

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

MINUTES

November 1, 2016

Council Chamber

CONVENE: 9:01 a.m.

PRESENT: Councilmember Riki Hokama, Chair
Councilmember Mike White, Vice-Chair (in 9:02 a.m.)
Councilmember Gladys C. Baisa, Member
Councilmember Robert Carroll, Member
Councilmember Elle Cochran, Member
Councilmember Don Couch, Member
Councilmember Stacy Crivello, Member
Councilmember Don S. Guzman, Member (in 9:04 a.m.)
Councilmember Michael P. Victorino, Member

STAFF: Michele Yoshimura, 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
John Kim, Prosecuting Attorney, Department of the Prosecuting Attorney (BF-123)
Alan Arakawa, Mayor (BF-51, BF-119)
David Goode, Director, Department of Public Works (BF-119)
Jeffrey T. Ueoka, Deputy Corporation Counsel, Department of the Corporation Counsel

Seated in the audience:

Joseph Pontanilla, CDBG Program Manager, Office of the Mayor (BF-51, BF-119)

PRESS: Akaku: Maui Community Television, Inc.

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CHAIR HOKAMA: . . .*(gavel)*. . . Okay this meeting shall come to order. This is the Council's Committee on Budget and Finance. Our regular meeting of 1, November, 2016. Present this morning from the Committee Mr. Carroll.

COUNCILMEMBER CARROLL: Good morning, Chair.

CHAIR HOKAMA: Good morning, sir. Ms. Baisa.

COUNCILMEMBER BAISA: Good morning, Chair.

CHAIR HOKAMA: Good morning. Ms. Cochran.

COUNCILMEMBER COCHRAN: Aloha. Good morning, Chair.

CHAIR HOKAMA: Good morning. Mr. Couch.

COUNCILMEMBER COUCH: Aloha. Good morning, Chair.

CHAIR HOKAMA: Good morning. Ms. Crivello.

COUNCILMEMBER CRIVELLO: Aloha and good morning, Chair.

CHAIR HOKAMA: Good morning. And Mr. Victorino.

COUNCILMEMBER VICTORINO: Good morning and aloha, Chair.

CHAIR HOKAMA: We excuse Mr. White and Mr. Guzman. First let us all turn our noisemaking devices to silent or off mode please, Members. Thank you so much. We'll start with request for testimony at this time. We'll ask Yvette, okay, she has indicated that there is no one in the Chambers wishing to provide testimony. We are going to the District Offices and ask, Ms. Lono, anyone wishing to provide testimony this morning?

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

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

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

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

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

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CHAIR HOKAMA: Thank you, ladies. Members, there's no request for testimony, without no, any objection we shall close testimony for today's meeting.

COUNCILMEMBERS: No objections.

CHAIR HOKAMA: So ordered.

**ITEM 123: AMENDING FISCAL YEAR 2017 BUDGET: DEPARTMENT OF
THE PROSECUTING ATTORNEY (HAWAII CRIMINAL
JUSTICE DATA CENTER) (CC 16-244)**

CHAIR HOKAMA: May I direct you to BF-123, this is under the heading of Amending the Fiscal Year 2017 Budget: Department of the Prosecuting Attorney, subheading Hawaii Criminal Justice Data Center. So for Mr. Baz he has sent us a Communication 16-244 with a proposed ordinance that would amend the budget year, Appendix A, Part I, Grant Revenue - Schedule of Grants by Departments and Programs, Department of the Prosecuting Attorney. The proposed bill is requesting to add 41,000 in the Department of Prosecuting Attorney's budget, entitled Hawaii Criminal Justice Data Center. Mr. Baz, any opening comments?

MR. BAZ: Good morning, Mr. Chair and Members. Just again as you stated, this is to amend our Appendix A to receive this new grant from the Hawaii Criminal Justice Data Center, Department of Attorney General's Office. And we do have our prosecuting attorney here J.D. Kim to discuss the details of this but before they can accept and start spending the money we need to accept this officially as an ordinance amendment. Thank you, Mr. Chair.

CHAIR HOKAMA: Thank you, Mr. Baz. We also recognize Mr. White, this morning also as part of the Committee's work.

VICE-CHAIR WHITE: Good morning, Chair.

CHAIR HOKAMA: Good morning, sir. Mr. Kim we are happy to hear your comments regarding this request.

MR. KIM: Good morning, Mr. Chair and Members. This grant from the Hawaii Criminal Justice Data Center is to reconcile arrests that were not charged and to enter final dispositions. Our records management system we call it JustWare does have an interface but on some cases it doesn't work. Also we were delinquent I guess in our clerical staff not entering the dispositions in a timely manner. The issue basically arose in 2010 June when the Police Department went live with their records management system called I/LEADS. The Hawaii Criminal Justice Data Center will track a case from inception of arrest to its final disposition either conviction, acquittal, or dismissal by our office. However, if the numbers do not match perfectly it doesn't occur and so it's either the old saying on computers junk in, junk out is got to be

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perfect and so our work, this grant is to assist us in paying overtime to go back to these dispositions and enter them in and do it correctly.

CHAIR HOKAMA: Okay. Thank you, Mr. Kim. Members, you are open to present your questions either on the transmittal, the revised, there is a revised memorandum of agreement from the Attorney General, State of Hawaii. Mr. Kim maybe you can tell the Committee first what revisions was made to the MOA.

MR. KIM: I believe it was the dollar amount.

CHAIR HOKAMA: Okay that's, so that's the only adjustment that you're aware of, Mr. Kim?

MR. KIM: That's correct.

CHAIR HOKAMA: Okay. Thank you very much. Mr. White, any questions to the gentleman regarding this request?

VICE-CHAIR WHITE: No questions. Thank you, Chair.

CHAIR HOKAMA: Okay. Mr. Crivello?

COUNCILMEMBER CRIVELLO: No questions at this time. Thank you.

CHAIR HOKAMA: Mr. Couch? Ms. Cochran?

COUNCILMEMBER COCHRAN: No, thank you.

CHAIR HOKAMA: Ms. Baisa?

COUNCILMEMBER BAISA: No thanks.

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

COUNCILMEMBER VICTORINO: None at this time.

CHAIR HOKAMA: Mr. Guzman? Okay fine. Does anything within this center eventually become open public information that could be provided under a request? Freedom of Information Act, if the case has been disposed of? Is that information available to individuals within the parameters of law?

MR. KIM: Currently the Hawaii Criminal Data Justice Center information is normally used by law enforcement and I don't know about the open records with respect to their policies. I suspect they are because you can run a criminal history check at the police station for I believe your employees. So for example, if you have an employee or if you have a business that your employees have contact with minors, the law requires that they not have any type of convictions that would impact their ability to do their duties as say a counselor for a day camp.

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CHAIR HOKAMA: So besides let's say what we would call a, gee, I don't even know what typical now days under arrests. Let's say this person has a record so this would include anything under the Criminal Justice Code so whether it would be tax fraud, felonies, misdemeanors, that would all be part of the record including let's say a fraudulent claim for residency things like that --

MR. KIM: No.

