of Education is offering a career technical education honors diploma. So career technical education is the current lingo for what we used to call vocational education. This is a huge step. Shannon Rowe is leading training in the new program for the automotive field and hosting the first performance-based assessment for the Maui District. He has also given technical assistance to Baldwin, King Kekaulike and Lahainaluna High School programs. Lahainaluna has a part-time instructor whom Shannon has mentored. This instructor is planning to go through the Department of Education's alternative pathway to teaching credential program, which is a 2 to 4-year online program that allows bringing more industry-trained professionals into the classroom. That's always been a challenge and this is allowing that to finally happen. There are currently no automotive programs on Lanai or Molokai, no shops or labs with functioning equipment, no dedicated lab classroom space, no trained or potentially interested instructors. But at the request of MEDB and specifications of this grant, the DOE's Career Technical Education Director for Maui County in consultation with Shannon and Dennis Ishii, has been to Lanai to assess the feasibility of standing up an automotive program. He has worked with the principal and key staff on Lanai. They are evaluating cost, space and the potential of attracting trained teaching help for Lanai. The cost will be significant but are being evaluated in queue with other pressing needs within the Lanai's DOE budget priorities. The pay from this grant is...the pay for Shannon is actually that of a substitute teacher so 50 percent of this grant goes to that...to paying him for that. But even in combination, it's still considerably less than what he would pay in private sector. So we're really thankful that he's so dedicated and loves doing what he's doing with the students. I hope that's helpful. Thank you.

CHAIR HOKAMA: Thank you for comments, Ms. Skog. Members, questions on her testimony this morning?

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MS. SKOG: Okay.

CHAIR HOKAMA: Thank you very much for your comments. Robert Collesano?

MR. COLLESANO: Mr. Chairperson, thank you, Councilmembers. I'm here again to talk about the Mental Health Association --

COUNCILMEMBER VICTORINO: Your name?

MR. COLLESANO: --here on Maui. Last week we had a client...Robert Collesano, I am the Executive Director of Mental Health Association in Hawaii. And last week we had a client come and testify and I testified. And then I had heard that our increase in our budget hadn't been approved the first time around. And I just wanted to share you, Chairperson and the Councilmembers, that the Mental Health Association doesn't do anything that does not work. I've been a mental health counselor, a substance abuse counselor for over 30 years and I have direct experience with what works in the community. And actually the Mental Health Association is basically me, one person and volunteers. And I educate volunteers who then work in the community. For example, KHAKO was up here. Michele was talking about their substance abuse program. There will not be a mental health component to KHAKO if our funds aren't increased as we had requested because MHA goes into the shelter and has support groups for homeless individuals in the shelter, and we had to stop it this past fiscal year because we ran out of funds. So my request includes restarting that program at the shelter to go in with volunteers to educate people in the homeless shelter on how to maintain themselves in the community through a very specific program that gives them tools to do that. Another program that works, we go into the jail. Mental Health Association goes into the jail with volunteers to have a support group for people in the jail getting ready to come out. When people come out of the jail, we have groups in the community that they can continue on in their education. Mental Health America, Mental Health Association here on Maui educates the police force, Maui PD. We're very active in the CIT program. A portion of that will go away if our funding is not approved. So in all humility I ask for your support. We do what works and we do it cost effectively. Thank you.

CHAIR HOKAMA: Thank you for your testimony. Members, any questions on testimony provided? Having none, we thank you again --

MR. COLLESANO: Mahalo.

CHAIR HOKAMA: --for your comments. Dee Hamby?

MS. HAMBY: Good morning. Good morning, Chair and Councilmembers. My name is Dee Hamby, and I'm a Haiku resident and I'm coming here to ask you to support Don Guzman's request for \$6.5 million. As you may know, Maliko Gulch to Peahi is now for sale and Don Guzman has requested 6.5 for Kuiaha lots 4, 5 and 3 on the Fiscal Year 2017 Budget to the Budget and Finance Committee for their consideration. This will enable the Mayor to purchase 85.3 acres with existing open space funds for public

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use in perpetuity for the public. And that's all of Maui County, not just Haiku residents or Hana. This...all of...every County citizen can enjoy Maliko to Peahi and it gets a lot of attention just because of Jaws anyway. They can enjoy it for...considering open space for cultural practices, education, agriculture and recreation for all of us, County residents and our children and their children. So thank you for your time and consideration during this tough time for Budget considerations, and we appreciate your support when you come up to Haiku Community Center, and you recognize my t-shirt, I'm sure. So again we ask you to support the 6.5 million and the Budget to purchase Maliko to Peahi for the residents of Maui to enjoy.

CHAIR HOKAMA: That's it?

MS. HAMBY: Anything else?

CHAIR HOKAMA: Yeah. Thank you very much.

MS. HAMBY: Okay.

CHAIR HOKAMA: Any questions for the lady on her testimony, Members? Thank you very much --

MS. HAMBY: Okay.

CHAIR HOKAMA: --for coming this morning.

MS. HAMBY: Thank you.

CHAIR HOKAMA: We'll ask our District Offices if there are anyone wishing to provide testimony. Ms. Lono, anyone in the Hana Office?

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. Ms. Fernandez, anyone on Lanai 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: On Molokai, Ms. Alcon, anyone wishing to provide testimony?

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

CHAIR HOKAMA: Okay. Thank you very much. Members, there is no further request for testimony for today's meeting. With no objections, we shall close testimony.

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COUNCILMEMBERS: No objections.

CHAIR HOKAMA: Okay. Thank you, so ordered.

. . .END OF PUBLIC TESTIMONY. . .

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

CHAIR HOKAMA: What we have, Members, this morning is Finance of...and through Real Property Division will give us some comments and overview on two areas, minimum tax and home exemptions. We then are gonna review the package of proposed ordinances that will be attached and part of the Budget documents. Then third, round two will begin so if you have provisos and other considerations if you can prepare for round two. And then we'll go and see if we can get it done prior to public hearing tonight conducted by Mr. White at 6:00 p.m. If we are not done then I would say be prepared to return after the hearing and we'll see how long it takes to finish. Any questions? Okay, thank you. This morning we have Mr. Teruya from RPT and so at this time I'll ask Mr. Teruya for his comments to share with the Committee please.

MR. TERUYA: Chairman, which one are we going over first? Either?

CHAIR HOKAMA: Either one.

MR. TERUYA: Okay. The two proposed bills in regards to 3.48 in Real Property Tax, one has to do with reducing of the home exemption from the current 200,000 to 175,000 effective for the assessment year of '17, so Fiscal '18. The other bill has to do with adding a section that takes care of remnant parcels, that would be for parcels that are less than 5,000 square feet and a market value of no greater than \$7,500 to reduce that minimum tax to \$150 a year. So...

COUNCILMEMBER VICTORINO: Chair, we are having a difficult time finding.

COUNCILMEMBER BAISA: We don't have that.

COUNCILMEMBER COUCH: Where is it?

COUNCILMEMBER VICTORINO: Yeah, I'm sorry, Chair.

CHAIR HOKAMA: Okay.

MR. BAZ: Mr. Chair, it's under CC-16, Members.

COUNCILMEMBER VICTORINO: Oh we get so much stuff. . . .(inaudible). . .

MR. BAZ: Yeah. So the first one we're looking at is CC-16.

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COUNCILMEMBER VICTORINO: CC-16, oh my God.

VICE-CHAIR WHITE: About two two thirds of the way down.

COUNCILMEMBER GUZMAN: Oh, this one.

VICE-CHAIR WHITE: Yeah.

COUNCILMEMBER VICTORINO: Which one is that?

MR. TERUYA: Yeah, there's two bills. It's the second bill.

COUNCILMEMBER BAISA: Yeah, that's why.

COUNCILMEMBER GUZMAN: CC?

MR. TERUYA: Sixteen.

COUNCILMEMBER BAISA: We missed that.

COUNCILMEMBER VICTORINO: I get 17, 18.

COUNCILMEMBER GUZMAN: Sixteen.

COUNCILMEMBER VICTORINO: Sixteen?

MR. TERUYA: Yes.

COUNCILMEMBER VICTORINO: Oh, I got it.

COUNCILMEMBER BAISA: It's 16, the second bill.

COUNCILMEMBER VICTORINO: There's a lot of stuff to look through. Okay.

MR. BAZ: Yeah, also if it's a thin document, that that's the request, and then there's another CC-16 that's the actual response, so you've probably noticed that. It's about the 6th, 5th or 6th page in.

COUNCILMEMBER GUZMAN: Okay.

COUNCILMEMBER VICTORINO: Okay. I got the thin one. I get this one.

CHAIR HOKAMA: Proceed, Mr. Teruya.

MR. TERUYA: Okay, Chairman. Maybe I'll start all over. It's CC-16 BF-1. There's two bills. I'm going over the second bill, which create minimum real property tax exemption for

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remnant parcels. There's an amendment here in 3.48.552. It shall include remnant parcels that are no larger than 5,000 in square feet with a fair-market value below \$7,500 would have a new minimum tax of \$150 per year. This is an exemption that must be applied for.

CHAIR HOKAMA: Okay. Members, the Chair in hearing comments from community members from various districts, especially those families that have small parcels through inheritance, after they broke it up among all the beneficiaries. Again, this is to deal with remnant parcels only. So again as Mr. Teruya mentioned, less than 5,000 square feet, less than \$7,500 of value and vacant. The land is vacant and undeveloped. The Chair's 150 is to help pay for the processing and keeping the...our register accurate for those parcels also. And the 150 is what we currently provide veterans in the County regarding RPT. So I'm keeping it at that same level of 150 to recapture the cost. Questions regarding this consideration? Mr. Carroll? Thank you. Ms. Baisa?

COUNCILMEMBER BAISA: No, thank you.

CHAIR HOKAMA: Mr. Couch? Ms. Crivello?

COUNCILMEMBER CRIVELLO: No, thank you.

CHAIR HOKAMA: Mr. White?

VICE-CHAIR WHITE: No.

CHAIR HOKAMA: Mr. Guzman?

COUNCILMEMBER GUZMAN: There's no size restriction on the remnant parcel?

CHAIR HOKAMA: Must be less than 5,000 square feet.

COUNCILMEMBER GUZMAN: Five thousand square feet. Okay, thank you. I'm good.

CHAIR HOKAMA: Mr. Victorino?

COUNCILMEMBER VICTORINO: So I understand 5,000 square feet or a fair-market value below 7,500, right?

CHAIR HOKAMA: Is all of it.

COUNCILMEMBER VICTORINO: Yeah. And...

CHAIR HOKAMA: Yeah. You have to meet all the requirements; vacant, undeveloped, less than 5,000 square feet and less than \$7,500.

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COUNCILMEMBER VICTORINO: And with a value...but it doesn't say and with a value. Okay. I just wanted to be clear on that. This is not anything to do with unusable land? Because I remember that's another discussion about gulches and areas with...is totally not usable. This is not involved in that area?

CHAIR HOKAMA: Mr. Teruya, how would you approach Mr. Victorino's request?

MR. TERUYA: Thank you, Chairman. I'll give you a situation that might be easier to kinda --

COUNCILMEMBER VICTORINO: Yeah.

MR. TERUYA: --understand what it's like.

COUNCILMEMBER VICTORINO: Yes.

MR. TERUYA: In Wailuku, overlooking Happy Valley --

COUNCILMEMBER VICTORINO: Right.

MR. TERUYA: --to the river, there's certain areas where maybe a 7,000-square-foot parcel was cut off by a road that was built in, and on the edge maybe about 100 or 200 square feet leftover. Those are considered remnant where there's absolutely nothing that you could possibly build other than maybe grow vegetation, but it's basically on a cliff side. There are about 400 of these parcels out there that meet the criteria now, and the purpose of this is to keep the minimum taxes as low as we can before it becomes uncollectable, you know...

COUNCILMEMBER VICTORINO: So right now they're paying 250?

MR. TERUYA: Right now, they're paying the minimum tax of 250.

COUNCILMEMBER VICTORINO: Two fifty?

MR. TERUYA: Yeah.

COUNCILMEMBER VICTORINO: Okay. So that would reduce it?

MR. TERUYA: Yeah.

COUNCILMEMBER VICTORINO: Okay. I get a better picture and understanding of this. I just wanna make sure that...and again the word unusable, untenable land has always come up in many areas. But these are bigger parcels than 7,500 square feet so that's why I was curious on how that would relate to that. So I'll wait to ask that question on another conversation, Mr. Chair, but I'm okay with this. Thank you, Chair.

CHAIR HOKAMA: Thank you. Mr. Teruya?

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MR. TERUYA: Chairman, just to be clarified further, valuation of these lots are very minimal. I'm talking about like \$100 normally so it is absolutely unusable. This is something that you must apply for as well. So the Department will review the case, the application that comes beforth [sic] us, whether we would verify that with the Planning Department, whether there's utility, no utility. That's the fact-finding process that we'll go through to determine that. And the reason why we kinda chose 5,000 square feet is that's kinda the smallest size by urban standards. But we understand out there, there are zero-lot-line parcels in Kihei that could be 3,000 square feet. Therefore we had to make sure that there is a dollar threshold or market value threshold so that just any vacant lot that's not built on is given the minimum tax of 150. So we did go through some of the measures making sure what is truly a remnant lot and therefore the application process of the application and the processing that goes with that.

COUNCILMEMBER VICTORINO: Okay. Thank you, Mr. Teruya. Thank you, Chair, for that explanation.

CHAIR HOKAMA: Okay. Mr. Couch, you had a question?

COUNCILMEMBER COUCH: Yeah. Thank you, Mr. Chair, and thank you, Mr. Teruya. Question I have, you say, some of them are not even worth 100 bucks market value or is that fair market...is that our tax value?

CHAIR HOKAMA: Mr. Teruya?

MR. TERUYA: Chairman, we must put a value associated with the parcel.

COUNCILMEMBER COUCH: Okay.

MR. TERUYA: And, you know, whether it's \$100, \$200, all of those we pay minimum tax anyway. But we put a dollar figure there just because it needs to be calculated. Whether it's worth 100 or 200, I'm...for us, we really feel if it's...there's no absolutely use and there is no value, what would you pay for?

COUNCILMEMBER COUCH: Right.

MR. TERUYA: Something like that. It may be even a more of a liability, you know, than value.

COUNCILMEMBER COUCH: So I guess the question I have is unless they're, you know, making it a pocket park or something like that, but you're saying it's completely unusable. You know, I...even 150 might be too much in that it's not any land that anybody can use, not even the County. I don't know how...I don't know what the other Members feel about that but that's kinda interesting if you're stuck with a piece of land and you can't sell it and you can't...I mean you can't sell it for even what one year's taxes are worth. I don't know. That's maybe a legal issue but either one...

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CHAIR HOKAMA: But currently...yeah but, Mr. Couch, currently under the existing Code and law...

COUNCILMEMBER COUCH: Right, they're paying 250.

CHAIR HOKAMA: They have to pay 250.

COUNCILMEMBER COUCH: Which is...okay. Thank you.

CHAIR HOKAMA: What we are proposing is a way to try and address and bring some relief to those that have those --

COUNCILMEMBER COUCH: Right.

CHAIR HOKAMA: --remnant pieces so that's why RPT has proposed this that I've presented to you 'cause I...that was one of my things I wanted to consider is how to deal with remnant pieces since it was brought up in district testimony --

COUNCILMEMBER COUCH: Right.

CHAIR HOKAMA: --this year. So I'm making an attempt --

COUNCILMEMBER COUCH: Oh, yeah.

CHAIR HOKAMA: --to try and reduce the impact of remnant parcels.

COUNCILMEMBER COUCH: Yeah.

CHAIR HOKAMA: But there's still a cost for us to keep it current on our registry, and that's why I've asked to consider keeping it at the same level we offer our veterans, the lower tax rate benefits.

COUNCILMEMBER COUCH: Right. Oh I understand and it's just kind of a conundrum that we have to deal with. Thank you. Thank you, Chair.

CHAIR HOKAMA: Yeah, thank you. Other questions for Mr. Teruya on this? And if you heart burn, I asked RPT to assist your Chair in proposing this proposal. This is not from them. This is from me, okay, in my attempt to present to you a consideration. Okay. Next one, Mr. Teruya, please.

MR. TERUYA: Thank you, Chairman. This is CC-17.

CHAIR HOKAMA: Okay.

MR. TERUYA: This is the second bill in this packet here to amend Section 3.48.450, Maui County Code, related to real property tax home exemption amount. The amendment basically says that the current exemption of 200,000 shall last 'til the end of this year

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and that beginning January 1 or July 1, '17 for tax year that the exemption amount would be reduced to \$175,000, Chairman.

COUNCILMEMBER VICTORINO: Chair?

CHAIR HOKAMA: Mr. Victorino?

COUNCILMEMBER VICTORINO: You know, we've just gone through your proposal and you've just reduced by 3 percent across the board basically except for one category because of rising valuations, okay. I look at the word or the statement raising, or rising, excuse me, rising valuations. And now, and I was all for reducing when valuations fell. I cannot support as values go up now reducing the exemption for homeowners. It's just a...it's really the opposite of what you've been just been telling us because valuations are rising, you're dropping rates. Now you're telling us and I don't know who this...brought this one up but...

CHAIR HOKAMA: Me.

COUNCILMEMBER VICTORINO: Okay. You brought it.

CHAIR HOKAMA: I brought it up. I brought it up.

COUNCILMEMBER VICTORINO: Okay. And I'm gonna say I don't think it's a good idea. And because...if valuation and I believe valuations are gonna continue on the rise, why reduce the exemption? To me, that's not good, a good policy at this point. Now if valuations were falling, that's a different story. I'd be probably more inclined to think about it but I cannot support this. I'm gonna say this right up front, you know, I don't want my other Members think...that's gonna be up to them but I cannot see changing from 200,000 to 175,000 for our homeowners while valuations are rising and then we're changing the rates. If we want to, change rates. That's another story and I'll consider that. But the value...the home exemptions, which we are one of the few counties that even do anything of this nature, I think has been value for the homeowners. I mean they struggle enough. We all have been homeowners when we first started. We know how we come close to starving when we first get out the gate. I don't think changing it...and even 25,000 you might say, oh that's not much but it's still to me when you're starting out and even struggling along with a family, 25,000 exemption can help you a little. So I thank you, Chair, for your suggestion but I'm gonna tell you upfront, I don't...I oppose it right off the bat. Thank you, Chair.

CHAIR HOKAMA: Thank you for your comments. Mr. Teruya, additional, anything else you wanna bring up at this time?

COUNCILMEMBER BAISA: Chair?

MR. TERUYA: Chairman, I think we talked about this a little bit before is that the reason for the decrease in the proposal of 25,000 is, there's a lot of parcels in the Homeowner category that pay minimum tax, and therefore the proposal of the reduction in the

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home exemption by 25,000. I think even though that the market is going up and reducing of the home exemption, there's still the rate that you guys have the ability to adjust, to mark that off I guess so to speak. I would defer at this time, Chairman.

CHAIRMAN HOKAMA: Okay. Yeah, no. And again, part of this is to make this Committee look at all components of taxation.

COUNCILMEMBER BAISA: Chair?

CHAIRMAN HOKAMA: Ms. Baisa?

COUNCILMEMBER BAISA: Thank you very much, Chair, and thank you for putting the proposal before us. That's the only way we can get anything done is you gotta put it out there and wave the flags, see where it goes. I have always looked at the home exemption and for many years have thought that maybe we should have a tiered exemption. You know, I don't mind, you know, giving as much of an exemption as we can to people that are, you know, lower income category who have property that, you know, they inherit and then it's probably just decreasing and decreasing and decreasing because it's in their family, they hang on to it, and they're not appreciating just holding on to it. I have one piece like that that I got from my mother, which is just deteriorating. I mean getting, you know, less expensive every year. However, there are people that are coming here and have lots of money and can well afford to pay and they have homes that cost 3 million, 5 million, 10 million, 15 million and we still give them the same exemption. I'd like to look at something that would benefit the people that really need the help and that's where I'm stuck.

CHAIR HOKAMA: I appreciate your comments and that should be part of the consideration, Ms. Baisa. One of the things that the Chair was just, is one, to make you look at things that maybe not every year you look at. So again, this is part of one component of the tax formula that the Council has authority over to adjust what eventually becomes the tax bill. One of the reasons why I had Mr. Teruya help draft for your Chair this consideration is so that you can look at it. Go back to the day I think with Mr. Baz, yeah, I think there was questions for him or Mr. Teruya under Finance, the growth of the minimum tax category and what categories was increasing whereby property owners are only paying minimum tax. So this is not just for the homeowners component, this is also to address some of the areas in the apartment condominium where for the smaller older units there's a good chunk that just pays minimum tax from the get-go. Your Chair's belief is if this keeps growing, you're gonna need to learn how to say that one word more often, and that's no, because you won't get the revs to pay for new things 'cause minimum tax is not gonna give you the amount of resources needed for a community that is growing. And eventually you're gonna hit the wall on borrowing so that's out of the window. You cannot pay for operation or give grants through borrowing. It has to be cash. So my thing is to make you aware of things you can do in small adjustments in the current time to ensure for the long haul health of the County's fiscal position that future Councils have continued choices and options on how to address the demands from the community. We keep going down this path without adjustments, the Councils will not have as much choices and I would hate to

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give them an either/or scenario. We wouldn't want that. We don't appreciate that. We've been put in corners many times for an either/or and normally it's due to a clock that's ticking on us. But I would hate to see this Committee and future Councilmembers be stuck because we didn't adjust early enough our fiscal policies. So part of this is for us to look down the road. If you feel that it's not to be supported this time, that's fine. I did my job in presenting you the components of taxation that I felt you should be aware of, you should be taking into your considerations and at the end of the day, what the Committee and the Council adopts, at least your Chair can say I did my job in presenting you the various options to consider. That is what I believe is the responsibility of your Chair and that is why I bring it up for discussion so that you can have, share your thoughts from one spectrum. You know, Mr. Victorino has his points. I understand. Ms. Baisa has her considerations. I understand that too. There's a wide spectrum in between yes and no. I understand that. And I'm...I welcome your discussion on it because there's no determination on these proposals yet. It is your vehicle to have the discussion. Mr. White?

VICE-CHAIR WHITE: Thank you, Chair. As was stated there, we have I think the highest exemption value. I don't know if Mr. Teruya has the information on Oahu, Kauai and Big Island but I looked up the average home, average value of homes owned by occupants, you know, so the homeowner values and Maui is at 510,000; Kauai at 483; Hawaii at 504. So the neighbor islands are within a range of about 20,000 to 25,000 of each other, and then Oahu's a bit higher at 564. So I just offered that because it provides some context for the discussion. Thank you.

CHAIR HOKAMA: Thank you. Any other comments by the Members at this...Ms. Baisa?

COUNCILMEMBER BAISA: Just one more idea and that would be maybe a tiered rate structure instead of a tiered exemption structure.

CHAIR HOKAMA: One of the bills that I have requested and it's gonna be presented to you. I don't know regarding timing, but it's under the considering splitting of and creating separate rates for structures on Residential. So I'm looking at how the City and County of Honolulu has structured their --

COUNCILMEMBER BAISA: Right.

CHAIR HOKAMA: --ordinance. It's something for us to consider. They'll be...I believe any requirement of enabling legislation to amend the Code first before Council can consider placing it in the...a future Budget document. But it's something we're working on so at least we can have future discussions and consider a split rate.

COUNCILMEMBER BAISA: Great. There's so many ideas.

CHAIR HOKAMA: Yes, there are.

COUNCILMEMBER BAISA: We just need so much time to talk about it all but we can't do it now. Thank you.

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CHAIR HOKAMA: Thank you.

COUNCILMEMBER VICTORINO: Chair?

CHAIR HOKAMA: Yes, Mr. Victorino?

COUNCILMEMBER VICTORINO: And again, you know, you've heard my rationale and again changing rates have always been an easier situation than changing exemptions. I'm all for a tiered rate or a tiered exemption, whatever would make it so that those on the high end, and we've talked about this many times. It just never got around to doing and that's the sad part. We've never gone around to doing it. But I really believe and I say this in all humility, we are different. I don't care what the other counties do because we are Maui County. We do more. We work harder. We do what our citizens need. And I really believe right now, touching the exemption especially with the escalating values is not a good idea, Chair. That's just my point. Beyond that, I'm willing to discuss anything else. Before I walk out of this Chambers whatever we can make changes for the betterment of the people here especially our long-term residents like circuit break and all that, I have no qualms in helping but I will not take something that I believe right now is really necessary for most homeowners. Maybe the 3 million, 4 million, \$5 million but my home is only worth 585. And take that away or even reduce it, we all pay more. I can afford it but how many other families out there really can afford this? So that's my take on it and I thank you for bringing the discussion up. You always bring good points and you make us all think at this point what's important and how we can do it. Minimum tax is another issue. We may have to look at how we implement, you know, tax and who gets minimum tax and what rates, maybe a tiered minimum tax, maybe another option. I don't know. There's so many things we can talk about but I'll leave it for another day. We need to move on here. Thank you, Chair, very much for these suggestions.

CHAIR HOKAMA: Thank you. Mr. White?

VICE-CHAIR WHITE: Thank you, Chair. I don't know whether Mr. Teruya has the...has information on the other counties but I was...I know he was looking stuff up or seemed to be looking stuff up. So if he has that answer, I would appreciate an answer to the question.

CHAIR HOKAMA: Mr. Teruya?

MR. TERUYA: Chairman, I don't have it off-hand. I know Oahu is the lowest. I can get that figures to you. I don't...I didn't bring it with me today but I'll have it shortly.

VICE-CHAIR WHITE: Okay.

CHAIR HOKAMA: Okay.

VICE-CHAIR WHITE: Thank you.

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CHAIR HOKAMA: Thank you. Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. Mr. Teruya, you know, correct me if my math is wrong or Mr. Ueoka probably will. But it seems like if you take the \$25,000, you know, make it \$175,000, essentially at today's rates, not at the proposed rates, at today's rates it's a \$68.75 increase a year? Did I do that right?

MR. TERUYA: All you would do is take the 25 times the tax rate --

COUNCILMEMBER COUCH: Right.

MR. TERUYA: --and that would be the difference.

COUNCILMEMBER COUCH: So yeah.

MR. TERUYA: Yeah.

COUNCILMEMBER COUCH: So \$68 difference a year? Okay, thank you.

CHAIR HOKAMA: Okay, thank you. Other questions on this consideration? Mr. Teruya?

MR. TERUYA: Chairman, I just wanna be clear. We cannot do that this fiscal year. This is a change for the following fiscal year because the exemption amount already went out as of notice to the homeowners. So if this change was to occur, it's not happening this fiscal year. It will be for the following fiscal year.

CHAIR HOKAMA: That is correct, if we move this forward. Yeah.

COUNCILMEMBER BAISA: Chair?

CHAIR HOKAMA: We have to be before the Department sends out the notifications if you want it to be considered. Yes, Ms. Baisa?

COUNCILMEMBER BAISA: Chair, while we're on this subject of the home exemption, I think it might help, we probably have a lot of people listening to us. People need to file their exemption for this upcoming year when?

CHAIR HOKAMA: Mr. Teruya, what is the deadline of the exemption filing?

MR. TERUYA: Thank you, Chairman. For the current fiscal year, that's upcoming fiscal year, the deadline was December 31, 2015 for your Fiscal '17 tax year.

CHAIR HOKAMA: That's why the proposal that we have before you cannot be implemented earlier than 2018.

COUNCILMEMBER BAISA: So --

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CHAIR HOKAMA: What's before us.

COUNCILMEMBER BAISA: --if you want a home exemption for next year, you had to file that at the end of '15?

CHAIR HOKAMA: Correct. By the law, yes. So it's...and that's part of the reason why the proposal here is for future.

COUNCILMEMBER BAISA: Most people don't know that including me. I think I missed it.

MR. TERUYA: Thank you, Chairman. Real quick, the reason why the deadline is December 31, 2015 is because you're certifying in April of '16 so you need to complete that before the start of the assessment year and tax year.

