

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

MINUTES

March 27, 2015

Council Chamber

CONVENE: 9:05 a.m.

PRESENT: Councilmember Riki Hokama, Chair
Councilmember Mike White, Vice-Chair
Councilmember Gladys C. Baisa, Member
Councilmember Elle Cochran, Member
Councilmember Don S. Guzman, Member
Councilmember Michael P. Victorino, Member (out 10:11 a.m.)

EXCUSED: VOTING MEMBERS:
Councilmember Robert Carroll, Member
Councilmember Don Couch, Member
Councilmember Stacy Crivello, Member

STAFF: Michele Yoshimura, Legislative Analyst
Mark R. Pigao, Legislative Analyst
Yvette Bouthillier, Committee Secretary

Tina Thompson, Executive Assistant to Councilmember Crivello, 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.: Danilo F. Agsalog, Director, Department of Finance
Wendy Taomoto, Capital Improvement Program Coordinator, Department of
Management (BF-31)
Brienne Savage, Deputy Director, Department of Parks and Recreation (BF-31)
Jeffrey Murray, Fire Chief, Department of Fire and Public Safety (BF-33)
Cindy Kagoshima, Business Administrator I, Department of Fire and Public
Safety (BF-33)
Kyle Ginoza, Director, Department of Environmental Management (BF-23)
Michael Ratte, Chief, Solid Waste Division, Department of Environmental
Management (BF-23)
Michael Kehano, Assistant Chief, Solid Waste Division, Department of
Environmental Management (BF-23)

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

Seated in the audience:

David Taylor, Director, Department of Water Supply (BF-34, BF-35)

Helene Kau, Assistant Waterworks Fiscal Officer, Department of Water Supply (BF-34, BF-35)

Richelle Thomson, Deputy Corporation Counsel, Department of the Corporation Counsel (BF-23)

OTHERS: Chip Uwaine, Executive Assistant to the State Director, United Public Works (BF-23)
Rosemary Robbins (BF-34, BF-35)
Others (10)

PRESS: Akaku: Maui Community Television, Inc.
Brian Perry, *The Maui News*

CHAIR HOKAMA: . . . (*gavel*). . . The Council's Committee on Budget and Finance shall come to order. This is our meeting of March 27, 2015. Present today for the Committee, we have Ms. Baisa.

COUNCILMEMBER BAISA: Good morning, Chair.

CHAIR HOKAMA: Good morning. Ms. Cochran.

COUNCILMEMBER COCHRAN: Aloha, good morning, Chair.

CHAIR HOKAMA: Mr. White.

VICE-CHAIR WHITE: 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: Good morning. Excused from today's meeting is Mr. Carroll, Mr. Couch and Ms. Crivello. We shall take testimony at this time, but prior to testimony, we shall turn off all cell phones, hand-held devices, anything that will disturb decorum. As you all know, I have no problem enforcing decorum. With that, we shall take public testimony on any item that we have agendize'd for today's meeting. People will have three minutes as we post on our agendas, three minutes max to share your thoughts with us. State your name, if you represent an entity, state that entity's name for us

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for our information and we will assist you with time. Green light means keep talking, yellow means 30 seconds and red means you need to stop and please don't make me remind anyone. Stating that we'll have, from the Chambers first, Mr. Chip Uwaine...and if there's anyone else that would like to also give public testimony, please make yourself known and we shall provide you that opportunity.

. . .BEGIN PUBLIC TESTIMONY. . .

MR. UWAIN: Good morning, Mr. Chair.

CHAIR HOKAMA: Good morning.

MR. UWAIN: And Members of the Council. We have written, we submitted written testimony in behalf of our State Director, Dayton Nakanelua, and I'll let that stand as our testimony in reflection to the budget item, Amending Fiscal Year 2015 Budget: Department of Environmental Management (Solid Waste Management Fund). But before I open up myself to questions, I'd just like to add that the significance of this funding and the need of it is this afternoon at 3 o'clock, we're meeting with the Director of the Department of Environmental Management, excuse me, relating to layoffs. If this funding doesn't go through, we're looking at layoff of some regular employees in the Solid Waste Division. Although we may disagree with that layoff and we still may argue the point relating to the necessity of a layoff, nevertheless, the Department may implement a layoff lacking the funding, and then it's gonna start a whole series of discussion, grievances, labor complaints and charges, but this is something that's really unnecessary. We're talking about 30 employees or roughly about 30 employees within the Solid Waste Division, but the fact is, is that the Department lacking the funding, is gonna start the process. And we're meeting at 3 o'clock this afternoon relating to that, specifics of the layoff. If you have any questions, I'd be more than happy to answer them.

CHAIR HOKAMA: Okay. Thank you very much, Mr. Uwaine.

MR. UWAIN: Thank you.

CHAIR HOKAMA: Members, you have any questions for Mr. Uwaine? We have received the testimony, written testimony of Mr. Nakanelua on behalf of the members from United Public Workers, so any questions for Mr. Uwaine?

