

BUDGET AND FINANCE COMMITTEE

Council of the County of Maui

MINUTES

June 28, 2016

Council Chamber

CONVENE: 10:02 a.m.

PRESENT: Councilmember Riki Hokama, Chair
Councilmember Mike White, Vice-Chair
Councilmember Gladys C. Baisa, Member
Councilmember Robert Carroll, Member (out 10:32 a.m.; in 11:08 a.m.)
Councilmember Don Couch, Member
Councilmember Don S. Guzman, Member (out 10:49 a.m.; in 11:11 a.m.)
Councilmember Michael P. Victorino, Member (out 11:11 a.m.)

EXCUSED: VOTING MEMBERS:
Councilmember Elle Cochran, Member
Councilmember Stacy Crivello, Member

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

Ella Alcon, Council Aide, Molokai Council Office (via telephone conference bridge)

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

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

ADMIN.: Sananda Baz, Budget Director, Office of the Mayor
Janice Yukiko Shishido, Deputy Director, Department of Housing and Human Concerns (BF-38(26))
Jeffrey T. Ueoka, Deputy Corporation Counsel, Department of the Corporation Counsel

OTHERS: Connie Parris, Mayor's Repricing Committee (BF-38(32))
Karin Phaneuf, Mayor's Repricing Committee (BF-38(32))
Joyce Kawakami, Executive Director, Feed My Sheep (BF-38(26))
Carolyn Franklin, Commission Support Clerk, Real Property Tax Division, Department of Finance (BF-38(32))
David DeLeon, Realtors Association® of Maui, Inc. (BF-38(26))

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Brian Hauser, Advocacy Coordinator, Aloha Independent Living Hawaii (BF-38(26))
Nancy Mahi, Personnel Assistant I, Department of Public Works (BF-38(32))
Laureen Perreira, Mayor's Repricing Committee (BF-38(32))
Lisa Darcy, former Executive Director, Hoomoana (BF-38(26))
Others (+10)

PRESS: Akaku: Maui Community Television, Inc.
Melissa Tanji, *The Maui News*

CHAIR HOKAMA: . . .*(gavel)*. . . Okay. We shall bring this Committee meeting to order, Members. This is June 28, Tuesday, 2016, this is the Council's Committee on Budget and Finance. We have two housekeeping bills for disposal this morning, Members. Before we take each item up independently for filing, we're gonna have testimony on this items. So, first of all, I'd like to acknowledge the presence of the Committee Members, Vice-Chairman Mr. White.

VICE-CHAIR WHITE: Good morning, Chair.

CHAIR HOKAMA: Good morning. And Committee Members, Mr. Carroll.

COUNCILMEMBER CARROLL: Good morning, Chair.

CHAIR HOKAMA: Good morning, Mr. Carroll. Ms. Baisa.

COUNCILMEMBER BAISA: Good morning, Chair.

CHAIR HOKAMA: Mr. Couch.

COUNCILMEMBER COUCH: Aloha and good morning, Chair.

CHAIR HOKAMA: Mr. Guzman.

COUNCILMEMBER GUZMAN: Good morning, Chair.

CHAIR HOKAMA: And Mr. Victorino.

COUNCILMEMBER VICTORINO: Good morning and aloha, Chair.

CHAIR HOKAMA: We excuse Ms. Cochran and Ms. Crivello. Testimony before this Committee is limited to three minutes max, you have no additional minute to conclude, so please follow the lighting on the podium to assist you with your time. You have three minutes, again, when the red light goes on that means you shall stop your testimony, just like in an intersection. Therefore, with that we're gonna ask, we

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have requests, so we're gonna ask first if Ms. Connie Parris will come forward and share her thoughts with the Committee this morning, please.

.BEGIN PUBLIC TESTIMONY. . .

MS. PARRIS: Good morning, Councilmembers.

CHAIR HOKAMA: Good morning.

MS. PARRIS: My name is Connie Parris and I'm a Clerk III with the Department of Public Works, as well as a member of the Clerical Repricing Committee. I helped to launch this repricing initiative over three years ago when a small group of clerks expressed their discontent with their salaries in comparison to the work they perform for the County day in and day out. It has been a long road that has had many detours and speed bumps along the way. We are here today fighting for approval of a budget amendment. We were last here in December of 2014 fighting for approval of the same issue. The difference between unskilled blue-collar laborers and clerks then was \$625 a month. We are now at \$800 a month. This number will continue to climb unless someone in power does something about it. We have proven our case time and time again. I doubt any of you will disagree with me when I say that County of Maui clerks should, at the very least, be getting paid as much as an unskilled laborer, janitor or parks caretaker. There is too much finger-pointing going on. Whether this is an employer, union or Council issue is irrelevant. This is an equality issue and is based on equal pay for equal worth. The County nor the State is paying clerks a fair wage for the work that they perform. As we have stated in earlier discussions, the prerequisites a clerk must have alone call for higher pay. Imagine your jobs without the clerks that assist you. How many of you realize that when they are out of the office for just one day how things seemingly, non-coincidentally unravel? Though we are at the end of this fiscal year and due to whatever reasons that this issue was not heard in January immediately after it was transmitted, we are here now. A new budget amendment for Fiscal Year '17 will be sent in along with the supplemental agreement to the current Bargaining Unit 3 contracts. I challenge you, Councilmembers, to hear that amendment the week after you receive it. Everyone, including this Council, the Mayor and our union all say they want to help, yet, here we are three years later and only the ones suffering are the clerks. Imagine yourself in this situation. Imagine around every corner encountering a roadblock and having a turnaround and navigate a new path. Let Maui lead this initiative in equal pay for clerks. Approving this amendment or a version thereof will be the first step in the long road ahead. Think of the many clerks you may personally know and how much of a difference you can make in their lives. Thank you.

CHAIR HOKAMA: Thank you for your comments, Ms. Parris. Members, any questions on testimony she has presented this morning? Thank you very much for being here. We'd like to ask this time, call up Karin Planeuf...Planeuf, excuse me.

MS. PHANEUF: Planeuf.

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CHAIR HOKAMA: Thank you for that correction.

MS. PHANEUF: Hi, Council. I want to thank you so much for putting this on the agenda. We're thrilled to finally get it at least in front of you. My name is Karin Phaneuf. I am currently the Administrative Officer for the Department of Parks and Recreation. I'm not a clerk, but in my job, I see the difference between what clerks make every single day and what unskilled laborers make every single day. As part of the written testimony I've submitted today is 136 different titles of clerks in this County and their wages and how it compares to unskilled laborer wages. And you will notice out of 359 clerks, 19 of those are male. So out of 359 clerks, this appears to be a definite gender issue. I know we don't want to talk about gender, but the world is talking about gender. You're seeing it every single day on television. This is not just a Maui County problem. This is a world problem. Movie stars are speaking out about it. Women soccer champions are speaking out about it. I would love to see our island be a leader in taking a stand on this. Women in the County, in the State are making \$10,000 a year less than a janitor. These clerks run the County. They run the State. And I do believe if we don't recognize this and take action, there is, I don't know what's gonna happen but these clerks are not getting paid what they deserve. They need to go, have two years of education or experience just to get a job. A janitor or an unskilled laborer, highway laborer, parks caretaker needs zero, zero, for \$10,000 a year more. To me that's criminal and we need to do something about it. Thank you.

CHAIR HOKAMA: Thank you for your testimony this morning. Members, any questions for the lady on comments provided? Thank you for your presence. Joyce Kawakami, if you would please come forward?