CHAIR HOKAMA: Yeah. That's the only way they can do the certification of revenues. They have to calculate all that in advance of submittal to us by deadlines. Other questions, Members? Yes, Ms. Cochran?

COUNCILMEMBER COCHRAN: Chair, and thank you for allowing me an hour. I had discussion with the national ocean policy makers that you were so graciously put my name in to be a part of, so thank you for that. But getting up to speed on this, just chiming in on Ms. Baisa's comments, is there a way for a person to appeal or I don't know say, sorry, missed the deadline, just found out today. Can I retroactively submit a homeowner's? Didn't realize I passed the deadline for upcoming. Is there a process for that for people, Mr. Chair?

CHAIR HOKAMA: Mr. Teruya?

MR. TERUYA: Once you passed the deadline, there is no recourse. The deadline is are deadlines and the tax bill court would...will hold that up. If, once you miss the deadline, there's no recourse. You can file an appeal but that doesn't mean that it's gonna be either heard by the board or not. I mean I think that's pretty clear, deadlines, so you can defer to Corporation Counsel to give you maybe a more legal opinion on that.

CHAIR HOKAMA: Mr. Baz?

MR. BAZ: Mr. Chair, I apologize. I did...was able to pull up the home exemption if you're ready for that.

CHAIR HOKAMA: Sure.

MR. BAZ: Okay. So, Mr. Teruya mentioned the basic home exemption for City and County is 80,000 and they provide for 65 years or older \$120,000 home exemption. For Hawaii County, the basic home exemption is 40,000 and the 60-plus is 80,000. For Kauai,

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they have a 160,000 basic and 180,000 and 200,000 based on your age. I think 60-70 is 180,000 and 70 and above is 200,000 exemption.

CHAIR HOKAMA: Thank you for that, Mr. Baz. We appreciate that quick response. On the deadline for Ms. Cochran, Mr. Ueoka, you have anything you wish to comment at this time?

MR. UEOKA: I guess, the deadline is in the Code so that's, the law states as to when you have to submit by. Thank you.

CHAIR HOKAMA: Okay. Ms. Cochran?

COUNCILMEMBER COCHRAN: And, Chair, I understand that. It's just unfortunate that...and I know we're not gonna get the information out to all the people all across the world, we never do but as long I guess...sounds like I don't know, lack of effort. I mean even Ms. Baisa who sits here and makes these policies didn't even realize this so what is the everyday average person out there --

COUNCILMEMBER BAISA: I asked.

COUNCILMEMBER COCHRAN: --going to know and understand this? So I...just my comment as to the level of outreach I guess to this community to explain truly what this means.

COUNCILMEMBER VICTORINO: Chair? Chair?

CHAIR HOKAMA: Mr. Victorino?

COUNCILMEMBER VICTORINO: Mr. Teruya, do you have to do this every year?

COUNCILMEMBER BAISA: No.

COUNCILMEMBER VICTORINO: Wait, wait, that's...wait, wait, 'cause, you know, that's the question I have. Because we're saying, you know, everybody needs to know but once you do it, how often do you have to do it after that?

MR. TERUYA: The exemptions are applied once. Once it's applied, it should remain there. The only thing that would affect it is if you maybe had a change in ownership. That maybe the clerical staff may have sent you a disallowance letter because you may, the ownership may have changed. But other than that, if nothing's changed, your exemption would remain --

COUNCILMEMBER VICTORINO: Okay.

MR. TERUYA: --in perpetuity until you notify us.

COUNCILMEMBER VICTORINO: And the other...

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MR. TERUYA: It's...the Code --

COUNCILMEMBER VICTORINO: Okay

MR. TERUYA: --is also clear that if you fail to qualify for the home exemption --

COUNCILMEMBER VICTORINO: Right.

MR. TERUYA: --you're supposed to notify the Department within 30 days.

COUNCILMEMBER VICTORINO: Okay. And if you don't, what is the penalty?

MR. TERUYA: We could retroactively remove the exemption as far back.

COUNCILMEMBER VICTORINO: Thank you. And the other part of this is, those who are caught in this generally would be, if I'm, and you correct me if I'm wrong, those who buy a piece of property as a homeowners and close let's say late December or January, February. They would lose out because they couldn't apply because they passed the deadline. Am I correct?

MR. TERUYA: Well, according to the Code that you must have recorded on or before December 31st.

COUNCILMEMBER VICTORINO: So if I recorded on December 29th, I would still qualify?

MR. TERUYA: You would.

COUNCILMEMBER VICTORINO: So long as I did that, but if I closed on January 2nd, I got to wait until the following year to apply and qualify?

MR. TERUYA: That is correct. We certify to a date and the date is January 1.

COUNCILMEMBER VICTORINO: Okay. So and I thank you for that clarification because I...when Ms. Baisa mentioned that, I said, I haven't applied for many, many years so have I been missing the boat but yet I've been getting the exemption, right? So, okay I'm glad for that clarification. So once you apply, unless there's a change in ownership then you would be grandfathered...I mean not grand...I don't want to use the word, you'd have every year that exemption until you sell or some change in the property ownership. Is that correct?

MR. TERUYA: That's correct. And if we were to remove an exemption, we do notify you that you are no longer, you know, this exemption is no longer valid.

COUNCILMEMBER VICTORINO: Okay. And what would cause that? What would cause you? I'm sorry, Mr. Chair, if I may? What would cause you to go do something like that?

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MR. TERUYA: Chairman?

CHAIR HOKAMA: Yeah.

MR. TERUYA: Let's say it's in Mike Victorino's name and all of a sudden you change your name to some kind of trust but it doesn't say Michael Victorino Trust. It says Mike Trust. We don't know who that trust is.

COUNCILMEMBER VICTORINO: Okay.

MR. TERUYA: Or who's the remainderman, who's the trustee. So there's a lot of things that you can do through the legal system to, however you wanna hold title but that is something that would trigger for our Department is whether or not Michael Victorino is still the owner and occupant of that home.

COUNCILMEMBER VICTORINO: And so then you send a letter to that owner saying are you still an owner and what does this trust mean or whatever, right?

MR. TERUYA: Yeah.

COUNCILMEMBER VICTORINO: For clarification purposes?

MR. TERUYA: Yes, correct.

COUNCILMEMBER VICTORINO: Okay. Thank you, Mr. Teruya.

COUNCILMEMBER BAISA: Chair?

COUNCILMEMBER VICTORINO: You guys do a good job. I appreciate that. Thank you.

CHAIR HOKAMA: Okay. Yes, Ms. Baisa?

COUNCILMEMBER BAISA: Just one more quick thing. It isn't only changing ownership. It's changing status. If you live in your home, you claim the home exemption. If you move out of it, you supposedly give it up. Okay. Then when you wanna come back in it again, you have to apply again.

MR. TERUYA: Yeah.

COUNCILMEMBER BAISA: That's my situation. So that it's not only changing ownership, it's changing status, which we're supposed to give up the exemption when we don't live in that house. And I doubt that happens a lot but I think it does happen.

CHAIR HOKAMA: I think you're quite right, Ms. Baisa. You're quite right. Okay, anything else on this proposal at this time, Members? Mr. White?

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VICE-CHAIR WHITE: Thank you, Chair. To put it in perspective, the...our...even though the Homeowner rate is I think 2.78...2.75? I can't remember.

COUNCILMEMBER VICTORINO: Two-seventy five presently.

VICE-CHAIR WHITE: Yeah. The actual rate that you're paying on...the average homeowner's paying a \$1.74 as an effective rate. On the...in the other counties, Kauai is paying \$2.02 which is about 16 percent higher; Big Island is paying an effective rate of \$3.50 so it's double what Maui is paying, double what homeowners are paying; and then Oahu, the effective rate is \$3.02. So, again just for context. Thank you.

CHAIR HOKAMA: Thank you, Mr. White. Other questions on this subject at this time, Members? Again, I'm just making you aware of things we should be looking at in our considerations so you make the best-informed decision. Okay. We're gonna take a recess now and then when we return we're going to go through the balance of the ordinance proposals that I'm gonna ask you to attach to the Budget documents to Council. So we'll be in recess 'til 10:30 . . .*(gavel)*. . .

RECESS: 10:18 a.m.
RECONVENE: 10:35 a.m.

CHAIR HOKAMA: . . .*(gavel)*. . . We shall return to order, Members. Before we start the Chair would just make a few comments and we appreciate everyone who shared testimony with the Committee this morning. Your comments will assist the Committee to make better informed decisions. I would say for certain nonprofits the Committee has made certain approaches so you may not get a specific line item adjustment. But as earlier stated in this morning's testimony, you also need to look at those other pots of monies the County Council provides for those services. So you may not get a specific appropriation for your specific organization, but it doesn't mean you cannot apply for and be considered for self-sufficiency grants, homeless grants, and then now we are being asked to establish a food, shelter and safety pot of money under the old community partnership allotments. So there are additional pots of money for organizations to apply and if their application and proposal is valid and makes sense, then the departments will grant them those additional funds from those pots of monies that you will...I will be asking you to consider in approving. Because again, Members, a lot of request and we have only so much money to appropriate out. Part of the package of the Budget ordinance proposals is of course additional considerations to make it move forward. So at this time I'm gonna refer you...this is also what we have posted under the agenda. So on Page 3 of the agenda, you'll see under number 3 [*sic*] CC-11 County Communication. This is a correspondence April 15, 2016 with a proposal for us to eliminate Construction Plan Review Revolving Fund. This would need to amend Section 18.24.010 of the Maui County Code. The Department is requesting our consideration and transfer any remaining balance as of June 30, 2016 to then be placed and assigned to the General Fund for future considerations. I'm gonna ask you, Members, if you have questions regarding this consideration. Again, we're just talking about the bills. I'm not asking for whether or

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not we're gonna move it forward or make a decision today. I just want us to go through the bills that are listed. So we'll start with Mr. White.

VICE-CHAIR WHITE: Thank you, Chair. Mr. Baz, does the Administration concur with this?

CHAIR HOKAMA: Mr. Baz?

MR. BAZ: Mr. Chair, yes. The Director of Public Works discussed this when he came up for their Budget review and he concurs with this and actually kinda requested it so we appreciate the Committee's response.

VICE-CHAIR WHITE: That was my recollection but I just wanted to verify.

MR. BAZ: Yeah.

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

CHAIR HOKAMA: Okay. Any questions, Members, on this proposal? Again, we're just going through the proposal.

COUNCILMEMBER VICTORINO: Yeah. Not at this time.

CHAIR HOKAMA: Mr. Guzman?

COUNCILMEMBER GUZMAN: No, I...it was originally established to create...collected under 18.24.010D and the rationale for dissolving it is, can you refresh my memory what the Department had indicated?

CHAIR HOKAMA: Mr. Baz?

MR. BAZ: Thank you, Mr. Chair. From my understanding, this was established when we had a significant amount of permits being reviewed and there was a long delay in the reviewing of permits. And so this fund was established to be able to assist in paying either the overtime of current employees or contracted labor to provide permitting services, excuse me, permitting review services. The way that the Department is now structured, DSA has the ability to manage the processing of the permits with the funding they have allocated so this hasn't been utilized for a number of years. In fact, I think last year I remember looking back and it only been really utilized once and its...I forget how many year history since it's been established. So the intent is to take these funds that have been captured and put it back into the General Fund where the --

COUNCILMEMBER GUZMAN: Yeah..

MR. BAZ: --employees' payroll comes out of to do the services to begin with.

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

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CHAIR HOKAMA: Okay. Thank you. Members, any other questions you may have? Okay, we'll go to the next ordinance consideration. This is also from Corporation Counsel dated April 20 of 2016. This is under County Communication 12. We have a bill proposed for ordinance to amend Chapter 3.35 of the Maui County Code relating to the Affordable Housing Fund. This proposed bill will help provide and reinsert in the County Code a definition of gap income. For reasons it was deleted from the chapter, the Charter, our revised Charter makes note in the provision regarding gap income and therefore this ordinance proposal will provide the definition that the Charter is relying upon for the affordable housing component. Mr. Baz, any additional comments you wish to share?

MR. BAZ: No, thank you. We just see this as a housekeeping bill.

CHAIR HOKAMA: Okay. Thank you. Members, questions on this consideration?

COUNCILMEMBER VICTORINO: No, Chair.

CHAIR HOKAMA: Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you, Chair. And so, right now, Chair, we're just preliminary just scanning through these? No amendments being made right now?

CHAIR HOKAMA: I'm gonna make a recommendation, you know, those that I feel is pressing and needs to be part of the Budget ordinance proposals. I'm gonna ask you to consider that. Those that I feel can wait 'til after the Budget process, I am considering maybe having specific standing committees take responsibility of doing its final review and recommendations to Council.

COUNCILMEMBER COCHRAN: Okay. And I appreciate you inserting this language. Personally, I would like to see our Affordable Housing Fund only going to affordable in perpetuity-type projects and use so I'm not sure, I mean if that's within our purview to add such language. Again, as I've stated over and over, if we don't...for my sense if we don't keep it in perpetuity then we're gonna continuously building, selling and having a...you know, so I'd like to just have it at a perpetuity-type --

CHAIR HOKAMA: Okay.

COUNCILMEMBER COCHRAN: --program. So just my comments at this time, Chair.

CHAIR HOKAMA: I appreciate that comment, Ms. Cochran, and I would prefer at this time because of the clock on this Committee that maybe this is something through Ms. Crivello's chairmanship in her Committee's jurisdiction. As part of this consideration, you folks, can consider the perpetuity component to the affordability and so we'll have that discussion and then I'll make my recommendation to all of you. But I would like you as chairs of our various standing committees to be able to have input in what the adjustment in policy would be.

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COUNCILMEMBER COCHRAN: Yeah. Very good, Chair. Thank you.

CHAIR HOKAMA: Thank you.

MS. NAKATA: Mr. Chair?

CHAIR HOKAMA: Yes, Ms. Nakata?

MS. NAKATA: Staff would just note also that while the bills have been transmitted to Committee under BF-1 for purposes of discussion, they were not posted on the agenda for this week. So they are posted on a separate agenda for Monday, May 2nd and that would be the appropriate time for the Committee to consider action on the bills.

CHAIR HOKAMA: Okay, thank you for that. But it does not hinder us from having a discussion because it is part of what we've posted. We would not make decisions as Ms. Nakata stated. Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. And I'm fine with this especially if they say it's a housekeeping matter but it is removing restrictions. Page 2 Section 4 says ownership housing units financed by Affordable Housing Fund shall be subject to the restrictions of Subsection B and it's removing Subsection C as well as removing Subsection D. Any idea what's in there? Just...

CHAIR HOKAMA: Mr. Ueoka?

MR. UEOKA: Thank you, Chair. Just for a quick clarification without getting into too much detail. Recently, Chapter 2.96 was amended so everything changed so this was just to reflect. Thank you.

COUNCILMEMBER COUCH: So there's no D?

CHAIR HOKAMA: Mr. Ueoka?

MR. UEOKA: Thank you, Chair. I'm...Mr. Couch, I'm not completely clear on what was in 2.96.0...C but I'm fairly certain it doesn't pertain to the Affordable --

COUNCILMEMBER COUCH: Okay.

MR. UEOKA: --Housing Fund. Thank you.

COUNCILMEMBER COUCH: Thank you, Chair.

CHAIR HOKAMA: Okay. Thank you, Mr. Couch. Other questions on this proposal?

COUNCILMEMBER VICTORINO: No. Thank you, Chair.

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CHAIR HOKAMA: Okay. Having...let's go and look at the next component, Members. I have a correspondence dated April 21. April 21, we have a bill consideration.

COUNCILMEMBER COUCH: What CC number, Chair?

CHAIR HOKAMA: CC-13.

COUNCILMEMBER COUCH: Thank you.

COUNCILMEMBER VICTORINO: Yeah, there's not...oh okay. Chair, you know, I get different date on the top. That's what I look at April 19 and you're saying 21 so I'm...when you're signing, that's what the date you're giving us, right?

CHAIR HOKAMA: Yeah. The communication that Council referred the item to Committee is the CC I'm referring to, County --

COUNCILMEMBER VICTORINO: Okay.

CHAIR HOKAMA: --Communication.

COUNCILMEMBER VICTORINO: Thank you, Chair.

CHAIR HOKAMA: And that is what we received through Council, through Chairman White's recommendations of referrals of various bills and resolutions. So this one, Members, is a...went through Exhibit "B" if you recall and we came upon certain fees, components as it relates to Chapter 14.29, Cesspools and Septic Tanks. We had that discussion. It is not a service we provide from the County but we had that...those components so this is to take care of some housekeeping requirements so there's no misunderstanding regarding what the County does provide and what the County does not provide. So are there questions, Members, you would like to present to the Chair, Mr. Baz or Mr. Ueoka regarding this housekeeping --

COUNCILMEMBER COCHRAN: Chair?

CHAIR HOKAMA: --proposal? Ms. Cochran?

COUNCILMEMBER COCHRAN: But at one time we did do the service that's why it is in there?

CHAIR HOKAMA: I believe like in the '60s and whatnot when before we went to sewer systems.

COUNCILMEMBER COCHRAN: Okay. A lot of Lahaina is still this but of course we have private --

CHAIR HOKAMA: Yeah, yeah, yeah.

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COUNCILMEMBER COCHRAN: --companies that do the service.

CHAIR HOKAMA: We've adjusted the County's policy. Correct.

COUNCILMEMBER COCHRAN: Okay.

CHAIR HOKAMA: That is now if you cesspool pumping, it's all by private haulers. Correct.

COUNCILMEMBER COCHRAN: Okay. Thank you.

CHAIR HOKAMA: Okay, thank you. Members, anything else on this proposal at this time?

COUNCILMEMBER VICTORINO: No.

CHAIR HOKAMA: Okay. Thank you very much. On page, the next page if I can refer to you is County Communication 15 and this is a transmittal dated April 21 from Corporation Counsel. This is an ordinance proposal relating to the Highway Beautification and Disposal of Abandoned Vehicles Revolving Fund and the Litter Control Revolving Fund. And again this bill is proposing to authorize by Code, those funds that are deposited into these components and amend the name of the Highway Beautification Fund to be consistent with Section 286-51B of Hawaii Revised Statutes. Mr. Baz, any comments?

MR. BAZ: Thank you, Mr. Chair. Again, you know, more housekeeping than anything just clarifying the language as it relates to the HRS to add the derelict vehicles, and also in regards to Litter Control Revolving Fund, this section is related to I think sign fines within Department of Planning. This is...there is no money in this fund currently so by removing this fund it would just make it so that should the fines be collected, they will be put into the Highway Beautification Fund. So we're happy to...if the Committee so passes this out, we'll be happy to implement it.

CHAIR HOKAMA: Okay. Thank you. Mr. Ueoka, anything you wish to comment on regarding the proposal?

MR. UEOKA: No, thank you, Chair.

CHAIR HOKAMA: Thank you. Members, any questions you may have on this consideration regarding Highway Beautification, Disposal of Abandoned Vehicles and Litter Control Revolving Fund?

COUNCILMEMBER GUZMAN: The...

CHAIR HOKAMA: Mr. Guzman?

COUNCILMEMBER GUZMAN: The definition of derelict is within the HRS or is that within our County Code as defined?

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CHAIR HOKAMA: Mr. Ueoka?

MR. UEOKA: Thank you, Chair. We just comply with Chapter 286 on all that information.

COUNCILMEMBER GUZMAN: Okay.

MR. UEOKA: Thank you.

COUNCILMEMBER GUZMAN: Thank you.

CHAIR HOKAMA: Other questions, Members?

COUNCILMEMBER VICTORINO: No.

CHAIR HOKAMA: On this proposal? May I direct you then to the next? We have transmittal from Mr. Guzman. He has a ordinance proposal to amend Section 3.81.050. His...

UNIDENTIFIED SPEAKER: Which number?

COUNCILMEMBER VICTORINO: The CC number?

VICE-CHAIR WHITE: It doesn't have any...

COUNCILMEMBER GUZMAN: The CC number, Chair.

CHAIR HOKAMA: I...we don't have a CC...do we have a CC number? No, we don't. This is a submittal from Mr. Guzman and he's asked for consideration so I'm posting his request so that the Committee can have some comment on it for Monday's meeting.

COUNCILMEMBER GUZMAN: It's dated April 22nd, Chair.

CHAIR HOKAMA: That's correct. That is correct. Yes, we received that from Mr. Guzman on the 22nd.

COUNCILMEMBER VICTORINO: Do we have it?

CHAIR HOKAMA: We should have it. I presented it to you.

COUNCILMEMBER GUZMAN: It should be the last item on the packet.

COUNCILMEMBER VICTORINO: No, we don't. I don't have it...

CHAIR HOKAMA: Yeah, we can...we'll return to this but you should all have a copy of it. Yeah. It's a very clear...looks like this, Members, from Mr. Guzman to the Committee.

COUNCILMEMBER VICTORINO: Okay.

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CHAIR HOKAMA: It's PAF 16-061 BF-1.

COUNCILMEMBER VICTORINO: I'm looking. Not that I don't have a lot of papers, yeah?

COUNCILMEMBER COCHRAN: Is it the fuel tax?

CHAIR HOKAMA: Okay. We'll return to this when you get your copies then, Members. So we will return to Mr. Guzman's proposal. Let me then direct you now then to County Communications 16. County Communication 16 had two components from Corporation Counsel dated April 25, 2016. One of the components as we discussed with Mr. Teruya was the remnant parcels consideration so we're not gonna bring that back. We will again though from that correspondence of CC-16 at this time bring up a proposal repealing Chapter 3.97 of the County Code relating to the Post-Employment Obligation Fund, and a bill as proposed is to repeal Chapter 3.97 relating to the fund and transferring any remaining balance in the fund as of June 30, 2016 back to the General Fund. Mr. Baz is asking us to consider this as a housekeeping component. There is some monies that are still remaining in this fund, which is basically interest earned on the principals so the Chair is open to this consideration but is...doesn't feel it is necessary to be done at this time unless you folks feel it's pressing. Questions on the proposal, Members, regarding repealing of Chapter 3.97 as it relates to OPEB? Any questions, Members?

COUNCILMEMBER VICTORINO: No.

CHAIR HOKAMA: Okay. Thank you. Do the Members have Mr. Guzman's --

COUNCILMEMBER COCHRAN: Chair?

CHAIR HOKAMA: --copy now? Yes, Ms. Cochran?

COUNCILMEMBER COCHRAN: This is...I'm making sure I'm on the right, CC-16.

CHAIR HOKAMA: Yes.

COUNCILMEMBER COCHRAN: And this is...has the remnant parcel exemption --

CHAIR HOKAMA: That's correct.

COUNCILMEMBER COCHRAN: --on here?

CHAIR HOKAMA: Yes.

COUNCILMEMBER COCHRAN: And so this is an entirely new concept to be utilizing remnant parcel? No?

CHAIR HOKAMA: You know, you may have not been at the meeting yet miss...

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COUNCILMEMBER COCHRAN: Oh, sorry.

CHAIR HOKAMA: No, no, no, no, no, no, don't need to apologize. You had requirements you had to take care of. We did have a discussion on this. We didn't reach...we're not reaching any agreements or positions yet, Ms. Cochran. But this was trying to address comments we've heard especially this year regarding families that have small remnant pieces and are by law, current law, are required to pay the current 250 minimum tax. What your Chair has done in working with RPT Division, has asked them what would be a reasonable consideration for us to give exemptions for remnant parcels. The impact on the amount of parcels, amount of dollar values, how it will...what kind of factoring that we would need to consider to make up the potential revenue losses. And what we have come and what the Chair and RPT has come to propose to you, Ms. Cochran, is that it would be of parcels less than 5,000 square feet, is vacant and undeveloped, and has a fair-market value of less than \$7,500. And then the rate or the fee is \$150, that for me was gonna take care all the processing and the ability for the County to maintain accurate status on its registry of ownership of parcels, and the 150 I am having you to look at, is what we provide our County veterans as a preferred rate for serving their country. And this is what the County provides them as a tax benefit, the 150 rate. So I'm asking that the remnants be viewed in, at the 150 rate, which is lower than the current 250 that the law requires.

COUNCILMEMBER COCHRAN: Okay. No and I thank you for that explanation, Chair. So thank you very much.

CHAIR HOKAMA: So it's a proposal just for you to consider on how to deal with the families that have remnants and are not usable.

COUNCILMEMBER COCHRAN: I'm trying...I'm not too good on measurements but just trying to figure out what...

CHAIR HOKAMA: Five thousand...

COUNCILMEMBER COCHRAN: How many square footage in an acre I guess and then I'm looking at a point.

CHAIR HOKAMA: Five thousand square feet is even less than an R1 lot. R1 lots under County zoning are 6,000 square feet minimums.

VICE-CHAIR WHITE: An 8th of an acre.

CHAIR HOKAMA: We're looking at something smaller than an R1 lot, 5,000 square feet or less.

COUNCILMEMBER COCHRAN: Okay.

CHAIR HOKAMA: An acre is about 44,000 square feet.

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COUNCILMEMBER COCHRAN: Actually I have a parcel like this, so.

CHAIR HOKAMA: So --

COUNCILMEMBER COCHRAN: Yeah, so in favors.

CHAIR HOKAMA: --again, it's just a proposal I'm offering the Committee for consideration --

COUNCILMEMBER COCHRAN: Okay. Thanks.

CHAIR HOKAMA: --to address the issue.

COUNCILMEMBER COCHRAN: Or I'll have to recuse myself on the vote on this one 'cause I could benefit.

CHAIR HOKAMA: Okay. So anything under the OPEB component, Members? Okay. Having none, let's go down to a...back up to the correspondence from Mr. Guzman at where his recommending extending the sunset date on the Economic Development Revolving Fund. Mr. Guzman, any comments, sir?

COUNCILMEMBER GUZMAN: Yeah, thank you. Thank you, Chair. This being put forth because the...currently the fund has about 20,000 remaining in the fund. We haven't received the complete reports from the Office of Economic Development regarding the recipients and the data that they were to produce. So I would request the Council to extend this expiration date from June 30, 2016 to June 30, 2021, and allow the Office of Economic Development to proceed with the reporting as well as keeping the remaining 20,000 within that revolving fund.

CHAIR HOKAMA: Thank you, Mr. Guzman. Mr. Baz, you have any comments at this time regarding the proposal?

MR. BAZ: Thank you, Mr. Chair. Just...no again, you know, if the Council's wish is to keep this revolving fund in existence then, you know, we'll be happy to do that for the Committee.

CHAIR HOKAMA: Okay. Thank you. Members, questions? Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. And I fully support this and thank Mr. Guzman for bringing it up. At least, until we can find out how our initial investment did, and then also discuss the actual revolving-ness of it for the next go around. I think it's a...I mean it's done throughout the country so as an economic stimulus and we're trying to diversify our economy now especially with large ag going away. So I think this is pretty critical to getting a way to diversify our economy. And we're also working on one of the programs that we just did. We're gonna ask 'em if they can throw a County of Maui symbol when they show the Space Station stuff on NASA TV. So we're gonna try get the County of Maui symbol up there.

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CHAIR HOKAMA: Thank you. Yes, Ms. Crivello.

COUNCILMEMBER CRIVELLO: Thank you, Chair. Yeah, I support Mr. Guzman's proposal to, well, hopefully we'll get a full-on report with the outcomes of the initial process, and then this allows us to have it continued and to...if we have to fine tune it or whatever we need to do, but I think economic inoculations are healthy for our community. Thank you, Chair.

CHAIR HOKAMA: Okay. Thank you. Anyone else who'd like to give a comment or has a question? The Chair would just say please keep in mind if you want a revolving fund --

UNIDENTIFIED SPEAKER: Right.

CHAIR HOKAMA: --it needs to revolve, okay. It cannot --

COUNCILMEMBER BAISA: Yes.

CHAIR HOKAMA: --be just one way.

COUNCILMEMBER CRIVELLO: Yes, yes.

COUNCILMEMBER BAISA: Yes.

CHAIR HOKAMA: 'Cause then it's a depleted fund.