COUNCILMEMBER BAISA: Chair?

CHAIR HOKAMA: Ms. Baisa.

COUNCILMEMBER BAISA: I don't have a question, Chair, but will he be available later when we get to this item in case we need a resource?

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CHAIR HOKAMA: We can request Mr. Uwaine to remain, that's up to him.

MR. UWAIN: Yes, I'd be more than happy to stay through the duration of this hearing or this Council meeting. I just wasn't sure; when you called me up I thought we were on this particular item.

CHAIR HOKAMA: No, no, not, not yet.

COUNCILMEMBER BAISA: Yeah.

MR. UWAIN: Not yet.

CHAIR HOKAMA: ...(Inaudible)... But she's just curious if you would, might be around for resource purposes?

Mr. UWAIN: Yes, thank you. And excuse me for my lack of the procedures of this Council.

CHAIR HOKAMA: Not a problem, Mr. Uwaine.

COUNCILMEMBER BAISA: Don't worry about it. Thank you.

CHAIR HOKAMA: Thank you for being here.

Mr. UWAIN: Thank you.

CHAIR HOKAMA: Thank you for being here. We have Ms. Rosemary Robbins, who would like to give testimony.

MS. ROBBINS: Morning, Chair.

CHAIR HOKAMA: Good morning.

MS. ROBBINS: Good morning, everybody. I'm going to be with BF-34 and 35 this morning.

CHAIR HOKAMA: Okay.

MS. ROBBINS: When I got up on Wednesday, the front page of *The Maui News* said the Mayor's budget was a 16 percent increase and it gave budget highlights. One of them was identifying more money budgeted for the enhancement of this building and the rest of the campus around here than it was for water, so I thought I'd better get down and read, so did and read the...not only the agenda, but the proposals that with that County Communication No. 15-87 and 15-88. It seems as though, well, it's pretty obvious with what's written here and with the County Communications themselves. It says that the Department of Water Supply, Departmental Expenses – Water Fund, will cover deficits to Employee Fringe Benefits that were miscalculated during preparations of Fiscal Year 2015 Budget. I have no idea how that goes with paid people, but

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somehow I would have thought that that would be pretty high when the determination was made to begin with, so I was caught by surprise on that. Everybody that I've worked with on this campus has been wonderful. You've heard me say that before. So the Department expenses have been supposedly addressed by shuffling funds. It seems as though there were kitties that didn't have to be over here, they could be spent over here and vice versa and all over the place, so and again, I'm not part of any of that, but it does say in here that they were, they had an opportunity to be able to swap off from department to department. The Water Fund had a nine million four hundred and eighty-four point six, five, two source that it could put into the revenues. People are wondering why those were in a pocket of money and not going into what needed to be done for the water. When we take a look at the fact that we are in supposedly \$450 million debt hanging over because of the debts that have been run up by non-compliance with the EPA and with the State Department of Health and caring and wellbeing, not a good deal for us to be that far in debt, and yet, the stuff that comes out in the paper is that we're fabulous. Are we powerful or what, we have everything going for us, not according to what's in here and the documents themselves. So whoever put these documents together, I want to appreciate that they did do that. One of the first things that I am appreciating in there is that it took less than a day to get from the author, the Mayor, and then through his appointed directors, to get to the County Clerk. Remember we were talking about this at the beginning of the year that it took like seven days to get from the 9th floor to the 7th floor. That testimony was given here, too, so good for the fact that we've stepped up on that, because timeliness is one of the things that's very vital and that is spoken about in this documentation as being very vital. It also said in the front page of the paper that there were no tax items that were going up, but when I went through this, it's definitely an increase in tax. But the super, that's in order to pay for the debt, the County's debt service. Well, how did we ever get to a debt service like that when we have been speaking time after time after time at this forum and in other places about the fact that you can't just disregard the Federal and State requirements? They are there for the sake of everybody's health, not just for County budget. So if we keep our focus on the health and wellbeing, which is certainly where it ought to be and when we take a look at a year ago, no, 2012, when pono was put into the County Charter, kind of pathetic that it needed to be said, but it definitely needed to be said and it was said and the voters passed on it. We need to be functioning with pono, so all of this business that is not coming out, while we have statements coming out in the news and in, everybody knows that this is available, Mayor Alan Arakawa's County of Maui Budget synopsis, so it doesn't go on to yag thick paperwork, it's only yag thick, he has a lot of information in here that would make us realize that we need to keep a very close tab on what's happening, on what is being said for accuracy and the behavior of omission, it's just not the commission, the stuff that's left out and if we don't keep a close eye on that, we're gonna miss it. So when I went back with this new County Charter...

MR. PIGAO: Thirty seconds.

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MS. ROBBINS: Yeah. I would encourage you to get a hold of it and it does talk about the fact that the life of the land is perpetuated in righteousness, Page 1. Good orientation. I understand there's not going to be any action taken on the second of these hearing today, great wisdom to that. Thank you.