CHAIR HOKAMA: --appropriate tax files, tax filing?

MR. KIM: No it would only go with the charge criminal conduct by police and then disposed of by the prosecutor and finally by the courts.

CHAIR HOKAMA: Would it be able to give you residency information?

MR. KIM: No, other than what was last known from the arrest record.

CHAIR HOKAMA: Okay. You have access to information like the amount of veterans involved in this program and whatnot within the County?

MR. KIM: Only if they put that down as one of the codes in the arrest.

CHAIR HOKAMA: Okay, well, for me there's a national effort to try and address concerns from our veterans' sector and for government to try and address those very serious concerns to take care of veterans so I'm just curious what this program can offer the County from a statistical and data component. So you're not sure at this time, Mr. Kim, what the capability for the County to benefit from additional information through this program?

MR. KIM: The Hawaii Criminal Justice Data Center basically comports or complies with the National Crime Information Center, and they pick up all the information of our arrests and convictions anywheres from all the serious felonies, to misdemeanors, to traffic offenses...traffic criminal offenses.

CHAIR HOKAMA: Okay, is this run by Department of Justice?

MR. KIM: This is run by the Attorney General's Office.

CHAIR HOKAMA: National, I mean the U.S. Attorney General's Office?

MR. KIM: There may be a memorandum of understanding between both agencies where the information is then shared nationally.

CHAIR HOKAMA: Okay and how long do you have to spend this money according to your, the agreement you want the Mayor to execute?

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MR. KIM: I believe it ends in December; however, we can get it extended. It's actually five years from the effective date, regarding the memorandum of understanding. Time of performance in Attachment 3, Part B, the services of Department of Prosecuting Attorney shall commence from the effective date of this agreement and shall terminate at a time mutually agreed upon by both parties.

CHAIR HOKAMA: Okay, that's your time of performance and yet on the next page grant deadline there's a January 31, 2017 deadline.

MR. KIM: That's correct.

CHAIR HOKAMA: Okay. That is just for...

MR. KIM: That's for when the grant funds are actually transferred or encumbered by the County...to the County, I'm sorry.

CHAIR HOKAMA: And it is your intent to spend this down by when, Mr. Kim?

MR. KIM: Well however long it takes our clerical staff to actually do the work. This is not a very easy fix. On trying to do the dispositions we have to match up the date of arrest, the defendant, and the report number along with the criminal charge to the final disposition of whether, of what actually had occurred and...

CHAIR HOKAMA: So currently we have not received this type of grant previously or have we?

MR. KIM: No. We were not informed that this was an issue until this year, and so we understand that there are cases which we are still trying to understand the disconnect between our records management of what we call JustWare and the Criminal Justice Data Center. We have an interface. By and large the majority of our cases are correctly disposed of and reflected in the records of the Criminal Justice Data Center. However, there are a few, there are cases where there's just no disposition and we have to go back in and fill those dispositions out manually. And currently, I understand IT has hired a new specialist and we're gonna be able to...who replaced the retired, specialist who just retired, and so we're gonna be working on that issue.

CHAIR HOKAMA: Okay, we can follow up in the next budget cycle your success in implementation and spend down. So we'll put that in the report.

MR. KIM: Thank you, Chair.

CHAIR HOKAMA: Members, any questions for Mr. Baz, Mr. Kim? Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you, Chair. And so it looks like in these records to be made available to the national systems currently and we're able to tap into their system so we get newcomers to our islands and you need to, I don't know something happens. I mean does that, their past history come...can you access I guess their past

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history too if some type of event happened here and, you know, what I mean is there a way to tap into the national system on our behalf?

MR. KIM: Yes, yes. The Maui Police Department has access to what's called the NCIC, National Criminal Information Center. So say I pick up my cousin from the airport, he gets into a bar fight, he gets arrested and they'll first run a warrants check on the Hawaiian Criminal Justice Data System. The next thing they'll do is if they find out that he's just came in or his I.D. is from out of state they'll run an NCIC check to see if there's any wants. And you'd be surprised how many fugitives from justice we pick up or actually the Police Department picks up based on a mere traffic stop or some kind of incident where a person has to identify him or herself and they think that they can hide in paradise but they eventually get found out.

COUNCILMEMBER COCHRAN: Right, okay. And I guess currently this monies is to help assist us in getting us up to speed or par in our accuracy of our information at this point and you said it was unbeknownst to your Department as of just recently that things weren't I guess I don't know, up, accurate or up to par, and how...

MR. KIM: We did not know there was issues with our records management system not complete, completing the interface. Also that there were incomplete dispositions just by our staff not filling in the right codes.

COUNCILMEMBER COCHRAN: An incomplete disposition means not, all the information is in place, or what is, I don't know what it means.

MR. KIM: Yeah, typically what we got from the director of the data centers says there's a number of arrests in Maui County where there's no final dispositions and what, when we looked and researched some of those issues it's just that the person was arrested, posted bail, further investigation needed to be done. After the investigation was done, the case was nolle prosecuted or we declined prosecution based on the evidence and so those things have to be filled out.

COUNCILMEMBER COCHRAN: Oh, okay. So it wasn't like a closure to a lot of cases I guess so to speak.

MR. KIM: There are some cases where the interface did not work and we have to explore that. In the meantime we're going to start from the most recent cases and work our way back where there's no final disposition in the Criminal Justice Data Center and work our way back to fill all that information out.

COUNCILMEMBER COCHRAN: Okay, and this is enough funding to help assist you to go...

MR. KIM: We actually don't know, this is a first for us. So --

COUNCILMEMBER COCHRAN: Okay.

MR. KIM: --we need to get it done and we need to catch up.

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

CHAIR HOKAMA: Thank you, Ms. Cochran. Other questions, Members? This is, I notice they talk about the states needing to improve their reporting. So in this State of ours where do we rank with the other counties as far as accuracy in the records?

MR. KIM: I have no idea about that. I would have to inquire with the data center.

CHAIR HOKAMA: So the Federal data center has told us we need to improve our system. They gave us money to improve the system but they haven't told you our shortcomings or deficiencies?

MR. KIM: Ours, they've told us what we need to do as a County.

CHAIR HOKAMA: Oh, they have told you?

MR. KIM: Yeah. Yes.

CHAIR HOKAMA: Is this a software issue?

MR. KIM: It could be both, your...Chair, at this time.

CHAIR HOKAMA: Is this a staffing issue? Is it competency of the employees issue?

MR. KIM: It's actually, no, it's both, it's staffing as well as the software because there are cases where we dispose of them in our software, in our records management system and its gone through and there's other cases where they haven't. We don't know if it's the software or if it's staff. There are older cases we know it's staff and also there's a category of cases we know that it's actually the software. What we got from the Maui Police Department between June, or July 2010 to January 2011.

CHAIR HOKAMA: Okay. So this...just so that I'm very clear, this is first time we're getting this type of money for this program right, Mr. Kim?

MR. KIM: That's correct.

CHAIR HOKAMA: Okay. So more than likely we will be required to do a single audit for the Federal government's requirements on these funds?

MR. KIM: I believe so.

CHAIR HOKAMA: Okay, well, we can take a look.