UNIDENTIFIED SPEAKER: Right.

COUNCILMEMBER CRIVELLO: Yeah.

COUNCILMEMBER BAISA: Yes.

CHAIR HOKAMA: So just consider that please, Members. What your Chair has done as you have seen through round one, how to address some of the economic development components that, you know, Mr. Guzman is concerned about. You noticed that I have amended the proposal so that for certain districts you have supported the increases on the cultural and economic development pots. I've also asked you to consider some specific projects for economic development through the Budget Chair's proposal. So that's how I try to adjust to take care of not having as much money in this component in my proposal to all of you, so if...that's how I approached through to the Chair's proposal. Anything else on this consideration? Again, we do...we're going just reviewing what is being proposed to the Committee. May I now direct you to County Communication 17? This has two components from correspondence dated April 25, 2016. The first is again as we reviewed rates and fees, Appendix B, we have found with the Fire Department, this was...remember that component regarding their fireworks permits and fees that by statute is given to the Fire Department for responsibility. It was under Department of Finance. We're transferring this to under

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Fire Department in Appendix B. And one of the statute requirements is to for us to, and establish a fireworks auditor. So this proposal is by request of your Chair to satisfy State statute that the Fire Department is by statute, needs a Fireworks Auditor. That's how they named it in the statute. The auditor's position as we understand it by statute is to be funded by the fireworks license or permit fees component of funds. So we've adjusted Exhibit "B." This is the ordinance that would now allow us...this is the vehicle to allow us to establish the position through the Budget document. Any comments, Mr. Baz?

MR. BAZ: Mr. Chair, I'm unaware of how much revenue we make off of this --

CHAIR HOKAMA: We understand.

MR. BAZ: --activity and to be able to pay an auditor. It may pay a portion of one of their current inspectors and provide them...maybe change their job description to auditor duties. We do have our Fire Chief in the audience if you have any specific questions to the Fire Department, but yeah --

CHAIR HOKAMA: Thank you.

MR. BAZ: --the State law is pretty clear that this money is only to be used for auditing of fireworks.

CHAIR HOKAMA: Thank you. Mr. Ueoka, any comments you wish to share with the Committee?

MR. UEOKA: If I may, Chair, thank you. Just for clarification, just so everyone understands, we are in full compliance with the State law, this bill, this fund just makes it even clearer to follow. As Mr. Baz stated, it's not a huge amount of money we intake and currently the duties of the auditor of fireworks have been performed by, I believe members of the Fire Prevention Bureau, and it was always been, the amount we collect has always been less than the amount that we pay the salary so it's never been like we're using the money for other stuff. It's always been beneath what we've or below what we've been paying out. So just for clarification, I wanted to clear that up. Thank you, Chair.

CHAIR HOKAMA: Does that mean we get to ask the State to make up the balance? I'm just asking. It's a State mandate. I mean, you know, why would it be the burden of the Chief to then...because he doesn't have enough money from the fund then he's gonna have to ask us for General Fund. But my thing this is, 'cause it was thought of by Leg, so it's supposed to self-sustain, self-pay. So if it doesn't, is this something that the State, we should ask the State for the balances?

MR. UEOKA: Thank you...

CHAIR HOKAMA: Mr. Ueoka?

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MR. UEOKA: Thank you, Chair. I can't prevent this body from doing anything and asking the State for money but I believe for efficiency purposes, the Fire Department has been just making this a partial duty of one of its inspectors. It's not, like you mentioned, there's not enough money and there's probably not enough work to sustain a full-time employee. So currently for efficiency purposes, Fire has just been making it a partial duty. Thank you, Chair.

CHAIR HOKAMA: Okay. Again, the Chief has made himself available which I would...I thank him for, his presence this morning. Members, do you need the Chief for any responses on this consideration? Ask now 'cause, you know, Chief has other requirements also. Okay. Chief, I guess there's no questions for you on this consideration. Mr. Baz, do you know how much money the Department does receive in this area? Do you have a sense?

MR. BAZ: I'm trying to look up that right now so if you give me a few minutes, I can probably figure that out.

CHAIR HOKAMA: Okay. As Mr. Baz assists us on that matter, why don't we now move forward then so we can continue to get movement. May I direct you to County Communication 18, again correspondence dated April 25th from Corporation Counsel. This is an ordinance proposal to amend Chapter 13.16, Maui County Code, as it relates to the Waiehu Municipal Golf Course. This enabling legislation would allow Council through the Budget documents to establish further definitions for Maui County Resident Card 9-Hole Rate, Twilight Rate, amend definitions of Daily Rate and Student Rate as well as establish a replacement card fee for the Wailuku...Waiehu Municipal Golf Course. Mr. Baz, any comments you wish to share?

MR. BAZ: Oh no, Mr. Chair. I believe that again this is kind of a housekeeping item where we're adding in the definition. Those items are in rates and fees and there's a very brief description on the bottom of it but this makes it clear that what the 9-Hole Rate, the Twilight Rate and then also Maui County Resident Card. So we're in support of this.

CHAIR HOKAMA: Okay. Thank you. Members, questions on this proposal?

COUNCILMEMBER GUZMAN: Chair?

CHAIR HOKAMA: Mr. Guzman?

COUNCILMEMBER GUZMAN: On the definition of student, the factors that prove that the student is actually a student is deleted. Is that, you know, it was requiring previously for it, for the student to have identification card or other evidence --

CHAIR HOKAMA: Right.

COUNCILMEMBER GUZMAN: --of student status, why is that being deleted?

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CHAIR HOKAMA: Mr. Ueoka?

MR. UEOKA: Thank you, Chair. We took that out of the definition of Maui County Code. It's touched on in the administrative rules for the Waiehu Golf Course on what the process is for getting the Student Rate. So this...it was just more, it's more set out in the admin rules so the Code was just a definition. Thank you.

CHAIR HOKAMA: Thank you. Mr. Guzman?

COUNCILMEMBER GUZMAN: Chair, I would rather that the Code dictates the admin rules versus the admin rules dictating what is supposedly or interpreted by the Code. So if there is any requirements for proving that a student is actually a student, I would rather it be in the Code. Thank you.

CHAIR HOKAMA: Okay. Thank you. Mr. Ueoka?

MR. UEOKA: Thank you, Chair. It's a, Mr. Guzman, it's a definition here. It's not actually the process on how to get the rate. In the admin rules, it expounds upon the Student Rate. There...if you wanna keep it in the Code, we should probably set it forth in a separate Section of 13.16, not the definitions. Thank you, Chair.

CHAIR HOKAMA: Thank you. Mr. Guzman?

COUNCILMEMBER GUZMAN: "Tuh-mey-toh/tuh-mah-toh." It's in the Code.

CHAIR HOKAMA: And again, you know --

COUNCILMEMBER GUZMAN: Yeah.

CHAIR HOKAMA: --this is a proposal. It still can be revised --

COUNCILMEMBER GUZMAN: Oh, yeah.

CHAIR HOKAMA: --amended before final consideration.

COUNCILMEMBER GUZMAN: Yeah.

CHAIR HOKAMA: So I'm open to your --

COUNCILMEMBER GUZMAN: Okay. Yeah. Thank you.

CHAIR HOKAMA: --comments. Other questions, Members, on this consideration or proposal? Ms. Baisa?

COUNCILMEMBER BAISA: Just for my help so I understand better, what do you have to do in order to be considered a resident?

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CHAIR HOKAMA: Mr. Ueoka?

MR. UEOKA: Thank you, Chair. It's set forth in the administrative rules and my understanding is it's...you have to show like a license with...a driver's license and a State tax return form or something showing that you're a resident of Maui County. And if you can't do one of those for whatever reason, I believe the Director can take certain like for instance, I believe a utility bill, that if you can show utility bill for like 12 months that will kinda show that you're a Maui County resident. Thank you, Chair.

CHAIR HOKAMA: Thank you. Ms. Baisa?

COUNCILMEMBER BAISA: Okay. Sounds pretty easy.

CHAIR HOKAMA: Ms. Cochran?

COUNCILMEMBER COCHRAN: I don't have electric bills. I don't know. Anyways, so Maui County residents 'cause having worked at the timeshares, they come and they're part-time residents who wanna be kamaaina and have of all the deals and what have you. So, and some of these people live half the year here and half the year at another state, whatever. So are they...how would you determine if they're considered...you want a whole year proof of electric bills or whatever you mentioned. So living here part-time doesn't make you a resident?

CHAIR HOKAMA: Mr. Ueoka?

MR. UEOKA: Thank you, Chair. Without getting into the gamut of definitions of residency, generally speaking, if you were to file taxes here, again you could probably get that tax certification from the State Department of Tax and as far as the utility bills, it's...I believe Director's discretion to a certain extent. I haven't looked at those admin rules in a long time.

COUNCILMEMBER COCHRAN: Okay.

MR. UEOKA: Thank you.

COUNCILMEMBER COCHRAN: So taxes would be a good way to determine.

CHAIR HOKAMA: Taxes is --

COUNCILMEMBER COCHRAN: Yeah.

CHAIR HOKAMA: --will be one way to make verification, Ms. Cochran. Another is under domicile, the term for domicile, you must live in that structure for more than six months to qualify as your domicile I believe is one of the things we look at for homeowner's qualifications and where you are choosing to file taxes from is another way. But again, you know, like you said, some people don't use electricity normal,

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they're off the grids so they wouldn't have a utility bill. Some people have their own catchment system so they may not necessarily have a water bill. So I understand your comment. So again, this is the proposal. Obviously there needs to be some work done before final form for Council's consideration so I'm happy to leave it at that, this point for this Committee at this time.

COUNCILMEMBER COCHRAN: That's fine. Okay.

CHAIR HOKAMA: Any other questions for resource people, Members? Thank you. Let...the last one I wanted to bring up for just review is of course County Communication 19 also dated...oh, this one is dated April 26 from Corporation Counsel, and this is regarding fuel tax rates. Your Chair has made some revisions that I am gonna ask you for your consideration. Again, this is a proposal for consideration. What you see is I have supported the Mayor's proposal on increasing gas and diesel, diesel per gallon, 23 cents. The Chair has and the Staff is calculating the additional revenues, potential revenues to be generated which is difficult because we are calculating additional revenues. Unless the gallons purchased, maintained at these previous levels, we may have, still have less revenues. And going through the Budget, you folks know how much this fund is dependent upon to ____ things in highways, transit, bus routes, beautification projects, abandoned vehicles, all comes from this generator. And again, Friday we will have a request to shift monies because under the Highway Fund, they don't have money. Okay. So you have the Chair's proposal. All other components of fuel tax or alternate fuels I'm proposing it at .115 cents per gallon. So whether it be ethanol, methanol, liquefied petroleum, biodiesel, your Chair is recommending just one rate, it is half of the gas in diesel rate. Questions at this time, Members, on the proposal? Mr. Baz, do you have anything you wish to share?

MR. BAZ: Mr. Chair, actually the other types of fuel we actually don't sell in our County, ethanol, methanol and liquid petroleum gas --

CHAIR HOKAMA: Yeah. I understand.

MR. BAZ: --for highway use. Of course liquid petroleum gas is LPG. That's what we use for our gas grills and sometimes our water heaters and things like that. But that's not for highway use so --

CHAIR HOKAMA: Correct.

MR. BAZ: --again that's not something that we actually earn revenue on but we support the intent to make them all equal and that's fine with us.

CHAIR HOKAMA: Yeah.

MR. BAZ: Should the, you know, the use occur later, we definitely want to be able to collect those same the way we're collecting the biodiesel.

CHAIR HOKAMA: Okay. Thank you, Mr. Baz. Members, questions on the proposal?

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COUNCILMEMBER GUZMAN: Chair?

CHAIR HOKAMA: Mr. Guzman?

COUNCILMEMBER GUZMAN: Mr. Baz mentioned that...did he indicate that we are not collecting on ethanol, methanol and the liquid petroleum gas --

CHAIR HOKAMA: Under the --

COUNCILMEMBER GUZMAN: --in the past?

CHAIR HOKAMA: --purposes for the Highway Fund.

COUNCILMEMBER GUZMAN: Okay. So where does it go if it didn't go to the Highway Fund?

MR. BAZ: So, Mr. Chair?

CHAIR HOKAMA: Mr. Baz.

MR. BAZ: Thank you. The liquid...liquefied petroleum gas highway use is not something that's available in...in fact all the three of the neighbor island counties don't have that. Oh no, I'm sorry, Kauai has 100, they had 179 gallons sold and City and County of Honolulu had 396 gallons sold this past month. So there's a small usage for highway use. But the Highway Fund, these taxes that we're charging are for fuel that's used on highway, right? That's why we can charge that. We don't have the ability to charge for fuel, a tax on fuel that's not used on the highway.

COUNCILMEMBER GUZMAN: Okay.

MR. BAZ: It's not that we haven't been collecting it, we just haven't...don't have the ability to charge it.

COUNCILMEMBER GUZMAN: Well, that being said, you know, Chair, I do have a bill sitting, I think a PA regarding electric cars and impact on the roadways and having a fee, a registration fee, for those type of vehicles. So there's no other way to tax those electric cars so...and they are impacting our streets and highways.

CHAIR HOKAMA: Yeah. And in one of the...

COUNCILMEMBER GUZMAN: Sorry, Mr. Couch.

CHAIR HOKAMA: And in...I'll recognize Mr. Couch, and in one of the...your many, many documents you receive in responses, you'll find a correspondence from Mayor Arakawa stating his...it is his understanding that this County is not prohibited from considering charging a fee for recharge vehicle...electrical vehicles. I believe it was like

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a one paragraph correspondence from the Mayor to this Committee. So it's something we can think about. I'm...I don't have anything in a proposal form. There's nothing within the Chair's Budget proposal so I, you know, there's nothing there regarding charging for electrical at this point in time. Because the Chair is not sure whether we need enabling legislation in the Code first or we can just add it in Exhibit "B." Mr. Couch?

COUNCILMEMBER COUCH: Well, you pretty much just answered my question there. I would fully support Mr. Guzman's bill, I was gonna ask about something like that, and expand it a little bit further because we have hybrid vehicles as well that don't use as much gas so we have to deal with that. And then we have plug-in hybrids, which is what I have and we still use gas but nowhere near as much so I think we should look at those as well as, you know, and you know, I might be...I do have to say that I really encourage the production of biodiesel so what I gotta do is see if we can add that kind of vehicle in the same as Mr. Guzman's bill. I would prefer to see no tax on biodiesel 'cause we wanna encourage non-fossil fuels if we can. We've...I've been a proponent of that since it started here on Maui. So if we could put that type of vehicle in Mr. Guzman's bill, I would wanna consider not doing the tax on the biodiesel. I agree they need to pay for their fair share of usage on the road so that's why I would put it in Mr. Guzman's bill. And I don't know when, that's still in PAF form? So it's not coming up yet? So it won't be for this tax period? Okay. Thank you, Chair.

CHAIR HOKAMA: Okay. Thank you. Again, for your information, it is a letter that Mayor Arakawa sent to this Committee dated April 21st in response to my...our letter dated April 15th. The Mayor states the County has not entered into any written agreements that prohibit the County from imposing a fee for the use of charging stations for electrical vehicles.

COUNCILMEMBER COUCH: Oh, so...

CHAIR HOKAMA: That's the Mayor's comment to this Committee.

COUNCILMEMBER COUCH: So that's a little bit different than a registration tax. So I guess the question would be to Mr. Ueoka, can we do something like that? And probably when it comes up in Mr. Guzman's bill, whenever it comes out.

CHAIR HOKAMA: Mr. Ueoka, can you give a response at this time?

MR. UEOKA: Thank you, Chair. I can't give a thorough one. I just...I'll have to check into HRS 286-51 again. I believe we had this discussion earlier about the additional for the U-Drive motor vehicle and \$2 for a certificate that goes into the...or the Abandoned or Derelict Vehicle Fund, you know, Highway Beautification, so I can further look into that if it comes up. Thank you, Chair.

CHAIR HOKAMA: Okay. Thank you. Again, I appreciate the discussion, Members, so I would also refer you to correspondence dated April 7th.

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COUNCILMEMBER COCHRAN: Chair? Chair?

CHAIR HOKAMA: Yes, Ms. Cochran?

COUNCILMEMBER COCHRAN: I had a question in regards to off-road diesel. There's no delineation here on taxation of diesel and you have off-road diesel. Off-road meaning you're not on the highway driving your diesel vehicles around, but you're pumping at the station. So how's that being taxed or not taxed --

CHAIR HOKAMA: Mr. Ueoka?

COUNCILMEMBER COCHRAN: --to this amount?

MR. UEOKA: Thank you, Chair. My understanding is there's specific fuels you buy as off-road diesel and those do not have the vehicle or the tax on 'em.

COUNCILMEMBER COCHRAN: Okay.

MR. UEOKA: But they're only to be used off-road of course for like boats and stuff also.

COUNCILMEMBER COCHRAN: Right. Yeah.

MR. UEOKA: Thank you, Chair.

COUNCILMEMBER COCHRAN: Backhoes and things. So should there be a distinguish-ment here saying... 'cause it just says diesel oil and you go to the pumps or no. I mean, I'm just asking 'cause there's a difference between diesel and then you have...there's two kinds of diesels basically out there.

CHAIR HOKAMA: Mr. Ueoka?

MR. UEOKA: Thank you, Chair. I don't think we need to make the distinction because this is only for the highway tax.

COUNCILMEMBER COCHRAN: Okay.

MR. UEOKA: Yeah. Thank you.

CHAIR HOKAMA: Okay. Thank you. When you have the time, you may want to review April 7, 2016 correspondence from Mr. Ueoka to this Committee in response to two questions. May the Council impose a motor vehicle weight tax for electric vehicles that is higher than for nonelectric motor vehicles? Second, may the Council impose a minimum tax for electric vehicles that is higher than for nonelectric motor vehicles? So, he responds to those requests. Okay. Any other questions on the proposed ordinance on rates at this time, Members? We will have public hearing for people to give comments on the proposals. Anything else? Okay. I thank you very much, so we're done with this requirement. Okay. Okay. I think from last night's round one,

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we have, I think what was requested was Mr. Nakagawa, Division Chief, Department of Wastewater. So is he available, Ms. Yoshimura? Members, we're gonna take a short recess subject to the call of the Chair. We'll...hold on. . . .(gavel). . .

RECESS: 11:27 a.m.
RECONVENE: 11:33 a.m.

Exhibit "1" (Matrix)
(Revisits by Departments)

CHAIR HOKAMA: . . .(gavel). . . Okay. We shall return to order. Chief Murray is here and we appreciate him making time to be with the Committee this morning. So, who requested the Chief? Because then I expect the person that requested the Chief to ask the questions. So who requested the Chief? It wasn't Mr. White, not to the Chair. I mean again, you know, the Chief has...he's got things to do, Members. If you didn't need him, why is he being requested to be here? Chief has --

COUNCILMEMBER BAISA: I wasn't here.

CHAIR HOKAMA: --his daily requirements that we all know he has to perform so --

COUNCILMEMBER BAISA: Who wanted him?

CHAIR HOKAMA: --whoever asked for mister, I mean Chief Murray present your questions now.

COUNCILMEMBER COUCH: I can ask but I didn't ask for him.

CHAIR HOKAMA: I really don't wanna deter him from doing what he needs to do on our behalf or the people's behalf. Mr. Couch?

COUNCILMEMBER COUCH: Yeah. I didn't request him but I do have some questions for him anyway. Some comments on the Ocean Safety Program.

CHAIR HOKAMA: Give us a reference.

COUNCILMEMBER COUCH: Well, it's on Page 12 of the Exhibit "1" on the Chair's proposal.

CHAIR HOKAMA: Okay.

COUNCILMEMBER COUCH: So, Chief, you were saying that you need seven Ocean Safety Officers and an Ocean Safety...seven Ocean Safety Officers II and one III. Is that to conform with USLA requirements?

MR. MURRAY: Chair?

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CHAIR HOKAMA: Chief?

MR. MURRAY: Thank you, Councilmember Couch, for that question. USLA does not provide a standard as far as the amount of people. What that seven positions or actually eight positions will assist us with is managing the day-to-day operations and providing a level of safety for the community that is much higher than it is today. At times there's one individual at a tower and they're unable to provide, you know, overall safety for each other because there's only one person that's there. So what our plan is to have adequate coverage at all times and provide training as well as lunch periods for the personnel.

COUNCILMEMBER COUCH: Okay. Is that...if somebody is there, only one is because somebody's called in sick or is on vacation?

MR. MURRAY: That is a huge possibility. They are entitled to that leave as well as vacation so those coverages need to get...it is...needs to happen.

COUNCILMEMBER COUCH: So I guess the question to you would be, would it be cheaper to allow for people to come in for overtime who are not on shift at that time as opposed to having these eight. As you know, we're really hesitant to add E/Ps. Would it be A, cheaper to go ahead and do overtime, or potentially maybe close that beach stand and have that person, if it's a single person back up somebody at the next beach down or something like that?

MR. MURRAY: All of those are possibilities. Overtime is offered but overtime is not taken. That is also the issue as well. You know, as that reoccurs that's the other reason for subsequent sick leave as well. They need time off. Closing a beach has not been Administration's goal. It's been basically said to us that that's not what they wanna do.

COUNCILMEMBER COUCH: I don't mean closing the beach itself, closing the beach tower.

MR. MURRAY: Right. I mean closing the beach tower during those operated hours because all of those areas are advertised that way and the Mayor wants to keep it open...staffed --

COUNCILMEMBER COUCH: Okay.

MR. MURRAY: --by a lifeguard.

COUNCILMEMBER COUCH: Thank you, Chair.

CHAIR HOKAMA: Thank you. Other questions for the Chief? One question I wanted to ask you, Chief, since Mr. Couch brought up about overtime, do you still use or do you plan to use pool guards to assist you to fill certain requirements of Ocean Safety?

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MR. MURRAY: As far as the pool guards, I believe Parks has stopped that practice about a year now. And so once they switch over to us, they will not be able to provide that coverage for our Department.

CHAIR HOKAMA: Okay. Thank you for that clarification. That's very clear. So thank you.

MR. MURRAY: You're welcome.

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

COUNCILMEMBER COCHRAN: Thank you and thank you, Chief, for being here this morning. Can you reiterate the need for the Wailea ladder truck? Perhaps the cost of upkeeping it at this time without waste, you know, I mean it's a \$1.5 million vehicle is it? I think.

MR. MURRAY: Yes. I believe we put in for 1.4 million. The availability is the real critical issue here. As these specialized vehicles like the one in Lahaina as well as in Wailea, that has a...it's a requirement for those areas to help with their insurance ratings. And the availability of having that truck, I'm not sure what the amount of days it needs to be down before we need to notify the insurance companies but we try really hard to keep our backup up and running. We've just been very unfortunate with both of 'em at this point. And it is...it has come up on our replacement schedule two years ago, and the process of getting a new one will take us about a year and a half after the decision is made to go, so it...by that time it will be 2018. And so we're trying to forecast the need for that vehicle because over the last year, calendar year from today moving backward, it's been down about nine months. So our backup that we had from Lahaina was doing fairly well and that has also broke down, but we have it up and running again and we are crossing our fingers that it stays viable 'til that replacement happens.

COUNCILMEMBER COCHRAN: Okay. Thank you for that, those comments. And so insurance ratings for, that means for the residents of the area?

MR. MURRAY: Residents as well as hotels, condominiums, anything that's more than two stories will be greatly affected.

COUNCILMEMBER COCHRAN: Okay. All right. Well thank you for that insight, Chief.

MR. MURRAY: You're welcome.

CHAIR HOKAMA: Questions for the Chief? Mr. Couch?

COUNCILMEMBER COUCH: That brings up another point, I guess. So, the main...it seems like the way we're discussing it, the main reason for that ladder truck is to lower the insurance rates of the area.

MR. MURRAY: Well, it's to maintain the insurance rates.

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COUNCILMEMBER COUCH: Maintain.

MR. MURRAY: They are...their insurance rates are at its lowest because of all of the resources that are out in that area and that's the reason why it's located out in Wailea. So it takes care of the whole South side and it also takes care of our Central area here. It is the front response vehicle to come to this area if there's a need.

COUNCILMEMBER COUCH: And it's for buildings four stories or higher, is that...

MR. MURRAY: Two to three stories or higher, right. And I believe the cutoff is 75 feet 'cause that's when it ends, that's when the sprinkler requirements also come into effect. So the sprinklers allow us to get there in time to get the people out. It's not there to...for 100 percent suppression, that's where we come in. So as that calls come in based on the size of that building and/or structure or levels or stories, then that would be, that will be a front apparatus to be dispatched. Yeah.

COUNCILMEMBER COUCH: Okay. Thank you, Chair.

CHAIR HOKAMA: Thank you. Other questions for the Chief?

COUNCILMEMBER COCHRAN: Chair?

CHAIR HOKAMA: Yes, Ms. Cochran?

COUNCILMEMBER COCHRAN: And just, I think another apparatus is the Kahului engine --

MR. MURRAY: Yes.

COUNCILMEMBER COCHRAN: --that you're looking at? What...a little more detail on that, what's the cost and then reasoning?

MR. MURRAY: I...1.19, no 1.0, 1.10. Cost and reasoning, that's an anticipated cost of that vehicle. The reasoning is I believe it is a 2002 with about 78,000 miles on it. It is...it responds to all the areas including Upcountry, Lahaina, Kihei. It is the number one backup for all the Department plus Central.

COUNCILMEMBER COCHRAN: So backup meaning you have existing though?

MR. MURRAY: Existing?

COUNCILMEMBER COCHRAN: And this is just...

MR. MURRAY: I'm sorry. I should explain that better. So in response, so if there's a call in Wailuku that requires two fire engines, Wailuku engine will go and Kahului engine will go. So if there's a backup response in Kihei that Wailea can't respond to, Engine 10 out of Kahului will respond to them. Engine 10 will also respond to Lahaina as well as

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Engine 1. Engine 10 will also respond to Paia, Makawao, Kula. So they are the coverage unit for the most part for our Central area, first response as well as backups to all of those other districts because of their location.

COUNCILMEMBER GUZMAN: Oh, location.

COUNCILMEMBER COCHRAN: Okay. Well, thank you. Thank you for your response.

MR. MURRAY: You're welcome.

CHAIR HOKAMA: Other questions for the Chief? Mr. Guzman?

COUNCILMEMBER GUZMAN: Thank you, Chair. So is that the, the engine in Kahului that's a pumper truck?

MR. MURRAY: Yes.

COUNCILMEMBER GUZMAN: Okay. All right. Thank you.

CHAIR HOKAMA: Okay. Thank you. Any other questions for Chief since Chief made himself available? And again we appreciate that consideration from him. Chief, regarding the ladder request, have you made those adjustments in your specs to take care I believe one of the comments you gave us in response regarding the problems with your truck, is the, I guess the weight versus the capacity of either the engine itself to move the ladder equipment. But we, you mentioned that you had some issues and that was one of the concerns, the weight that --

MR. MURRAY: Right.

CHAIR HOKAMA: --the stress upon the vehicle itself?

MR. MURRAY: Right. So that is a good question, Chair. The weight of the ladder is the most, it's the heaviest apparatus that we have in our fleet. As it responds on the roadways and bounces down the highway literally, that causes issues with all types of components on the vehicle. So because of the added weight, the stress level of the chassis as well as all of those things, even though it's built within specifications, over time and right around ten years is when we start to experience a whole lot of issues. It happened with our Lahaina ladder and it's happened with the ladder prior to that. So it's something that's historical. The manufacturers try really hard to address those issues by making some items lighter weight or using different material that is a lot stronger like aircraft type of metal, but it's just been something that's historic in that special apparatus. And yeah, it's a challenge. As far as the specifications, we try to do stainless steel to help with corrosion issues as well, and that's what we're doing with all of our apparatus as we're moving forward and that's how you can see some of the price increases for that across the board. So those are the changes within the spec. Thank you.