CHAIR HOKAMA: Thank you, Ms. Robbins. Any questions for the gentle lady on her testimony, Members? Having none, we thank you for your presence this morning.

MS. ROBBINS: You're welcome. Welcome back.

CHAIR HOKAMA: We'll check with our Hana Office at this time, Ms. Lono, is there anyone wishing to provide testimony this morning?

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. 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. Ms. Thompson, Molokai, anyone wishing to provide testimony?

MS. THOMPSON: Good morning. This is Tina from the Molokai Office and no one is waiting to testify.

CHAIR HOKAMA: Thank you very much. Is there anyone else in the Chambers wishing to provide testimony? Having none, with no objections, we shall close testimony for today's meeting, Members?

COUNCILMEMBERS: No objections.

CHAIR HOKAMA: Thank you, so ordered.

. . .END OF PUBLIC TESTIMONY. . .

**ITEM NO. 31: AMENDING FISCAL YEAR 2015 BUDGET: MOKUHINIA
ECOSYSTEM RESTORATION PROJECT (CC 15-75)**

CHAIR HOKAMA: We shall proceed with the agenda. Prior to taking up the first item, Members, I will ask that on the last item for the day, we have the Quarterly Report from the Director regarding Capital Improvement Projects under BF-4(2). I would ask if you require certain Department representatives to please make it aware to us so we can have those people contacted for their appropriate timing to come and attend and

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be able to respond to your questions or concerns. So think about that and I'll bring it up in a few moments after we take care of the first item. Let me please direct you to BF-31. It is a Budget Amendment for the Fiscal Year 2015, the Mokuhinia Ecosystem Restoration Project. And just to let you know, Members, too, I will be putting out a schedule because I believe this Committee needs to do some important finance portions of the B and F assignment and so, I'll be working with Mr. Baz, but I will only be taking certain budget amendments during certain time of the Fiscal Year. I am not going to take it up any time it feels to come before this Committee. So if it doesn't make the window, it's gonna have to wait to be processed and that's the way we're gonna run, I'm gonna run this Committee. With that, let us go to Amendment BF-31, this morning we have the Director. We are pleased to have Director Agsalog. Mr. Baz has an unfortunate medical condition, if I can say it that way, and so he's not able to be with us today. He anticipated to be, but unforeseen things happened and he's not able to join us so Mr. Agsalog and Ms. Taomoto, if, whichever one will like to speak first on this item, please do.

MR. AGSALOG: Good morning, Mr. Chair. As you have mentioned, our Budget Director is not able to be here this morning and I am the Director of Finance. I'm not as articulate as our Director of Budget, but I will be here to take some questions, answers and with regards to this item, Mr. Chair, I know you and I have worked on budget when you were the Chair again way, way back and I will be able to work with you on these budget issues that we are requesting. And as you have mentioned, Mr. Chair, we are requesting \$58,000 for, from the General Fund to be appropriated for this particular request and we have the Department, Mr. Chair, to answer more detailed questions as regards to the status of the project that we are requesting and this is for the West Maui area for the restoration of the ecosystem of Mokuhinia, Mr. Chair, so I will be here sitting in for our Budget Director, so I will be wearing two different hats today. When we took, take the items for the Finance Department, I will be here also representing the Department. So for now, Mr. Chair, I will be with you the whole time for today. So again thank you for allowing me to be here.

CHAIR HOKAMA: Thank you. Ms. Taomoto, any comments on this project?

MS. TAOMOTO: Good morning, Chair Hokama and Members. I don't have any comments to make. I just here, I unfortunately couldn't attend the meeting previous, but I am here today to answer any questions you have about this budget item.

CHAIR HOKAMA: Okay. We, Council has given this area including Mokuuula the opportunity to raise revenue to take care of this overall project area needs. So tell the Committee why, first, the revenue source that the Council has already agreed to is not sufficient to pay for this type of budget request and why is it a General Fund request to us now?

MS. TAOMOTO: In my meeting that I attended with the Department of Parks and the Friends of Mokuuula, it was kind of assessed that the revenue would not be able to cover the cost for the perimeter fencing and thus the request was made through our Department. I am not the grants...we don't administer the grant, our Department, so I

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would have to call upon the Department, Director of, Deputy Director of Parks, who's in the Chambers who would be able to answer questions about the grant.

CHAIR HOKAMA: Okay. What are the, under the terms of this agreement, we were told earlier in another meeting, this is a Corps of Engineers driven project?

MS. TAOMOTO: The Mokuhinia Ecosystem Restoration Project is a co-sponsored project by the County of Maui and the Corps of Engineers. It's not necessarily driven by either. The request was initially made by the County to engage the services of the Corps.

CHAIR HOKAMA: And what are we going to expect from the Corps by agreeing to this? They come with additional funding, Ms. Taomoto? They come with technical assistance? What is the Corps providing the County?