MR. BAZ: Mr. Chair?

CHAIR HOKAMA: Mr. Baz?

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MR. BAZ: Just for the Committee's information, the...when our external auditors do the single audit they look at all of the Federal monies that we receive, all...and in fact, all of our grant revenue. And they'll determine whether or not a program a grant received meets their criteria for further review as a part of the single audit. So if you look at the single audit you'll notice that they usually chose 3 or 4 different grants to actually delve into. The likelihood of this one being delved into, it's very, very small because it is only \$41,000 as compared to, you know, Section 8 which gets \$17 million, CDBG...

CHAIR HOKAMA: Yeah. I see your point on that but for me, you know, it's still one program that has to perform.

MR. BAZ: Yeah, Mr. Chair, they will have to report and perform and our grant specialist will make sure that the financing is done appropriately and we're reimbursed for those expenses.

CHAIR HOKAMA: So, Mr. Kim, tell this Committee this morning best to your understanding who is maintaining the system that you're required to use for this program area? Is it MIS, is it Police? Who is maintaining the system?

MR. KIM: The data center and the information they collect, they get information from the police departments of various law enforcement agencies on the initial arrest. They also get information from prosecutors who receive those cases from the police. They also get information from the courts and so if the court staff is not entering the proper information then the disposition goes, doesn't get done, we are not tasked to do that part. We are tasked to do only the cases where we've got the, our hands onto the arrests and then I'll follow it through to its final disposition whether or not it was a prosecuted case and convicted or found or acquittal or we decided as a Department not to prosecute or pursue any prosecution. And that information also, that information needs to be entered and updated.

CHAIR HOKAMA: Okay, so we're clear, there's a lot of entry points into the system?

MR. KIM: That's correct. We tried to build these interfaces where they talk, the different computer systems are able to talk to each other. And so initially there was a pilot program with Hawaii County. And back then when Jay Kimura was the prosecutor for Hawaii County they got what's called the green box where their Police Department entered information, statistical information, name, social security number, date of birth, and that would be automatically transferred over to the prosecutors to receive the case. So there would be approximately 50 to 75 percent less key information, keying information by a secretary or a staff member in order to accept that case and then that system was supposed to interface with the courts and then later on transmit it to the Hawaii Criminal Data Justice Center. We are working on those models currently. JustWare, in our Department where we could try to interface started in approximately 2004. We have the third updated version of JustWare and every time you upgrade or get a new generation you have to try to work out the kinks with the

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MIS or the IT services to actually develop the interface to be more robust and be able to work across different computer systems.

CHAIR HOKAMA: Okay. Any other questions by the Members? Okay, we'll see how this progresses. The Chair will accept a motion to recommend to Council passage on first reading, be ordered to print, the proposed bill for an ordinance Amending the Fiscal Year 2017 Budget for the County of Maui, as it pertains to Appendix A, Part I, Grant Revenue - Schedule of Grants by Departments and Programs, Department of the Prosecuting Attorney, subheading Hawaii Criminal Justice Data Center; and filing of all appropriate communications; and allowing the Staff to make any nonsubstantive changes to the bill.

VICE-CHAIR WHITE: So move, Chair.

COUNCILMEMBER VICTORINO: Second, Mr. Chair.

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

COUNCILMEMBERS: Aye.

CHAIR HOKAMA: Oppose say "no." Motion passes with nine "ayes."

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

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: None.

MOTION CARRIED.

ACTION: FIRST READING of bill; and **FILING** of communication by C.R.

CHAIR HOKAMA: Thank you, very much, Mr. Kim.

MR. KIM: Thank you, Mr. Chair. Thank you, Members.

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ITEM 51: KALANA O MAUI CAMPUS EXPANSION, PHASE 1A (CC 15-72)

ITEM 119: AMENDING THE FISCAL YEAR 2017 BUDGET: DEPARTMENT OF PUBLIC WORKS (2154 KAOHU STREET BUILDING IMPROVEMENTS, WAILUKU) (CC 16-230)

CHAIR HOKAMA: Okay, let me direct you to BF-51. Under 51 it is the under the heading of the Kalana O Maui Campus Expansion, Phase 1A. We have a Communication 15-72, from Mr. White, relating this matter to the this Committee. And this morning I have posted this to get a general update from our Administration and we have...we welcome Mayor Arakawa to...in joining us this morning to hear some thoughts and comments about just where we are currently, and allow the Members to ask some questions for clarification. Again, Members, remember where we are regarding this item. We're still in the beginning stages of the overall project, and so we'll ask Mayor Arakawa. Welcome and we are happy that you can join us this morning, Mayor, and we look forward to your comments.

MAYOR ARAKAWA: Good morning, Committee Chair Hokama, Councilmembers. I'm really not quite sure what kind of comments you want. Basically, all of the different budgets that we've sent down for proposals of design have come from this Council and has been reviewed by this Council Committee on, from Wendy Taomoto. And so we've sent down everything to you to be able to look at, and at this point there's been no construction money so it's sort of just sitting. Now in the interim I will point out that a few weeks ago the state judiciary group came and approached us, and they're having some challenges with their parking. Their security system at the courthouse they're being required to block off portions of their parking, and they've requested the possibility of some help from the County in trying to secure some parking for the State. Councilmember Hokama and I have discussed this in the past about trying to be able to retain the State judiciary in Wailuku and be able to help them a little bit. So we're in just the discussion phase as to whether or not that lot can be used to be able to help them. But in the meantime as Administration, since there's no forward movement in funding, we've just, are just sitting and waiting until the Council either decides to pass the budget to allow us to go through construction and move further or not. We've gone about as far as we can go. There's been discussion about a six-story building, a four-story building, a three-story building, and whatever other permutations you may want to be able to put in. I've requested information on whether or not the Council would like us to add in Council Chambers to the building for your expansion of offices and space, or some other permutation. And I know that there's been discussion with this Council as to whether or not you have suggestions on other things that could be done with that property. So we're essentially waiting for the Council right now.

CHAIR HOKAMA: Thank you for those comments, Mayor. And, Mayor, since we do have your presence currently and we know your calendar is very tight like most of ours, I would also welcome with, Members, with no objections, to allow the Mayor to also give comment on BF-119, which is under Department of Public Works. It's the 2154 Kaohu Street location, which is historically as most of the old timers know it is the

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Miyahira property. So, Mayor, if you have any comments you'd like to share regarding that component we would welcome it.