MS. KAWAKAMI: Good morning, Budget Chair Hokama, Councilmembers. I'm Joyce Kawakami from Feed My Sheep and I'm here to speak on the agenda item of increasing the funding for Family Life and Ka Hale A Ke Ola. Now the reason I'm here is because as you know, you all know me pretty well, I think, I have a real heart for those on our island who are underprivileged and we have an epidemic right now. One of my staff members at Feed My Sheep, her and her husband went out to look for a two-bedroom house for her, their son, they just had a new baby, born baby, they can't find anything under \$2,000. People can't live on this kind of thing, so we have to work on this because we have a hidden homeless problem. It's far bigger than those on the street. We do have a problem with the men on the street, who are an issue for people like my husband on Alamaha and all that, but we have to take some looks at some permanent housing. And I do believe right now is a good opportunity to go in that direction because, first off, it's not that visible at the moment that, compared to what it's going to be like next year. And we have a, some people that are players in this that are so high integrity that I would actually put my hands, my life in their hands like Monique Yamashita of Ka Hale A Ke Ola and then, Maude Cumming. These folks are really good at what they do. Their integrity is high and they love our island as much as I do and as much as you do. You know, I thank you very much for being who you are because each and every one of you sit here because you love this island so much because I wouldn't want your job. I work hard, long hours and I work nothing like you, so I know that that's your heart as well and what you decide will be for the

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betterment of our island, but we do need to look at our hidden homeless that are people who are having to live on the couches, in the backyards. I know people who have tents in the backyards of their mother's house. My own children live in my house because there's no way they can afford anything and they have good jobs. So we have an issue here that if we don't take care, do you remember what we called the Great Exodus back in the '70s? Well, I think we're looking at that again with our children and we would like to keep our local people here. And that's all I have to say.

CHAIR HOKAMA: Thank you for your comments, Ms. Kawakami. Members, any questions for the lady on testimony presented? I have one, Ms. Kawakami. Do you have some number or have you been able to quantify 'cause I understand what you're talking about, the hidden homeless. Lanai, we have a bunch of hidden homeless.

MS. KAWAKAMI: Right. Yeah.

CHAIR HOKAMA: So have you been able to quantify and give us a sense of a number out there in our communities?

MS. KAWAKAMI: We, there was some numbers done recently and I don't have them off the top of my head, but I think we could probably get some kind of, you know, the hidden homeless is tough.

CHAIR HOKAMA: I understand.

MS. KAWAKAMI: It's really tough. I would say, oh, close to 100 percent, maybe 75 to 90 percent of those I serve are hidden homeless because we serve the impoverished. You know, for me to say that and say...

CHAIR HOKAMA: So when you say that, Ms. Kawakami, when you say those, what are you talking about, 100 --

MS. KAWAKAMI: Well, we have 3,200 people.

CHAIR HOKAMA: --individuals, 2,000 people?

MS. KAWAKAMI: Yeah. Two thousand two five. We served 3,200 last year. To say it, I, you know, we might need to start doing some counting to get some better numbers for you. Just, you know, we do a survey. We're gonna be doing that this weekend and just start asking people, how many live in your household? We do get those numbers but where are they, several families, things like that. Those are not specific questions we ask. It's just something we know off the top of our heads. You know, it's just not a number we have at the moment, but I think that's something we could work on.

CHAIR HOKAMA: Okay. Well, thank you very much for your presence this morning. We shall go to our District Offices and ask if there are anyone that wish to share testimony with this Committee. Ms. Lono, Hana Office, anyone wishing to provide testimony?

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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 very much. I'm gonna ask Ms. Fernandez, Lanai, anyone wishing to provide testimony?

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

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

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

CHAIR HOKAMA: Thank you very much, ladies. In the Chamber, we would like to ask Carolyn Franklin if she would come forward and share her thoughts with the Committee.

MS. FRANKLIN: Aloha and good morning to all of you. I want to begin my presentation, first of all, by apologizing to anyone here who may have been offended or hurt by some of the communications that were done in our efforts to be heard, so please accept our apologies.

COUNCILMEMBER VICTORINO: Chair, can we have her identify herself, please?

MS. FRANKLIN: Oh, I'm sorry. My name is Carolyn Mildred Franklin. I am the Commission Support Clerk for the Board of Review for the Real Property Assessment Division. Okay?

CHAIR HOKAMA: Okay.

MS. FRANKLIN: Alright. So now that I've apologized, I am going to give you some statistics that I got from the *Washington Post*, CNN and Cornell University. This contains the power that we do have. We have the power to vote. We can vote people in office and we cannot vote for people. In 2012, Mr. Obama won on the women's vote. He had 55 percent, Romney had 44. According to the exit polls, more women vote than men. In Hawaii, Maui County, this was a statistic from the County Clerk, 4,000 more women voted than men in the last election. So when this issue of the repricing came up, I remembered when I worked in the hotels and I was a secretary for 10.58 an hour and the dishwashers were getting over 14. They told me well, that's because they have a union. So now we have a union. So we went to the union and said, what about this? And they said, well, it's up to your employer to set your prices. So we go to the employer and they go, well, you know, you have to talk to the union about that and maybe the County Council. So he doesn't do it, she doesn't do it, they don't do it, whose job is it? Why don't we make it our job? Everyone here to do something to

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right this inequality. Over 40 percent of the homeowners in this country are women, single women and we have to feed our children, educate them, clothes them, house them and feed them and we do it on less money than a man who is a single parent. This hurts us. It hurts our society and I think that's just about all I have to say. Remember that we have the power of the vote and this is unfair. Thank you.

CHAIR HOKAMA: Thank you, Ms. Franklin. Any questions for the lady on her testimony? Thank you very much. David DeLeon, please. Okay. Take your time, Mr. DeLeon.

MR. DeLEON: Good morning and aloha.

CHAIR HOKAMA: Good morning.

MR. DeLEON: I'm Dave DeLeon representing Maui's 1,500 licensed professional realtors. I'm speaking in favor of the funding of the Mayor's request for the creation of a section in the Department of Housing and Human Concerns to deal with the homeless crisis and for the acquisition of shelters to be used in sanctuaries for housing-challenged neighbors. We understand the reluctance to engage in this growing problem. This is a new, expensive undertaking. But RAM believes that this is a responsibility that our community can no longer avoid. Shelter is a basic human need. While some of those folks are undoubtedly from elsewhere, others are local families all from with young children struggling to survive. Roughly, one-third of our population are paying 50 percent or more of their income on rent. They live one car breakdown, one fight with the in-laws, one major illness away from finding themselves on the beach. The margin between being housed and being homeless in Maui County has shrunk because our community does not have excess housing. Lose your home, your current home, and it may be a long time before you find a new one. Our association, along with the County's Department of Housing and Human Concerns and the Maui Homeless Alliance recently sponsored a Landlord Summit in order to seek out any remaining, unutilized dwelling units. We did that because we have families with Section 8 vouchers who can't find anything to rent. The stories you can hear will break your heart. So, while the Mayor is proposed, what the Mayor is proposing is going to be expensive, it ultimately will be more expensive to allow this situation to go unaddressed to fester. Homelessness is a crisis for both the homeless and for the community as a whole. Being forced to live in the elements without proper shelter is unhealthy, debilitating and can lead to crazy behavior. Having thousands of these individuals in this condition wandering around our community cannot but have a negative effect on all of us. That is why we believe it's a long pass time that we act. The proposal recognizes that it's, to seriously address homelessness, we need to have someone in government focused on it and we agree with that. And that would be where, I would think that numbers that Mr. Hokama is asking for would come from, be an agency like that, not necessarily the folks out there in the field trying to make things ...*(inaudible)*... moment to moment. I got one more paragraph and I'll be done.