MS. TAOMOTO: You're using the word, agreement, so are you referencing a...

CHAIR HOKAMA: A license, the licenses or we're trying to find out what is this \$50,000 for, why is this County being asked to pay for it? Because at the end of the day, I want to know why those revenue sources we have agreed to cannot take care of the needs of the project area.

MS. TAOMOTO: Again, I would not be able to answer the specific, you know, aspects of the Grant Revenue. That would be the Director, Deputy Director of Parks, but the perimeter fencing as I understand, is a means to mitigate the trespassing and the vandalism that is occurring on the parcel and it is affecting the Mokuhinia archeological inventory survey work that we are trying to commence with to the respect that recently, we've had to delay our AIS field work an additional delay of two weeks because the pins were removed by unknown persons. And, as a whole, we feel that installation of the perimeter fencing will hinder that type of activity, unauthorized activity, from occurring on the parcel to allow us to complete the AIS field work. And that just recently occurred, I think, in the last two weeks or more, around there. So the perimeter fencing is not required by the Corps, but it was supported by the Corps in the discussions with the Corps staff that we've been progressing with. They've allowed us to, they are allowing the AIS field work to be considered as an in-kind match. Because I made that request in a, before they made their request; so, in a way, it was pre-approved for the AIS work to be considered in kind. I'm not sure if they will consider the perimeter fencing work amount that we will pay to be in-kind match; but once the appropriation is approved, I will make a submittal to the Army Corps and make a formal request to consider the perimeter fencing also as a in-kind match. But until the appropriation is approved, I cannot make that request.

CHAIR HOKAMA: Okay. Ms. Cochran, questions at this time? Please know we also have Ms. Savage available from the Parks Department.

COUNCILMEMBER COCHRAN: Well, Chair, having heard Ms. Taomoto and then in reference to your question, Ms. Taomoto isn't at liberty to answer it and I would like to

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definitely get the answer; so if it's Ms. Savage that can help shed more light on that, I'd request to have her brought here to be asked of the question.

CHAIR HOKAMA: Okay. Ms. Director Savage--

COUNCILMEMBER COCHRAN: Thank you.

CHAIR HOKAMA: --if you would join us, please. Okay. We have Deputy Director Savage joining us from the Department of Parks and Recreation, so thank you very much for joining us. Yeah, Wendy, just stay there. Okay. Ms. Savage, do you need the question repeated for you from Ms. Cochran?

MS. SAVAGE: Thank you, Chair, yeah, if we could just rephrase the question, I could...

CHAIR HOKAMA: Yeah, if you would, please?

COUNCILMEMBER COCHRAN: Chair, yeah, I guess you were asking basically why is the, why is this being brought to us when they were given a license to garner revenue off the parking lot in order to assist in such work and why isn't there sufficient funds to cover that?

MS. SAVAGE: Thank you for the question, Chair, and Councilmembers. So the funding that has come through the revenue for the parking lot at this time has been allocated for the hiring of a maintenance person, purchasing necessary small equipment and tools, trimming and removing trees and invasive brush and other clearing of debris on a continual basis throughout the area. And so when this concept of having a perimeter fence be put into place came up, all of the revenues were already allocated and spent in these other ways of being able to kind of maintain the areas and so that's where it, you know, came up as being something that would need to be additionally funded as a part of the project, the restoration project.

COUNCILMEMBER COCHRAN: Chair?

CHAIR HOKAMA: Ms. Cochran.

COUNCILMEMBER COCHRAN: And so this ongoing maintenance, it had just, this has just started? I mean, it's been leased and in process for 23 years, so I'm just, all of sudden there's maintenance and tools needed to be bought at this point and there was, you know, that's just what boggles my mind is that I would think those, you know, assets would be there, would have been there and this has been, should be ongoing. But, I guess, is that what's happening? This is a newly placed type of project and this maintenance and thereby with the AIS around the corner, they just simply don't have the revenue in order to build this fence?

MS. SAVAGE: Yeah and I don't want to speculate, I guess, back too far about how monies have been expended in different areas, but I do know since Blossom has come on as

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the Executive Director, she's done a lot of reviewing through the funds that are available, how they are spending 'em and making some maybe different allocations to make sure that things are being maintained and so there has been more of a conscious effort of how can we keep this area clear and cleaned and does there need to be more, you know, maintenance or security or monitoring of the area and that is something that there has been more of a focused effort and more funds focused on that type of expenditures in the recent two-and-a-half years.

COUNCILMEMBER COCHRAN: And so in your, what is, what are the monies from that parking lot supposed to be expended for and do you have any of those kind of detailed answers as in what are we looking forward on, I mean, we're gonna put this fence in, you know, to make the AIS run smoothly and protect it, but after that, I mean, there's so much more work to be done, so how much more are we gonna have to be looking at if this parking lot is, can only be used for, you know, buying some tools and a maintenance person?