MAYOR ARAKAWA: Thank you, Chair. As this Council is aware of since you funded it, we purchased the Miyahira property this past year. It's part of the effort when we look at the overall campus expansion program for the County facility. It was one of the areas that we wanted to secure to be able to make the facility area more accessible. So we do have the property there. Currently there are two buildings on the property. The front building we're trying to reutilize, CDBG offices, with the MPO offices, and one of my EA offices, the...currently. So that it's just not standing there vacant and we can get away some of the leases in other areas. While we're waiting for word on whether or not to go forward with construction of other facilities for the County to replace office space. So in the meantime we either...rather than rent new space we're using that building to try and create more office space. With the MPO offices that you just I guess you passed out of Committee because we have to, there's some staffing that they need to be able to, need space too and if you've seen our CDBG offices they're not good office space, people are literally working out of closet space size, it's inappropriate. So as long as we have the building available we're trying to be able to retrofit it so that we can utilize it until such time as we need that property to expand the campus, this campus itself. Now some years ago you were, this Council was privy to the study that we did on the total campus master plan and part of that campus plan was to be able to acquire the Miyahira Building, be able to expand that whole, into that whole area. Replacing Kalana O Maui Building or rehabilitating Kalana O Maui Building, expanding the area behind Planning and creating parking space and other facilities for other offices on the Miyahira property as well where that CDBG currently is. So that's all part of the master plan that was reviewed by this Council some years ago and we're just progressing with the planning process that was approved and you are aware of the purchase of the Miyahira Building because you approved the funding. So we're just trying to utilize that space appropriately rather than just let it sit as it is a useable building. The second building however, will probably have to be demolished because the cost to try to rehabilitate it will be too extensive so that's where we're at right now. The costs figures that about, \$183,000 to retrofit will get us through and allow us to use the space until such time as we create new facilities and need that space for something else. Our thought was we may as well use the facilities that we have rather than lease outside space. We're already spending over a million dollars a year on leasing space like One Main Plaza. So we're waiting for the go-ahead to be able to create County space so we can stop leasing and we can actually save the taxpayer some dollars. That's where we are right now in trying to retrofit that facility so that it is useable, useable space.

CHAIR HOKAMA: Thank you very much, Mayor, and we appreciate your comments. You...we appreciate and the Chair will just state that I appreciate the Mayor. The Mayor was hesitant but he was willing for the County to purchase One Main Plaza if the Council was willing to move that issue forward. Council chose not to, but we could have owned it, be a landlord and collect rent instead of pay rent and then dispose of the building when appropriate but that day has come and gone, Members,

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so we deal with what we need to deal with including this as the Mayor said \$1 million of annual rent.

MAYOR ARAKAWA: Chair Hokama, if I may?

CHAIR HOKAMA: Yes, Mr. Mayor?

MAYOR ARAKAWA: Just some additional information. We were originally asked if we would purchase the One Main Plaza for \$10 million and half-a-million dollars for lease space that eventually would be able to purchase as well, that, with the extra half-a-million dollars or 10.5. They are offering the opportunity to purchase One Main Plaza for \$29 million now. So we're not seriously entertaining it because if we couldn't purchase it for \$10 million, purchasing it, you know, 10 years later for over double well almost triple the amount seemed kind of farfetched in my mind. So but I do want to make it clear that there is an offer from the owners if you want to purchase it for \$29 million. We don't think it's a good purchase.

CHAIR HOKAMA: No, Mayor, like I said the day has come and gone regarding that and we chose not to exercise at that point in time so we move forward, we'll move forward. Mr. White, questions for Mr. Mayor or the Budget Director at this point in time?

VICE-CHAIR WHITE: Thank you, Chair.

CHAIR HOKAMA: And again, Members, I would like you to stick general because there's nothing really specific or detailed at this point in time so I don't want to spend more time than we need to on potential details that's not really there yeah. Mr. White?

VICE-CHAIR WHITE: Thank you, Chair. Is it possible if we are going to spend the \$185,000 to upgrade the Miyahira Building, is it possible for the funds be provided by the MPO and out of, either MPO and CDBG funds instead of generals funds?

CHAIR HOKAMA: Mr. Baz or Mr. Mayor?

MR. BAZ: Thank you, Mr. Chair. As far as CDBG I can tell you they don't have any extra money, that's why they're in that little yellow house right now to pay for any renovations or rent. I'm not sure about the MPO. We do have the Director of Public Works, Mr. David Goode who is the Chair of the MPO. He may have some more information about that if you'd like to get information if MPO can pay for it.

VICE-CHAIR WHITE: Oh, we can wait till we get to that --

MR. BAZ: Okay.

VICE-CHAIR WHITE: --that item. So that's . . . *(inaudible)* . . . Thank you Chair.

CHAIR HOKAMA: Thank you. Ms. Crivello, any questions at this point in time?

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COUNCILMEMBER CRIVELLO: No not at this time, thank you.

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

COUNCILMEMBER COCHRAN: Chair, so this item you brought up, you brought up in particular a couple of the contracts, contracts right, and you wanted updates on what these two contracts were? C5155 and C5610, is that primarily what your memo was asking and any associated information with those two contracts?

CHAIR HOKAMA: No we're not delving into to the contracts, I would set up another Committee meeting to just deal with the contracts under the Committee's finance responsibilities.

COUNCILMEMBER COCHRAN: Okay.

CHAIR HOKAMA: This morning is more just to get us a updated status on where the Mayor and his Administration is looking at these two key projects.

COUNCILMEMBER COCHRAN: Okay.

CHAIR HOKAMA: Because I would...in general I agree with the Mayor, we are in a time of financial ability to consider smart infrastructure reinvestment and I support that, I push that hard at national to get the Federal surface transportation monies. We've worked hard to get this County in a respectable financial condition that allows us to consider this type of infrastructure reinvestment and that's what I want us to look at from that perspective today on this as a reinvestment into the people's infrastructure.

COUNCILMEMBER COCHRAN: Okay. Yeah, no, very good, I completely agree with those comments and Mayor's comments at this point so yeah.

CHAIR HOKAMA: Thank you.

COUNCILMEMBER COCHRAN: Thank you.

CHAIR HOKAMA: Ms. Baisa?

COUNCILMEMBER BAISA: I don't really have any questions, Chair. However, you know, we've been talking about both of these issues for a long time here and as you know very well I have another month here and I'm very concerned because I leave and I have really no idea whether we are going to go ahead or not going to go ahead. So, you know, we can sit here and if, and, and, and dream about a whole bunch of stuff, but of course the bottom line for me is are we going to do it or aren't we going to do it?

CHAIR HOKAMA: Yeah.

COUNCILMEMBER BAISA: So that's where I'm at.

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CHAIR HOKAMA: No and that's a great question for you in your current part of your tenure Ms. Baisa. I would say that with the State's interest and of course the State Senate moving their master plan, campus master planning item forward, in my most recent discussion with Senator Agaran, he's...my understanding from he and Speaker Souki is that they are interested in seeing the State's advantages of securing the site across the street from us to assist with their needs. I wasn't part of the discussion that the Mayor mentioned earlier of this meeting with the judiciary but I told him that as from the County side we should share some of our concerns also with their sheriffs zipping through our parking lots too, and with their vehicles. So I think we can work out something that benefits the State and the County but that would take some time to have those discussions but I would like...I cannot see the State moving the judiciary out of Wailuku, I don't think they have even the one dollar to make it happen at this time. Not if Governor is going to move Halawa with a brand new correctional facility. They want to make Big Island with two international airport designations. That's going to take a lot of State capital and I don't see them spending a lot more on this County or this island until they take care of those major critical investment monies. Ms. Baisa?