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CHAIR HOKAMA: Okay. And again, Chief, yeah we...that's what we hope you continually do your continued improvements on your specifications as you try to mitigate problems from current equipment to future equipment. 'Cause we understand, Chief, it's expensive the equipment, very expensive. Okay, other questions for the Chief? Since we have his presence I would like you to ask it so that the Chief can be excused and we can bring up other departments. Mr. Guzman?

COUNCILMEMBER GUZMAN: Thank you. Thank you, Chair. Chief, on the...I'm not sure if you have a copy but line 311 appears that on Chair's proposals deleting the expansion positions for Accreditation Manager, Information Communication Systems Manager. Is this a vital position to the Department and why would it be? For...I know this has been in here from last Budget. I think even two Budgets ago and I think this might be the third time, but explain again how close are you to having accreditation and once you've received that accreditation, why is this position a vital importance to accreditation process?

MR. MURRAY: Thank you. Chair? Member Guzman, thank you for that question. I appreciate that. The Accreditation Manager is extremely critical to attaining the accreditation. We are doing that right now. We're trying to attain accreditation but providing the continuity to maintain it is even harder, and it has been taxing our personnel outside of their normal duties and we need to provide that continuity to maintain the accreditation. We are...we have applied in March. We are in the process of scheduling a site visit of six members coming here to Maui and going through all of our documents and asking questions within our Department and hopefully that will be provided in June. It is a daunting task even for one person and we realize this body's thought process on not having expansion positions. But having one, and we providing more people to help that one person is where our start needs to be. We want to mirror how the Police Department does theirs and they have multiple people within that division. And for us it's all about continuity and maintaining that because every five years you will continue to go through that, but on an annual basis you will have to check all of your processes and that one individual needs to be doing it full time. You know, the conferences that we attend, all the departments that try to attain accreditation, they know the value of having that continuity and that one person that stays in that position because of its huge task and just keeping track because they're able to put little cadres together for different aspects of the accreditation. But they still need one person to run that on a daily basis, and it will also help us with all of the feedback and data to you folks when necessary and hopefully we can turn that around a whole lot quicker than we are today.

COUNCILMEMBER GUZMAN: So, Chief, if the...it came down to it for this Budget 2017, the choice between a Battalion Chief and a Accreditation Manager, which of the two would be necessary for the 2017 year Budget?

MR. MURRAY: Well, the Battalion Chiefs are operational.

COUNCILMEMBER GUZMAN: But if you only had a choice between one or the other?

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MR. MURRAY: I wouldn't. I would let you choose.

COUNCILMEMBER GUZMAN: Okay. Ouch.

MR. MURRAY: Yeah. I wouldn't wanna...

COUNCILMEMBER GUZMAN: Okay.

MR. MURRAY: Yeah.

COUNCILMEMBER GUZMAN: Okay. Thank you, Chair.

CHAIR HOKAMA: Okay. Thank you. Other questions for the Chief since we have his presence? Ask please ask it now because once we start round two, we're gonna keep moving. Any other questions for Chief please ask it now. Ms. Crivello?

COUNCILMEMBER CRIVELLO: Thank you. So on one of your handouts yesterday when you...I don't have it in front of me right now but the importance for you to meet your request for Ocean Safety, if not you would probably reconsider for the transitioning. Can you explain that?

CHAIR HOKAMA: Chief?

MR. MURRAY: Thank you. Could you repeat that again please?

COUNCILMEMBER CRIVELLO: In your handout with you request that you listed when you testified yesterday is, you know, your basic needs for Ocean Safety for the transfer is in your opinion necessary and if it cannot be met during this Budget then you would have to reconsider the transfer at this time. Is that what I understood or not?

MR. MURRAY: Yes, Councilmember Crivello. If I may, a little history behind that. You know, it was tasked to our Department to take a look at how we could better service our community and be more efficient. So we attacked that exactly how we do our Department. And through all of that work over years, we found that the necessity of those one-time items needed to be in place for us to do something much, much more efficient and safe for our community. I mean we're talking about 55-plus employees that need to have training, that need to have their breaks, that need to have the proper backup. It is in our opinion that it's functioning as it is but our...we were tasked at making it much more professional and safe. So those were the items that we came up with and we found through a lack of the replacement policies for a lot of their equipment, that's how we came up with...we basically mirrored what we do for jet skis and rescue sleds and all of those things and vehicles and put it in the same processes for them and came up with that. So I know in future years the cost to maintain that will be a lot less. It comes right now at a price tag just about a million dollars and we feel that it's, it is time for that to happen. I remember in the past that Parks would battle between a jet ski and a lawnmower. And that was the whole premise for them wanting to come over to us so that they would have the respect as

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rescue personnel in our community. So we went around and around I mean for years on figuring out how we we're gonna do that and this is the best plan that we set forth for you. We just don't want that whole process and that merger to become a gray cloud over our Department if not moving forward. This is our opportunity. I know that the responsibility lies with the Office of the Fire Chief and I don't wanna play hardball but I also wanna be forthcoming and say, this is what we need to step this Division up and they're willing to do it. So I believe this is the proper time and I've been asking for that for several years now. So thank you for that question.

COUNCILMEMBER CRIVELLO: Thank you, Chair. Thank you, Chief.

CHAIR HOKAMA: Thank you, and we appreciate the Chief's response to your question. Other questions for the Chief? Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. Chief, another issue that came up you had requested are the turnouts because of an agreement that was implied last year to this year.

MR. MURRAY: Yes.

COUNCILMEMBER COUCH: It was mentioned to us that we budgeted about 2,700 per turnout and you were able to get a really good deal at 1,600 per turnout. So the question is, did you buy new ones with the savings? And also, how many more do you really...are you still at 50/50 or did you buy extra ones with the savings on the great bid you got last year?

MR. MURRAY: Actually, so the prices that we provided for you were at the time of our presentation of our Budget, which is in October. Just last week, we got the cost for the new items and it's still 50/50 so we'll make that adjustment as needed. Yeah the...

COUNCILMEMBER COUCH: So you didn't buy extra ones from --

MR. MURRAY: No.

COUNCILMEMBER COUCH: --last year's savings?

MR. MURRAY: We did not.

COUNCILMEMBER COUCH: So then that money should be carrying over to this year?

MR. MURRAY: Well, I would have to double check with that because we just got the bids cleared last week. So that would be the intent. That was the preliminary estimations that we had for...I believe 2,700 covers 3 sets so yeah, we're gonna go ahead and crunch those numbers and see where it's at.

COUNCILMEMBER COUCH: Okay.

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MR. MURRAY: We'll make the adjustments.

COUNCILMEMBER COUCH: Okay. Thank you, Chair.

CHAIR HOKAMA: Okay. Thank you for that question. Members, anything else for Chief?
Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you, Chair. I think during discussions last night in regards to turnouts, SCBA bottles, things of that nature that are very important to your work and they have like an expiration of sorts and you need to be up to some type of rating I guess. So is that where all these equipments that you're asking for at --

MR. MURRAY: Yes.

COUNCILMEMBER COCHRAN: --that point?

MR. MURRAY: Absolutely.

COUNCILMEMBER COCHRAN: Okay.

MR. MURRAY: I believe all of our turnouts, the ones that have not expired already will be expired by next year. Yeah, within the first six months of next year.

COUNCILMEMBER COCHRAN: Okay. That would run in...okay. So you need monies this fiscal for those. I mean by --

MR. MURRAY: Yes. We need the second half on this...

COUNCILMEMBER COCHRAN: --the expiration.

MR. MURRAY: Yes.

COUNCILMEMBER COCHRAN: Okay. All right. No, just that was one of my questions last night. Thank you, Chair.

MR. MURRAY: All right. Thank you.

CHAIR HOKAMA: Thank you for that question. Mr. Carroll, questions for the Chief?

COUNCILMEMBER CARROLL: No questions.

CHAIR HOKAMA: Thank you. Ms. Baisa?

COUNCILMEMBER BAISA: No, thanks.

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CHAIR HOKAMA: Mr. Couch? Ms. Crivello?

COUNCILMEMBER CRIVELLO: I'm good. Thank you.

CHAIR HOKAMA: Mr. White?

VICE-CHAIR WHITE: Not at this time. Thanks.

CHAIR HOKAMA: Mr. Guzman?

COUNCILMEMBER GUZMAN: I'm okay.

CHAIR HOKAMA: You have a question, Mr. Ueoka?

MR. UEOKA: If I may, Chair, a quick statement. I just don't want anyone to tell you that...the current operation for Ocean Safety it's adequate. It's safe. Fire just has a different perspective on it but none of it was intended to mean that the current operation is inadequate or unsafe. Thank you.

CHAIR HOKAMA: Thank you for that comment, Mr. Ueoka. Any other questions? Since we do have the presence of the Chief, I would like it to be provided to him at this time please. Okay, Chief, we again thank you for your presence and making yourself available to respond to the Committee's request.

MR. MURRAY: Thank you, Chair, and thank you, Committee. Appreciate it. Thank you. Have a great day.

CHAIR HOKAMA: Thank you. So is Mr. Nakagawa ready? Okay. Environmental Management, please come down. And I apologize to the departments, I know we're kinda out of sync on timing with the schedule so I apologize but your responses is critical for the Committee to make a better informed decisions. Mr. Nakagawa, and mister...oh, I guess Miyamoto is available if need be, the Deputy, but Mr. Nakagawa is here as regards to his area as Division Chief of Wastewater. And so, Members, I know we had some discussion regarding Napili Project No. 3, No. 4, also there's I think Force Mains 5 and 6. But anyway, Ms. Cochran, I believe you had a question for Mr. Nakagawa?

COUNCILMEMBER COCHRAN: Yes. And thank you, Mr. Nakagawa, for being here this morning...afternoon. I saw your testimony. Sorry I wasn't here physically but I did get the testimony. And looking at it, you really wanna keep Napili 4 Force Main? Is it an option to do one or the other in regards to Napili 3? I know in our document, it's looking like we consensus that but, you know, cost wise, what have you, do you have comment if you can forego? 'Cause as we look through the CIP pages, you have 3, 4, 5 and 6, all slated for design and then in 2 years, you have it all slated for construction. Can you actually utilize all these monies and carry that out?

CHAIR HOKAMA: Mr. Nakagawa?

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COUNCILMEMBER COCHRAN: Or can we phase it?

MR. NAKAGAWA: All right, Chair. Yes, so basically the way we do it is we have a study and it prioritizes which lines that we need to fix. So Napili 5 and 6, I believe we're coming in for actual construction funds. So we already are on the design and it's ready to be bid in January of 2017. So that's actually construction funds and the logic behind grouping them together in certain districts is that either you can group them together and build it together and that way it allows you to have a better cost savings because you have one contractor. And even if they're separate, we only have a handful of contracts that bid on our projects so they are in the location already and which will then...which again will lower the cost of the construction. So these two we proposed, the Napili 3 and Napili 4, is this year for design and then it will be construction not 'til two years from now.

CHAIR HOKAMA: Ms. Cochran?

COUNCILMEMBER COCHRAN: Okay. And if...wait, 4, if 4 is slated for deletion, you state that it could have, I guess negative environmental impacts, spillage, what have you. Is this unique to just this force main or is that a broad statement for all of 'em, if they're not done?

CHAIR HOKAMA: Department?

MR. NAKAGAWA: Yes, Chair. That is actually a statement for all of our force mains. All force mains are, like I said in our testimony, it's just...it's very hard to fix when failure because it's under pressure. So basically what happens is, it becomes a catastrophic failure versus a gravity system that where it collects our wastewater. That's something that just tends to build up as people use it, overflow and just comes out of manholes, whereas force mains is all buried, all unseen and you won't know until it actually breaks, when the actual failure is in. Just a little background on how we prioritize based on the consequences of failure as well as just the general area of where it is. So these are like location of where they are, the type of make they are, how old they are. If it does fail, do you have means to, you know, how quick can you actually fix it. All of these, I guess different aspects or criteria goes on into our prioritizing of the force mains.

COUNCILMEMBER COCHRAN: And thank you, I appreciate that. So how...are you in discussion at all with Department of Water Supply, Department of Public Works, as in... 'cause you're gonna be digging up some road, detouring traffic throughout this work.

CHAIR HOKAMA: Department?

MR. NAKAGAWA: Yeah, Chair. Yeah, all of our plans are reviewed and just like any other development through the County process. So it goes through Public Works, it goes

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through Department of Water, it goes through Planning, everybody, so everybody is aware of what projects go and when.

COUNCILMEMBER COCHRAN: I guess my bigger question is if they already got projects going on at the same time or slating to have projects in the same area and if we're gonna dig and trench, can we not all get on the same page and do it as one so we don't need to tear up the road over and over and inconvenience the community over and over? I guess more along those lines. Do you know of any projects from this departments in this area that are slated to happen around your timing? Or could you all time it together?

CHAIR HOKAMA: Mr. Nakagawa?

MR. NAKAGAWA: Yeah, Chair. Yes, that's, that is possible. We try to talk to our fellow Departments as much as we can and I'm sure in the future, it should get better.

COUNCILMEMBER COCHRAN: Okay. Please, quickly. I hear Puukoolii Road is, you know, possibly slated for digging up again and that's not sitting well for this community. Chair, that's it for now. Oh...well...yeah.

CHAIR HOKAMA: Okay.

COUNCILMEMBER COCHRAN: It's okay.

CHAIR HOKAMA: Thank you. So a of couple questions for the Committee, Mr. Nakagawa, regarding Napili 3 and 4. Is your Division in cooperation with the other required agencies, maybe it's Corp. Counsel, maybe it's Finance, where your Division has collected monies due the County by deferred agreements, deferral agreements regarding pro rata shares of property owners for projects such as these?

MR. NAKAGAWA: Yeah, Chair. I'm not aware of it but I can ask. I can inquire and look into that.

CHAIR HOKAMA: You know, my understanding, again I've been around here for a while and my understanding is they may be deferred agreements that you may be able to capture some revenues to help offset the request to the Committee. So I just ask that you folks to be able to give us a response regarding the status if there is such requirement. Is there monies available and if we haven't collected it, why not since we already to move projects forward. Second, being the location, and again I'm not sure where the line would be, but are these two projects within the SMA area whereby additional processing time for permit, review and approvals may impact this projects?

MR. NAKAGAWA: Yes, Chair. So from what I recall, anything below the highway is all in the SMA area. So I believe Napili 4 is and Napili 3 is also. And that's the reason why if you look at our six-year CIP, we used to try to build, I mean design in one year and try to build in the next fiscal year. However, what we've been finding is, we've been almost lapsing the construction funds because of the permitting process. And

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typically, there's the same hurdles with every department has and as well as the outside. So what we had to do is we reconfigured our CIP program to accommodate that one year in between for permitting processes.

CHAIR HOKAMA: Okay. Well at least you're aware of your requirements and you've adjusted your schedule appropriately so we appreciate that thought process, Mr. Nakagawa. Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. Mr. Nakagawa, I've got quite a few but we'll see. One of the things is the Wastewater Treatment Plant Operations Manager and Painter, those are some of the ones that both you and Mr. Stant were asking for reconsideration on. Can you, I guess Mr. Guzman asked the Chief, the Fire Chief, of those two which one are...if you had to pick one.

CHAIR HOKAMA: Mr. Nakagawa?

MR. NAKAGAWA: If I mean that's...if I had to pick one, it would be the Operations Manager.

COUNCILMEMBER COUCH: Okay.

MR. NAKAGAWA: It...I mean I don't know what the Director would say but 'cause he's not here.

COUNCILMEMBER COUCH: Good thing he's not here. Yeah.

MR. NAKAGAWA: You know, it's tough I mean but the Painter is something that I feel we can probably contract out. It will cost us more. But as far as that Operations Manager just from the duties that we had to struggle through for the past year, I think that's probably a more significant position that we need right now.

COUNCILMEMBER COUCH: Okay.

MR. NAKAGAWA: The Painter, you know, we do have one currently. Maybe, I mean our...you guys know how it is. I mean maintenance is a key I mean and that...what that does is prolong our equipment, prolong...it defers capital improvement and so it's kinda of a toss of a coin.

CHAIR HOKAMA: Mr. Couch?

COUNCILMEMBER COUCH: Yes I have, on your CIP the North Kihei mauka transmission system, that's for some recently approved, a recently improved development. Is that correct? The R&T Park expansion or is that for any...is that basically 'cause the General Plan shows that there's gonna be a lot more up there although we have already approved one of the two or three big projects up there.

CHAIR HOKAMA: Mr. Nakagawa?

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MR. NAKAGAWA: Yes, Chair. Yes, so that...yeah, in that General Plan it does show a lot of development above the highway and the service area for our treatment plant as well as our collection system, its...it didn't accommodate for that. And it what it does is it accommodates for all the infill below the highway, and so because of all these developments and there's couple coming in now as well as like you mentioned, some that are maybe one or two that is already approved, they're significant improvements to the existing system that probably exceeds the amount of cost to developing a second transmission line that will take it above the highway. And just in proper planning, that's the better idea, I mean keeping the...you keep wastewater away from the ocean. I mean it's higher up. It's away from the...you know what I mean. So everything is kinda...it's more of a beneficial for...

COUNCILMEMBER COUCH: Yeah, yeah it does make sense. The question I have is, do any of those in the subdivision process or any other process, do any of...or are any of those developments gonna be required to contribute to the infrastructure there?

CHAIR HOKAMA: Department?

MR. NAKAGAWA: Yes, Chair. I'm not too sure how it works but Kihei already has a sewer assessment fee. And my idea whenever we start to do this type of expansions to accommodate either future development or that kind of stuff, is to develop and implement that same type of assessment fee so that the people who are actually connecting to it and gonna use it pay their fair share.

COUNCILMEMBER COUCH: Okay. So there is...I mean we essentially do the front end and then as the assessment fee comes in, it helps supplement the project.

CHAIR HOKAMA: Department?

MR. NAKAGAWA: Yeah, Chair. Yeah and that's kinda my idea.

COUNCILMEMBER COUCH: Okay.

MR. NAKAGAWA: And like I said we...it's not something new and we already do it in Kihei.

COUNCILMEMBER COUCH: Right.

MR. NAKAGAWA: The farther you are, it's a higher price that they pay. And it's just the recuperating the cost of the infrastructure that's already that was built.

COUNCILMEMBER COUCH: Okay. Then you asked in your testimony to restore the two recycled waterline projects, recycle water projects, the Kulanihakoi Street Recycled Water Line Extension and the South of Maui Recycled Water System Expansion. To tag along with Ms. Cochran's question, Kulanihakoi I don't know if you're aware is ready to be resurfaced this fiscal year. Are you planning on working with the Department to make sure that you get that in before they resurface?

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CHAIR HOKAMA: Department?

MR. NAKAGAWA: Yes, Chair. So when you guys, actually when you guys brought that up during Budget when we were here, Public Works already contacted us and said that we'll work it out so that should...that will be...

COUNCILMEMBER COUCH: Great.

MR. NAKAGAWA: Right. Yeah.

COUNCILMEMBER COUCH: So you both can get it both done this fiscal year?

CHAIR HOKAMA: Department?

MR. NAKAGAWA: Yeah, Chair. Yeah, so we're already 50 percent done with our design. We should be done by the end of the year so I'm not too sure what the timeframe is for Public Works. But I'm sure even if they bid it out, they can always delay their project or if they're coming in after us, we can always delay our project a couple of months without getting any escalation costs.

COUNCILMEMBER COUCH: Great. Okay. And then on the South Maui Recycled Water System Expansion, that's just to again expand the amount of R-1 water that you're creating?

CHAIR HOKAMA: Department?

MR. NAKAGAWA: Yeah, Chair. Yes, so that'll provide us with a more reliable system. Right now, basically we empty that tank, that 1 million gallon tank every day and we fill it up at night as we start to deplete the tank. What this does is allow us to...it's kinda threefold, is one it allow us to provide fire protection 'cause you need a certain amount of gallonages that reserved 'cause we do provide some standpipes for couple of the facilities and along the reclaimed waterline for fire protection.

COUNCILMEMBER COUCH: Yeah.

MR. NAKAGAWA: And then it also allows us to have a reliability for that just in case, you know, we have a handful of times every year where either our system equipment needs servicing or goes down, and that provides us with more capacity so that they can be downtime and no, there's no break in reclaimed water service. And then two, it also...it really reduces our operations, our pumping cost because what we're envisioning is really pumping during the day when we're on PV and Kihei is, you know, very sunny over there. We're actually off the grid during the day due to our PV so we can switch the time that we fill during the day so that we can run our pumps during the day, and that allows us to hopefully eliminate, you know, some of that cost.

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COUNCILMEMBER COUCH: Okay. And so we're not making any more R-1 water with that, we're just being able to store it so we don't have...we don't run out during the day when we need it?

CHAIR HOKAMA: Department?

MR. NAKAGAWA: Yes, Chair. Yes, so we actually are renovating our last channel so technically we'll be able to provide 100 percent reclaimed water. So now it's a matter of just being, have enough storage and then users to actually take the water, yeah. So with this one project, it doesn't really add more R-1 that we're producing but it just allows to have a more reliable system when...so people can actually use it hopefully 100 percent of the time.

COUNCILMEMBER COUCH: Okay. How often right now do you run out of R-1 water that people are trying to use?

CHAIR HOKAMA: Department?

MR. NAKAGAWA: Chair? Yeah, so we don't...the only time...we don't actually run out. The only time that we have to let users, let them know that they have to stop using for a day or so is whenever we have some type of equipment that goes out, which means that the R-1 requirement is not met. However, even though R-1 is not met, it still meets R-2 so the golf course uses it and pretty much they use majority of the water. They use about 800,000 to 900,000 gallons a day. So technically you're still...majority of water is still going out. If you go past that one day though however, that's when we notify the golf course and they have a alternate source of water to irrigate.

COUNCILMEMBER COUCH: Okay. Thank you, Chair.

CHAIR HOKAMA: Okay. Other questions for Mr. Nakagawa, Members? Any questions for Mr. Miyamoto, the Deputy, since he's here? Ms. Cochran? And then after we're done with these gentlemen we are breaking. So in the meantime before Ms. Cochran asks her question, Members, I'm gonna ask you now if you need any other Department to let the Chair and Staff know before you leave for your midday break so we can contact the departments and try and schedule their presence with the Committee. Okay. With that, Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you, Chair, and thank you, Mr. Miyamoto, for being here. I just want clarification in equipment. I'm looking at mostly equipment right now. And I guess, looking at CIP Page 768, I don't know, do you have the same...you don't have your bookwork? Okay. I'm just trying to get a handle and this is probably for yourself too, Chair, trying to decipher Item 1, 2 28-cubic-yard automated refuse trucks and that has been what...I'm trying to figure out what was deleted out of there if anything. I think --

CHAIR HOKAMA: Ms. Yoshimura?

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COUNCILMEMBER COCHRAN: --one, there's one left.

CHAIR HOKAMA: Yeah. We made...I made adjustments. I made a some deletions and adds in that equipment component.

COUNCILMEMBER COCHRAN: Okay.

CHAIR HOKAMA: Ms. Yoshimura?

MS. YOSHIMURA: Mr. Chair, so one automated refuse truck has been added and one rear loader has been deleted.

COUNCILMEMBER COCHRAN: Okay. The...so the rear loader has been deleted. And, Mr. Miyamoto, are you familiar where that one was slated to be?

MR. MIYAMOTO: For the...Mr. Chair? For the two rear loaders, we had planned on the one being in Wailuku, and the other one being in the Makawao area since they have more accounts there. And we're planning on doing the West Maui replacement next year. So since we're only replacing one this year then maybe next year we might be requesting two in next year's Budget for rear loaders.

COUNCILMEMBER COCHRAN: So how did...and you garnered that priority just due to user...the population base?

MR. MIYAMOTO: Based on the accounts and also like you're saying the maintenance history of these vehicles. Technically what we'll try to do is, you know, we'll try to maintain the...get rid of the worst piece of equipment at first and then, you know, if the Wailuku one is better then we'll...we might and they're getting a new one, maybe we'll slide that one over to maybe either Makawao or Lahaina. Or if we're getting the one from Makawao, we'll move the big equipment around so that we can get rid of the worst one and try to help the other districts out with...by improving the equipment to last at least a year until we can make the request for next year.

COUNCILMEMBER COCHRAN: I guess 'cause there's been complaints in particular in West Maui in regards to the puka...I mean what's happening is they're getting construction stuff and not realizing there's paint cans, what have you, in there so as it gets compressed and crushed, paint or whatever oozes out, puka in the bottom of the truck. Now you get spots and drippings --

MR. MIYAMOTO: Yes.

COUNCILMEMBER COCHRAN: --all over so subdivisions have been complaining --

MR. MIYAMOTO: Yeah.

COUNCILMEMBER COCHRAN: --and this is happening in West Maui so --

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MR. MIYAMOTO: Yeah.

COUNCILMEMBER COCHRAN: --is that being addressed with one of these purchases?

MR. MIYAMOTO: That's the automated. That's why we sacrificed one of the rear loaders to add another automated 28-yarder automated so that's why now instead of two, we're getting three 28-yard automated trucks. So it was the automated truck that had the hole that was going to the subdivisions that you say leaking possible fluids.

COUNCILMEMBER COCHRAN: Okay. And at this point in West Maui, so I'm focusing on West Maui since that's who I represent, 17-cubic-yard mini type vehicle? Is that...I mean we have some really narrow roads up on Aki, back, you know, down Kuhua in the mill area. Is there a big need for something of that size at this point?

MR. MIYAMOTO: Yeah. Mr. Chair?

COUNCILMEMBER COCHRAN: And how are you making do in those really nooks and crannies of roads in there?

MR. MIYAMOTO: You're exactly right. Those smaller ones are intended for those neighborhoods where the automated trucks cannot function and operate. And so, like you're saying, in the old Kuhua camp area, you have a lot of smaller, tighter streets. Down in the Lahaina Town area, you have a lot of smaller streets. Some in the rural areas also, we have some smaller neighborhoods that have tight streets. So the smaller truck is utilized for that. There's not as many accounts on the East, on the West Side as there are for example up in the Upcountry area 'cause a lot of those rural areas have smaller streets and also in the Central Maui area because it's a bigger area is where the focus is to address the needs.

COUNCILMEMBER COCHRAN: Okay. All right. So well at this point, Chair, you know, I'll sift through and see what's here. It looks like, you know, Director is...or Mr. Miyamoto is looking to address things as he goes. My other last question is in regards to the carts and you...thank you for your response in the two sizes that the automated arms can handle 95 and 64, something or other. You are open...and I know, you stated need to really suss out the community. What is the true need for the medium-sized carts, what have you, but you'd be open and able to take that into account right now? I know as you probably figure as long as pricing stays the same across the board for service, whether you get big or small, smaller carts at this point, so what are your comments in regards to that idea?

MR. MIYAMOTO: Mr. Chair?

CHAIR HOKAMA: Department?

MR. MIYAMOTO: Our existing refuse trucks can handle down to about a 64-gallon cart. We currently have none on inventory so obviously we would have to purchase all of those carts plus with some spares just in case we need to do some replacements in case we

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have warranty issues. From our operations end, we look at it as being almost no cost. But when you look at it from the revenue side, if the cost for the smaller cart because it's smaller services, something that you're adding in for, you know, a cheaper fee, then it...we're gonna be hearing on the revenue side because it's the same service, our same truck going out there whether it's 64 or 94 [sic], it's going to the landfill. That same amount of trash is gonna get to our landfill so if you do have a rate adjustment, we're asking that maybe on the 96 it goes up a little just to compensate for the loss of revenue for the smaller cart. But if you were to hold them the same for 64 or 96 right across then it really should have minimal impact. We would just need the funding for...to purchase the smaller-sized carts.

COUNCILMEMBER COCHRAN: Okay. Yeah and thank you and I'm wondering if it'd be probably better at this time, Chair, since it's a new idea to better vet it through community and get a true figure on who's interested, who's not, what about the cost, you know, preferentials and whatever. So I'm okay maybe at this point to have a little further discussion with the public especially in the community so with that one, but I wanted to ask the question of the Department while they're here.