CHAIR HOKAMA: Go ahead.

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MR. DeLEON: We believe that the proposed sanctuary plan is a good first step. As the plan states, it must be followed up by the expeditious development of transitional housing and ultimately a greater, a greatly increased development of housing our working population can afford. But for now, let's just take that first step. Mahalo.

CHAIR HOKAMA: Thank you, Mr. DeLeon. Members, any questions for the gentleman on his testimony?

UNIDENTIFIED SPEAKER: No.

CHAIR HOKAMA: Thank you very much. Brian Hauser, please? And following Mr. Hauser will be Ms. Nancy Mahi.

MR. HAUSER: Aloha. Good morning. Appreciate, Councilmembers, the, being able to testify. My name is Brian Hauser and I'm with Aloha Independent Living Hawaii. We serve people...

COUNCILMEMBER COUCH: Mr. Chair, can he get a little closer...

CHAIR HOKAMA: Yes.

COUNCILMEMBER VICTORINO: Get closer to the mic.

MR. HAUSER: I'm always afraid because I have a big voice to begin with. Okay. Thank you. Is that better? Not better. Better?

COUNCILMEMBER BAISA: Not much.

MR. HAUSER: Not much. Okay.

COUNCILMEMBER VICTORINO: There you go.

MS. BAISA: There you go.

MR. HAUSER: Okay. Great. So, I'm Brian Hauser with Aloha Independent Living Hawaii and we serve individuals with disabilities and I'm here today very happy that the Council is turning their focus to address issues of homelessness and looking for proper solutions. A lot of people who are the large majority of individuals who are homeless are also persons with disabilities, we ask that the Council also consider accessibility issues. So, again, you know, and we find that all agencies that work together with the Maui Homeless Alliance, but also with the MDA, the Maui Disability Alliance as well, are concerned about these issues and addressing the homelessness, but also low income and making sure that these places are accessible to our kupuna and also to individuals with disabilities. So thank you very much for allowing me to testify.

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CHAIR HOKAMA: Thank you, Mr. Hauser. Members, any questions for the gentleman?
Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. And thank you, Mr. Hauser, for being here. You said a large portion of homeless are also people with disabilities? Did I hear that right?

MR. HAUSER: With various disabilities because disabilities include everything from mental health to physical to sensory disabilities, so there's a very big crossover between the two.

COUNCILMEMBER COUCH: Do you have a percentage?

MR. HAUSER: I can work on getting that to the Council.

COUNCILMEMBER COUCH: Okay. Thank you.

MR. HAUSER: Okay.

CHAIR HOKAMA: Any other questions for the gentleman? Having none, Mr. Hauser, thank you for your presence. We'd like to ask Nancy Mahi if she would come down, please? And following Ms. Mahi will be Lauren Perreira.

MS. MAHI: Good morning, Council Chair Riki Hokama.

CHAIR HOKAMA: Good morning. Good morning.

MS. MAHI: And good morning, Councilmembers. My name is Nancy Mahi and I am a Personnel Assistant with Department of Public Works for the County. I'm here in support of the Clerk Repricing Committee. I'm very nervous today. This is my first time being a part of your meetings. I did work for the Planning Department when I joined the County in 2014 as a clerk, so I guess I've been in their shoes. And I am here to try and testify in support that how we value our employees, how we value those in our community and support their livelihood is going to have a very direct relation on the support and value of our community members. I'm very grateful for the time and energy you expend here. I thought homelessness was a very interesting other agenda item to be in connection with the clerk repricing today. Simply because I can imagine how many of the women and coworkers that I worked with, that many of us are probably that one paycheck away from potential homelessness and many of us probably rely on other community resources to assist us. I guess today I have been impressed with, there was a press release that you had put out on June 23rd and there was two questions that Councilmember Hokama asked and those were first, how will the Administration fund these programs? That is an excellent question and that is something that I know is a weight that goes on your shoulders. I know as we budget our own personal finances in our homes, we have to determine what is most valuable and what is not and, again, I hope that you will find that showing equal pay for equal worth is valuable. I know that there was, or I was told earlier, that there had been

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funds appropriated back in 2014 for this repricing effort. And I do hope that if those funds were once potentially available, that they could become available again, but I know that will be through your hard work and efforts and looking through the budget with a fine-tooth comb. The other question that you asked in the press release was what is the justification for the proposed salary increases that should have taken place during contract negotiations? And I guess in support of Carolyn's thoughts is that the union is so much more than just the County clerks. When, I actually prepared, but I don't see I'll have enough time, but just the unskilled labor list with the Janitor versus a Clerk III, incoming pay is \$3,076 for a Clerk I and \$2,406, almost a \$670 gap between these incoming women who require...anyway, I'll prepare these statements, but just the qualifications are very vast and the respective job duties. So, I mean, \$670 for me is dependent daycare, so just a huge issue in what can be comprised. And I know that, I guess, your decisions will be very helpful in supporting us and I know it would make a difference in my life and the lives of my coworkers and it could be a very valuable benefit to us as, you know, your neighbors, your friends, your coworkers and we do appreciate your time and consideration.

CHAIR HOKAMA: You did very well, Ms. Mahi, so thank you for sharing your thoughts with the Committee. Members, any questions for the lady on testimony shared this morning? Those items, if you'd like to share it with the Committee, please give it to the Staff and we'll make sure that each Member has a copy of those documents.

MS. MAHI: I will, thank you so much.

CHAIR HOKAMA: Thank you. Ms. Perreira, please, you're next and following Ms. Perreira will be Lisa Darcy. Good morning.

MS. PERREIRA: Good morning, Council Chair Riki Hokama and Councilmembers. I'm an active member of the Repricing Committee for the clerical series appointed by Mayor Alan Arakawa.

COUNCILMEMBER VICTORINO: Chair --

MS. PERREIRA: For the past three...

COUNCILMEMBER VICTORINO: --can we get her name, I'm sorry, just...

MS. PERREIRA: My name is Laureen Perreira.

COUNCILMEMBER VICTORINO: Okay. Thank you.

MS. PERREIRA: Welcome. And appointed by Mayor on his Committee for the past three years. We are trying to achieve pay equity among the clerical classes of work within the County of Maui. Men employed by the County of Maui make more than women, more than their women counterparts, excuse me. I started working for the County as a Clerk Typist III 11 years ago and on September, excuse me, back in December of 2010, I was promoted to an Administrative Service Assistant with the Public Works,

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Highways Division in Makawao. Even after 11 years and a promotion, I'm still earning less than a laborer starting pay. I believe a higher value is being placed on physically demanding work that is performed by men compared to the intellectually demanding clerical positions held by women. We work hard, often under pressure and have a lot of demanding daily tasks. I feel our pay is not in line with our education, training skills, knowledge and ability. As the cost of living increases, so does our list of job duties and added responsibilities; however, our salaries do not result in financial, excuse me, our salaries do not, resulting in financial hardship and the burden of living paycheck to paycheck. Furthermore, leaving us with nothing left to put away for our retirement. Please consider a solution to close the pay gap between men and women. We have been patient and deserve to be valued for our work. We are pleading you to take action on this important issue. It'll mean a better quality of life for all of us. Thank you for your time.