COUNCILMEMBER BAISA: Chair, I understand what you're saying and, you know, I know that these things are, they tend to take on a life of their own and they change and they morph as they move on. But I am concerned and the reason I'm concerned is cost, you know, when we hear what happened with One Main Plaza, it's something we could of bought for \$10.5 million, is now almost 30 million. It's kind of scary, I mean the longer we wait so much more it's going to cost so that's the part that worries me, and I do know, you know, that, you know, these things have to be worked out but at some point you fish or cut bait.

CHAIR HOKAMA: I agree.

COUNCILMEMBER BAISA: Thank you.

CHAIR HOKAMA: I agree. Mr. Mayor?

MAYOR ARAKAWA: Just for clarification, almost all of the plans we're doing for this parking lot area can be moved to the area right next to HGEA. So all of those plans were being discussed, they're almost transferable, just keep that in mind. Thank you.

CHAIR HOKAMA: Thank you for that information, Mayor. Mr. Carroll, any questions at this time, concerns? Thank you. Mr. Victorino?

COUNCILMEMBER VICTORINO: No, I share the similar concerns with Ms. Baisa. I have just two months but same thing we like to see something done before we walk out. Thank you.

CHAIR HOKAMA: Thank you for your comments. You know, Members, it's...when you look at the map it's pretty much one on the same area. So, Mr. White, I'll ask you if you want to entertain your question, we can have Mr. Goode come down and give us some

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comment regarding your question regarding the Miyahira properties component if you wish?

VICE-CHAIR WHITE: Sure, and but I'd also like before the Mayor takes off. The, my recollection was part of the concern with the design on the Old Wailuku Post Office site was that the cost per square foot because of the condensed area was fairly high. And I'm just wondering if that is something that we would be able to lower the cost per square if we, in moving that to another location such as the Napua Street parking area or one of the other sites that we have?

CHAIR HOKAMA: Mr. Mayor?

MAYOR ARAKAWA: Well, thank you for the question. A lot of it really depends on what the Council chooses as the location. Now we have other, we have made other proposals as to where we could locate the buildings and there's definite cost savings depending on property and location but if we want to keep the main structures of the County building here in this area then the costs are going to be a little bit different. But what you're saying as far as if we were to move it to another location, if the cost would be, could...would be changed, absolutely. But it...my understanding that the Councilmembers want to retain the County seat pretty much where it is, which is why most of the proposals that the Administration has made has been to go along with what the Council has asked us to look at, which is the framework of this facility area. If you remember the original discussion was possibly moving it up where the baseyards are going to be, another one was a proposal right next to Longs Drugs here on Waiale, there were a number of different proposals. When we moved the baseyard from the Wailuku Baseyard to the new base yard facility, that property becomes open, that's another possibility, but keeping the County facilities in one general area which is the footprint of this particular campus, including the Old Post Office site and the site next door constrain the cost. I mean those, that's why we calculated the cost at that level but there were different costs that would be associated if we were to move it.

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

CHAIR HOKAMA: Okay, thank you. Before I ask Mr. Goode to come down, understanding the Mayor's calendar, is there any other question the Members would like to ask Mayor Arakawa? Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. Yeah, the question I have, in one of your comments, Mr. Mayor, was that you're just waiting on us now to choose a spot. Because what I recall is that we came with one design and then when we're ready to go you brought it back to us with a significantly different design which, you know, took some of us aback. So we're not quite sure or I'm not quite sure at least where we are in this whole process you say you're waiting for us but, you know, what are you waiting for from us?

CHAIR HOKAMA: Mr. Mayor?

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MAYOR ARAKAWA: Chair? I am waiting on you guys. Quite frankly, you know, we came with originally a six-story proposal, we done a four-story proposal, you also at that time suggested we should be looking at cost savings. So we came with the three-story proposal which was to reduce cost. So everything that we've done has been at the request of the Council to try and reconsider the design and use of the facility and all we need is a decision from you saying okay this is what we want, go, and we're willing to move. We've been ready to move on this facility for years now so we are waiting on Council to make a final decision.

COUNCILMEMBER COUCH: Okay, well, Mr. Chair, I remembered a little differently but I guess the last I recall, like I said is we had the original proposal and then we were, when we were ready to move on it we got a completely different proposal. And that kind of messed us up, and we never, I don't know that I recall us ever getting a cost comparison and what they were, you know, how much we were going to save if they moved out of One Main Plaza with the second proposal they gave us. So I'm not, I don't recall, and maybe Mr. Chair, you have a better recollection as to any kind of final product that we've been given a choice over. So I just remember that the nine-story building or six story with four-story parking was the one that we were all ready to go for and then we got a different one when we ready to approve the money. So that's the way I recollect, I don't know what the...where we are, what you may have in your discussions.

CHAIR HOKAMA: Well, there's a lot...well, Mr. Couch, as your Chair I would say there's at least three pieces floating around within the picture frame right now. One is of course the various proposals that the Mayor has mentioned regarding the options of what to build. Second is the Council's piece of the puzzle regarding cost, benefits, disadvantages of the site as well as what we intend to move out of this building or try to address that cannot be addressed in other components, whether it be the municipal parking lot structure or Napua Street consideration or the Kaohu Street parking lot consideration. And then the third piece is that the Council is still waiting for the County Auditor to submit his final audit report on the site. And so as your Chair, I am going to send a letter from this Committee to the County Auditor asking for a proposed deadline of submittal on the findings and his conclusions regarding this item so that I don't need that hanging over our head as something still out there. I want all these pieces put together one time and then we're going to make a decision to go forward, not to go forward or come up with another version.

COUNCILMEMBER COUCH: Okay, thank you, Chair. I just was looking at this executive summary that you passed out and reading phasing and cost estimates that Phase 1A, which includes short and medium-term office and parking space demand, Phase 1A is anticipated to be completed by 2015. So hopefully the Auditor will get back to us soon. Thank you, Chair.

CHAIR HOKAMA: Thank you. Any other questions for Mayor Arakawa at this time, Members? Mayor, thank you very much for your time, we appreciate it, and we appreciate your comments you shared with us this morning.

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MAYOR ARAKAWA: Well, thank you very much and I appreciate being able to make the presentation. Any time you have any questions feel free to ask. I'll be more than happy to come down and have the discussion, and if you tell me you want whichever one of these designs today, we'll start on it today. I mean I have...I'm ready and willing and raring to go. Like Councilmember Baisa and Victorino, I want to see a decision made and something going on this. Pick nine, six, five, four, whatever you want, it doesn't really matter to the Administration as long as we have an agreement and you're willing to sponsor the budget for it and it's a go and pick the site. Okay. Thank you.

CHAIR HOKAMA: Thank you, Mr. Mayor. Okay, why don't we...you know what, since...this is a good time. We'll take a five-minute recess. . . .(gavel). . .

RECESS: 9:51 a.m.
RECONVENE: 9:59 a.m.