MS. SAVAGE: So within the license agreement, the use of the premise indicates that the licensee shall use or allow the premises hereby licensed to be used solely to restore and preserve Mokuuula and the ponds of Mokuhinia as an...yeah. The net proceeds of which shall be used by licensee for restoration and preservation purposes. And I do believe it also indicates in here that there should be approval by Maui County Council by separate resolution at the end of the first three years and then every five years thereafter during the term of the license. And I do know there was a resolution that was transmitted, I believe in 2011, I wasn't able to find what happened with that resolution as far as if there was any action taken on it at that point in time. I think some of it as the project moves forward and you know, budgets are created on an annual basis to determine how the revenues are gonna be expended, as there's more conversation about what the future needs might be, then there may be different budgeting that's looked at for those revenues that are coming in so that they can cover anticipated costs similar to this in the future. I just, this perimeter fence wasn't anticipated at the time that their grant amounts were, I guess, being budgeted for, the revenue from that lease, wasn't looked at that point in time.

COUNCILMEMBER COCHRAN: So what this Committee's been, being told is that U.S. Army Corps is assisting or I guess kinda responsible for the Mokuhinia Restoration section and then Friends of Mokuuula in essence is responsible for the island Mokuuula itself, so with this fencing being in reference to Mokuhinia, when do we get U.S. Army Corps funds kicking in? I think that was a question that was brought up at our last Committee. So how is that being, when does that, when do they start assisting in the project? And I think, yeah, this, Chair, leads more towards that aspect. And, also, the AIS, I'm wondering, it started? I couldn't quite get, it has or hasn't and where is it right now, thereby needing this fencing.

CHAIR HOKAMA: Ms. Taomoto?

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MS. TAOMOTO: I'm going to restate the question. I'm going to answer it. When does the Army Corps funds get kicked in? So basically, the Army completed a Draft Feasibility and Environmental Assessment and that was funded 100 percent with Army Corps money, so it kind of already got kicked in to complete that report. And the next time the Army puts up money for this project, we will need to sign that Cost Sharing Agreement that Director Baz spoke of; and, at that time, I will come to Council with the proposed Feasibility Cost Sharing Agreement, it's specifically called, for your review and discussion. I transmitted on Wednesday, the Department of Management transmitted on Wednesday, the cost that the County would be obligated to when the Feasibility Cost Sharing Agreement is provided, presented to the County. And that is the next time the Army, I'm trying to find my letter, sorry. So basically what I did was provide in that March 25th transmittal an estimated cost for the project to date. Since then, I got an updated cost. Unfortunately, on Wednesday when the transmittal was made, I received an e-mail updating the cost by tens of thousands of dollars; so I have to transmit an updated cost schedule to this Committee after I leave today. And in there, the first item, the project timeline, it was estimated based on the AIS work being completed that we would be presented the FCSA, Feasibility Cost Sharing Agreement, in September of 2016, and that's my estimate. Everything is evolving around the completion of the AIS. So whenever that is completed, that report needs to be submitted to SHPD, the AIS report, that needs to be approved. Upon SHPD's approval, Army will review and assess how that affects the final Feasibility Study and the Environmental Assessment and then come out with a schedule to complete the Feasibility Study and the Environmental Assessment. I put in this, my estimated schedule, it'd take them about six months. I also estimated it would take SHPD about six months to approve the AIS report. But, like I said, once they have a chance to review the AIS report and findings, they will make a decision whether to seek approval of the funding, which is to complete the Feasibility Report and the Environmental Assessment. So in my discussions with the Army, they don't have approval right as we speak to complete the Feasibility Report and the Environmental Assessment. They will make that request to their higher-ups once they get the AIS final report approved by SHPD. So everything is hinging on the AIS report being, AIS being completed and the report being approved by SHPD.

CHAIR HOKAMA: So currently there is no intergovernmental agreement between the County and the Corps?

MS. TAOMOTO: There is no intergovernmental agreement committing, obligating the County to funding. We did execute a Memorandum of Understanding between the Army and the County, which was non-financial, it was just to clarify the steps and that was executed June 3, 2014.

CHAIR HOKAMA: Ms. Cochran, any further questions?

COUNCILMEMBER COCHRAN: Yes, Ms. Taomoto, so I know this, the whole feasibility study aspect with U.S. Army Corps has been ongoing for quite some time, so are we ever at a point where we're at risk of not having their involvement? I mean, having, you know,

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they're dealing with Federal dollars on that level, I mean, is there ever, what is your initial, you know, thought and feeling in regards to this truly happening and this really panning out?

MS. TAOMOTO: I just spoke with the Army last week in preparation for this meeting and they didn't get word that they're not gonna move forward with that request once the AIS report is approved by SHPD. They haven't indicated any, anything to me that they're not gonna move forward with that request to their, Washington for the monies to complete the feasibility and then subsequently the monies to design and construct the ecosystem. Nothing has been, so I'm going under the assumption that they're moving, they're not confident, but they're planning to request that funding from the Army Corps, the Honolulu District Office I'm speaking with.