CHAIR HOKAMA: Sure. Sure.

COUNCILMEMBER COCHRAN: Other than that, Chair, I'm okay and ready for lunch.

CHAIR HOKAMA: Okay. No, thank you for asking those questions. Appreciate it. Any other questions for Deputy Director Miyamoto regarding DEM? Okay. Mr. Miyamoto, thank you so much for your presence. Okay. Members, so put in your request if you would like other departments to come forward to assist your needs but we need to start round two. Okay. So we will be in recess 'til 2:00 p.m. . . .(gavel). . .

RECESS: 12:20 p.m.
RECONVENE: 2:09 p.m.

VICE-CHAIR WHITE: . . .(gavel). . . This is the meeting of the Budget and Finance Committee shall please come back to order. Members, we are aware of requests for Public Works, Transportation, Planning, and Parks. Are there any requests for other departments that we can advise to...can't get it much closer. We have Public Works coming, then Transportation, Planning, and Parks. Do any of you have requests for other departments to ask questions of? Mr. Carroll? . . .(inaudible). . . Ms. Baisa?

COUNCILMEMBER BAISA: No. I turned in my request. Thank you.

VICE-CHAIR WHITE: Okay. Thank you. Ms. Cochran, any other departments than the ones I mentioned?

COUNCILMEMBER COCHRAN: No. I don't believe so, Chair. Thank you very much.

VICE-CHAIR WHITE: Thank you. Mr. Couch?

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COUNCILMEMBER COUCH: I don't think so.

VICE-CHAIR WHITE: Okay. Ms. Crivello?

COUNCILMEMBER COUCH: Oh, I'm sorry. Management please.

VICE-CHAIR WHITE: Management?

COUNCILMEMBER COUCH: Yeah.

VICE-CHAIR WHITE: Okay. And, Mr. Guzman, any other departments?

COUNCILMEMBER GUZMAN: Possibly Parks.

VICE-CHAIR WHITE: They're coming.

COUNCILMEMBER GUZMAN: Oh they're coming. Okay.

VICE-CHAIR WHITE: Yeah

COUNCILMEMBER GUZMAN: Thank you.

VICE-CHAIR WHITE: So it will be Public Works, Transportation, Planning, Parks and then Management. And if you come up with others please either advise the Chair or advise Staff, and we'll do what we can to contact them and have them come in. Okay, Members, we will start off with Public Works. Who requested Public Works? Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair.

VICE-CHAIR WHITE: And your page reference please.

COUNCILMEMBER COUCH: Yeah.

COUNCILMEMBER GUZMAN: Oh that's what it was supposed to be. Okay.

COUNCILMEMBER COUCH: One of the...let's get to one of the things here. I'm trying to find it now.

VICE-CHAIR WHITE: Operations or CIP?

COUNCILMEMBER COUCH: It's CIP. It's essentially the North South Collector Road.

COUNCILMEMBER GUZMAN: Oh yeah, that's right.

COUNCILMEMBER COUCH: Can't remember what page it's on now.

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MS. YOSHIMURA: Mr. Chair?

VICE-CHAIR WHITE: Yeah?

MS. YOSHIMURA: It's on Page 57.

VICE-CHAIR WHITE: Fifty-seven?

MS. YOSHIMURA: Fifty-seven.

VICE-CHAIR WHITE: Page 57, Members.

COUNCILMEMBER COUCH: Oh yes. So North South Collector Road – Lokelani School to Auhana Road, there was a...the Chair had said there's a timing issue with ...it looks like in the STIP, it's out 'til 2021 and that it can go off one more year. Couple of questions, one is, is there anything we can do this year that will maybe help the STIP? I mean as you know, I mean you're on it, we have an MPO meeting starting on next Wednesday and this all may, the STIP all may change so my concern is, you know, that we get designing going and if it's possible that it's shovel-ready if you will then we can get going much sooner than 2021 'cause as you have seen in e-mails today, even there's all kinds of issues with the traffic in those areas. That's my first one. And then after that we'll...depending on your answer.

MR. GOODE: Okay. Okay, Mr. Chair?

VICE-CHAIR WHITE: Please proceed.

MR. GOODE: Okay. Well, first of all good afternoon everybody, David Goode here, Department of Public Works. And you mentioned the MPO and it's interesting, I'm looking right here at the three MPO members, all sitting right next to each other, along with myself and a handful of others, and I look forward to starting the MPO. It's starting...our first meeting is next week. So hopefully the Budget Committee will be at a point where we can spare three Members, Chair. But the, you know, the North South Collector is very, very important to South Maui. We have had as recently as just the other day, you know, more complaints about traffic on Piilani and getting on and off Piilani certain hours of the day and the North South Collector really being what I like to call the people's road of Kihei having that route that isn't necessarily a tourist route but it gets you --

COUNCILMEMBER COUCH: Right.

MR. GOODE: --up and down Kihei and all the points you really need to get to. We've had...we're in design on other portions of the road. This would be the next portion of the road. Chair Hokama had noted that there was a gap in time between the initiation of design and likely construction funds in 2021. That is an outlier year on the STIP. I think what they like to call the plus two years, it's a little hazier but nevertheless, it is noted and I think when the MPO convenes, we're gonna be examining that closely. We

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did ask for 800,000 in design this year and we're looking at 100,000 next year for land acquisition. There are a few pieces to get along the way. We understand the Budget constraints. It would be helpful to maybe switch that and have the 100,000 land acquisition available this year followed with design next year so that we can be positioned to, you know, jump on that construction funds as soon as they're available.

COUNCILMEMBER COUCH: Okay. Thank you. Yeah, 'cause...

VICE-CHAIR WHITE: I believe you had a revisit on the next item as well.

COUNCILMEMBER COUCH: Yes. The Pavement Rehabilitation at Various Locations – South Maui, I know that's, mainly I believe that's the Kulanihakoi, was it...no it wasn't Kaonoulu.

MR. GOODE: Lipoa.

COUNCILMEMBER COUCH: Lipoa. Welakahao.

MR. GOODE: Welakahao.

COUNCILMEMBER COUCH: One other one I think.

MR. GOODE: Kulanihakoi, did you mention?

COUNCILMEMBER COUCH: Kulanihakoi, yeah. And we had Department of Environmental Management up here by the way who said they're working closely with you so that when they tear up the road for their R-1 project, you'd come in behind and then just do the road resurfacing so we're not tearing up two sets of roads even if the one they patch, you know, at least you can do it at the same time.

MR. GOODE: Yeah.

COUNCILMEMBER COUCH: So thank you for that.

MR. GOODE: Yeah. Just...our staffs are working together but I think whoever is ready first is gonna go and we'll have to...we're going to have to make it work.

COUNCILMEMBER COUCH: Yeah. Okay.

MR. GOODE: Those are Federal funds so we have, we gotta use 'em in a timely manner.

COUNCILMEMBER COUCH: Sure. Sure. Is there anywhere in there that potentially we can throw in resurfacing of Kaiwahine? I know we had talked about it --

MR. GOODE: Kaiwahine.

COUNCILMEMBER COUCH: --a little bit.

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MR. GOODE: I think, Chair, in deferring the South Kihei Road item is a million five and we had noted that we had funds from this year's...district resurfacing for South Maui and next year's, you know, to cover that. So I guess the question would be what's the priority is, is it South, you know, another half of the South Kihei Road or Kaiwahine? That would be the funds we'd have available for South Maui.

COUNCILMEMBER COUCH: And what did you say it would cost to do Kaiwahine? I know a couple years ago it was around 300,000.

MR. GOODE: I was gonna say around 300, 350 maybe.

COUNCILMEMBER COUCH: Okay. So if we...if you had the funding would you have the time to do it?

MR. GOODE: Yes.

COUNCILMEMBER COUCH: Okay. Okay, I think that was it for the South Maui ones for me, Mr. Chair.

COUNCILMEMBER CARROLL: Okay?

VICE-CHAIR WHITE: Okay. I noticed on Page 56, Mr. Carroll had a...I believe that was a revisit on line 1767. Mr. Carroll?

COUNCILMEMBER CARROLL: Just about if, repaving of Kaiwahine, that was also passed out of my Committee, one application that had agreed as part of their approval to pave Kaiwahine and that application is still there. It hasn't gone away even though they haven't done the project but they had agreed to do the paving for that street so that should be checked up on and find out where that's at before --

COUNCILMEMBER COUCH: Yeah.

COUNCILMEMBER CARROLL: --we take any actions.

VICE-CHAIR WHITE: Yeah.

COUNCILMEMBER CARROLL: Thank you, Chair.

VICE-CHAIR WHITE: Thank you, Mr. Carroll.

COUNCILMEMBER COUCH: Yeah. I would --

VICE-CHAIR WHITE: Mr. Couch?

COUNCILMEMBER COUCH: --also...I would like to see possibly putting that it in there in that we gave those guys two more years and I'm not confident at all in their ability to

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do the project so I'm not sure I would wanna make the residents...they've waited five years now for it and another two more years might be a little too late. 'Cause there's, I mean if you haven't been on that road, there's a forest growing in-between the cracks in the road so they have to mow it...

VICE-CHAIR WHITE: Come visit Upcountry.

COUNCILMEMBER COUCH: Yeah.

VICE-CHAIR WHITE: Mr. Carroll, I believe on Page 56 you had a revisit on the --

COUNCILMEMBER CARROLL: Yeah. On --

VICE-CHAIR WHITE: --Rockfall.

COUNCILMEMBER CARROLL: --Page 56 we have the Rockfall Assessment, which we talked about earlier and I think we had a consensus on that I believe. I'm not sure.

VICE-CHAIR WHITE: We had a revisit on that.

COUNCILMEMBER COCHRAN: No, revisit by you and me.

COUNCILMEMBER CARROLL: Oh, did we? For the Rockfall Assessment.

VICE-CHAIR WHITE: Yeah, that was a revisit.

COUNCILMEMBER COCHRAN: Yes.

COUNCILMEMBER CARROLL: Yeah. We did it. Okay it?

COUNCILMEMBER COCHRAN: No.

VICE-CHAIR WHITE: Anyway.

COUNCILMEMBER CARROLL: Chair, that's all.

VICE-CHAIR WHITE: Do either of you have questions --

COUNCILMEMBER CARROLL: And I have no further questions --

VICE-CHAIR WHITE: --for the Director?

COUNCILMEMBER CARROLL: --because David already answered that. Thank you.

COUNCILMEMBER COCHRAN: Okay. No, Chair, yeah. There was a revisit on this section. Having read Mr. Goode's testimony, he felt this is something that cannot be deferred so...and I know how precarious that area of the island is, very similar to where I live,

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and I...so I want to take heed from Mr. Goode's take on this. At this point though, Director, Embankment Assessment for Hana, this 350 goes to what?

MR. GOODE: Okay. Mr. Chair and --

VICE-CHAIR WHITE: Director?

MR. GOODE: --Ms. Cochran, the 350 will look at a number of areas that over the years have had small rock falls or on the others, embankment issues that's holding up the road where we've seen some sloughing off of material. So it hasn't been identified as a previous project but there are areas that we...where our staff has seen and responded to instances where there's been some type of activity like that and usually that's a precursor to a larger activity. So in our estimation, it's not a question of if, it's a question of when and so therefore for us at least, you know, we'd rather be more prudent about it and get on it as soon as we can.

COUNCILMEMBER COCHRAN: So this is kind of a fund for such events that may occur and yet you're gonna have to go out, I don't know, for design and then go for construction if it is a whole, you know, whole lane falls off the side of the cliff or something of that nature. Or is this for the man power to get the equipment out there to move the rocks away or...just trying to get a sense of where the dollar amounts are slated. You kinda gave a more generally, it's there in case --

MR. GOODE: Yeah. Yeah.

COUNCILMEMBER COCHRAN: --we get some kinda mitigation efforts need to happen.

MR. GOODE: Right. Okay.

COUNCILMEMBER COCHRAN: So if I can get a little bit more.

MR. GOODE: Yeah. I can be clearer for sure. It's more really for studying to see if there is something that...then we'll need design and construction. Right now we're...until you really crawl around up there we don't know. We know that something may be happening. It may not be but we really need to thoroughly investigate it.

COUNCILMEMBER COCHRAN: Okay. All right. Well thank you for those comments and I also had, let me see what else did I have for Director Goode, did you have any notes for me?

VICE-CHAIR WHITE: I have a revisit on the next page but I believe that was Ms. Baisa's.

COUNCILMEMBER COCHRAN: Okay. Go ahead, Ms. Baisa. That's fine. I'm trying to see...

VICE-CHAIR WHITE: On Page 58.

COUNCILMEMBER BAISA: Yeah, on Page 58?

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VICE-CHAIR WHITE: Yeah.

COUNCILMEMBER BAISA: Okay. And that item is 1819 and that's the Hiolani Street Drainage Improvements and I already talked to the Director this morning and asked him about this and I will give him a chance to explain so everybody understands. I understand what he's gonna tell us but I still would like to have this \$250,000 --

MR. GOODE: Okay.

COUNCILMEMBER BAISA: --'cause I have a place for it. But anyway, go ahead, David.

MR. GOODE: Okay.

VICE-CHAIR WHITE: Director?

MR. GOODE: Mr. Chair and Ms. Baisa, the...what we call it Hiolani Street Drainage Improvements. Actually it kinda starts at Hiolani Street and goes down. I can't remember which lanai street it is below.

COUNCILMEMBER BAISA: Yeah. There's lot of lanis.

MR. GOODE: Yeah. And it's an unlined drainage area and I think with some of the heavy rains we've experienced in the last couple of years, it started to erode into neighboring properties, and so this would be for design funds to eventually put in an actual drainage pipe so as to control the erosion and effect on neighbors. I'm not aware of any imminent danger to any structures so that...in our estimation is something that probably could be deferred if the Council so chose but that's the situation on the ground.

COUNCILMEMBER BAISA: Thank you very much, Director. I would of course, I'm trying to scrounge for money any place I can find it for my skate park so this is just one of the places. But anyway, thank you very much. I understand.

COUNCILMEMBER COUCH: Mr. Chair?

VICE-CHAIR WHITE: Mr. Couch? And then Ms. Baisa...or Ms. Cochran, did you have another question? Okay.

COUNCILMEMBER COCHRAN: Yeah. Or Mr. Couch first.

VICE-CHAIR WHITE: Go ahead, Mr. Couch.

COUNCILMEMBER COCHRAN: Go ahead.

COUNCILMEMBER COUCH: Okay. Thank you, Chair. Mr. Goode, you had mentioned in your handout that you had some concerns about the MS4 related position and

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program cost which I don't see. You said on Page 12 of this unnamed handout, unnamed spreadsheet.

MR. GOODE: Oh.

COUNCILMEMBER COUCH: Is that the civil engineer or...

MR. GOODE: Yeah there's...Mr. Chair and Mr. Couch, there's two areas. Sorry I was not using I think the handout you've been working from. The two items I was referring to was...well first of all I wanna mention that, you know, the Chair did include an extra position, the CE V. We asked for a CE V and a CE III so we're thankful for the CE V, we'd still like the Council to consider the CE III as well. And the other funds related to the program was, is 400,000 is what we got this year. We asked for 550. We actually had \$550,000 worth of work this last year so we had to defer about a \$150,000 worth of work, which I could enumerate if so desired. It's certainly not our want to spend, you know, an inordinate amount of money. It's just that the nature of the program and our permit requires a lot of these activities to be done. And we had to defer some of those activities and we're gonna have to defer more activities. We feel like we're already 150,000 behind and if we get...if we don't have the other 150,000, we'll be \$300,000 behind and without the bodies to even implement half of this then we may be further behind. So again, it's something we feel, you know, it's a mandate. We're gonna get a new permit sometime this year, a new three-year permit. It will have increased...it will increase our amount of work. Preliminarily, the Department of Health is indicating that they're looking to add areas such as Makawao, Lahaina and Kihei. Already our urbanized area is this area, Wailuku-Kahului. Thinking the terms of the Census, it's called an urban clusters so those other areas that I mentioned, they're looking to add. That's just gonna increase the amount of effort that we have to do that's, you know, specific to geographical regions. So I don't mean to be the bearer of bad news but it's a program, not just a project.

COUNCILMEMBER COUCH: Right. And you mentioned in your, the first item in your testimony talking about exposing the County. So what's going on with that?

MR. GOODE: I'm sorry, I missed what you said about the...

COUNCILMEMBER COUCH: It says additional information to be provided to the Committee but essentially the program is very important to be done timely and correctly or potentially expose...

MR. GOODE: Yeah, we're under a permit by Department of Health so just like Wastewater or Solid Waste. So it's the same type of, you know, clean water type requirements as well as any, you know, penalties or fines that, you know, could accrue.

COUNCILMEMBER COUCH: Okay.

MR. GOODE: I don't feel like we're in...we're not in that situation at all and we don't wanna be in that situation in the future.

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COUNCILMEMBER COUCH: So you're being proactive then?

MR. GOODE: Correct.

COUNCILMEMBER COUCH: So then that would be your...that would be the 151,000 that was reduced in engineering program operations?

MR. GOODE: Correct.

COUNCILMEMBER COUCH: Okay. All right.

MR. GOODE: Along with the CE III.

COUNCILMEMBER COUCH: Along with the CE III.

MR. GOODE: Right.

COUNCILMEMBER COUCH: Okay. Then you also mentioned you need two street sweepers, key to the operations and to the implementation of MS4 and would like these funded in either bond or cash. Can you explain that a little bit more?

MR. GOODE: Sure. Mr. Chair, the street sweepers are key to the cleanliness and pollution prevention portion of the program. Department of Health sees, you know, keeping our streets clean as a way to keep, you know, things out of the drainage systems. So in future years, we're pretty sure our permanent requirements are gonna ramp up on those areas. We already clean streets but they're gonna want it more regularly, more often and probably monitor, you know, what we pick up. Our aging fleet, although not that old, not as old as your tractor, Chair. My truck was older than your tractor, but these get pretty beat up I guess due to the nature of the things that they have to pick up and so I think one of 'em was in the shop. What did I say? Sixty-eight times in the last few years, the other was in/out like 70 times over a number of years, and with the Wailuku street sweeper was down for 3 months while they tried to find parts. And then that's 3 months we're not doing any street sweeping at all. So it is something we need to get our hands around and really...and do it right. And you gotta have the right equipment to do it. There's no obviously, no way we can do it physically.

COUNCILMEMBER COUCH: And how much was that for the two?

VICE-CHAIR WHITE: Is it 300 and something each?

MR. GOODE: Yeah, they're like...

MR. BAZ: I believe they're 170,000 each, something like that. I can double check that.

COUNCILMEMBER COUCH: Okay. I have more but I know Ms. Cochran has some too so.

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VICE-CHAIR WHITE: Okay. Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you. I was actually gonna talk about, are there, street sweeper and vacuum sweeper are the same machinery?

MR. GOODE: I'm sorry, street sweeper is a?

COUNCILMEMBER COCHRAN: And vacuum.

MR. GOODE: Oh different.

COUNCILMEMBER COCHRAN: Oh they're two different.

MR. GOODE: Yeah, vac truck is what you put in a pipe full of water and suck up all the water.

COUNCILMEMBER COCHRAN: Okay.

MR. GOODE: Street sweeper is the...we all know what street sweeper looks like on the street with the...

COUNCILMEMBER COCHRAN: Okay.

VICE-CHAIR WHITE: The street sweepers are 310,000 each.

COUNCILMEMBER COUCH: Each?

COUNCILMEMBER COCHRAN: Right. I have that.

MR. GOODE: Yeah.

COUNCILMEMBER COCHRAN: But so are these vacuum sweepers. That's why I was kinda confused. Are they one and the...

VICE-CHAIR WHITE: They have vacuums in them.

COUNCILMEMBER COCHRAN: And they sweep.

MR. GOODE: Yeah. Maybe it's terminology. Yeah I'm thinking of a vac truck, I guess there's a vacuum sweeper, maybe has a different, slightly different technology than the rotating broom.

COUNCILMEMBER COCHRAN: Right. Yeah I can picture them but...okay, no 'cause I definitely am looking into a street sweeper for the West Maui area and also...and so I know the MS4 is in relation to the Central and can you give more description or are you aware that it's needed for West Maui? I guess, number one. Any comments?

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MR. GOODE: Yeah, we do have a street sweeper in Lahaina. I can't recall what our two or four, maybe Sandy does. I know Wailuku is one of 'em. Can't remember if Upcountry was the other one or Lahaina but we do fair amount of street sweeping in Lahaina. We have a dedicated person there that that's their job.

COUNCILMEMBER COCHRAN: Okay. But I mean the condition of the actual equipment currently in need of a new or a backup of sort or...

MR. GOODE: Yeah. I'm pretty sure Lahaina was the other district but I'll double check here.

COUNCILMEMBER COCHRAN: Okay. And also I'm looking into a slope mower for the West Maui District and if you can elaborate on what the usage of this would be for the efforts you need to accomplish in West Maui.

MR. GOODE: Yeah, for West Maui, you know, our drainage basins, you know, are key to the West Side and they are under, they're permitted out by the State Department of Land and Natural Resources under their dam I guess protection core, if you wanna call it and DAM. And so they have repeatedly said that, you know, the way in which we mow by going vertically up and down is not acceptable. It's not a best practice and does, you know, lead to wear and tear, and eventually, you know, rivulets can come down and help undermine the capability of it to retain water. So they've repeatedly been asking us for a slope mower which would go horizontally across the slope. We did look at the one that Parks was interested in getting. Our brush tends to be a lot thicker than I guess the type of brush you'd see along a park and we actually ran it at one of 'em maybe at Honokowai and, you know, went about ten feet it stopped. It's just not robust enough, you know, to do the type of work that we need to do. So that's why we were asking for a larger machine. We were hoping the Parks' one would work.

COUNCILMEMBER COCHRAN: Okay. Very good. Thank you. And then just to highlight the discussion with Mr. Nakagawa earlier in regards to their force main projects in Napili going in and hopefully, you know, corresponding with yourself, Department of Water Supply, so if there are other projects that are going to occur, can we all get on the same page and calendar as to when these projects happens. So we're not digging up the road, you know, every other week for another project. So if you have any comment, have you spoken to Solid...Wastewater Division in regards to those projects they're looking to get on line this upcoming fiscal?

MR. GOODE: Yeah, Mr. Chair. This is actually one of the findings in the audit, you know, is to make sure this is happening. I was under the impression it was happening. It's something I asked our staff to start doing four or five years ago. I think it's, it may have stopped and started. I understand now it's happening. I'm looking at my guys over there. I see shaking heads, okay. So there are emergency projects that come up that we can't catch and, you know --

COUNCILMEMBER COCHRAN: Of course.

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MR. GOODE: --even the best-laid plans don't always work out but, you know, that's our goal is to work together on these.

COUNCILMEMBER COCHRAN: Okay. Well very good, so hopefully these projects pass through, everyone is paying attention to the Budget and thereby connective. Something's gonna occur on your behalf 'cause I think the worst case scenario happening right now coming down the pipeline and hopefully we can change it, is the whole Puukoolii Road that's we just went through this whole gauntlet to get it done and now we have word that perhaps DEM is looking to do some work on it, and that's not gonna look pretty or sit pretty with anybody so that's in discussions, Chair.

VICE-CHAIR WHITE: Okay. Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. Mr. Goode, I know you said in your testimony that you don't have the capacity to do grants for the County vets. Can you explain that a little bit more?

MR. GOODE: Yeah, Mr. Chair. The, you know, we do the maintenance of the veterans' cemeteries, Maui, Molokai and Lanai. And we don't work with the, I mean we work with anybody that shows up right. And we obviously work with the veterans and their families for burials. But I know the Maui Veterans Council is pretty active and has been...our contact has always been Denny Schwind from the Mayor's, the Managing Director's Office and he corresponds, and any issues that may come up, you know, we respond to accordingly. So I don't know the scope of how much work is done with those groups but oftentimes their issues are beyond our cemeteries, right? I mean I think there's been an issue right now with the War Memorial.

UNIDENTIFIED SPEAKER: Right.

MR. GOODE: I think I saw something in the paper about that. They may have other funds or separate...they clearly have needs with the VA and, you know, other things, but way beyond the scope of our Department and certainly nothing in the Charter suggests that this is something we do. We don't have grants managers. So, you know, I'm afraid if we do get saddled with this, I'm afraid of what would happen in terms of the service we would provide.

COUNCILMEMBER COUCH: Okay. And lastly, Mr. Chair, Mr. Goode, on Page 36 number 1118, it says Contribution Bikeway Fund reduced by 150K and Chair Hokama had said that he broke up some of this fund to be two different bike paths, the West Maui Greenway and the Waipuilani so that's why he pulled the 150 out of there. And in your comments, you're talking about other projects?

MR. GOODE: Yes. We have no objection to the pulling out and naming the two projects, Waipuilani and the West Maui Greenway, but that leaves us with zero dollars for any existing bikeway projects. We have two ongoing projects right in front of Kihei School, next phase is the Kihei Bikeway Greenway and the North Shore Greenway is coming up. And so if we have issues that come up during construction, you know, they're

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legitimate and they need to be dealt with, I don't know if I can use, I'm going to have to go to Corp. Counsel here and ask can I use Countywide Resurfacing? Can I use Countywide Safety or Drainage? If I have some funds in Countywide Bikeway then I have the flexibility to address these issues promptly. My fear of course is shutting down a project, you know, sending everybody home and meanwhile the clock ticks and costs escalate while we either find money or find some other solution so I'd like to have some funding in Countywide Bikeway. And I think in my notes I had mentioned restoring the 150,000.

COUNCILMEMBER COUCH: Okay. Thank you, Chair.

VICE-CHAIR WHITE: So you...I'm sorry, Director, you're uncomfortable with the 87? What are the...what's the total of the two projects that you're working on now?

MR. GOODE: Chair, what 87 are you referring to?

VICE-CHAIR WHITE: That's what's remaining in the Bikeway Fund from what looks like here on Page 36, of 85.

MR. GOODE: Which line?

VICE-CHAIR WHITE: On the very bottom of the page. There's a remaining balance. You took 150 out, and the remaining balance is the 87,900.

MR. GOODE: Yeah. This line here I think is contribution to the Bikeway Fund so this is a transfer from Highway Fund to Bikeway Fund. So somewhere else there's...we have, we had...we call it a Countywide Bikeways.

VICE-CHAIR WHITE: What are the...what's the size of the projects that you have underway now?

MR. GOODE: I think they're at least a million each. The North Shore Greenway I don't think has gone out to bid. I haven't seen the bids come in for that. The other one is under construction.

VICE-CHAIR WHITE: Okay. Any other questions on Public Works? Mr. Guzman --

COUNCILMEMBER COCHRAN: Go ahead.

VICE-CHAIR WHITE: --and then I'll come back to Ms. Cochran.

COUNCILMEMBER GUZMAN: Sorry. Okay. Thank you, Chair. On CIP, Page 61 Item 1939 on Wakea Avenue and Kamehameha Avenue Intersection Improvements, 240,000 deleted by the Chair's proposal. Can you clarify whether this is ready to go via design or I recall there was discussion about the stoplights and vaguely recall a roundabout being discussed as well. So I don't know what the status is on this.

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MR. GOODE: Mr. Chair, Mr. Guzman, the...what I had mentioned was that we are finalizing a roundabout analysis. We expect that to be done at the end of the next month and depending on what it says and what's gonna work, we're gonna then finish design on either new signals, it's existing signal lights, intersection, or roundabout design. The funding we're asking for is for construction. So the design portion will be rather short and this is Federally funded.

COUNCILMEMBER GUZMAN: Okay.

MR. GOODE: So deletion of the 240 would also, you know, the other...the Highway Fund or the Federal funds was 960 so that, that's on a STIP so that's gonna have to go back into the pot I guess and get reallocated or we'll have to move it or something.

COUNCILMEMBER GUZMAN: Oh okay.

MR. GOODE: So the Federal funds are available when we want to match. Those are the match.