**ITEM 119: AMENDING THE FISCAL YEAR 2017 BUDGET:
DEPARTMENT OF PUBLIC WORKS (2154 KAOHU STREET
BUILDING IMPROVEMENTS, WAILUKU) (CC 16-230)**

CHAIR HOKAMA: ...(gavel)... Okay, we are back in order. Again, Members, what I've allowed you to do is to have, bring up questions and discussions regarding both BF-51 and 119 at the same time since it's within the general location or abutting each other, and with 119 we will not make any decisions on it today. So we welcome Mr. Goode, and, Mr. White, I believe you have a question specifically for the Director.

VICE-CHAIR WHITE: Thank you, Chair. Yeah, the question was whether or not either CDBG or funds from the MPO can be used for any improvements instead of using general funds.

CHAIR HOKAMA: Director?

MR. GOODE: Good afternoon, Chair, Mr. White, Members of the Committee. Good morning, Dave Goode here from Public Works and also on behalf of the MPO. So I can respond as it relates to the MPO. The MPO has a limited amount of funding, it doesn't have funds for capital improvements. We currently have small operating funds and I did check to see if we have money set aside for rents and we do not; however, we do have the capability of requesting in lieu contribution. So what we would like to do then is assuming we're are building to move into the building would be to calculate the equivalent rent and CAM associated with that and use that as part of the County's match towards Federal funds which are leveraged at a four-to-one rate.

VICE-CHAIR WHITE: Okay, so we would be able to generate, set aside so to speak to cover rent which would come back to replace the general funds to some degree?

MR. GOODE: Correct.

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VICE-CHAIR WHITE: Okay. Thank you. And I know Mr. Baz said that the CDBG doesn't have funds but I'm wondering if that can be part of the admin set aside for the upcoming year.

MR. BAZ: Mr. Chair?

CHAIR HOKAMA: Mr. Baz?

MR. BAZ: Yeah, their Administration set aside is set at 20 percent, that includes all salary, fringe and any operational costs that they have so I haven't reviewed their FY '18 Budget request yet but the FY '17 Budget was very, very slim as far as the leftovers after salaries and fringe benefit costs.

VICE-CHAIR WHITE: At one point they were in the Trask Building weren't they?

MR. BAZ: Yes they were paying rent there because the previous administrator thought that, you know, looking forward that they were going to be...they got a reduction in their allocation so that it reduced their administrative costs so that reduced their...they didn't have enough to pay for rent any more so that's why they occupy the yellow house. But that was a number of years ago and since then with increases in fringe benefit costs and increases in salaries it has created a, you know, a situation where they, that's pretty much all that that administrative overhead costs pay for is fringe, salary, overhead and like I said very small operational costs.

VICE-CHAIR WHITE: Okay, so the County is not being paid any portion of the previous rent for the yellow house?

MR. BAZ: No, well, we didn't...no, the County gets overhead reimbursement as part of our full cost allocation plan study. So that they, I think they pay around 10 percent as an overhead cost for their operations.

VICE-CHAIR WHITE: But that all goes towards benefits, fringe benefits and not towards...

MR. BAZ: No that's an addition to fringe benefits. What that does is that's the overhead costs are what pays for Corporation Counsel, you know, the time that they spend in front of the Council, that kind of costs of the central service agencies, Finance Department.

VICE-CHAIR WHITE: Okay, so the County is getting paid back something but not of, not a in lieu of rent amount?

MR. BAZ: Yeah, no, yeah, they don't have enough money for that.

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

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

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COUNCILMEMBER GUZMAN: Not at this time. Thanks, Chair.

CHAIR HOKAMA: Thank you. Mr. Victorino?

COUNCILMEMBER VICTORINO: Not at this time.

CHAIR HOKAMA: Mr. Carroll, any questions, sir? Ms. Baisa?

COUNCILMEMBER BAISA: No thanks.

CHAIR HOKAMA: Ms. Cochran?

COUNCILMEMBER COCHRAN: Chair? Does this building, is this one over here by Napua Street? Is that where?

CHAIR HOKAMA: It's like where you see in that summary the...

COUNCILMEMBER COCHRAN: Across Ichiban yeah?

CHAIR HOKAMA: It's...

COUNCILMEMBER COCHRAN: Yeah, across Ichiban, that's...

CHAIR HOKAMA: It's in between Ichiban and the new office building.

MR. BAZ: Mr. Chair?

CHAIR HOKAMA: Yes, Mr. Baz?

MR. BAZ: In referencing this green handout.

COUNCILMEMBER COCHRAN: Yes.

MR. BAZ: Look at Page 3 and you'll see a the Miyahira property, the 2154 Kaohu Street property is off of Kaohu Street. You'll see it identified as TMK (2) 3-4-008:040 and the words Napua Street Parking Lot are over it but that section there that's separate from the County main campus as far as the TMK is considered is what we're talking about is the Miyahira Building. Yeah, so it's directly across from the David Trask Building. That orange looking or brown looking roof is the David Trask Building. And then Ichiban is that little white square so across from that is Napua Street and what's not shown on this map currently is about half way down that street is a yellow building that houses very compacted CDBG and the Early Childhood Division of Housing Human Services.

COUNCILMEMBER COCHRAN: And so this is the lot, this TMK is where we wanna, what, tear that building and build something new or just renovate existing?

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MR. BAZ: Yeah the proposal this morning is to renovate the existing one so that CDBG can be housed in there and they have enough space to... 'cause right now when they have a meeting they have to like basically like sit on each other to have meeting. The...and then the MPO needed office space as well, right, so that's what...so Mayor, as Mayor explained what we're trying to do is renovate the front building of that Miyahira property to be able to utilize it until future plans come about. And, you know, as this executive summary states or shows here on the plan it could possibly be used as a parking lot, you know, to...once we expand the office buildings themselves.

COUNCILMEMBER COCHRAN: Okay, and with that you can offset rental or leasing elsewhere?

MR. BAZ: The MPO would have had to lease property otherwise, and so this will...and as Mr. Goode mentioned, the possibility of utilizing that in lieu of our matching requirement is good so we don't have to put cash up to be matching for the MPO, or as much cash to be matching for the MPO. And we can use that as matching to reduce their cost. But yeah, there was no space for the MPO so we would of had to rent. Yeah.

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

CHAIR HOKAMA: Thank you. Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. I'm looking at this and are we going either item number, Mr. Chair? It's kind of a combination of both. I know you're looking for 185,000 to renovate a building so it can be used for an unspecified amount of time and then ultimately torn down according to some of the plans. Not knowing how long that's going to take and this goes back to the other issue that I was talking about is that we actually only got one budget proposal I believe and that was for the short building. So, you know, since...I'm not sure, can you guys give me any kind of timeline that you think we would be in that building, the Miyahara house? Miyahira house, sorry, before you're going to have to tear it down? 'Cause I'm just wondering, you know, 185,000, and if it's only for a year or two that might not be worth it but I'm not sure.

MR. BAZ: Mr. Chair?

CHAIR HOKAMA: Mr. Baz?

MR. BAZ: So the, I'll just answer that real briefly about the Miyahira property. You know, looking at the time line of even if we got construction dollars today to build the Phase IA building it doesn't include CDBG or the MPO, those were not included in the original plans for, in the space allocation for Phase IA. So if that was constructed over the next two years and then we begin to fill that building up and then we work on the next building, it's going to take, you know, a year or two for design and another a

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couple of years at least for construction. So just in the quickest time line we're looking at five or six years of occupying the Miyahira Building.