COUNCILMEMBER COCHRAN: Okay. Thank you. And Chair, the document correspondence dated March 25th, do we have that? Is that what this...?

CHAIR HOKAMA: Ms. Yoshimura, are we in--

COUNCILMEMBER COCHRAN: Do we have that?

CHAIR HOKAMA: --receipt within Committee?

MS. YOSHIMURA: Mr. Chair, no, we did not receive as of this morning.

CHAIR HOKAMA: Yeah. So--

COUNCILMEMBER COCHRAN: Oh. Okay.

CHAIR HOKAMA: --we don't have that communication--

COUNCILMEMBER COCHRAN: So we don't have it yet.

CHAIR HOKAMA: --yet.

COUNCILMEMBER COCHRAN: Alright. Okay. So that would be helpful to get that and Chair, my last question in regard to the perimeter of this fencing, it was discussed, Ms. Taomoto and you know, I was there with you at the blessing and that was when I brought up the point about Tropical Road and that whole area which I know you're familiar with. So this perimeter fencing, it has been figured out exactly where the boundary lies on that end? I know all the rest of it towards Front, you know, and off of Shaw and Mokuhinia Way, but I'm just in particular that one sort of public right-of-way, I guess, is what it's called now.

MS. TAOMOTO: By the time we get to, if we get the funding to install it, we will make a boundary, a boundary determination will need to be made to make sure that we're not on the Tropical Road and we're on the makai side of the Tropical Road and--

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COUNCILMEMBER COCHRAN: Okay.

MS. TAOMOTO: --we will coordinate the proposed location with the church as our adjacent neighbors when we stake out the perimeter fence locations, where it's gonna be. We'll contact the church and make sure that everybody's okay with the location of the perimeter fencing. We are proposing to install a man gate which is a walk, man gate which is for a person to go through where the church, along that church boundary so that there's access between the church and the Mokuhinia/Mokuula parcels.

COUNCILMEMBER COCHRAN: Okay. Okay. Well, thank you very much. Chair, that's all I have at this point. Thank you.

CHAIR HOKAMA: Okay. Thank you. Ms. Baisa, any questions at this time?

COUNCILMEMBER BAISA: No. Thank you, Chair. I think Ms. Cochran did a great job. Thank you.

CHAIR HOKAMA: Okay. Mr. Victorino?

COUNCILMEMBER VICTORINO: No, not at this time, Chair.

CHAIR HOKAMA: Mr. Guzman?

COUNCILMEMBER GUZMAN: Thank you, Chair. Can you explain to me again what the necessity of the fence is for? Because initially you said, pins were stolen; and then, in the report, it says, protection from disturbances from, I guess, the archeological site. So what is it, exactly, is going on and why do we have to spend 50,000, is this a permanent fencing that's gonna be there after the project is completed, is it something that's going to be removed thereafter? I would like a little bit more details of the necessity of it and the permanency of it thereafter the project.

MS. TAOMOTO: Thank you, Chair -- Councilmember Guzman. The disturbance is including the removal of the pins. There is a lot of homelessness on the parcel and a lot of people that just shouldn't be messing around with the pins and the stuff that we've staked out, our surveyor has staked out for the AIS field work and that's the, it's survey pins that were put in the ground to create the baseline to document the archeological findings when they're, when and if they're found, so it creates like a grid. And so there's pins in the ground to establish this grid and they, those were removed, and now the surveyor has to go back and put the pins in. That type of disturbance is occurring. And then we suspect, as we start excavating, doing the AIS field work, there's a potential for people to come in and disturb the archeological findings also. So because of the significance that we understand this site has, we felt that it was appropriate to go ahead and, at this time, to install this perimeter fencing. And the permanency question, in the ecosystem design, the ecosystem project, Mokuhinia Ecosystem project, has a perimeter. How that perimeter is designed is still not set in concrete, but what we've discussed with the Army Corps is a rock wall with fencing on

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top or, that would be to keep out the predators, like rodents, but or just straight fencing. So you know, this fencing could be used in the final product, but it, until the Army Corps has made a final determination of the, what the perimeter needs to be to protect the ecosystem, I cannot say if this is going to be a permanent structure. They've alluded that it needs to have rodent control so, you know, I'm not sure if the fencing, this type of fencing will provide that, so we are, you know, the design, we're not in the design stages, so until we get through that discussion with the Army Corps, I think this will be considered potentially temporary fencing.

CHAIR HOKAMA: Mr. Guzman?

COUNCILMEMBER GUZMAN: Chair, I don't feel very comfortable with the responses on the temporariness and the permanency. There's no design that actually is a permanent perimeter, then why are we spending 50,000 for pins? I mean, is that, has it happened once, this, the theft; has it happened multiple times; could we not send MPD as a patrol? I don't know if this is an ongoing theft or is it a one-time occurrence, but to spend 50,000 on an assumption that it's gonna continue, I am very reluctant to spend that type of money at this point, unless you can clarify if the theft has happened more than once.