CHAIR HOKAMA: Thank you for your thoughts this morning. Members, any questions for Ms. Perreira on her testimony? Having none, Ms. Perreira, we thank you for joining us.

MS. PERREIRA: Thank you.

CHAIR HOKAMA: Ms. Lisa Darcy, next please.

MS. DARCY: Good morning, Chair. Good morning, Council. My name is Lisa Darcy and I am the former Executive Director of Hoomoana Foundation and I'm now a consultant, but I'm also a very active community member with this very, very, very large agenda. I just have to say based upon what I have read that was on online, so I'm only speaking to what the packet that I've received online. I'm unable to support the Mayor's proposal for and I believe it's BDBA 1642. And I say this with caution. My goal here today is to offer a point of view that will ultimately strengthen this proposal. I've been trained as a critical thinker and as someone who is always focused on evidence-based practices. In the proposal, there is a suggestion to make three staff lines at a County level and I think this is really positive. They need to be added and they needed to be added for a long time. I've actually asked Mayor quite a long time ago to consider these so I'm happy to see that, but along with that, if we truly want to make an impact we need to add multiple staff lines to multiple agencies in my opinion. If the goal of this money is to just get people into some shelter I think it will work; however, we can't address this in a silo. And what I think this proposal does is it addresses a silo. We need to become more cognizant of individuals becoming self-sufficient. And the goals of the shelters are generally to get people hooked up with government assistance. The role I've played in this community is to really get people off of government assistance and to become self-sufficient in the community itself. I recognize that this proposal is also only addressing like 12 percent of the homeless that are unsheltered population, that's the really critically ill and needy individuals. I think my questions and my point of view comes from, it begs questions that I didn't see really any input from the Maui Memorial Center, the ER, I wasn't able to ascertain whether Aloha House was involved or Drug Court or Sober Living Program, Mental Health Kokua. I don't know where their voices is and their ability to house people and their critical need to house, also,

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Steadfast Housing, Maui Mental Health. It's really important I think to understand where they come from. Maui Disability Alliance. I'm an active member of the Maui Homeless Alliance and this has never come before us in the Maui Homeless Alliance. Those pieces cannot be overlooked if you are really going to put a proposal together that is going to get people from not just a place where they're going to have no rain on their shoulders, but actually a place where they're going to get healthier. And I know the three minutes is up. I have so many comments on this that I just, I hope get considered. And 'cause, yeah, the way this stands, I really feel that this is not going to address anything long term whatsoever and it may only produce a very short-term solution. And please this is of no disrespect to everybody who's working their heart out in the community who's doing this, but we don't have the oversight to connect all these and if we're going to move forward, we have to have that. That's, yeah, pages.

CHAIR HOKAMA: Thank you for your testimony, Ms. Darcy.

MS. DARCY: Thank you.

CHAIR HOKAMA: Members, questions for the lady on her testimony? If you have additional information you'd like to share, we will and we do receive written testimony, Ms. Darcy, so if you have additional things you'd like to submit, we are happy to receive it.

MS. DARCY: And what point is the cut off if I don't have that this morning? May I submit it?

CHAIR HOKAMA: You can submit it to the Committee.

MS. DARCY: Okay. Mahalo.

CHAIR HOKAMA: We'll...yeah, I have no problem receiving the information.

MS. DARCY: Okay.

CHAIR HOKAMA: So, no questions, Members? Thank you very much for your presence, Ms. Darcy. Is there anyone else in this Chambers that would like to give testimony on any item that we have agendized for today's meeting? Okay. Having no one coming forward, I will go to the District offices one last time. Ms. Lono, Hana Office, anyone would like to give testimony?

MS. LONO: The Hana Office has no one waiting to testify.

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

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

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

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

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CHAIR HOKAMA: Thank you for your assistance, ladies. Members, with no further request for testimony, we shall close testimony for today's meeting.

COUNCILMEMBERS: No objections.

CHAIR HOKAMA: Thank you. We have also received communications as part of testimony, so with no objections, we shall receive those items.

COUNCILMEMBERS: No objections.

CHAIR HOKAMA: Okay. Thank you very much.

. . .END OF PUBLIC TESTIMONY. . .

ITEM 38(26): AMENDMENTS TO THE FISCAL YEAR 2016 BUDGET
(GRANT TO MAUI FAMILY LIFE CENTER; GRANT TO KA HALE A
KE OLA; ESTABLISHING A HOMELESS PROGRAMS DIVISION;
AND ACQUISITION OF SPACEMAX SHELTER UNITS) (CC 15-164)

CHAIR HOKAMA: May I direct you, Members, to Item 1 on the agenda for today. It is the BF-38(26) under the heading of Amendments to the Fiscal Year 2016 Budget, specific Grant to Maui Family Life Center; Grant to Ka Hale A Ke Ola; Establishing a Homeless Program Division; and Acquisition of Spacemax Shelter Units. This is a communication dated November 25, 2015 from Mr. Baz, our Budget Director, who has transmitted, one, two...two proposed bills, a Certificate of Additional Revenues for Fiscal Year 2016 to meet those requirements of the two proposed bills. The third proposed bill regarding bond/lapsed bond funding as well as a final proposed bill that deals with a general obligation bond consideration. What the Chair has done is I've made a timeline chronological so you can see upon receiving of the communications, what your Chair has done in a chronological manner, and have we distributed this to the Members? Okay. So, Members, you have before you a chronological timeline of how this subject is before your Committee. You will see it starts in October 16 of 2015 when Governor Ige signed a proclamation regarding the subject of homelessness. November 25th is when Mr. Baz transmitted four proposed bills that the Chair has just read. On December 4th, the Mayor transmitted additional five proposed bills regarding homeless and those five bills were referred to PIA. December 10th of 2015, your Chair requested for a special meeting to discuss the amendments to this current year's Fiscal Year Budget relating to homeless and the Affordable Housing Plan. Okay. December 11th, we also received from Mr. Baz revised bills increasing the bond request for Spacemax units, as well as the revised bill increasing bond authorization up to \$990,000. Again, because of the timing of the year and other requirements of Members, you will see that upon our conduct of a poll to hold a special meeting on this subject, we could not get quorum for a December 29th meeting. On December 14th, your Chair sent correspondence to the Director of Housing and Human Concerns requesting an explanation of how the Department intends to offset new costs of services and its burden on the General Fund. On December 22nd we received from the