COUNCILMEMBER COUCH: Okay, that helps. I'm still, you know, want to express my displeasure with the fact that we actually don't have any budget proposals for this system. If you're going to, you know, when you're ready...I mean we can't act on oh yeah this looks good, you know, we told you what looks good and then you came with a different design. So I would request that everybody get together if it's, you know, Budget Chair and maybe Council Chair and the Administration sit down and get together and figure out what design everybody's going to be happy with and bring that to us and let's get moving on this. It's...

MR. BAZ: Yeah.

COUNCILMEMBER COUCH: It's crazy we're doing these Band-Aids until we, somebody can get together with a good design. So if it's going to be minimum, if at minimum five or six years anyway then it might be worth it 'cause that, you know, that's a pretty decent price for...rent free so I can see, Mr. Chair, that we're okay with that. But I'd like to implore everybody to get together and come up with a office building design that everybody can buy into and let's get going on this. So thank you, Chair.

CHAIR HOKAMA: Thank you. Ms. Crivello?

COUNCILMEMBER CRIVELLO: In regards to...thank you, Chair. In regards to your CDBG, MPO Kaohu Street building improvement, does this include, does it include also whatever wiring you have to do to upgrade for communications as well as anything to improve on the phone systems and what have you?

CHAIR HOKAMA: Mr. Goode?

COUNCILMEMBER CRIVELLO: And the technology that would be needed?

CHAIR HOKAMA: Mr. Goode?

MR. GOODE: Thank you, Chair and Ms. Crivello. Actually ITS has already done a fair amount of work in there to get it wired for that. The primary need in the building is air conditioning and to redo the windows, there's a lot of jalousie windows and so to make them more energy efficient and useable for that office space. So the electrical work will probably require some electrical upgrades so that's included.

COUNCILMEMBER CRIVELLO: That's all included in this?

MR. GOODE: Yeah.

COUNCILMEMBER CRIVELLO: Okay, thank you.

CHAIR HOKAMA: Okay.

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MR. BAZ: Yeah, Mr. Chair, we can provide a breakdown if you'd like, just a general.

CHAIR HOKAMA: Yeah, I'm going to ask for that please and we'll send you the communication so you can refer to that, Mr. Baz or Mr. Goode. You know, asking us for this kind of money, for another \$30,000 we can build one brand new house or a brand new building. So I not too happy with this 185 to be very candid with you guys this morning. Hearing the response to Mr. Couch's question, I don't see why you wouldn't take care our SHPDA requirements, look at considering tearing it down, buying a model that if temporary use, we can learn from the State with their temporary permanent structures and move that building eventually to the new baseyard if it's so desired. But I cannot see us wasting this kind money for five years, tearing it down, when we can look at something that is...we've done it on Lanai. We've built buildings that we've put up, you know, it's half one semi-trailer truck, the other half, we slap the two halves together and you get one four office unit building. So my thing is you guys need to come up with better options for us than just telling me you want to throw 185,000 at this. Comments? None?

MR. BAZ: Mr. Chair, you're looking for a comment from us?

CHAIR HOKAMA: If you guys have any, if you don't, that's fine.

MR. BAZ: Yeah, Mr. Chair, I mean we could do a little, a short review of how much it would cost to build a building of similar square footage needs new versus this one and also including, you know, if we did put it on the same property there'd be a cost of demolition as well. But yeah, we can take a look at that. If you want to provide that in the letter request and we can analyze that and provide you with a response.

CHAIR HOKAMA: And I would ask if we can make this some kind of a work training or some kind of experimental project. 'Cause I don't have a problem of us tying this in and making use of some of those journeymen at HC&S to transfer and do this kind of work for us under one contract if that is allowable. 'Cause they got a lot of skilled employees there, they're going to be in a unique situation come end of December and I'm looking to see if there's projects that makes sense for us to consider that workforce as an option for the County within parameters of law. Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. And I understand and I appreciate Mr. Baz's response but one thing I don't know if he mentioned in his response was your suggestion which I thought was a pretty good suggestion is see if we can get some of those portable or buildings that you were just talking about. That's a, that might be a good compromise situation instead of building a whole new building which you would have to tear down is to do something like that, that could be moved to a different location when we get the baseyard or something, so.

MR. BAZ: Yeah if, Mr. Chair?

CHAIR HOKAMA: Mr. Baz?

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MR. BAZ: Yeah, the Mayor mentioned looking at those modular homes that are Fabmac sells right now. The cost of those for a large enough space would be around 500,000 or \$600,000 for one of those type of buildings. So I did look at that. They're not that cheap.

CHAIR HOKAMA: And how do we...so that's why. So how we expect a resident to have an affordable --

MR. BAZ: Right.

CHAIR HOKAMA: --if you're telling me the quote for the County is 500,000.

COUNCILMEMBER COUCH: Right.

CHAIR HOKAMA: It doesn't make sense.

COUNCILMEMBER COUCH: Is that you were talking about, I thought you were talking about kind of those portable...

CHAIR HOKAMA: I'm looking at shells.

COUNCILMEMBER COUCH: Yeah, yeah.

CHAIR HOKAMA: I'm looking at shells, whether it be a butler building or --

COUNCILMEMBER COUCH: Or those modular homes.

CHAIR HOKAMA: --just a house structure but you don't need all those bedrooms with all those fixtures for toilets and whatnot, we building one office.

COUNCILMEMBER COUCH: Right.

CHAIR HOKAMA: We not building one house.

COUNCILMEMBER COUCH: Agreed. Thank you.

CHAIR HOKAMA: Ms. Baisa?

COUNCILMEMBER BAISA: Thank you very much, Chair. I think some of us may have forgotten and I know Mr. Baz knows about this. Years ago we were looking for office space at MEO so we bought trailers and when we went to the new transportation site they were moved but they were purposely bought so that they could be moved 'cause we know at some point we going to relocate. Now how much that cost finally to move them I don't know. But that what's happened so it is doable but it was just trailers but they were excellent and they're still good.

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CHAIR HOKAMA: And they meet the Code, they can meet the Code, main thing. But okay anything else, Members? My thing is, you know, this is the time to give your comments, some recommendation, suggestions to Mr. Baz and Mr. Goode so they can return, either to justify the 185 or come up with a revised proposal because the Chair is not taking action on this request today. So I'll go ask each Member if they have any requests for further information, they have a question, I'll ask, Mr. Victorino, any questions or concerns you'd like us to follow up on?

COUNCILMEMBER VICTORINO: No, I think you've, you and the other Members have covered it quite eloquently. I'd just like to see that something be brought forth very soon because again that's just wasted property we've just bought and just sitting there --

CHAIR HOKAMA: I agree.