MS. TAOMOTO: I, if you...

CHAIR HOKAMA: Ms. Taomoto.

MS. TAOMOTO: If you would like, I can call down our archeologist who could speak more to the types of disturbances that has occurred on the site. Our archeologist is in the audience ready to answer any questions of that nature if the Chair would like.

CHAIR HOKAMA: Would you care for that, Mr. Guzman?

COUNCILMEMBER GUZMAN: Is there more detail than just the pins?

MS. TAOMOTO: As far as I was told, it's the pins and the, because of the historical respect of the site, there's a concern for the disturbance to the archeological findings; which, once there, once damage has occurred to an archeological finding of this significance, I don't think you can restore it. It's, once the damage is done, it's done. And for the, how significant this site is, I think it would be worth the 50,000, basically, is what we've made a determination. But as to relay how significant this site is, I am, I would be more comfortable if our archeologist came down to provide that information.

COUNCILMEMBER GUZMAN: Well, I guess my other point was, is if it's so significant, maybe you should do a media campaign for the general public to, you know, advise the community that it could be in jeopardy and maybe the community will step up and protect its own. Have we thought about that instead of maybe we could spend 10,000 of the 50,000 or 5,000 just for a little bit of community. You know, if we go in residential areas, there are community neighborhood watches. You know, if this is

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such a significant area, which I believe it is, the people will step up. I'm not sure I'm completely convinced at this point of the priority of a \$50,000 temporary fence.

MS. TAOMOTO: The Friends of Mokuula, I believe, have ongoing educational tours of the significance of the site, which I don't think the County needs to add to that type of public information. But, you know, my personal opinion is, we don't want to advertise we're finding this or finding that as we do the archeological inventory survey, because I don't, I cannot say who in the public would want to cause damage to the findings just for the sake of doing it. So I don't necessarily want to advertise what we're finding, when we're finding it, that kind of campaign. But and I'm, I, like I said, the Friends of Mokuula have these educational tours. I think that's sufficient to express to the public, not just in Maui, but the tourists that how significant this site is and why it needs to be protected.

COUNCILMEMBER GUZMAN: Chair, I, probably my point is not to advertise the findings, but to say that hey, there is a significant vandalism or theft occurring in a very sacred area, that would very much spur the, I guess the people to react in a way that I believe would cause the disturbances or the vandals to take a second look, but maybe we need, I need to get more information from the archeological project manager or something in terms of what are these pins, yeah. I mean, to me when you say pins, it's these metal-type pins that I know in construction and I'm not sure if that's equivalent to 50,000. So if we could possibly, Chair, bring down the archeological person in charge of the site for more detail?

CHAIR HOKAMA: Okay. Before I bring her down, I'll ask Mr. White if he has questions for Ms. Taomoto first--

VICE-CHAIR WHITE: No, Chair, I...

CHAIR HOKAMA: --or Ms. Savage.

VICE-CHAIR WHITE: I support the Administration's request. I've been involved with the site for over 20 years and this is a very sacred site. I understand Mr. Guzman's concerns as well as Ms. Cochran's, but you know this process has been going on for a long, long time. It's time for us to get moving. AIS survey is far less time consuming than the review by SHPDA. The review by SHPDA is likely to take two years if not more on this type of a AIS. We had a very simple one that we did in Kaanapali that had absolutely no findings and we were waiting for SHPDA approval for over 18 months. I think it was like 22 months before we got approval. That's with no findings. We're talking about a very important and sacred site here and I have no problem spending \$50,000 to protect the work that's being done through the AIS because once those pins are moved, it's not the pins that are costing us the challenge, it's the fact that we've gotta go and redo the survey. Now even back when we did a survey in 1992, no, it's...so it's, my 20 years is way off, more like 25 years. But even back in 1992 when we identified the plots to dig up to do the survey, one of the focuses was to try to find the edge of the island and I believe there are at least two or maybe three spots where they were

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focused on the island, on the edge of the island and all three were dead on. You know, we found the rocks that made up the edge of the island. So to Ms. Taomoto's point, if we're not going to protect the site by putting the security fence around the work that the AIS is going to entail, then we're not doing our job. And I don't think we can look to, you know, we didn't look to the Friends of Mokuuula to fund the AIS, which I believe is about 200,000; and, to me, this is simply a critical piece to make sure that we're gonna continue with the AIS, the AIS is an absolutely critical piece to move this project forward and I just, I have no problem. I don't have any questions for Ms. Taomoto. I don't have any questions for the archeologist. Because I think this is a process that's been going on a long, long time. I'm very comfortable with the fact that if we're gonna be digging things up in that area, which is very sacred, then we darn well better put a fence around it and not, you know, if we were to call on security companies to watch over it instead of putting in a fence, it would cost us way more than \$50,000. So I think this is a reasonable request and it's one that we need to move forward on. Thank you.