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Director of the Department a response to your Chair's letter. December 24th, Christmas Eve, the Governor signed a second Supplementary Proclamation, which remained in effect 'til February 2016. January 5, 2016, the Mayor did transmit the CDBG or Community Development Block Grant Program for the Fiscal Year 2016/Fiscal Year 2017. Okay. And you know that, in that submittal, there was no request for this subject area. January 26, your Committee held a Committee meeting including public testimony and discussion on the proposed bills. And I would tell you that as far as my records are concerned regarding that meeting, we had five testimonies, three individuals and two from associations not related specifically to the homeless or housing program, so not one entity showed up for that meeting. On February 2, 2016, your Chair also had follow-up questions to Joy Ruckner [sic], interim CEO of Ka Hale A Ke Ola, as well as correspondence to the Director of the Department regarding various information on the County's homeless program. February 8th, we have the response from Ms. Ruckner [sic]. February 16th, we have the response from the Director of the Department. Okay. February 19th, Lt. Governor Tsutsui signs the third Supplementary Proclamation regarding homelessness. February 24th, we receive another correspondence from Ms. Rucker responding to your Chair's letter of February 16th. March 24th, the Council receives the Mayor's proposed budget for Fiscal Year 2017 where there's proposed expansion program for the next Fiscal Year requesting eight months' worth of salary for positions for new, for the new homeless program. There's also proposed increase for grant line items for the homeless program in Fiscal Year 2016. You, the Members, adopted a homeless program item, grant item for 641,000. In the new current fiscal year to start in 2 days, you have appropriated \$1.186 million over the Fiscal Year 2016 of \$545,000. Okay. There was no request for CIP projects or funding relating to the homeless matter in that submittal. Further, in your Committee's review that you sat in, Members, CDBG funds did not focus on any homeless subject, no proposal to use the Affordable Housing Fund to address homeless population or housing needs. April 20th of this year, your Committee held a discussion, where the Department of Housing Concerns [sic], the Director stated her request for funding for a new division under the Department. We also asked the Deputy Director what coordination was made for homeless programs with the \$15.4 million that the Council has given the Department from 2011 to 2016 and we were informed that most of these monies went towards many of the agencies who are part of the Homeless Alliance agency group. Mr. Victorino further requested clarification on the use of the land immediately across from Kahului Foodland, is an area planned for Exo shelters and other expanded services. Mr. Baz at that date also acknowledged that \$1.186 million in funding, proposed by the Mayor, was to be used for services for homeless individual only with no plans for a facility in this area. April 22nd, Governor Ige signs the 4th Supplemental Proclamation. And then we have also received from Mr. Baz another transmittal for a proposed bill for an ordinance amending the 2016 fiscal year as it pertains to the requirements of the Department of Fire and Public Safety; they also sent with that, a Certification of Additional Revenue to fund that request of \$1.5 million. Okay. And as the correspondence stated that you have received, Members, the proposed increase will be generated by the recertification...recertification of \$1.5 million in Carryover/Savings of General Fund that was previously certified for amendments that was not to be passed for this fiscal year. We met on this item 38(56) on April 29th.

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The Council passed Bill 47 on June 20th with second reading for June, I mean, May 20th and second reading on June 3rd. April 25th I presented to you the 2017 Budget Proposal. On the 26th of that month, the Director gave her comments regarding the expansion items and that we revisit the Affordable Housing Fund for 2016, the First-Time Homeowners Down Payment Assistance Program and the CIP team and the Department of Management. April 29th, let's see, your Committee met and discussed BF-38(56), which was an amendment to the Fiscal Year 2016 relating to the Department of Fire and Public Safety. You will find, Members, for, on the record that I asked, where did the \$1.5 million Carryover come from? At that point in time, representation from the Budget Office stated Carryover/Savings came from two previously proposed budget amendments. One for the Department of Housing and Human Concerns for the homeless program and one for the clerks increases that we did not, that we expect not to be approved, so there was an assumption made. Okay. June 3rd, we passed, Council passed the Fiscal Year 2017 Budget on second and final reading, which was Bill 62, Draft 1. And the Mayor did sign the Budget and returned it to the County Clerk. In June 21st of this month, Governor signed a 5th Supplemental Proclamation on homelessness. Okay. So, I understand and I appreciate all the testimony we have received so far. The reality is, there is no money to fund these two bills at this point in time, Members. It has been decertified to fund at what we felt at that time was the requirement to fund what Fire had already expended in their budget shortcomings. So, at this point in time, is there any questions to your Chair regarding the chronological order of how this Committee has received and addressed these two subjects?

COUNCILMEMBER VICTORINO: No, Mr. Chair.

CHAIR HOKAMA: Okay. So, on this first item regarding the homeless program, I'm gonna ask first, Mr. Baz, if you have any comments you would like to share? I also have the Deputy of the Department, Ms. Shishido, available and any of her personnel that if she feels appropriate to be able to come down and respond to any questions from Members of this Committee. Mr. Baz?

MR. BAZ: Thank you, Mr. Chair, and we appreciate the recap. We might have a discrepancy on a few minor items, but in general, the recap was a good understanding of what has transpired over the last six months or so. And we do also want to acknowledge that the two positions in the FY '17 Budget for the Human Concerns program, specifically, for the Homeless Division are very much appreciated as those are part of our original request there and then, also, the additional Affordable Housing Coordinator in the Housing Division will assist the overall problem of affordable housing. So, again, we are appreciative of the Council's support in those areas. As far as the budget amendment originally transmitted on November 25th is concerned, the \$1.1 million that we mentioned for grants was specifically related to the additional requirements of adding those Spacemax units. And so the other two bills that were in that transmittal that weren't mentioned there are the bond requests for, there originally was 12 Spacemax units and then the Department and Department of Management wanted to increase that to 18 total Spacemax units based on the available spaces at the locations, at Ka Hale A Ke Ola, Wailuku and Lahaina, and at Family Life Center. So

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we, in the FY '17 Budget, we did request additional funding in the homeless programs for that support, hoping that the Spacemax shelters would be purchased and be able to put into place. Council did fund an additional \$359,000 specifically in the homeless programs from \$641,000 to a million dollars and again, that's very appreciative and, you know, we're looking at ways that we can use that money to impact. The other thing that we, and initially, Mayor had included in Phase 2 of the request was some mental health support for those that are diagnosed with mental health issues that are homeless and we had requested \$200,000 and Council funded \$100,000 of that. So that was again, very appreciative of the support that Council gave for the Fiscal Year '17 Budget. The main concern that the Mayor had and the reason for the implementation in correspondence with the Governor's proclamation was specifically about the shelters. For those shelters to be put into place, we needed to do that during the proclamation period. And because of, during that proclamation period, it allows us to waive zoning and building requirements. So that was really the rush to purchase those buildings and to be, get them to be put into place. If, you know, we'd like to continue this and work on, you know, what we've got so far and we'll probably be submitting a budget amendment shortly to see, okay, what is it that we can do now. There was two presentations by the Mayor to the Council in special Council meetings. And we appreciate Chair White for allowing the Mayor to come down and present to those and in there, there was the short term, which was mentioned in and there was, also, long term that was mentioned as well. And I think the testimony that was presented here this morning neglected to look at the long-term items that the Mayor had presented at that point. And then, along with, you know, in the PIA Committee, there are items in there that are related to other things, you know, for homelessness that we haven't been pushing too hard on because we wanted to make sure that we had a space for them to use the restrooms and to be clean before we forced it on them like that. We wanted to give them the alternative. So, you know, those are still high-priority items, but getting the shelters and getting people in safe housing units is something that we had made a priority. So my opening comments, Mr. Chair.

CHAIR HOKAMA: Thank you very much. Ms. Shishido, you're welcome to join us and if you have any thoughts you'd like to share with the Members of the Committee, we'd, are very open.

MS. SHISHIDO: Thank you.

CHAIR HOKAMA: Thank you for joining us.

MS. SHISHIDO: Good morning. My name is Jan Shishido. I'm Deputy Director of Department of Housing and Human Concerns. Good morning, Budget Chair --

CHAIR HOKAMA: Good morning.