COUNCILMEMBER GUZMAN: Okay. So this is ready to go.

MR. GOODE: Yeah.

COUNCILMEMBER GUZMAN: It's a matter of making sure it gets back in.

MR. GOODE: Yeah.

COUNCILMEMBER GUZMAN: At least --

MR. GOODE: Yeah.

COUNCILMEMBER GUZMAN: --for me.

MR. GOODE: Otherwise I'm not sure what happens to the Federal funds.

COUNCILMEMBER GUZMAN: Okay. Thank you.

VICE-CHAIR WHITE: Okay. Thank you. Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you, Chair. And I see a lot of MVs were here but he's not here today so I'm gonna ask some questions on Mr. Victorino's behalf also. But one is the Kahakuloa Bridge and, which looks like got completely deleted and you're stated that design, permitting is really moving along quite smoothly so you will be ready to go on this one?

MR. GOODE: Yeah, Mr. Chair and Ms. Cochran, the...we actually had a meeting the other day on some aspects of the permitting. And because we're gonna be able to use the existing abutments, it's actually a pretty straightforward project now. They were

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anticipating that they can wrap up the design and permitting by I think they said January or February so we could go out for bid in this fiscal year. There's always a possibility, you know, other things move so I, looking at the, you know, the schedule then, you know, it will be ready for construction near the end of Fiscal Year '17. And, you know, it...to me it's something we could, if we delay it to '18, it's only a couple months difference. If for some reason the permitting goes quickly and smoothly and the design goes smoothly, we could come back for a Budget amendment perhaps. So just looking at the schedule and looking at, you know, again the amount of monies you have available, it looked like something we could push out a year but --

COUNCILMEMBER COCHRAN: Okay.

MR. GOODE: --I leave it to you folks.

COUNCILMEMBER COCHRAN: Looking at Page 874 in the --

VICE-CHAIR WHITE: And before we...

COUNCILMEMBER COCHRAN: --Budget

VICE-CHAIR WHITE: Before we move down to that, there were two other items that I believe Mr. Victorino wanted to...

COUNCILMEMBER COCHRAN: Yeah. Sorry, Chair, this is a continuation question on the Kahakuloa Bridge.

VICE-CHAIR WHITE: Oh I'm sorry. Go ahead.

COUNCILMEMBER COCHRAN: Yeah. It looks like you wanted 800,000 for new construction in the other 2, other and construction management. So do you think if at you at least get the 2, you can continue the ball rolling or like you're...either way? I mean wait for it all later.

MR. GOODE: Yeah.

COUNCILMEMBER COCHRAN: Is that okay?

MR. GOODE: I'd wait. I'd wait.

COUNCILMEMBER COCHRAN: Okay.

MR. GOODE: Or wait or keep, either way, but keep 'em both. The timing will be the same on those funds.

COUNCILMEMBER COCHRAN: Okay. All right. Very good. No, go ahead, Chair. I think you have the same...

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VICE-CHAIR WHITE: And the construction manager actually manages the project so it comes out sometimes they're involved in the design.

COUNCILMEMBER COCHRAN: During the...

VICE-CHAIR WHITE: Mostly it's...their involvement during the construction process.

COUNCILMEMBER COCHRAN: Okay. Yeah.

VICE-CHAIR WHITE: Oversight.

COUNCILMEMBER COCHRAN: But you can carry on with the questions I've...you probably have the same notes that I have --

VICE-CHAIR WHITE: Yeah.

COUNCILMEMBER COCHRAN: --for Mr. Victorino.

VICE-CHAIR WHITE: The other two projects that Mr. Victorino was looking at was the Kanaloa Avenue and Mahalani Street Resurfacing and the Vineyard Street Roadway and Drainage Improvements. And again this...I guess the same question. How far along are we in the design and understanding what the project is and what's the likely timing when the funds will be needed?

MR. GOODE: Yeah, Mr. Chair, I think, and for Mr. Victorino in absentia, the Kanaloa/Mahalani can definitely wait. We have a fair amount of evaluation to do. What we can do is start...we have an ongoing contract for soil geology-type work. We'll do some samples. We'll see what the condition, underlying condition of the pavement is and from there develop a more detailed plan on what we wanna do with those roadways. And the other one is Vineyard Street. So Vineyard Street I think I mentioned in my handout from yesterday, you know, Vineyard Street really is the next, I don't wanna call it big, but important road in Wailuku. We did Market Street, and Vineyard is the next large opportunity. We're getting, you know, a steady stream of complaints as it relates to A, drainage, basically from High down the Central, and also lack of sidewalks. And to make all that work, we actually hosted a, like a complete streets workshop in Wailuku last week and had a bunch of folks come and did some walking tours, and people came back and sketched up some ideas. I couldn't participate in that portion but I saw some of the ideas that came out. And it's, you know, in addition to the complaints that we're getting, it's just obvious that there's a great opportunity on Vineyard to make something happen there and also address some existing issues. So the idea I think was to dovetail it into this redo of the parking lot in particular. There's certainly opportunities there, but I think the original request was for a million. We thought to really look at the whole area for design and planning and it'll...there's gonna be a fair amount of community outreach. We're looking at 650. And I think another way to look at it is if you just do the planning portion of it, which is gonna be working with the community, coming up with concepts, whatever permitting requirements there might be, would be something in

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the order of a quarter million dollars, would be enough to jumpstart the project, get, you know, the community input and get the vision set that can then roll into design and roll into construction. So anyway that's some other options for Vineyard to consider.

VICE-CHAIR WHITE: Okay. So you won't be needing the full amount and you're requesting a quarter of a million to begin the planning process if I'm hearing you correctly.

MR. GOODE: Or the...say 650 and go planning and design.

VICE-CHAIR WHITE: Okay. Okay, Members, further questions on Public Works?

COUNCILMEMBER COCHRAN: Chair?

VICE-CHAIR WHITE: We have a couple of...

COUNCILMEMBER COCHRAN: Imi Kala.

VICE-CHAIR WHITE: Go ahead, Ms. Cochran.

COUNCILMEMBER COCHRAN: And then the Imi Kala Bridge, is that a bridge? Yeah. And oh wait, what, it's deleted. We have consensus to delete?

UNIDENTIFIED SPEAKER: Yeah.

COUNCILMEMBER COCHRAN: Mr. Goode is not. So, Mr. Goode, Imi Kala Bridge, I, you know, we gotta have people drive over the bridge to get to the other side so what is the condition on this? You're saying this is very important and something needs to happen.

MR. GOODE: Right.

COUNCILMEMBER COCHRAN: But I don't know, I'm hearing...I don't have consensus on my paperwork but they...everyone here says they consensus to delete.

MR. GOODE: Okay.

COUNCILMEMBER COCHRAN: But if I can get comment from you --

MR. GOODE: Sure.

COUNCILMEMBER COCHRAN: --now.

MR. GOODE: Yeah. So, Ms. Cochran, you know the Administration looked at it and said, you know, Imi Kala is important. I mean it's important to even, you know, the traffic on Vineyard Street, you know, and the way people move. If you're on the way to Waiehu-Waihee side, you basically need to go to Market Street, Kahekili to Market

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Street or you gotta go Beach Road. Those are the only two ways, two ways out. And those, if you drive in the morning it is pretty bad, and the evenings can be as bad well. So we need a third outlet. The Imi Kala extension, you know, through the Mill Yard and out to Kahekili requires the bridge over Wailuku River, right. And...but the issue is what the Chair pointed out was that there's two projects that have a conditional zoning to install that on behalf of the County. And the Administration's point was, well they're not...those projects aren't going and both of 'em, you know, could provide a lot of affordable housing because of this requirement. So my suggestion is is that it's really something that probably needs to be a good committee discussion. You know, logically, it could be your Committee, could be Mr. Couch's Committee 'cause it talks about, you know, planning conditions. I think we really to understand, hey we've got conditions on property, you know, and how's that work in moving this forward. So to me, it's a thorny enough problem that we need some policy guidance from the Council, and I'm hoping we can have that discussion in the near future.

COUNCILMEMBER CRIVELLO: So it's okay to delete.

COUNCILMEMBER COUCH: It's okay to delete it.

COUNCILMEMBER COCHRAN: Okay.

MR. GOODE: Yes.

COUNCILMEMBER COCHRAN: Yes. Okay. Well, very good. Thank you for that explanation. And lastly, Chair, this morning also speaking with Mr. Nakagawa, and Chair Hokama brought up the deferral agreements on the lower road and if Mr. Nakagawa is aware of any monies he can garner to help assist in the projects. So not sure if you have any comment in regards... knowing that you're quite familiar with that subject matter, and if there's any correlation between that and that area of Lower Honoapiilani Highway.

MR. GOODE: Okay. So, Mr. Chair, and Ms. Cochran, help...let me understand a little bit better, so DEM is doing --

COUNCILMEMBER COCHRAN: Force main.

MR. GOODE: --some repair work.

VICE-CHAIR WHITE: Force main work.

COUNCILMEMBER COCHRAN: Force main Projects.

MR. GOODE: Force main Projects. Okay.

COUNCILMEMBER COCHRAN: Yeah. Force mains.

MR. GOODE: So they're doing reconstruction of existing force mains?

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VICE-CHAIR WHITE: Replacement, right.

MR. GOODE: Replacement on a...

COUNCILMEMBER COCHRAN: Doing new.

MR. GOODE: Yeah. Not necessarily adding capacity. Yeah. It's something I think we should review with them and with Corp. Counsel. So I can understand those agreements and what they mean. Yeah. It's something we should look at for sure I would think.

COUNCILMEMBER COCHRAN: Okay.

MR. GOODE: But we need to sit down with them on that.

COUNCILMEMBER COCHRAN: Okay. All right. Very good. Chair, thank you.

VICE-CHAIR WHITE: Thank you. Mr. Couch, did you have another question? I think we've covered most everything.

COUNCILMEMBER COUCH: It's just a follow-up or a request to the Staff is...as one of our usual request to different standing committees. Can we send the Imi Kala extension to the appropriate Committee?

VICE-CHAIR WHITE: So noted.

COUNCILMEMBER COUCH: Please.

VICE-CHAIR WHITE: Thank you.

COUNCILMEMBER BAISA: Chair?

VICE-CHAIR WHITE: Yes, Ms. Baisa?

COUNCILMEMBER BAISA: Thank you very much. Just a quick news update from Mr. Victorino who is at the Capital trying to deal with TAT. They postponed the meeting from 2:00 to 4:00 so he's standing by.

VICE-CHAIR WHITE: That's not unusual.

COUNCILMEMBER BAISA: No not unusual at all.

VICE-CHAIR WHITE: It's not the outcome, it's the game to get there.

COUNCILMEMBER BAISA: Yeah.

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VICE-CHAIR WHITE: So, okay. Any further questions for Director Goode? I see none, thank you very much, Director.

MR. GOODE: Thank you for the opportunity.

VICE-CHAIR WHITE: And next up, we have Transportation. Okay. I think, I believe Mr. Couch channeled Ms. Baisa on a couple of these and --

COUNCILMEMBER COUCH: Oh yes.

VICE-CHAIR WHITE: --had one of his own so, Mr. Couch, maybe you should start.

COUNCILMEMBER BAISA: I have no idea what he did so he better do it.

COUNCILMEMBER COUCH: I'd forgotten I'd done that.

VICE-CHAIR WHITE: I have, Mr. Couch, I have you down with a revisit on the transit center.

COUNCILMEMBER COUCH: What page?

MR. BAZ: Members, we're on Page 38 of Exhibit "1."

COUNCILMEMBER COUCH: Thank you.

VICE-CHAIR WHITE: Yeah.

COUNCILMEMBER COUCH: Yes. The Transit Center and also the Bus Replacements. The Bus Replacements for MEO, Human Services Transportation Program – General Fund, I...on Ms. Baisa's behalf, I just put a revisit on 1156, 1157, Bus Replacement and MEO Transportation. And then I have a question on the MEO Transit Center. I know it's under you guy's Human Services Transportation Program. What are your thoughts on that Transit Center?

MR. TAKAMORI: Mr. Chair?

VICE-CHAIR WHITE: Deputy, go ahead.

MR. TAKAMORI: Good afternoon. I'm Marc Takamori, Department of Transportation, and with me is Diane Yogi, our Grants Manager. In regards to answering your question for the Transit Center, basically the \$1.5 million that they're asking for was to build out their first phase which basically were for four, I think around four bays with an area where they have an office and the parts storage area as well. So it is something I guess they've been really wanting to move forward with per their discussion with their current landlords on Alamaha. They were told that they weren't looking at renewing their lease so that is a pretty big deal because if they're told that it's not gonna be renewed and they can't find a new facility to move to then it really affects both sides, our Paratransit and our Human Services Programs that we fund.

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COUNCILMEMBER COUCH: Okay. So they want 1.5 and the Chair cut out a million. Question is, are they ready to go if we were to fund either 500,000 or 1 million or 1.5 million? Are they ready to go or are we gonna be...

MR. TAKAMORI: Mr. Chair?

VICE-CHAIR WHITE: Mr. Takamori?

MR. TAKAMORI: MEO would be able to provide the answer to that question. I'm not sure based on if you don't provide full funding, I'm not sure if what they...what they're planning to build out is scalable so we have MEO in the audience that could probably provide the answer for you.

VICE-CHAIR WHITE: We're happy to have either Ms. McNeff or Ms. Cabebe come down, without objection.

COUNCILMEMBER COUCH: No objections. And while they're coming down, are there gonna be State funds involved in this as well or Federal funds?

MR. TAKAMORI: Mr. Chair? It is my understanding that MEO is asking the State for I believe \$3 million and then asking the County for 1.5.

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

MS. McNEFF: Good afternoon, Lynn McNeff, CEO of Maui Economic Opportunity. It's not scalable down anymore. That would be the minimum we'd need to provide the service. That's what we have currently at our Alamaha so it would...it's a butler building. The plans have been drawn and it's built to be...it's designed to be built on but that is the, like the core and the four bays.

COUNCILMEMBER COUCH: So essentially that's \$4½ million for a butler building?

MS. McNEFF: A butler building and all the infrastructure in the maintenance facility, yes, you know, the tubes, I'm not...you know, the air stuff and all the...and the storage area and an office. Yes.

COUNCILMEMBER COUCH: Oh so this is all the tools, I mean --

MS. McNEFF: Yeah.

COUNCILMEMBER COUCH: --all the, okay, mechanical.

MS. McNEFF: All the...yeah.

COUNCILMEMBER COUCH: Do you have a grant from the State? Is it pending? You not know?

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MS. McNEFF: We do not know just like --

COUNCILMEMBER COUCH: Still yet.

MS. McNEFF: --TAT.

COUNCILMEMBER COUCH: Okay. Then any Federal funds?

MS. McNEFF: No.

COUNCILMEMBER COUCH: Involved?

MS. McNEFF: No.

COUNCILMEMBER COUCH: No chance for Federal funds or...

MS. McNEFF: We don't usually get Federal funds directly. It usually goes to a government agency.

COUNCILMEMBER COUCH: Okay. And, you know, not wanting to be a...you know, trying to...well, let me just ask the question. Is there a possibility now that HC&S is cutting back that there...they have that big huge warehouse that a lot of times I've seen it empty, is that a possibility? Have you looked into that?

MS. McNEFF: I haven't talked to them, no.

COUNCILMEMBER COUCH: Because that potentially could be done by the end --

MS. McNEFF: Right.

COUNCILMEMBER COUCH: --of the year. When do you plan on having the Transit Facility finished?

MS. McNEFF: We would hope to have it by December 2017 'cause that's when our lease is up in the current maintenance facility.

COUNCILMEMBER COUCH: Okay. Thank you, Chair.

VICE-CHAIR WHITE: Thank you. Thank you for the date --

MS. McNEFF: Thank you.

VICE-CHAIR WHITE: --because that was a question I was gonna ask. Any other questions for Ms. McNeff while she's up here since the...I believe there are questions on the Bus Replacement and the reduction in MEO Transportation. I have a revisit from...well, I

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believe that's the revisit that Mr. Couch put in for Ms. Baisa. Ms. Baisa, do you have questions on the reductions for the Bus Replacement or MEO Transportation?

COUNCILMEMBER BAISA: No. Mr. Couch has done a wonderful job.

VICE-CHAIR WHITE: Okay. Okay.

COUNCILMEMBER BAISA: I'm getting worried. I think he's reading my notes.

VICE-CHAIR WHITE: Okay. Any further questions for Ms. McNeff? Okay.

MS. McNEFF: Thank you.

VICE-CHAIR WHITE: Thank you very much. Okay. Then we have a...oh, Mr. Guzman, go ahead.

COUNCILMEMBER GUZMAN: Yeah. I just was wondering how did they come up with the...I guess the amount like the percentage of the County paying 1.5 versus the State paying 3 million. Is that based off of the percentage of Paratransit usage that are or at least services that they offer us or how does that, how's that percentage divided up?

MR. TAKAMORI: Mr. Chair?

VICE-CHAIR WHITE: Go ahead.

MR. TAKAMORI: That would be a question for MEO to answer. Basically, we just receive their requests.

COUNCILMEMBER GUZMAN: Request.

MR. TAKAMORI: Yeah.

COUNCILMEMBER GUZMAN: Okay. I just was curious how that worked, you know.

VICE-CHAIR WHITE: I'm sure it's tied to the allocation of the TAT somehow.

COUNCILMEMBER GUZMAN: Oh okay. It's all clear now.

VICE-CHAIR WHITE: Okay. Do you...would you like Ms. McNeff to --

COUNCILMEMBER GUZMAN: No, that's okay.

VICE-CHAIR WHITE: --provide an answer.

COUNCILMEMBER GUZMAN: I'll get it during the break.

VICE-CHAIR WHITE: Okay.

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COUNCILMEMBER GUZMAN: Thank you.

VICE-CHAIR WHITE: I'm not sure if there's any more of a answer that she can give you then the one --

COUNCILMEMBER GUZMAN: Correct.

VICE-CHAIR WHITE: -- I just gave you but it's you ask the ones you think have the biggest pocket and she's right in that regard.

COUNCILMEMBER COCHRAN: Chair?

VICE-CHAIR WHITE: Okay. I have a --

COUNCILMEMBER COCHRAN: Chair?

VICE-CHAIR WHITE: --revisit. I'm not sure whose it was on the Public Transit.

COUNCILMEMBER COCHRAN: Not me.

COUNCILMEMBER COUCH: Stacy's.

COUNCILMEMBER CRIVELLO: No.

COUNCILMEMBER COCHRAN: I have a different revisit.

COUNCILMEMBER CRIVELLO: I have it to revisit but...

VICE-CHAIR WHITE: Do you have questions --

COUNCILMEMBER CRIVELLO: I have a question --

VICE-CHAIR WHITE: --for the Department?

COUNCILMEMBER CRIVELLO: --for the MPO Reduction.

VICE-CHAIR WHITE: Okay.

COUNCILMEMBER CRIVELLO: If I may. It is my understanding that the MPO monies that are available are the 450,000. Is it dependent...is that full 450 dependent on the 100,000 or is 50,000 will do enough to leverage it? Or do we have to have any monies to put in to get that drawdown?

MR. TAKAMORI: The...Mr. Chair?

VICE-CHAIR WHITE: Go ahead.

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MR. TAKAMORI: Thank you. The 50,000 is enough to leverage. What we're asking for in regards to 400,000 from the Federal monies which is the 80 percent, the reason why it shows up in our grant revenues as 450 is because we are including the State's portion of the 50,000 in there so that when we spend the money down, we will get the reimburse like we do from the Feds.

COUNCILMEMBER CRIVELLO: Okay.

MR. TAKAMORI: Yeah.

COUNCILMEMBER CRIVELLO: So the deletion or the reduction of 50,000 is okay --

MR. TAKAMORI: Yes.

COUNCILMEMBER CRIVELLO: --for us to leverage that 400? Okay.

MR. TAKAMORI: Yeah.

COUNCILMEMBER CRIVELLO: Thank you. I don't believe I...I cannot remember anyway, or recall if I wanted to inquire further about the reduction in the Public Transit.

VICE-CHAIR WHITE: Okay. Thank you. Any other questions on the Public Transit? Okay. Any other questions for Transportation on their Operating Budget? And the other revisit is on page...now I've lost...on 62. Ms. Cochran had a revisit on that.

COUNCILMEMBER COCHRAN: Yes. Thank you, Chair. In regards to Bus Stops and Shelters and it looks like Chair Hokama dropped...cut it in half and so with the half if that is to stand, how much could you get done and what would your, be your priority list at that point? Or what do you stand to lose also if you don't get that full amount if there's any type of matching or something?

MR. TAKAMORI: Okay.

VICE-CHAIR WHITE: Mr. Takamori, did you provide us with the list of the locations of the proposed bus stations or bus stops?

MR. TAKAMORI: Mr. Chair, yes. Yes, we transmitted a letter that should have come through on...was it last week, Friday?

VICE-CHAIR WHITE: Okay.

MR. TAKAMORI: That shared the...I guess our breakdown of the 200,000 for design and 800,000 for construction. Now that it was suggested or cut in half, I think it's now allocated for 100,000 for design and 400,000 for construction so we're kinda...based on our typical estimates, we...it typically costs around \$25,000 for the design per stop and then to build a stop, typically we allocate around 100,000. Sometimes it's less

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than that. Other times it's more but for the most part we...what we use to move forward is typically 25,000 design, 100,000 for construction. In regards to the updated list of priority, I guess that's still to be determined. We were pretty much gonna work off of what stops we kinda put on that list that we transmitted to the Committee but it...I guess it's not quite set in stone now that we have to relook and see what we actually end up with.

COUNCILMEMBER COCHRAN: Okay. Well I'm trying to...if I can find monies to restore something here. Oh, Mr. Baz.

MR. BAZ: Yeah, Members, on...if you look at the last page of the April 22nd letter from the Department of Transportation Page 8, there you'll see the list of projects they had planned for design and projects they had planned for funding. So...and I assume this is a priority list. It's prioritized by this list? Do you know?

MR. TAKAMORI: It is actually just a list. It's not...we didn't really prioritize it based on what's at the top versus what's at the bottom. It is a list of what we would like to see done so if we can't complete everything in the next fiscal year, it will most likely move to the following fiscal year.

COUNCILMEMBER COCHRAN: Okay. Yeah I'm...no I'm not gonna dig through all my paperwork for that but that the one particular I'm looking for in West Maui is not on that list and so I'm trying to figure out a way in order to get it on the list and to get funding for it. I know there's complications as in land ownership, trying to get easements, what have you, but...and then maybe we can overcome those things so...but I'd like to get the ball rolling in the sense that for X amount of dollars perhaps we can at least, you know, get the dialogue and something happening for that. And we had already, I had already spoken to Department a little bit about the details in this what I'm hoping to maybe recommend or proviso or something to that effect. So if there's any comments, it looks like Mr. Takamori has something?

VICE-CHAIR WHITE: Mr. Takamori?

MR. TAKAMORI: Thank you. In regards to the two stops that you were hoping to get I guess built at the bottom of Lahainaluna Road near Kuhua Street, basically on the MECO side...I guess there's a little update that I haven't, I'm still waiting on a little bit more information from Fukumoto Engineering. But basically on the MECO side we...this fiscal year, we've set aside monies to look at the design. We found out that there's not enough County right-of-way in front of the MECO substation so we actually approached MECO asking if we would be able to get some easement from them. They came back with that they actually stage their vehicles in front of their substation and they didn't care for the location where we initially chose. So we're gonna...we're basically speaking with Fukumoto Engineering. We have to go back to the drawing board and probably move that site more south or more towards the ocean and that would be now fronting Kaanapali Land Company's land. And so speaking with Fukumoto Engineering, it looks like if we were to find the money within this current fiscal year for that design, we would probably still need money for potential easement,

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and we didn't really allocate money in the Budget for easements. So that is something that is potentially new that's, that we'll probably need funds for. And then across the street, on the smoke stack side, I was having a discussion with...

VICE-CHAIR WHITE: Mr. Takamori, I'm gonna stop you there. I think this is getting a little bit...we've got other departments that we need to get in, to get questions answered so if you could catch up with Ms. Cochran possibly after the meeting it would be --

MR. TAKAMORI: Sure.

VICE-CHAIR WHITE: --appreciated.

MR. TAKAMORI: Sure. Will do.

COUNCILMEMBER COCHRAN: Yeah. That's fine, Chair. Yeah, yeah. That's good. Thank you, Chair.

VICE-CHAIR WHITE: Any other questions for Transportation? Okay. Seeing none, thank you very much for being here. And next we'll move in to, I believe it was Planning next.

MR. TAKAMORI: Yeah. Thank you.

VICE-CHAIR WHITE: Followed by Parks and Management. Okay. Members, it's on Page 33 for their operations. Okay. I see Mr. Couch as the requestor here. Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. Let's first start with the...thank you, Ms. McLean and Mr. Spence, for being here. Let's first start with your testimony. You're okay, I mean I know you'd rather have all four positions but you're saying if we're gonna delete two, you'd rather delete the Zoning Trainee and the Land Use Permit Clerk as opposed to the Office Operations Assistant. Can you talk to us a little bit about that real quick please?

MS. McLEAN: Yes, thank you. We had requested four positions and in order of priority our top priority is the Office Operations Assistant, next is the Building Plans Examiner, next is the Zoning Inspector Trainee, and then last would be the Land Use Permit Clerk. Right now, the Division has I believe 21 people in it with really only 1 full-time clerical person. And that Division has planners, plans examiners, permit clerks and zoning inspectors. It's a big variety of duties and there's only one clerical, full-time clerical person providing support to all of those functions. It would be great to have an additional planner and plans examiners, inspector and all of that but it would actually be more efficient to have one more clerical enabling the, those staff to really do what they're experienced and tasked with doing. So we know that enforcement has been a big issue and having another Zoning Inspector would certainly be helpful but if we have six existing Zoning Inspectors, they would be better served by having clerical support rather than one more Zoning Inspector without clerical support. So those six inspectors right now are doing all of their paperwork, all of their scanning, all of their

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correspondence, mailings, all of that and that's things that clerical can help with so that they can be doing their investigations and doing their write-ups instead.

COUNCILMEMBER COUCH: Okay. Then the next one, you have...we have reduce operations by 608,500 and you were asking I think and I'm not quite sure, I think it was more of what you were saying on the floor, you wanna add an extra 150K for the Title 19 Study 'cause that's your most important one at this point?

MS. McLEAN: That's right. Even without...if the Chair hadn't proposed those two reductions, we were actually starting talks with Sandy about withdrawing one of those two and substituting Title 19 instead.

COUNCILMEMBER COUCH: Okay.

MS. McLEAN: Back in FY '15, we requested 150,000 for a Title 19 Study and we were budgeted 75. And we didn't pursue that project at all in FY '15 because we didn't think that that was gonna be enough money. In FY '16, we asked for 150,000 and again were given 75 and so we decided well we'll narrow the scope down so we can get it down and get some of it going. Well the bids came in and the selection committee ranked them and the highest ranked bid was 155,000. So in order to proceed with the highest ranked bidder, we don't have enough money in FY '16. And so because we're so close to the end of this fiscal year, the beginning of next fiscal year, we thought if we could have that funding in FY '17, the FY '16 money that we have would again remain unspent and we would take on that project in FY '17 instead.

COUNCILMEMBER COUCH: Okay.

MS. McLEAN: And if that, if we can have that, if you need to delete the other two, so be it but that would be the higher priority if those three projects, Title 19 would be the highest one.

COUNCILMEMBER COUCH: Okay. And lastly, on the same Page 33, the Maui Redevelopment Agency, I know both Mr. Victorino and I wanted to revisit this. The 100,000 and I don't know if you need Ms. Wade or not, but the 100,000 will pay for the Clean and Safe. You've got the Safe part going, now you need to get the Clean involved.

MS. McLEAN: That's right. In FY '16, the MRA Budget was 250,000 and we are in the process of completing procurement for the Clean Program. And in order for that to continue throughout FY '17, we would need that additional 100,000.