COUNCILMEMBER VICTORINO: --and deteriorating. Either tear it down, replace it, rebuild it or remodel it, do something 'cause, you know, it's getting frustrating and then that's parking we could be using too that's not being utilize just because of that, Mr. Chair. So we own it, let's do something. You know it's been months since we been purchased it and it's just been sitting there vacant and we are in such dire need of other space for other departments. So I don't know what you guys want, modulars, or trailers, you know, I've worked at the fair and we've had trailers for years and it works well, it's good offices and so I don't know what's the challenge. And, you know, like you say, when it's done you can move it out to Waikapu and it can be utilized out there for other purposes. So it's not like you pay for it, buy it, and never use it again. It's transferable, it's transportable you can move it anywhere on the island. Let's do something. Thank you, Chair.

CHAIR HOKAMA: Thank you. Mr. Baz, you had a comment?

MR. BAZ: I could just offer, Mr. Chair, if it's of interest and we could, I mean the minimal amount of work needed to be done in there is the electrical and AC and that would be probably less than \$50,000 for just doing those. We'd still have some issues with it wouldn't be efficient because the jalousie windows but that's the minimal investment if you wanted to reduce the cost of the investment to use the, I want to call it office space already but yeah, the house.

CHAIR HOKAMA: If you can present that in the response back to the Committee of the various options we can consider --

MR. BAZ: Yeah I would be happy to.

CHAIR HOKAMA: --to move forward.

MR. BAZ: Thank you.

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CHAIR HOKAMA: We would appreciate it thank you. Mr. Goode, any other comment you had?

MR. GOODE: Thank you, Chair. Just to add on what Mr. Baz mentioned, you know, when you go in that building and I was in there yesterday again, it's nice, it's like a brand new inside at least 3,000-square-foot structure. It, and it's, it'd be a shame to waste the asset. So I think we could present some other options as it relates to that but I think your cost per dollar and getting it useable quickest is to do the, some kind of remodel in there to get it useable. It will be far faster and a lot less expensive than trying to find another site and put some kind of new building on it. Thank you.

CHAIR HOKAMA: Thank you. Mr. Guzman, any questions, sir, at this time? Mr. White?

VICE-CHAIR WHITE: Thank you, Chair. I think in addition to looking at the, you know, the cost of the treatment of the new or the Miyahira Building, I think it would be helpful if the Administration would come back to us with a plan evaluating whether it makes sense to move...the Mayor suggested moving the Old Wailuku site, building to another part of the campus. I'm not...but I'd like to have some analysis by the architects or at least some comments from them whether that makes more sense than simply using one these other areas on the campus to situate a building that could be larger and the same height. Because the Old Wailuku Post Office is quite constricted, and I know they had another plan for the Kaohu Street lots. And my recollection was that was a significant amount of parking and then a smaller or shorter building on top of that, it seems to me that it could incorporate both the parking that we require and add another couple of floors to make up the same floor space that we would get in the Old Wailuku Post Office structure that was presented to us. So I'd like to have some analysis done and presented to the Council looking at different options. Because I think most of us are ready to do something but if it makes more sense for the Old Wailuku Post Office site to be added to the State's properties so that we keep the judiciary in Wailuku I think that, you know, that's something that makes some sense to me. And so I would agree with you and the Mayor that that's a probably a...there's a value to moving in that direction. But there's also a value in looking at a place where we have a larger capacity of property to increase the footprint of the building.

CHAIR HOKAMA: Right.

VICE-CHAIR WHITE: Thank you.

CHAIR HOKAMA: And let us not forget we own the municipal parking lot space.

VICE-CHAIR WHITE: Right.

CHAIR HOKAMA: We have a project there also. Ms. Crivello?

COUNCILMEMBER CRIVELLO: Thank you. I'd like for us to consider moving forward with the Kaohu Street building improvements. We need to house our MPO office or get that going because that's fundings that can come down once we get them, get the executive

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director as well as CDBG to be able to get settled. And my question would be do we have to contract this renovation out or do we have a department that does buildings and does repairs and can do this? I can see where the solar would come in with the specialized kind of construction but what about like the vinyl windows or what have you or the installation of the air conditioner?

CHAIR HOKAMA: Mr. Baz? Mr. Goode?

MR. BAZ: Thank you, Mr. Chair. So we can...if you maybe put that in the letter as well we can look at, the Parks Department does have construction-related positions that may possibly be able to do this, but I would hesitate to utilize them. It may be more costly to do that as well because we still have to pay their salaries and things to cover the cost of it. Also the Finance Department's very hesitant for the Parks Department to do or any County department to do construction with operations labor --

COUNCILMEMBER CRIVELLO: Okay.

MR. BAZ: --because of what happened on Kanaloa Avenue.

COUNCILMEMBER CRIVELLO: Okay, I understand, just thought I'd ask. Thank you.

CHAIR HOKAMA: We have issues we need to deal with, legal issues we need to deal with. Yeah, that's for another day. Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. Maybe Mr. Baz knows, didn't, in FY '17 Budget, didn't we put some money in for a refuse office at the Lahaina refuse area? It was kind of a trailer office building, didn't we do that?

CHAIR HOKAMA: Mr. Baz?

MR. BAZ: Yeah, I believe so. It was to replace a deteriorated office at the, yeah, I believe it was at the, actually the Wastewater Baseyard --

COUNCILMEMBER COUCH: Right.

MR. BAZ: --but it was to house Solid Waste staff. That is a fairly small facility as compared to what we're talking about on Kaohu Street here. I can go look at the cost of it.

COUNCILMEMBER COUCH: Okay. Okay, thank you.

CHAIR HOKAMA: Thank you. Ms. Cochran?

COUNCILMEMBER COCHRAN: No ...*(inaudible)*...

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

COUNCILMEMBER BAISA: No thank you.

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CHAIR HOKAMA: Mr. Carroll? Okay, we will forward the Committee's questions and requests to Mr. Baz and Mr. Goode to assist us with additional information so we can post this as soon as we get some response, and hopefully we can make some movement forward regarding their request. The Chair will ask one more time, any further questions you'd like to pose to our resource people? We have Mr. Pontanilla from CDBG also. So if you have CDBG questions, MPO questions, the 185,000 for Miyahira property or questions in general of the Kalana Campus expansion Phase IA, please make it known now please. Okay, having none, gentlemen we thank you for your time. Members, with no objections, the Chair will defer BF-51 and BF-119.

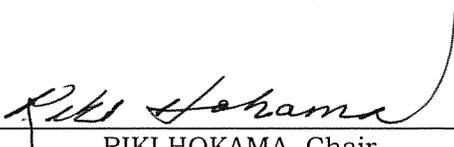
COUNCILMEMBERS: No objections.

ACTION: DEFER pending further discussion.

CHAIR HOKAMA: Thank you, Members. We have completed the day's requirements for this Committee. So if there's no announcements, thank you for being here. This meeting is adjourned. . . .(gavel). . .

ADJOURN: 10:27 a.m.

APPROVED:



RIKI HOKAMA, Chair
Budget and Finance Committee

bf:min:161101:jp

Transcribed by: Jean Pokipala

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CERTIFICATE

I, Jean Pokipala, 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 25th day of November, 2016, in Wailuku, Hawaii

A handwritten signature in cursive script, reading "Jean Pokipala", is written above a horizontal line.

Jean Pokipala