MS. SHISHIDO: --Hokama and Councilmembers. My statement is ditto on Budget Director Baz, but I do want to continue with homeless, homelessness, chronic homeless, veteran homeless, homeless families and RHYS, r-h-y, runaway homeless youth. Yes,

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the RHYs are on the rise, no pun intended. I just wanted to be sure to reiterate Budget Chair Baz's, sorry, how the Department is very appreciative of the addition of the two positions in the Homeless Division and these positions will be able to give continuity and provide Maui County the lead for organizing the coordinated entry system for the homeless. This is going to be a coordinated effort by agencies and able to better house the homeless. I really want to thank the testifiers this morning as well as the Maui Homeless Alliance Chairs that are here and the members that have come to support this bill. Moving forward, we just want to, just letting you know that we are very, very concerned about Maui County and the homeless population, so just wanted to say thank you for all that you have supported us with and moving forward. And on behalf of Director Reimann and myself, we would like to take this opportunity to say thank you as we come to the end of Fiscal Year '16 and to thank you for your support and continued working together with the Department of Housing and Human Concerns. We look forward to a great Fiscal Year '17 ahead, and then, of course, I would be remiss if we do not acknowledge our hardworking DHHC division heads and staff for their tireless and hard work for our Maui County. So, thank you, Department of Housing and Human Concerns, and thank you, Council.

CHAIR HOKAMA: Okay. Thank you, Ms. Shishido. Members, questions for Mr. Baz or Ms. Shishido at this time? Ms. Baisa?

COUNCILMEMBER BAISA: I listen interest, with interest to the idea that they're gonna have two positions. Originally, they wanted more, but now we have two. Does that, can you function with that for now?

MS. SHISHIDO: Yes. Thank you.

COUNCILMEMBER BAISA: Okay. So what you really need from us now is the equipment or the stuff, the shelters?

MS. SHISHIDO: Yes.

COUNCILMEMBER BAISA: Okay. I just want to be sure that I know what the priority is here. Thank you. I'm okay, Chair.

CHAIR HOKAMA: Thank you.

MS. SHISHIDO: Chair?

CHAIR HOKAMA: Yes, Ms. Shishido?

MS. SHISHIDO: Just to really clarify that, you know, moving forward with homelessness, the real...and for State and national also, the real focus is on housing, permanent housing.

COUNCILMEMBER BAISA: I understand.

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MS. SHISHIDO: And you're gonna hear a more defined way of when you hear about housing first, it'll, you'll hear housing focused, that's kind of like the new term that's out there now. So again, thank you.

COUNCILMEMBER BAISA: Chair?

CHAIR HOKAMA: Yes, Ms. Baisa?

COUNCILMEMBER BAISA: Chair, I totally understand that, you know, the only way to solve this is that we're going to need a lot more permanent housing; however, we have a situation and when you have a crisis kind of situation and in my opinion it grows every day. I travel all over the place and everywhere I go, I'm beginning to see it more and more to the point where it's very frightening. You know, it's not unusual to see a whole bevy of carts along the side of the road, wherever you go, whether I'm close to Krispy Kreme and Denny's or over in Alamaha, you know, it's just everywhere. I see it right down here by the telephone company nowadays. It's becoming, you know, there's quite a few people there. So it seems to be spreading and yes, we have some major work to do long term, but I'm thinking what can we do short term? So that's where I'm coming from. Thank you, Chair.

CHAIR HOKAMA: Okay. Thank you very much. Mr. Couch, any questions for Mr. Baz or Ms. Shishido?

COUNCILMEMBER COUCH: A ton, but I'm not sure that this is the...I think in Ms. Crivello's Committee we should --

COUNCILMEMBER BAISA: Yes.

COUNCILMEMBER COUCH: --really get further into this. But for this, you know, we know that we need more affordable rentals. I mean, that's, we're working on that the best we can here. Have you looked at other programs and other locations that provide affordable rentals outside of the box? I know that Austin has a really nice, little, tiny home village that they rent at very, very reasonable prices and they're very successful. Have you looked at things like that?

CHAIR HOKAMA: Ms. Shishido?

MS. SHISHIDO: Chair? There are many, many programs out there, yes, and we have been looking at many of the tiny homes projects. Then, of course, it all comes down to where and not in my neighborhood and we just need a lot of support in finding the land because we have looked into the mini houses, micro units, even containers to be transformed into housing, so the answer is yes.

COUNCILMEMBER COUCH: Okay.

MS. SHISHIDO: Chair?

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CHAIR HOKAMA: Ms. Shishido?

MS. SHISHIDO: I just wanted to share that with Councilmember Crivello's Committee on July 12th, we will be presenting the Maui Homeless Alliance and give you an overview of what is engaged and what goes on. So that's coming up, as well as on Thursday, we will be vacating the River Mouth area and I personally went yesterday to deliver a dumpster, so they know that we're coming and got to talk to many of the people there saying that thank you for bringing the dumpster so that we can put our debris. The other meetings that we're going, that's moving forward is the Kanaha Beach Park situation with the homeless as well. And I think the reason why I make these comments is because you're gonna, we're saying that the departments, the collaboration of the many departments are coming together now and really focusing on trying to, not trying, we're really doing a collaborative effort of the homeless issues here in Maui County. Thank you.

CHAIR HOKAMA: Thank you. Anything else, Mr. Couch?

COUNCILMEMBER COUCH: That opened up another whole line of, but again, that's probably for Ms. Crivello's Committee. Thank you.

CHAIR HOKAMA: Yeah. Let's stick more to the budgetary aspects of the request, please. Mr. White?

VICE-CHAIR WHITE: Thank you, Chair. My understanding of the proclamation is that it does not apply to permanent housing. It's only applying to transitional housing, is that still correct with the fourth proclamation or the fifth proclamation?

CHAIR HOKAMA: Mr. Baz? Ms. Shishido?

MR. BAZ: Yeah, Mr. Chair, from the initial presentation that Corporation Counsel provided to the Administration on the proclamation, it's based on the intent of the homeless proclamation, right, so the waivers of State and County laws would be based on the intent of solving the homelessness. Whether that means temporary housing or permanent housing, I'm not aware of. And I don't know if our Corporation Counsel has, is ready to answer any of those kind of questions.

VICE-CHAIR WHITE: We have the proclamation here? Do you have...

MR. BAZ: I don't think we have the latest version. I have an older version, but not the latest version.

VICE-CHAIR WHITE: Okay. Because my recollection was that we were limited to providing transitional housing and I think most of us accept the fact that the real challenge is we have very little permanent housing that's available and so the transitional housing seems to be getting overloaded with people that are staying for longer periods of time than would be considered transitional. So I, and Chair, I'm not sure that, I think Maui probably needs to focus on transitional housing as well as permanent housing. But

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on Oahu, we were given information yesterday that of the homeless shelters, the occupancy is only 50 percent because the people don't, the people that are out there don't want to be, I guess, for lack of a better word, constrained by the rules of a shelter and so just building the shelters doesn't solve the problem. And I appreciate the collaboration between the Department and the Homeless Alliance because I think it does require not just physical facilities, it requires the human services touch to make sure that we're protecting those that are exposed to those that have mental problems or drug problems and bringing them into a more protected housing situation. But again, I think the, our real challenge is a lack of permanent housing. Anyway, I'll look forward to the presentation in Ms. Crivello's Committee, thank you.

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

COUNCILMEMBER VICTORINO: No, most of the questions have been asked, Mr. Chair, and I'm keenly aware of it and I, too, was down at River Mouth the other day and it was pretty bad. So thank you for bringing the dumpster because I, one of the concerns we had was how do we get rid of all that refuse that they have piled up down there already. So thank you, Jan, for doing that. We appreciate that. So thank you, Chair.