COUNCILMEMBER COUCH: So the Maui Redevelopment Agency Budget was 250,000?

MS. McLEAN: In this fiscal year, yes.

COUNCILMEMBER COUCH: And the Mayor's request this year for the next fiscal year is 183,500?

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MS. McLEAN: That's correct. And actually that's what the request was in FY '16. It was the Council that increased it to 250.

COUNCILMEMBER COUCH: Oh okay. So you really need the 183,500 back?

MS. McLEAN: We do really need the 183,500. If you wanna go back to 250, I'm sure they'd be very happy and make good use of it but certainly 183,500 yeah.

COUNCILMEMBER COUCH: Okay. And, Chair, I have noticed a big difference over there with the safety part and I know the Parks Department I think or I think it's Parks is doing that small little park over there and things are getting better in that area so I can support this. Thank you.

VICE-CHAIR WHITE: Thank you.

MS. McLEAN: And Erin is here as well as one of the MRA members if you did have specific questions.

VICE-CHAIR WHITE: Members, any further questions on Planning? Mr. Guzman? Ms. Crivello? Ms. Cochran? Ms. Baisa?

COUNCILMEMBER BAISA: No thank you.

VICE-CHAIR WHITE: Bob?

COUNCILMEMBER CRIVELLO: Maybe one question. I'm not sure --

VICE-CHAIR WHITE: Ms. Crivello?

COUNCILMEMBER CRIVELLO: --if you have the information but do the businesses in this area leverage monies? Do they contribute to the Clean and Safe Program or any other of the programs that is...

MS. McLEAN: If I can call Erin Wade down, Chair?

COUNCILMEMBER CRIVELLO: Okay.

VICE-CHAIR WHITE: Without objection?

MS. WADE: Thank you. The businesses in the neighborhood absolutely contribute in kind. We do host neighborhood cleanups periodically. They also participate in the First Friday activities, and some of the other events are often pulled together by the business community. But financially, it's been the Redevelopment Agency that's paid the salary of Teens On Call who has done some of the cleaning in the past and then our new safety contract.

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COUNCILMEMBER CRIVELLO: Okay. So basically the funding comes from the County?

MS. WADE: Yes. Yes.

COUNCILMEMBER CRIVELLO: Okay. Thank you.

VICE-CHAIR WHITE: Thank you. Any further questions, Members? Seeing none, I'd like to thank you all for coming this afternoon. And next up is Parks Department. Members, why don't we take a ten-minute break while we're waiting, before we move on. Actually, let's make it a little shorter than that. So be back here before 3:30.

UNIDENTIFIED SPEAKER: Okay.

VICE-CHAIR WHITE: . . .*(gavel)*. . .

RECESS: 3:20 p.m.
RECONVENE: 3:31 p.m.

VICE-CHAIR WHITE: . . .*(gavel)*. . . This meeting of the Budget and Finance Committee will please come back to order. And, Members, we have the Parks Department here to help you with your questions and who would like to start?

COUNCILMEMBER BAISA: Chair?

VICE-CHAIR WHITE: Ms. Baisa?

COUNCILMEMBER BAISA: Thank you very much, Chair. Chair, on Page 51 line 1580 or 1581 there's a deletion of the \$1.2 million for the Upcountry Skate Park. I'd like to ask the Director if he can think of any alternatives or why, you know, when we attended the Upcountry Budget hearing everybody heard it. This is the number one priority of the Upcountry people and it's pass the design stage so I'd like reaction from the Director, please.

VICE-CHAIR WHITE: Director?

MR. BUENCONSEJO: Chair? Member Baisa, thank you. As mentioned I think or from the Department's standpoint, the number one priority right now for the Upcountry area is the Skate Park. If there was a project that we labeled as a County in whole to accomplish in the next, in this fiscal year coming, the Pukalani Skate Park or Upcountry Skate Park would be the number one priority from the Parks Department. Regarding funding of how can we assist at least in possibly moving of monies to make that a reality, we do have a couple scenarios that...as from the Parks Department we would be at least willing to work with it just to make this a reality and move some monies around. One of those projects...again our numbers are a little different from what was just cut but there was, at our Makawao-Upcountry area, there was original asking of 850,000. I know it was cut by half to four hundred --

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COUNCILMEMBER BAISA: Twenty-five.

MR. BUENCONSEJO: --twenty-five. That's a fund that at this point we would be able to get by for Fiscal Year '17 and reallocate those monies to a Skate Park. Also for the Central Maui Baseyard of 150,000...sorry, sorry, South Maui Baseyard design, Mr. Couch is in favor of, no, just joking, Mr. Couch, we're planning a location for that one. We could move those, \$150,000 as well to the Skate Park possible fund. And the last thing would be of some funds from the Paia-Haiku of 200,000 and possibly moving that over as well so bringing the total 4, 5, 6 about 1., well we need a total of 1.2 million but again we would be short 425 based on that cut that was done the other day. Thank you, Chair.

COUNCILMEMBER BAISA: Thank you, Mr. Director. Mr. Chair, I asked if this could be done in phases, would it help? I asked if it could be done in phases, it...would that help? Because, you know, it is a...it's 1.2 million. And I've asked the Director to respond.

MR. BUENCONSEJO: Chair? Member Baisa, it would not help as far as the funding for phase out. We are ready to go in a sense with going to bid for construction. We would still have to wait for the completion of the money so even if you were to give us 600,000 say this Fiscal Year '17, we couldn't start until the following Fiscal Year '18 with the remaining 600,000, again throwing out, making it \$1.2 million. Thank you.

COUNCILMEMBER BAISA: Thank you very much. Thank you, Chair.

VICE-CHAIR WHITE: Thank you. Just to be clear you're ready to go to bid? Is that what you said?

MR. BUENCONSEJO: Chair, it is. We should be receiving our final design docs after our, we had our Upcountry meeting a couple weeks back during the Budget Session. They're just finalizing. It was minor detailed tweaks, more cosmetic changes so we should be receiving that within the next, I would say 30 days, within . . .*(inaudible)*. . . Yeah. And so once that is happening we can go to bid right after that.

VICE-CHAIR WHITE: Okay. Thank you. Members, other questions for Parks?

COUNCILMEMBER COCHRAN: Chair?

VICE-CHAIR WHITE: Oh, Mr. Guzman?

COUNCILMEMBER COCHRAN: Oh I'm sorry.

COUNCILMEMBER GUZMAN: Go ahead.

COUNCILMEMBER COCHRAN: Okay. No, go. Yeah, go ahead. He can go first yeah.

VICE-CHAIR WHITE: You had your hand up before she did.

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COUNCILMEMBER GUZMAN: Oh...

VICE-CHAIR WHITE: You don't have to be a gentleman all the time.

COUNCILMEMBER GUZMAN: Okay.

VICE-CHAIR WHITE: This is Budget.

COUNCILMEMBER BAISA: Yeah, right.

COUNCILMEMBER COCHRAN: Anything goes.

COUNCILMEMBER BAISA: Anything goes.

COUNCILMEMBER GUZMAN: I guess just following up with Ms. Baisa on the 1.2 million. I don't recall, what was Chair's rationale for the deletion? Was it just not the proper timing or --

COUNCILMEMBER BAISA: He needed money.

COUNCILMEMBER GUZMAN: --I couldn't recall what that was for.

VICE-CHAIR WHITE: My recollection is the Chair's feeling was that we have lots and lots of needs and this --

COUNCILMEMBER GUZMAN: All right.

VICE-CHAIR WHITE: --can wait one more year.

COUNCILMEMBER GUZMAN: Okay, okay.

VICE-CHAIR WHITE: I'm not sure if I've got that right but...

COUNCILMEMBER GUZMAN: Okay, okay. I guess I'm gonna refer to page, gosh I just had it too. Oh the Page 3...Page 31 and that is the 956 item, the reduction of operations, deletion of 180,660 as well as the 957 reduction in equipment, that's 116,000. I also, I guess I also revisited the 964 and 965 and 966. Equipment. And I believe that the Department had submitted a response to the Chair's cuts dated April 26, 2016 referencing those items. And so I'd like to ask the Department in regards to their letter and the request to restore a certain amount of monies, restoration of 250,000 for the Qualified Rehabilitation Maintenance Operations and addition to, in addition 84,000 to Leased Equipment in Parks Divisions and to restore 80,000 for the West Maui Lawn Mower 4...what's that, 4000-D Mower in the Recreation Support Services Program.

VICE-CHAIR WHITE: Deputy?

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MS. SAVAGE: Thank you, Chair. And thank you, Councilmember Guzman, for the question. So we have proposed...we understand the cuts throughout the Budget so we're not asking necessarily for any additional money to be restored. We went through and looked at just reprioritizing the amount that had been allocated to the Department and based on our prioritized needs, we would request for the restoration of 250,000 to the Qualified Rehabilitation Maintenance Operations, the 84,000 to Leased Equipment and the 80,000 for the West Maui 4000-D Mower. And then we would obtain that \$414,000 from General Funds that were established to the South Maui Park System of a 104,000; Makawao-Pukalani-Kula-Ulupalakua Park System reduced by 60,000; Paia-Haiku Park System reduced by 50,000; Central Maui Park Systems reduced by a 115,000; and West Maui Park Systems reduced by 85,000. And these were all reductions from the General Fund allocations for those Park Systems. A lot of the reason for our desire and just kinda the transfer of priorities, while we do have a lot of deferred maintenance that's definitely a priority for us to get to. We see the opportunities for the monies that we're asking for within our operations budget will help us just get through this next year as we look at all the new facilities that are coming online in Parks. It will give us that ability to do the full the assessment that we need to do for our manpower and then be able to come back and report to, through Committee how we're looking at as far as the structure of the organization with all the additional Park facilities that will be coming online. Also the mower and then the leased monies, which would also go towards mowers will be to replace a lot of the equipment and try out a couple new pieces of equipment that we are confident are going to create for more efficiencies in our allocation of time during the...with the Department and we think that if we can get a few of those mowers on the ground in this next year, that that's gonna help us come up with proposals for the future in identifying cost savings. Thank you.

COUNCILMEMBER GUZMAN: Yeah.

VICE-CHAIR WHITE: Mr. Guzman?

COUNCILMEMBER GUZMAN: Yeah. Chair, I don't have any more questions but I just do have a comment. I know that this Department has worked hard to not increase their E/Ps and as well as I know that we're inundated with new parks and this Department is constantly having to deal with park assessments and new parks coming on board, online and just not having enough manpower. So in this time of restructuring which we were able to complete through the new chapter that we recently passed, they've come up with, you know, adding on an additional, you know, 500,000 for Qualified Rehabilitation Maintenance Operations, which is a contract. So instead of hiring new employees, we're going out and going to a third party to hire those for services. So and that's very much needed in terms of getting through this restructuring and I, for me, equipment and the maintenance of our existing parks is so essential so the ability to start this leasing equipment of the slope mowers and the field mowers, yeah 84,000 is not really that big of a deal. And plus with the additional, I guess formula of determining whether we should buy the equipment or lease it, it was more advantageous for us to buy this equipment which is the 4000-D Mower which would, you know, basically have a, let's see, 7-year useful life, I believe that's correct, more

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than or extend the mower's life. All that is going to be completed by reducing our individual districts in order to get this equipment. And I think that each one of us have, you know, basically vested interest in our own districts to keep our parks maintained. Four hundred and fourteen thousand isn't that much in the big scope of things so I would hope that the Members would at least realize that let's keep what we have in the Budget for each of our districts and just, you know, restore the 400, at least allow 414,000 to be added so that these 3 items; the 250,000 for the Qualified Rehabilitation Maintenance Operations; the 84,000 for the Leased Equipment; and the 80,000 for the mower be completed, you know, be passed through. It's the big scope of things. I mean the parks is really the face of our community and it's been neglected for so many years, Chair. And you were Chair, Mike, of this Committee as well so you understand where I'm coming from. So that's my ploy, that's my plea with the hope that it'd be given at least decent or reasonable consideration. Thank you.

VICE-CHAIR WHITE: Of course, I need to channel Mr. Hokama from time to time.

COUNCILMEMBER GUZMAN: Yes, of course.

VICE-CHAIR WHITE: So am I hearing you to suggest that you're willing to take the entire amount out your Park System allocation?

COUNCILMEMBER GUZMAN: No, no, no, no, no. What I'm trying to say is, okay --

VICE-CHAIR WHITE: Just checking.

COUNCILMEMBER GUZMAN: --we leave Central Maui and then we actually reduce Pukalani and Makawao and South Maui.

COUNCILMEMBER COUCH: Yeah.

COUNCILMEMBER GUZMAN: No, I'm just kidding. No, I think we should, you know, what I'm proposing is that we maintain all of the appropriations in each of our districts and just add in the 414,000 to cover the equipment that is necessary.

VICE-CHAIR WHITE: No, I'm not trying to make light of it but just had to...

COUNCILMEMBER COUCH: Make light of it.

VICE-CHAIR WHITE: Actually I think we could probably get consensus on the Chair's recommendation to take the entire amount out of...

COUNCILMEMBER COUCH: Consensus.

VICE-CHAIR WHITE: Just kidding. Okay.

COUNCILMEMBER GUZMAN: All right.

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VICE-CHAIR WHITE: Moving along. Ms. Baisa?

COUNCILMEMBER BAISA: Thank you, Chair. A little bit more about the Skate Park, if I should be so bold while we're talking about money and where we're gonna get money and save money and all that stuff, I'm looking at \$500,000 that we're talking about planning, God knows when, a Golf Course Starter Booth and Restaurant, we need a Skate Park and we need it now. We've got kids Upcountry, poor things, you know, they don't have access to beaches like kids in Wailuku, Kahului, in Kihei and Paia. They also don't have malls to hang around in and they don't have a theater. So, you know, they are desperately looking for things to do and since this clearly came across, not just from my district, but also from the...and it's gonna affect all of us Upcountry. And you heard the parents that night, they come from all over the place. They wanna go to the Skate Park. They even come from Lahaina. And if this is a priority that the Department supports, I think we should make it a priority and fund it and get it done because two years is a long time to kids. I mean for us old people two years is a blink of an eye but for teenagers and little kids, it's a long time. And I think we have the momentum so I really would like to ask my colleagues for their support.

VICE-CHAIR WHITE: I think the majority of the people that would be using that park are gonna come from your district and my district.

COUNCILMEMBER BAISA: Yes --

VICE-CHAIR WHITE: But if they...

COUNCILMEMBER BAISA: --and they'll be coming from other districts too.

VICE-CHAIR WHITE: Yeah.

COUNCILMEMBER BAISA: But, you know, we don't have a lot of entertainment alternatives for kids like they do in other places. So for Upcountry kids, it's a big deal.

VICE-CHAIR WHITE: Yeah.

COUNCILMEMBER COCHRAN: Chair?

VICE-CHAIR WHITE: Okay. Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you, Chair. And thank you, Department, for being here. I'm trying to see how I can alleviate a lot of the...these Bond Funds. Maybe I've been looking at every Department and I'm wondering in the Countywide Park Playground Improvements if there's anything for West Maui that could be utilized by West Maui Park Assessment Fees that has lots of money in there. So just wondering if you have any ideas if anything can be...and I think Chair Hokama had switched some stuff out but if you folks notice anything that stands out and I think right now, I'm only looking for \$125,000.

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MR. BUENCONSEJO: Chair? Member Cochran, looking at right now currently for Playgrounds for West Maui, there are currently nothing in there for Fiscal Year '17; however, with the Napili Park in Honokowai and Lahaina Rec 1 was scheduled for Fiscal Year '18. But we do have some possible West Maui Park Systems that potentially maybe we could move into Park Assessment and alleviate some of that from there. So for...just taking a quick look at the Park Systems monies for Fiscal Year '17, yeah, hold on one second, let me talk to...

COUNCILMEMBER COCHRAN: Sure.

VICE-CHAIR WHITE: Ms. Cochran?

COUNCILMEMBER COCHRAN: Yeah, yes.

VICE-CHAIR WHITE: My recollection is that the Chair went through that with Corp. Counsel and that's how they arrived at the 115,000.

COUNCILMEMBER COCHRAN: I was looking at the County . . .*(inaudible)* . .

VICE-CHAIR WHITE: That that was the only...

COUNCILMEMBER COCHRAN: Okay. Yeah that's what I thought but Mr. Baz...

MR. BAZ: Yeah. Mr. Chair?

VICE-CHAIR WHITE: Mr. Baz?

MR. BAZ: Member Cochran, so I guess if you're talking in general, most projects that we would be qualified to issue bonds for would be improvements to...and if it's related to parks then it should qualify for Park Assessment. We would need to discuss the individual project to verify that.

COUNCILMEMBER COCHRAN: Okay. I'm just trying to keep the number as is but shifting basically, right? 'Cause...and if I can utilize any projects within the Park System, park whatever with the Park Assessment fees that has been sitting there forever in West Maui, then I would surely like to utilize it that way.

VICE-CHAIR WHITE: No, we all agree but...

COUNCILMEMBER COCHRAN: Yeah. I would spread the wealth if I could but it has to stay there. And then for Parks...looking at I guess wondering about the Toilet Trailers. I know that everyone's loves these and looking forward to having more of them. But are all ten really slated specifically for areas right now and sort of have to, have to have at this point? Or can you make do with a little less than what's being asked?

MR. BUENCONSEJO: Chair?

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VICE-CHAIR WHITE: Director?

MR. BUENCONSEJO: Member Cochran, we do have it slated for actual sites. But again in working with Members and finding funding that we can, and alleviate some costs, there are probably a couple that we could definitely, you know, help the rest of the districts to make money available for other areas and cut some of that and then again come back next year and ask for the remainder if needed be. But there are some sites that of course, we are designated for at least, majority of them are designated, if we had to give away some of that leeway, that there is a few portables that would be available I guess if we had to let it go. So basically I believe it's priced I think it's 750,000 right now for 10 so we're looking at about 75,000 per, you know, 3 to 4 at the max I think we could possibly. Or alleviate that with using maybe some of those but designated it for West Maui and using the ones that are designated for West Maui through the Park Assessment, could be a possible avenue as well that we can discuss with Mr. Baz.

COUNCILMEMBER COCHRAN: Oh okay. Is that a use, Mr. Baz? Or...I guess we'll look into it.

COUNCILMEMBER BAISA: It's a use.

COUNCILMEMBER COCHRAN: Okay. No for Park Assessments. And but I guess we can I guess get further details in regards. And then also, Chair, I wanted...well, I don't know if Mr. Carroll wanted to ask him anything about Helene Hall but I had questions about Helene Hall.

VICE-CHAIR WHITE: Okay.

COUNCILMEMBER COCHRAN: So I don't...I'll let...

VICE-CHAIR WHITE: Mr. Couch?

COUNCILMEMBER COCHRAN: Or and the Parks System for Hana, Hana-Keanae-Kailua too so but I'll let East Maui ask questions.

VICE-CHAIR WHITE: Okay. Mr. Carroll, any questions on Helene Hall?

COUNCILMEMBER CARROLL: Helene Hall, it was 500,000. We went over there and split it, took off 450 because the community wanted more input on it to work with Parks. If we put the old amount in there, they'd feel like we're shoving it down their throats. By putting 50 over there, it gives Parks a chance to work on, with the community on finding a solution then after that when that solution is found, we'll find out how much it costs and come back. Thank you.

VICE-CHAIR WHITE: Okay. Thank you.

COUNCILMEMBER COCHRAN: Okay.

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VICE-CHAIR WHITE: Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. Ms. Cochran brought up something that I believe Mr. Victorino brought up last night about these toilet trailers. I don't know if he was talking with you or with somebody else about composting toilets. I can't remember who he was talking about.

COUNCILMEMBER COCHRAN: Right here.

COUNCILMEMBER BAISA: They're passing a law at the Legislature.

COUNCILMEMBER COUCH: Okay. And I understand that they do have portable composting toilets as well. Have...did you guys look into that?

MR. BUENCONSEJO: Chair? Member Couch, I actually happened to be watching last night so during that conversation of compost toilets, I did Google to that. Personally, as a Department standpoint, we haven't looked into that, but just by Googling some of it last night and checking it out. I'd have to get way more information to see how's that feasible. I know, I heard I believe on the floor about Kalani English, Senator English having the information. So we'll reach out and see what the possibility is on that and the feasibility of it as well. Thank you.

COUNCILMEMBER BAISA: Chair?

VICE-CHAIR WHITE: Ms. Baisa?

COUNCILMEMBER BAISA: Mister...Senator English as well as Senator Clarence Nishihara is the person that actually, the Legislator that actually is working on it and he's working with Chair English. So you can get it from Nishihara's Office. Remember he's a Maui boy.

VICE-CHAIR WHITE: Okay. Further questions on Parks?

COUNCILMEMBER COCHRAN: Yeah, Chair?

VICE-CHAIR WHITE: Ms. Cochran?

COUNCILMEMBER COCHRAN: Visiting Keanae recently, I'm not sure if you're aware, that park where the church is, that is a County facility down there in Keanae? Out...I think I bumped into you at the bathrooms. Do you...like looking at the new upgrades to the restrooms in there, they're beautiful actually, very nice job. So I'm assuming that whole area is Park, County as...like the road system in and out? Do you...are you folks aware if that has bearing on us the County to upkeep and improve?

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MR. BUENCONSEJO: Chair? Member Cochran, the park is County. As far as the roadway, you know, that will be a Public Works. I'm not too sure if that's County or private or a combination of both.

COUNCILMEMBER COCHRAN: Okay.

MR. BUENCONSEJO: But the park and the restroom area, we do maintain in that area.

COUNCILMEMBER COCHRAN: Okay. Okay. I'll just do a little more research on the ownership of a --

VICE-CHAIR WHITE: Okay.

COUNCILMEMBER COCHRAN: --property that community would like to see paved. Thank you.

VICE-CHAIR WHITE: Okay. Thank you. I believe you communicated with Mr. Couch last night that the Paia and...well I don't know if it was Haiku that has the ADA restroom completed, is that correct?

MR. BUENCONSEJO: Yes, Chair, so...

VICE-CHAIR WHITE: And what is, what's the status on Paia?

MR. BUENCONSEJO: So actually the Haiku is completed, the restroom for ADA that was finished a couple years back.

VICE-CHAIR WHITE: Okay.

MR. BUENCONSEJO: Paia restroom is actually also complete. However, during completion and about to open up the restroom, it was vandalized so the doors were broken, the handles were broken out. We actually are...should be getting that replacements anytime now. And once those replacements are in, it will be replaced and the restroom will be open and ADA compliant for Paia Community Center.

VICE-CHAIR WHITE: Okay.

MR. BUENCONSEJO: Yeah.

VICE-CHAIR WHITE: Good. Thank you. Members, any revisits on or any questions on the revisits in the CIP Budget?

COUNCILMEMBER GUZMAN: On the?

VICE-CHAIR WHITE: The Parks.

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COUNCILMEMBER GUZMAN: Chair? On Page 74, I do have a revisit on the 2323, the Maui Raceway Park, the addition of the 2 million appropriated by the State. I did...apparently on April 21, 2016, Chair Hokama as well as myself, sent a series of questions to the Department. And one of the questions was number 13 and it was regarding that 2 million and the question was basically how was that going to be spent or was there gonna be plans for the project because it wasn't indicated in the Budget. These monies was appropriated by the State and it...

VICE-CHAIR WHITE: Yeah but we're not dealing with anything other than what we're spending money on.

COUNCILMEMBER GUZMAN: Oh...

VICE-CHAIR WHITE: So --

COUNCILMEMBER GUZMAN: Yeah, I realized that.

VICE-CHAIR WHITE: --'cause we can follow up with questions on that after Budget or maybe after hours but we need to focus on our own CIP expenditures and that's --

COUNCILMEMBER GUZMAN: Right, right.

VICE-CHAIR WHITE: --a pass through from the State to the Department.

COUNCILMEMBER GUZMAN: All right.

VICE-CHAIR WHITE: If you don't mind?

COUNCILMEMBER GUZMAN: Okay.

VICE-CHAIR WHITE: Any further questions on the CIP pages? I believe Mr. Victorino had some revisits on the Waikapu Community Basketball Court and Wai Community...oh Waikapu Community Center Expansion and the Wailuku Pool Improvements. Do you care to provide comments on those three projects?

MR. BUENCONSEJO: Chair? Thank you, Chair. Regarding the Waikapu Community Center rehab and extension of the patio area and the Basketball Court, the original funding that was requested was reduced as both sides, for the Basketball Court and for the Community Center. And in discussions, well I was hoping to get a discussion with Mr. Victorino, it's basically being one or the other, the funding that was cut both, either were, won't be able to sufficient the cost of the build out. So the initial proposal was possibly holding off on the extension of the Basketball Court and using that funding to complete the Community Center. And then the following fiscal is completing the Basketball Court and again, the potential possibility of the restroom, either replacement or with the trailer and tying in to the sewer system but that would be so called the phase 2 of that Waikapu Rehabilitation.

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VICE-CHAIR WHITE: Okay. So you're okay with the cut as long as we combine the two remaining amounts?

MR. BUENCONSEJO: Yes, Chair.

VICE-CHAIR WHITE: Okay. Thank you. Do any of you remember...oh and then the Wailuku Pool Improvements that was cut to 50,000. Comments on that?

MR. BUENCONSEJO: Chair, I think for that that will be fine. I think the first thing is getting evaluation and assessment of what the scope of work is gonna be for that Wailuku pool so that should be sufficient for now. And at that point in time, we'll come to Committee for EAR and if there's any kind of funding needed, we'll propose it at that point in time.

VICE-CHAIR WHITE: Okay. Thank you. Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. Also the Waipuilani Park Irrigation System, the Chair reduced it to 100,000. Is...I'm guessing that isn't gonna be quite enough to do it. Is that something, is there...

VICE-CHAIR WHITE: What page are you on?

COUNCILMEMBER COUCH: I'm sorry, Page 8...50 at the top, number, line 15 --

VICE-CHAIR WHITE: Thank you.

COUNCILMEMBER COUCH: --40. I know we're under a time crunch too because by law we need to hook up to that but within a year of it becoming available. So any leeway you have in there? He's got it down to...you asked for 350, he's got it down 100.

MR. BUENCONSEJO: Yeah. Chair? It appears on the reduction it just for design and permitting, not construction. So it's...for the design and permitting fees of that, we definitely, we have the sufficient funding and once we can go and get that design and permitting, at that point in time we'll come back for the actual funding for construction. So for the 100,000 that's definitely sufficient for that phase of the project.

COUNCILMEMBER COUCH: Okay. And am I correct to say we are under a time constraint? I believe by law, we have a year to hook up.

MR. BUENCONSEJO: Chair? Yes. I believe there is, so we are definitely under a timeline and the Department is aware of it and we're, again, getting there to that point.

COUNCILMEMBER COUCH: Okay. Thank you.

MR. BUENCONSEJO: Thank you.

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COUNCILMEMBER COUCH: Thank you, Chair.

VICE-CHAIR WHITE: Any further questions for Parks? Seeing none, I wanna thank you for coming up this afternoon. And, Members, we'll now move into Management. And while Management is coming down, do any of you have any other departments that you would like us to contact? I'm not...we might have a little bit of time before we break at 5:00. Okay. No other request, thank you.

MR. BAZ: Members, Department of Management Operations is on Page 23 of the Exhibit "1."

VICE-CHAIR WHITE: Okay. Members, Mr. Couch, I believe those revisits are yours.

COUNCILMEMBER COUCH: Thank you, Mr. Chair. Thank you, Mr. Ching, for being here. Can you give us a, you know, I don't know if you've seen, I'm sure you've heard that the Budget Chair has asked to basically disband the CIP group and move, spread it out throughout the County. His...I believe some comments were that it hasn't worked. Can you tell us about that?

MR. CHING: Aloha, Chair, David Ching, Deputy Managing Director. Thank you for being here. Aloha, Members. With your permission, Chair?

VICE-CHAIR WHITE: Please proceed.