CHAIR HOKAMA: Okay. Thank you. I appreciate your questions, some of your comments, Members. Again, we're more concerned this morning regarding the budgetary component of this subject. We will allow Chair Crivello, as the subject matter Chair, to delve more into the actual policies and program itself under her Committee's jurisdiction. Before I make a recommendation on what is before you this morning, I will tell you, Mayor Arakawa and I, have had some good discussions recently and the media has made it so that there seems to be a wall between us. Yes, we have our disagreements. We're two hard-headed men --

COUNCILMEMBER VICTORINO: Not...

CHAIR HOKAMA: --that had at times, differences of priorities, okay, but I never questioned the Mayor's intent on that he's trying to do what he feels is best for this County. Okay. I don't question the intent of the Mayor at all. We argue on what is the priorities of certain subjects and so I say this because the Mayor and I have agreed to continue to improve our communications and we will be looking at finding more common ground regarding the homeless issue so that we can do what is appropriate within the responsibilities and purview of your County. My discussions with the Mayor has been it's great to have a Governor's proclamation, but being aware of the size of their surplus, I'm disappointed the Governor has not put more financial resources to the County's disposal to help move his initiative forward. Okay. Understanding the State Constitution as I do, it is clear who has the responsibility regarding this community crisis. Okay. It's solely on the responsibility that the people have made in '78 placing the State government as the key government agency to respond to this issue. And the County should do its part to assist the State, but in no way should the counties feel that we should take the State's responsibility on our limited financial generation components and fund what should be State General Fund support for us. The Mayor and I have discussed this. We have some agreement in

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this general area of General Funds and I have, I'm assuring you this morning, Members of this Committee, that the Mayor and I have come to agreements to have very near future multiple meetings to discuss how we can jointly as a County government move this subject forward. Okay. And so I can tell you that there is communication between the Mayor and I, direct communications, and it's just been between the Mayor and I, no intermediaries, no alternates, no delegations. It is, the Mayor and I have had a great open, sincere discussion of a serious matter before this County and we are committed to finding common ground and to move forward those areas of common agreement. Any questions for your Chair on this item?

COUNCILMEMBER VICTORINO: No.

CHAIR HOKAMA: Okay. If not, Members, your Chair's recommendation is to file all communications as regards to item BF-38(26).

VICE-CHAIR WHITE: So moved.

COUNCILMEMBER VICTORINO: Second, Mr. Chair.

CHAIR HOKAMA: We have a motion by Mr. White, seconded by Mr. Victorino. Members, any discussion on the motion before you? Having none, all in favor of the motion, please say "aye."

COUNCILMEMBERS: Aye.

CHAIR HOKAMA: Opposed say "no." Motion passes with six "ayes," three excused, Ms. Cochran, Ms. Crivello, and Mr. Guzman.

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

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmembers Cochran, Crivello, and Guzman.

MOTION CARRIED.

ACTION: FILING of communication by C.R.

CHAIR HOKAMA: And we thank Deputy Shishido for her participation.

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ITEM 38(32): AMENDMENTS TO THE FISCAL YEAR 2016 BUDGET
(SALARY INCREASE FOR BARGAINING UNIT 03
POSITIONS) (CC 15-164)

CHAIR HOKAMA: The next item, Members, of importance before the Committee is BF-38(32). And this is again under the Amendments to the Fiscal Year 2016 Budget. The subheading is Salary Increase for Bargaining Unit 3 Positions. We have received testimony from various employees regarding their concerns of pay inequity. They have put forth an attachment that we have received that shows and we appreciate this document whoever put this together, regarding laborers as well as Bargaining Unit 3. And while I can appreciate the testimony that their bargaining unit union has more than Unit 3, Unit 3 is still a very, very large unit and it amazes me that some of their concerns have not been addressed on the bargaining table being such a large, large unit. And it impacts not only County clerks, but it should also be, will impact State clerks in Unit 3. So again, Members, I would just say that this is not just a Maui County issue. As we heard from testimony is all the counties is about the State as an employer, since we do Statewide contracts and impacts all clerks within Bargaining Unit 3. I think they brought forth a very good attachment for us to get factual numbers and they've even listed it by job titles. So you can see whether it be an Abstract Assistant, Water Services Clerk, Senior Services Aide, Legal Clerks, Election Clerks, DMV, they have been very precise and detailed in their exhibit showing us what they believe is very inappropriate pay equity regarding certain other classes. Okay. I am happy that we are having this discussion. I am happy the clerks are here to share their thoughts and to also listen how we might want to move forward. They know, we know, Members, that the current union and the employers are in negotiations on Unit 3 contracts. We have not been given a status. I am hoping that both sides are being very serious in addressing the pay equity concern because that's where it should be dealt with and presented back to the units because there's two things that's gonna have to happen. They're gonna have to go back to Unit 3 and if it's appropriately addressed, they'll ratify their new contract or not. I expect them not to be very happy and consider not ratifying the contract. And, then, second would be the additional cost that we would then be presented with a contract proposal to fund what is that now new agreement. I'll ask Mr. Baz, because I think as part of our meetings with the clerks we had, items were brought up that I felt was very pertinent in our discussion with our representatives from Unit 3 and that is, of course, to make any repricing agreement become implementable. As your Chair understands the process and the agreements, if we do this outside of a new contract, the current, we would need a supplemental agreement. And I don't know exactly if June 30 is the drop dead clause for the current contract, Mr. Baz, or what is the current language on length of this current contract before the new contract. Again, rightfully so, any amendments to pay scale, have the employer/representatives talked about the impact of the repricing as well as the costs? Is there any potential impacts and adjustments to Bargaining Unit 1 requirements? And have we been upfront with our employees regarding, besides repricing, re-description and reclassification of jobs so that they are in the right compensation category? Mr. Baz, any opening comments?

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MR. BAZ: Sure. Thank you, Mr. Chair and Members. The budget amendment we presented was based on amendment to the Fiscal Year '16 Budget, which we estimated the amount of funds needed to cover, and it's not really repricing. I want to make that clear to the Council. Repricing would be changing the salary-range dollar amount. So you see in the, and thank you, Ms. Phaneuf, for passing out this, but the pay scale there, the SR-09, and it's got an amount on there, it's a, assuming that's the A step, but those scales are set forth in the contract and they apply to all individuals in those units for, Statewide, right, for all employers. So for us to go and change that pay scale, that's not allowable for us to do that. So the agreement that Mayor had discussed with the Committee and what we presented to you was the idea of starting clerks or these various titles that are related to, in BU 3, add a step within their salary range that is equal to the laborer step. So that's, so you see the BC-03 column on the right-hand side of there, that's basically what the Laborer IIs make and the majority of our employees start in the Laborer classification start off as Laborer II and that's a BC-03 and so that's where that pay scale came from. So, what we would be doing is, you know, making it so that a person who is either starting off new or at a step that is lower in dollar value to that, we'd be increasing their step to that dollar value and it's a few dollars higher, but very, very comparable. So, an example would be a person start off at a SR-09, A might start off at 27,768, but if we start them off at a SR-09, I'm guessing here like a G, then that would be more equal to the Laborer position and we have all those calculations in there. That's how we came up with the total dollar amount. So what we're at at this point is that the Department of Personnel Services is drafting a supplemental agreement, so the next step would be, you know, if the funding's provided, then we would enter into a supplemental agreement for this. The supplemental agreement we're drafting would be applicable to FY '16 and FY '17. The current contract does expire June 30 of 2017, so we have one more year, Mr. Chair, to answer your question. And then, so what we would do with that is once it's drafted and the Mayor has reviewed it and approved it, we will send it to the, excuse me, not approved it, but just approve the draft I should say, we'll send it to the union for their review and comment. And so, 'cause we want to get their review and comments back before, you know, we present and then, of course, you know, tomorrow's their, two days from now is the end of the Fiscal Year for '16, so this budget amendment will be null and void at that point anyway. So we'll be preparing a Fiscal Year 2017 Budget amendment to cover those costs and then the Council will have the opportunity to review the draft supplemental agreement as well as the budget, you know, the cost of that and how we're gonna fund it. So, Mr. Chair, that's my opening comments, if any questions.