MR. CHING: Thank you for asking that question. Yeah, it looks like there's a little over 38 percent of our total staff being removed from our operation and distributed throughout the rest of the County. We have 3 members of our Capital Improvement Project Vertical Construction or Brick and Mortar Construction CIP Team being moved out as well as 2 positions that have just recently become vacant.

COUNCILMEMBER COUCH: Mr. Chair, excuse me. I'm just right at this point, I'm just talking about the CIP portion.

MR. CHING: Okay.

COUNCILMEMBER COUCH: CIP group.

MR. CHING: Chair? We understand that there's some concern in this Committee that our CIP section has not been delivering what the original intent of our CIP section was supposed to be. We believe that this Committee has not gotten the full extent of the value that our CIP team has provided over the years. I know earlier testimony from other departments has come in and they've described significant savings that our CIP engineers have provided on these brick and mortar projects that have come from areas in the County that do not have the expertise to run these type of projects. We...our CIP engineers are the source of expertise for these departments in the County. If they did not take these projects on, our County would had have to spend untold dollars on hiring consultants and professional engineers outside to do these projects. So we've recognized a need, we've seen a need within the County. Being responsible for the

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oversight of all the operating departments, we were the ones to fill the need and we filled the need by building a CIP organization of professionals that could do the engineering work for these vertical construction projects. If they do not exist, if they're taken away or they do not exist, the need for their expertise does not go away in this County. It will still be there. Somebody will have to foot that bill and that's going to be our County paying external consultants and engineers to do what we already have internally. So that's pretty much all I got to say about that.

COUNCILMEMBER COUCH: So you're basically advocating for keeping everything up there and I know there had been a couple things that have come through here that I think the body has not been pleased with but there are other things out there, number of projects and then and as you said a number of dollars saved. Do you have the numbers? I mean how many projects and...

MR. REGAN: Chairman? Good afternoon, Keith Regan, Managing Director for the County. Member Couch, you know, we're, if you were to quantify the value that we've delivered to the departments and to this County, you're looking at hundreds of thousands of dollars in consulting fees that have been saved through this process. The other day I testified and during that testimony, I talked about just two projects in particular, one being Kulamalu, the affordable rental project. That was a project when it came to us was estimated to cost this County upwards of \$16 million, 16, until it came to us when Housing and Human Concerns reached out and asked for help. That CIP team was able to value-engineer that project down to 12. That's a significant amount of savings.

CHAIR HOKAMA: I'll take over.

VICE-CHAIR WHITE: Okay.

COUNCILMEMBER COUCH: Okay.

CHAIR HOKAMA: Thank you.

COUNCILMEMBER COUCH: Okay. That's all I have, Mr. Chair, for that portion but I have others.

CHAIR HOKAMA: Okay. Thank you. Any other questions for the Managing Director or Mr. Ching?

COUNCILMEMBER CRIVELLO: I do, Chair.

CHAIR HOKAMA: Ms. Crivello?

COUNCILMEMBER CRIVELLO: So we have a vacant position that I guess it's kept there for return rights. Is the preserving of the position sufficient and funding? Maybe we just remove the funding.

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MR. CHING: Chair?

CHAIR HOKAMA: Mr. Ching?

MR. CHING: Thank you.

COUNCILMEMBER CRIVELLO: Or are you in a process of probably filling it and that's why the funding needs to be there?

MR. CHING: Okay. We are actually in the process of recruiting to fill that position. We're also in the process of looking at that vacant position as well as our second vacant position, and looking to create a greater management ability for us to manage non brick and mortar IT efficiency change management-related projects in our County, and this are cross-departmental projects and it goes hand in hand with our IT governance project and our MAPPS project. These are big projects that are going on right now and they're aimed at bringing greater efficiency and value to our community, our County using improvements to our IT systems, to some of our ordinances, to some of our processes and procedures. These things are gonna need to be managed perpetually so that they continue on beyond our Administration. The positions that we have vacant now are civil service positions. They will continue to go on when myself and Managing Director Regan are gone. So in order for us to provide for that continuum of management and the style of management that we're looking for, getting these continual improvement, performance management down. We need to create that infrastructure that can carry on and that's our intent moving forward so that we don't lose what we gain by doing projects such as MAPPS and our IT governance. That's the importance of these positions.

COUNCILMEMBER CRIVELLO: Thank you, Chair.

CHAIR HOKAMA: Members, other questions for this? So in hearing your earlier comment, Mr. Ching, then this Committee can consider removing all dollars for external consulting contracts for projects then. You guys are gonna do it all in-house?

MR. CHING: Chair, no. That's not what I said. I was referring to external engineering consulting money for the services that our CIP people provide to the projects they're assigned to at the time that they're assigned it.

CHAIR HOKAMA: So those projects don't need then external monies?

MR. CHING: No, chair. They will need some external monies because our CIP people don't do all of the engineering. They don't do all of the drawing, the actual architectural surveys, the getting the actual entitlements through. They...they're managing the projects and they manage more than one project at a time so they do not do all of the actual engineering. They do however take what plans, what designs are being submitted, review them for efficiencies, review them for deficiencies and value-engineer from there.

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CHAIR HOKAMA: I still think my idea of dismantling this is a lot better and cheaper than doing it this way. Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. The other three things that were switched is the grants to the Maui County Veterans Council. I know some of those grants helped to pay for cemetery work but I think Mr. Goode said he would have a hard time handling the grants. What other things do they do, do those veterans councils do, the two grants that are existing?

MR. CHING: Chair?

CHAIR HOKAMA: Mr. Ching?

MR. CHING: The grants are pretty general in terms of each separate veterans organization. In the past, they've been used to help them with facility rentals. They even help them to put on commemorative events, to do small programs that benefit their members who are veterans, and just to keep their organizations active in the community. As you can probably imagine with less than \$10,000 a year, that's not a lot of funding for a lot of activities for them. They have in the past though I believe on one occasion have come in for actual project money and the County was kind enough to grant it to them for a small project that they've done. And year to year, these small grants are just to help them stay operational and benefit their communities.

COUNCILMEMBER COUCH: Okay. Thank you, Chair.

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

COUNCILMEMBER COCHRAN: Thank you, Chair, and thank you, Department, for being here. So when I look at our CIP program and it has, you know, price for new construction and then another line, a lot of these for other/construction management, so is that like typically the role of a CIP Coordinator? That management portion of the project? They sort of see it through, is that typically what a CIP Coordinator would be tapped --

CHAIR HOKAMA: Mr. Ching?

COUNCILMEMBER COCHRAN: --to do?

MR. CHING: Chair, thank you. That's pretty well within their scope, yes. They really do act like the owner's representative and the owner's subject matter expert for the project that they're working on.

COUNCILMEMBER COCHRAN: Okay. I just real quickly, Chair, looked at four different projects in particular, and they're very general. They're not really pinpointed jobs. One for example, various pavement rehab and things of that nature around South Maui and there's a \$500,000 tag on that one alone for management, construction management. So I would think because we're putting so much money into the

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pavement crew, what have you with Public Works, if they would have this type of stuff under control with in-house but it's looking like...so I don't know, it doesn't state the exact details here, Chair. Another has 700,000; another has 200,000; another has 800,000; these are lot of monies here and like I said they're for more generalized kind of needs. So where's the CIP coordinators in relation to all this money?

CHAIR HOKAMA: Mr. Baz?

MR. BAZ: Thank you, Mr. Chair. Specifically for the Public Works construction management, the Federal-Aid road projects are a completely different animal. And the amount of oversight required of the contractor is very significant and it's required by the Federal Highways Administration that's, you know, providing 80 percent of the funding. So the requirements of that necessitate pretty much, you know, sometimes 1 or 2 or 3 actual people on site pretty much every single day watching the projects and making sure that it's being done appropriately. The construction management that the Department of Management CIP coordinators provide is a lot more, you know, kinda, Mr. Chair, as the Deputy mentioned them an owner's representative. We need to have somebody who can write up the specs so that we can get a correct design contract, you know, design consultant on board. They have to be able to review what the design consultants are providing to us to make sure that it's gonna meet our needs as a County, you know, as an owner, as the builder, I mean excuse me, as the owner and they also need to be able to then work on value-engineering that. And that's where I've seen the most significant support from Mr. Murata and Ms. Taomoto is because they have the ability to review those design plans and say, hey we don't need this specific, you know, fascia of the building or, you know, the floor makeup can be laid out differently to reduce costs and things like that. And that's where it's been a very, very big significant assistance for the departments, especially the departments that don't have any engineers or CIP people.

COUNCILMEMBER COCHRAN: Thank you for the comments, Director Baz. Thank you, Chair.

CHAIR HOKAMA: So, Mr. Baz, under standard AIA contracts projects especially in the private sector, the architect usually is the owner's representative in dealing with subs, monthly progress payment reviews and authorizations. Again the architect usually represents the ownership, the developer, whoever is basically paying the bill. Why wouldn't we continue to use what is standard industry practice in those areas?

MR. BAZ: Thank you, Mr. Chair. From my understanding, you know, yes the AIA standard contracts include the ability for the architects to be the owner's representative in dealing with his subs, you know, engineers, and things like that as well as with the...during the contractor's period of construction all the way from, you know, start to completion. And, you know...

CHAIR HOKAMA: And, you know, one of our advantages in that is we are, if we are dissatisfied, we can terminate that contract. We can terminate that provider.

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MR. BAZ: Yes.

CHAIR HOKAMA: You know, unless they make a major screw up. We gotta still live with these guys for another project?

MR. BAZ: The...yes. And, you know, that's still a possibility and, you know, Mr. Chair, I think, you know, we can discuss that if that's the direction of the Council. Where we, you know, really still...even if we have hired a architect, we still as the funders, you know, as the people who are requesting this building be constructed, need to have somebody with correct knowledge working with the architects because I've personally seen it where architects have written up stuff that really was just way out of line. And...but that's, you know, their architectural design purview and so yes I did, you know, reel them in and almost threatened to fire them but, you know, that's what happens right. So...but you need, we need somebody with that kind of expertise and Ms. Taomoto especially has been doing this for a very long time. And it's just yeah...so I think I've said enough, Mr. Chair.

CHAIR HOKAMA: Well if you wanna talk about one project in the four various variations of what we keep bringing...being brought back to us when we already said what we wanted. It tells me that even our own people cannot even understand intention and direction from Council. So I am still not convinced to maintain something that for me doesn't work to our fiscal advantage either, nor delivery on those scheduled projects. Anything else for this group? Mr. Couch?

COUNCILMEMBER COUCH: It's under Office of Management, but it's the IT?

CHAIR HOKAMA: Yes, sir.

COUNCILMEMBER COUCH: I wanted to check with Mr. Verkerke. In his testimony he talked about storage and digital storage and stuff. I just wanted to, him to expand upon that if at all possible on the equipment. I asked to revisit Operations and Equipment so if I could have Mr. Verkerke down.

CHAIR HOKAMA: Mr. Verkerke, if you would be kind enough to consider coming down, we would appreciate your presence.

MR. CHING: Thank you.

CHAIR HOKAMA: Okay. Thank you. Mr. Couch, your question for Mr. Verkerke?

COUNCILMEMBER COUCH: Thank you, Mr. Chair, and thank you, Mr. Verkerke. You talked about in the area of R&M Services and Contracts, you talked about the funding being critical and the efforts to maintain the required level of product releases and patches. So can you talk about...and that's in the operations I believe that was. I know you say you're gonna work to renegotiate the number of contracts but you would like to consider 100,000 extra added on to that line?

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MR. VERKERKE: Mr. Chair?

CHAIR HOKAMA: Mr. Verkerke?

MR. VERKERKE: Mr. Couch, thank you for that question. I have asked that 100,000 of the proposed reduction be restored. We must maintain maintenance and support agreements with vendors of our hardware and software in able, in order for us to have access to upgrades to the product and security patches and functionality patches. We are always looking at getting the best pricing we can and that's an ongoing process and we'll step up that effort but if we let things lapse with the vendors then it cuts us off from access to download those upgrades and the risk to the organization more and more becomes something that is hard to justify.

COUNCILMEMBER COUCH: Okay.

MR. VERKERKE: I believe the 100,000 will get us into a position that we, we'll able to maintain our critical operations and work on other agreements to try and improve the financial terms of those.

COUNCILMEMBER COUCH: Okay. And also on the equipment, you asked for an additional 130K in order to deal with online storage of especially, you know, stuff that people are sending in the form of PDF and digital, all the digital format stuff including pictures and videos. I know when we can...when we go out there and do that, app that you have on the phone where you can take a picture of something and send it to the appropriate Department and it gets a RFS already made, that kind of stuff is what you're talking about?

MR. VERKERKE: That's correct and even our internal users, Planning Department, Zoning Enforcement for instance takes lots of pictures; Real Property Tax likes to take pictures at a high resolution that will give 'em detail on construction style and materials on real property when there is an appeal and somebody says well, you know, your classification of my particular building is off a little bit, that they have the photographic evidence to support their assessment. And those are all high-resolution pictures that take up a lot storage. We've tried to project cost of replacement of our service and data storage over the typical 5-year life cycle. We feel pretty comfortable that with the 260,000 that was granted in the current fiscal year and we're requesting for next fiscal year that we have a pretty good chance of keeping up. Data storage is growing fast than we have projected but we have...we're in a process of designing a program to try and reduce the duplication within our storage 'cause sometimes the same picture gets stored in three or four different places. We're also looking at reducing some of the older files to cheaper storage because it doesn't get accessed very often. So we do believe that at the requested funding, we will be able to maintain the capacity that is needed to support all the operations in the County. A reduction of that, we would have to make choices as to what we can and cannot support and that will be a difficult choice and the risk of that is that alternate storage or computing sources are found by users outside of IT. They start storing things in, you know, box

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and similar facilities where we have security risks so I think the 130,000 restoration will allow us to maintain the optimal environment to support the County's operations.

COUNCILMEMBER COUCH: Okay. Thank you, Chair.

CHAIR HOKAMA: Thank you. Members, other questions for Mr. Verkerke since we have his presence? Mr. Couch brought up a good point and again, Mr. Verkerke, we appreciate your presence. One of the things that I was concerned about and maybe you can help us have a better grip, on your R&M contracts, this annual 8 to 10 percent increases, is that standard? Those type of increases over a year, Mr. Verkerke?

MR. VERKERKE: Unfortunately it is. For many, especially software companies, their real revenue flow depends on these R&M contracts. They will sell you the software at a pretty competitive price knowing that they got you kinda of on the hook, and in the contract language typically there are provisions to give them the right to increase the annual cost by a certain amount. So we're finding that around 10 percent seems to be the norm in the industry.

CHAIR HOKAMA: This is not the renewal of licenses or is that what this is, Mr. Verkerke? That's why, you know, I'm trying to get clear with R&M contracts versus renewing licenses.

MR. VERKERKE: That's a very good question. Chair. And we treat different, two different main groups of licensing different. And the desktop we don't really sign up for maintenance because we have found it to be more cost-effective to just buy a new license every four years than paying the annual maintenance, also because we don't really have the resources in the...on the desktop installation type environment to keep up with every release for every computer. But for the larger systems like MAPPS, like IFAS, all these corporate applications what you actually buy when you first procure the product as a perpetual license so you never have to pay for the license again. This applies to Oracle and such products the same way. And therefore that annual maintenance support agreement is the critical piece for revenue flow for those companies and they make sure to have every opportunity to kinda squeeze you for a little bit more every year. And we're often in a situation where the risk of not renewing is too great because of the constant flow of critical vulnerabilities that are being unannounced.

CHAIR HOKAMA: Thank you for those responses, Mr. Verkerke.

MR. VERKERKE: Sure.

CHAIR HOKAMA: It helps me. I don't know about the other Members, but it helped me get a better understanding of what is your challenges in your program area if I can state it that way. Members, any other questions for Mr. Verkerke? The Chair is happy with the response to my questions so I'm happy to reconsider your request, Mr. Verkerke.

MR. VERKERKE: Thank you, Chair.

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CHAIR HOKAMA: Anything else for Mr. Verkerke, Members? Thank you very much for your presence, sir.

MR. VERKERKE: Thank you.

CHAIR HOKAMA: Okay. Is there anything or any department left that was requested by the Members? Okay, Members, obviously we're not where we need to be today. So stating that, this is what your Chair prefers. You are aware you have a 6:00 p.m. requirement of a public hearing that is conducted by Council. That, so it's done by Mr. White and the Clerk's Office. The Chair was thinking how we should proceed for the balance. So this is what I'm gonna present to you. I prefer that after the hearing you go home, get a good night's rest. Get your questions ready for tomorrow. If you are presenting a add present how you wanna fund it whether it's by a cut, you trying...or you're gonna plan to increase us fee or a rate. Give us your recommendations. If you have language, again we are happy to receive provisos. It doesn't have to be part of the second round but it needs to be by Friday. And then my intention is to work all day Thursday. Friday we have...we are splitting the day, we are having a regular Committee meeting to take up Fiscal Year 2016 Budget amendments then we shall return to work on the Fiscal Year 2017 Budget proposal. If we have, and I'm gonna ask you to start preparing to make decisions because if we don't, I'm gonna call you back Saturday and Sunday to finish for Monday. It has to be done by Monday. Okay. That's our clock. Charter has set a clock. So you might need to adjust your Saturday-Sundays 'cause if we're not finished, we are going to need to finish. And that's just part of the requirements of us with a clock ticking. So I'm presenting that to you because we need to get now past revisits and into making decisions. One of the things that I will share to you that...and again I appreciate Mr. Ching's comments about there is advantages, I don't doubt, and there's disadvantages of the CIP group. For me, I would rather put the 900,000...what \$925,000 that it takes to pay for the CIP group in specific projects that we can hold the consultant or their feet to the fire and need be, terminate those entities for not performing. I would rather place that million dollars somewhere else and that's why I'm gonna continue to recommend putting those positions in appropriate departments that need those positions filled regarding engineers. That's Water, that's Parks. And I think one position we are being asked and I'm looking at reassigning that to Finance to assist under the agriculture component for improvements in that tax category. So think about it. Get yourselves ready but from tomorrow, your Chair is gonna be very discouraged...will discourage you from continuing to ask for revisits. We have to make decisions, Members. Okay. Yes, Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. And I understand that. I know there's pretty much everybody has several things that they've have events for on Saturday and I know we were supposed to block that off. Having heard what you said, I know I'm...I had been geared up to go 'til, you know, late tonight myself. I think I'd be willing to do a pass tonight to cut, to alleviate some problems at the other end. I don't know what the other Members would do but I'm offering up that I'd like to stay until we get one pass down.

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CHAIR HOKAMA: I've been watching our progress today. I don't want us to get frustrated 'cause that to me is...I don't need to waste Staff time or my time just sitting here getting revisit requests. So if you're ready to make decisions, I'm happy to consider that but if, you know, there's two Members that are currently not here.

COUNCILMEMBER BAISA: Yeah.

CHAIR HOKAMA: If...I think you did some channeling of revisits for one of 'em.

COUNCILMEMBER BAISA: Yeah.

CHAIR HOKAMA: Okay.

COUNCILMEMBER BAISA: No good.

CHAIR HOKAMA: And I'm sure he would like to have --

COUNCILMEMBER BAISA: Yes.

CHAIR HOKAMA: --his opportunity --

COUNCILMEMBER BAISA: Yes.

CHAIR HOKAMA: --to express his views.

COUNCILMEMBER BAISA: Yes.

CHAIR HOKAMA: And, you know, Ms. Cochran has her strong positions too. So I wanna be respectful for allow as many Members to participate as possible. Because once we move and we have consensus, we're not returning. We are going to go move forward 'cause we're gonna need to lock it up, get the numbers balanced so that we can present to you a finalized balanced Budget for deadline. Ms. Baisa?

COUNCILMEMBER BAISA: Thank you very much, Chair. I have my weekend pretty open except for one very important event Saturday night.

CHAIR HOKAMA: I understand that.

COUNCILMEMBER BAISA: Hopefully, we can take dinner during that.

CHAIR HOKAMA: I have taken that into the scheduling, Ms. Baisa, because it is a once-in-a-lifetime situation. I understand that and I'm happy to work with that and around that.

COUNCILMEMBER BAISA: Yeah. But everything else, you know, you warned us about Saturday. And Sunday, well if we gotta do it, we gotta do it, we gotta get done.

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CHAIR HOKAMA: Yeah. I wish we didn't. But again if we need to, we will. If we don't, we won't.

COUNCILMEMBER CRIVELLO: Chair?

CHAIR HOKAMA: Yes, Ms. Crivello?

COUNCILMEMBER CRIVELLO: I have a personal commitment. I have a funeral for a family member to attend on Molokai but...

CHAIR HOKAMA: No and we understand. Your family --

COUNCILMEMBER CRIVELLO: Yeah.

CHAIR HOKAMA: --your Chair has no issues with family priorities.

COUNCILMEMBER CRIVELLO: Yeah...

CHAIR HOKAMA: I will always support you --

COUNCILMEMBER CRIVELLO: I know but I think it's important --

CHAIR HOKAMA: --and your family.

COUNCILMEMBER CRIVELLO: --but I'd be willing to fly back if I have to --

CHAIR HOKAMA: Thank you.

COUNCILMEMBER CRIVELLO: --to meet that, to meet our whatever but I'm willing to put in the hours --

CHAIR HOKAMA: Thank you, Ms. Crivello.

COUNCILMEMBER CRIVELLO: --tomorrow, Thursday --

CHAIR HOKAMA: Yeah.

COUNCILMEMBER CRIVELLO: --and Friday if need and then fly home early --

CHAIR HOKAMA: Yeah.

COUNCILMEMBER CRIVELLO: --Saturday morning. It would be --

CHAIR HOKAMA: Okay.

COUNCILMEMBER CRIVELLO: --helpful if we can have that.

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CHAIR HOKAMA: We shall work with your schedule as best as we can because the Chair will always support each and every one of you to take care of your family priorities as number one. I have no problems with your families coming first, and we will work with you to adjust as best we can the schedule. Mr. Carroll?

COUNCILMEMBER CARROLL: Thank you, Chair. I think things are going quite well actually and I think all of us are willing to put in the hours. I would remind everybody that there is an activity Saturday at 5 o'clock.

CHAIR HOKAMA: Yes, sir. Yes, sir. So again --

COUNCILMEMBER CARROLL: That I hope would be...

CHAIR HOKAMA: --you know, we will work with...I will work with you, the Members, because I need to be fair and have the Staff also adjust their schedule 'cause like you, they all...they have their families too, and I would like to have them be able to schedule their workload with the family load. Anything else, Members? Mr. White?

VICE-CHAIR WHITE: Just a note that the Staff needs as much time as they can have to get the...all the numbers put to bed by Monday so --

CHAIR HOKAMA: No, I understand that and that's why if --

VICE-CHAIR WHITE: --that just adds to the sense of urgency.

CHAIR HOKAMA: --I prefer not to work Sunday for the Committee.

VICE-CHAIR WHITE: Right.

CHAIR HOKAMA: Because Staff and I are gonna have to work Sunday to finalize things, okay. And I know what you're saying, Mr. Couch. I, you know, I don't mind working tonight if --

COUNCILMEMBER COUCH: I think she's...

CHAIR HOKAMA: --I have confidence we're gonna get moving on consensus.

COUNCILMEMBER COUCH: I think so. I think Ms. Cochran is gonna be here and I'm pretty sure Mr. Victorino is gonna be back here 'cause the decision was made. I think somebody wants to announce that too.

COUNCILMEMBER BAISA: Oh if...

CHAIR HOKAMA: I would...

COUNCILMEMBER BAISA: I really would prefer to let Mr. Victorino to do that --

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COUNCILMEMBER COUCH: Okay.

COUNCILMEMBER BAISA: --when he arrives. Thank you.

CHAIR HOKAMA: Thank you, Ms. Baisa.

COUNCILMEMBER COUCH: So I, again I'm willing to, I mean it's better since we have some time and we probably will have all nine that...

COUNCILMEMBER GUZMAN: . . .*(inaudible)*. . .

COUNCILMEMBER CRIVELLO: Why, where you going? I'm willing to work tonight if Staff is.

CHAIR HOKAMA: Eight thirty.

UNIDENTIFIED SPEAKER: That's fine.

COUNCILMEMBER CRIVELLO: All depending on Staff.

CHAIR HOKAMA: Okay. Ms. Cochran as are we understand is not able to return earlier than 8:30. She has her own personal family requirement to take care of --

COUNCILMEMBER CRIVELLO: Yeah.

CHAIR HOKAMA: --that she made me aware of and I understand. Yes, Mr. White?

VICE-CHAIR WHITE: Chair, I think that we've, we have made some good progress.

CHAIR HOKAMA: Yes. No, yesterday was an excellent day, Members.

VICE-CHAIR WHITE: I think we...

CHAIR HOKAMA: I'm not taking that away.

VICE-CHAIR WHITE: I think we can take the, you know, take care of the public hearing and then reconvene tomorrow if you people wanna get together or get started a little earlier, that's fine. But I think we're...

CHAIR HOKAMA: No, we've posted an agenda --

VICE-CHAIR WHITE: Oh, that's right.

CHAIR HOKAMA: --so we cannot start earlier.

VICE-CHAIR WHITE: Yeah.

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CHAIR HOKAMA: We've posted an agenda so that we can also receive testimony so we are unable to...we could, I mean that is another thing we could do. Recess, start early and then adjourn it, then start the new meeting.

COUNCILMEMBER BAISA: Fine.

CHAIR HOKAMA: But do you wanna come back that early tomorrow morning?

COUNCILMEMBER BAISA: Yeah.

CHAIR HOKAMA: This lady I know 'cause she will get up when it's still black, black, black out there.

COUNCILMEMBER CRIVELLO: How's Staff though?

CHAIR HOKAMA: Well yeah, I have to consider Staff requirements, and for some of them they have children and school requirements.

COUNCILMEMBER BAISA: School, yeah.

CHAIR HOKAMA: So I need to be fair to all of you but I need to be fair to Staff's requirements also. So again that is what I think would be the best. I would like you to be rested and ready to go tomorrow 'cause this is the last night that we will have this opportunity --

COUNCILMEMBER BAISA: Chair?

CHAIR HOKAMA: --to make this adjustment.

COUNCILMEMBER BAISA: Chair, I agree with you. I really think that if we just buckle down and vote up and down, we can go through it. We cannot shilly-shally anymore. It's time to make decisions. Yes or no. Majority wins. We go.

CHAIR HOKAMA: And that's why, Members, my thing is use the time from today 'til tomorrow. If your staff, you need some staff assistance in your office or if you're really gonna ask the Committee Staff for some assistance, any time because they still are working on Committee assignments from the Chair.

COUNCILMEMBER BAISA: Yeah.

CHAIR HOKAMA: So...

COUNCILMEMBER BAISA: Okay.

CHAIR HOKAMA: That is --

COUNCILMEMBER BAISA: Mañana.

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CHAIR HOKAMA: --what we're gonna do, Members. Okay. I appreciate your willingness, Mr. Couch, please, again --

COUNCILMEMBER COUCH: Yeah.

CHAIR HOKAMA: --I do appreciate it. I just would prefer nine Members make the call --

COUNCILMEMBER COUCH: Sure.

CHAIR HOKAMA: --because I don't wanna return because one Member will say, I wasn't there. Okay, so to eliminate that, Members, so we're gonna move forward. Your Chair is gonna adjourn today. We'll do the hearing. We'll start first thing 9 o'clock tomorrow morning, and we're gonna go and finish the round two. That is the...that's the mission for us tomorrow. Operations and CIP, okay. Any questions? Okay, we are adjourned. ...*(gavel)*...

ACTION: DEFER pending further discussion

ADJOURN: 4:43 p.m.

APPROVED:



RIKI HOKAMA, Chair
Budget and Finance Committee

bf:min:160427:acqp

Transcribed by: Ann Carmel Q. Pugh

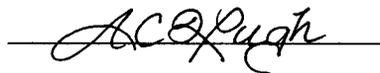
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CERTIFICATE

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

DATED the 19th day of May, 2016, in Kula, Hawaii



Ann Carmel Q. Pugh