CHAIR HOKAMA: Thank you for your comments, Mr. Baz. We appreciate it. For consultation, how long does the union have to respond to the supplemental proposal, 30 days, 10 days?

MR. BAZ: Mr. Chair, from my understanding, we generally give the union...this is unique --

CHAIR HOKAMA: Yes.

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MR. BAZ: --as far as union consultation. Sometimes it's 45 days, sometimes it's 90 days and, you know, and sometimes they respond in time, sometimes they respond later with their comments, but it's typically something that we give them, you know, enough time to thoroughly review what we're doing. Especially reorganizations and, you know, we're changing people's job positions and locations and, you know, we're changing their life, right, so we want to give the union some opportunity to comment on that. So, I can't give you an exact timeframe that we would be...we want to make sure the union reviews it thoroughly before just giving them a tight deadline and they say, okay, no. We want them to look at it thoroughly.

CHAIR HOKAMA: Again, it's more for our information of how the process works, Mr. Baz. Again, I'm not sure how long it would take and this would be just a Maui division consultation? This would not be with the overall union itself, but just the Maui division because this is only gonna apply to Maui County clerks?

MR. BAZ: Mr. Chair, no, we have to deal with the union directly, the union representation, the head of that is Mr. Perreira and we would be requesting his comment and review on this supplemental agreement, not just the Maui District Office.

CHAIR HOKAMA: Okay. I just want everybody to understand where this is gonna go and who takes, who has input in the final process. Okay. Mr. White, any questions on, regarding this subject?

VICE-CHAIR WHITE: Not at this time. Thank you, Chair.

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

COUNCILMEMBER GUZMAN: Not at this time, thanks.

CHAIR HOKAMA: Mr. Carroll, questions? Ms. Baisa? Mr. Couch? Okay. For timing wise, when do you think this proposed supplemental agreement may be moving forward to the union, Mr. Baz?

MR. BAZ: Mr. Chair, I foresee it within the next few weeks. Hopefully by the middle of July we'll be able to transmit that to the union and then give them, you know, like I said, a certain period of time, maybe three months to respond appropriately and hopefully can get a, should that, you know, they agree to it in concept, present something to Council in September/October.

CHAIR HOKAMA: Okay. So we need a budgetary amendment eventually?

MR. BAZ: Yes, definitely.

CHAIR HOKAMA: Okay. Understood. Members, any other, any questions you may have for Mr. Baz? And if you have a question, we have the ladies who I don't have a problem with asking them as a resource to respond to a question from the Committee. So if there's any question for our representatives from Unit 3, make your Chair aware.

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Okay. We will look then, again, at this point in time we are going to need to wait for the next submission or a proposal from the Administration. This proposal is primarily to allow the discussion and allow members of Unit 3 to express their views on why this is very important, overall, not only for the County employee, but overall as far as labor is concerned regarding work equity and compensation. So if there's no further questions, your Chair is gonna recommend filing of this communication with all appropriate, as it regards to communications. Again, the funds have been decertified, so there's no monies to move this forward at this point in time. So we'll await the Administration's resubmittal of a consideration for this Committee to then post and have another meeting on this subject. Any questions for your Chair? If not, your Chair will entertain that motion regarding filing of communications.

VICE-CHAIR WHITE: So moved, Chair.

CHAIR HOKAMA: Okay. Do I have a second?

COUNCILMEMBER COUCH: Second.

CHAIR HOKAMA: I have motion by Mr. White, seconded by Mr. Couch. Members, any discussion? Ms. Baisa?

COUNCILMEMBER BAISA: Thank you very much, Chair, and I will be happy to support the motion. I'm really glad that we're talking about this today. It's been in the back of my mind for a long time. We have been receiving letters and requests, and please, for many, many months and for a long time and I'm glad to see that it's finally coming together. I believe that these folks are essential. They're very essential. You know, we always talk about essential workers and when we think about essential workers, we think about policemen and firemen or whatever, but you know what really makes the wheels turn is people like this. They sit in their desks making sure that everything gets done and put in the computer and get paid and logged and they spend a lot of time and they work very hard and are very seldom told, good job and thank you very much; so, I think this is what's happening here today. We want to let them know that we do appreciate the work that they do and I hope that very soon we'll be able to reward them financially because, you know, everybody's struggling and when I look at the salaries that these people earn, they're all low income with these salaries. If there's two of them in a home, they barely make Hawaii's median income, so, I'm glad that we're able to do something and I'd like to see it done very quickly. Thank you very much, Chair.

CHAIR HOKAMA: Thank you for your comments. Members, any other discussion? The Chair will just add a few comments. One, as I told Ms. Parris and Ms. Phaneuf, I apologized to them for not communicating well. It was difficult for me to share some of my, as I shared with them, some of the strategies that I felt was critical to protect the County's interest in us dealing with the Legislature regarding our fair share of revenue. And I take responsibility for that and I apologize to those ladies for not communicating well part of the strategy being your Budget Chair. And I appreciate that they were at least open, they may not have agreed, but, you know, I shared my

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perspective and my apologies to them for not communicating well. But second, I would say that like any army, the generals think they run the show. We all know it's the non-com sergeants and whatnot, well, that's what clerks are. They're your non-com sergeants who get the work done for the generals or the directors and so I appreciate their role in making County government work. And because it's on a day-to-day basis, that's the face the public sees, the clerks, not the director, not the division head. I mean, eventually they may get to those people, but on a day-to-day regular basis, who is the face the people of our community see? Unit 3 clerks, so I appreciate their comments. I appreciate your sentiments, Members of this Committee. I appreciate Mr. Baz's willingness to move this forward. So, to you ladies, persevere. Persevere because it will be addressed. So thank you for your presence here this morning and your comments. Okay. Is there no further discussion, Members? All in favor of the motion, please say "aye."

COUNCILMEMBERS: Aye.

CHAIR HOKAMA: Opposed say "no." Motion passes with six "ayes," three excused, Ms. Cochran, Ms. Crivello, and Mr. Victorino.

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

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmembers Cochran, Crivello, and Victorino.

MOTION CARRIED.

ACTION: FILING of communication by C.R.

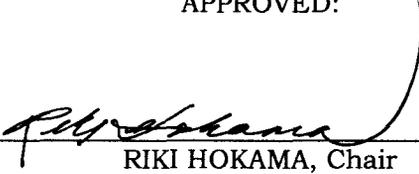
CHAIR HOKAMA: Any announcements before we adjourn? If not, Members, thank you very much for your presence. We have concluded the business of this Committee and this meeting is adjourned. . . . *(gavel)* . . .

ADJOURN: 11:28 a.m.

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APPROVED:



RIKI HOKAMA, Chair
Budget and Finance Committee

bf:min:160628:jb

Transcribed by: Joanne Bista

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CERTIFICATE

I, Joanne Bista, 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 18th day of July, 2016, in Kahului, Hawaii

A handwritten signature in cursive script, reading "Joanne Bista", written over a horizontal line.

Joanne Bista