CHAIR HOKAMA: Okay. Yes, Mr. Guzman?

COUNCILMEMBER GUZMAN: Thank you. Thank you, also, to Member, Chair White for the clarification on the...I guess for me, it was trying to find the nexus between what is the priority of the expense. And so if we're dealing with redoing a survey which would cause more expense, to me that's logical to put up a fencing; but for theft of just pins, then it doesn't make sense. But I do thank Chair White for the clarification. If that is in fact true that because of the theft of pins or other disturbances, a new survey would have to be done to correct the vandalism, then I would support the appropriation. Thank you, Chair.

CHAIR HOKAMA: Thank you.

VICE-CHAIR WHITE: And Chair, if you don't mind.

CHAIR HOKAMA: Yes, Mr. White?

VICE-CHAIR WHITE: You know, I'd just like to add that to Ms., again to Ms. Taomoto's point, we found a burial in our dig in 1992 and that's still there. We found artifacts and we found a pier. We found all kinds of stuff. And, you know, the bottom line is, we can't be leaving those items opened for people to come in and take. It's just, it's part of our history, it's part of our heritage, and it's something that we have a responsibility to facilitate the protection of so. You know, I guess I'm a little more passionate about it than Ms. Taomoto because I've been involved with it maybe for 25 years, actually. But it could be longer than that, my math is not so good in, when, with respect to chronology, but, thank you, Chair.

CHAIR HOKAMA: Thank you. Mr. Victorino?

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COUNCILMEMBER VICTORINO: Thank you and I want to thank Mr. White for the clarification because I, too, for many years worked out there and this was a very important project. And there has been a lot of disturbances out there, not only by the residents, not only by homelessness, curious tourists have gone in there. And we've had recently an incident where they were taking things out unbeknownst to them, but they were. So I'm all for and I will support this \$50,000 for the fence. Whether it's permanent or temporary, doesn't make a lot of difference. I think it needs to be done and the work needs to be expedited. And again, whether we wait for the Corps or us or the Friends of Mokuula, it doesn't make a difference at this point, we need to get the job done. I agree, Mr. White, 25, 30 years, it's been a long time in coming. You know, and I've sat here, listened to all of the discussion and I'll wait for your recommendation, Mr. Chair, but I totally concur. It's time to move, time to protect this vital area. And there is significant archeological sites on that, and that has been told to me and shown to me through some of the kupuna in Lahaina in the West side. So I'll wait for your recommendation, Mr. Chair, but I think the time is to act now and get this fencing up so that we can protect this vital area of West Maui. Thank you.

CHAIR HOKAMA: Okay. Thank you. Further questions? Yes, Ms. Cochran.

COUNCILMEMBER COCHRAN: Chair, just if Ms. Taomoto knows the, kind of the detail of the fencing, chain link, wooden, as you stated, maybe cement wall with chain link on top. You know, is it going to be lined with barbed wire? 'Cause I'm just picturing as there is a homeless situation and people trampling through with...and there's existing fencing, but yet they can still get around and go through and whatever. How are we truly gonna prevent people who are just intent on vandalizing and disruption of the site? 'Cause eight-foot chain link, people can climb over that, you know; and I mean, I don't know why people are, but it can occur. So my question, Chair, and especially the gates, I mean, you know, I'm sure they'll have locks on 'em, I don't, you know, especially referencing the one you mentioned that's gonna go between the church and the grounds itself, so just how is that going to deter people from going in or, you know, in and out?

CHAIR HOKAMA: Ms. Taomoto, you have a response?

MS. TAOMOTO: The chain link, the estimate we provided, the 50,000 request is based on a six-foot-high chain link fence from top to bottom. The gates would be locked and access will be provided to the persons or entities that need access. It's just a galvanized chain link fence and its six foot. We considered five foot, but we felt that the difference between five and six, the six foot would deter the people from climbing over more than the five foot would, so we went with the six-foot fence. And it's not gonna, it does not have barbed wire or anything on the top. I think some of the people who are on there, maybe not, don't--like Councilmember Victorino said--don't even realize what they're disturbing, but I think the fence will help put a presence that the site should not be entered into because it will be completely secured.

COUNCILMEMBER COCHRAN: Okay. Thank you.

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CHAIR HOKAMA: Okay.

COUNCILMEMBER COCHRAN: And, sorry, real quick, Chair. And I've noticed there's been postings, no trespassing signs up, so it's sorta giving that presence, like you said, there is something here. And not just removal of pins, but people are digging. Are they digging for the supposed artifacts or are they digging for bottles 'cause it was, you know, kind of a dump fill site, but yeah, things of that nature are occurring. I've seen it and it's, you know, kuleana of the entity to make sure that those things are actually covered also just, you know, liability purposes. But also it just...left pits, you know, opened up like that. But I see the need for a security fence, Chair; but again, you know, we have our reluctance as in the money so. Thank you.

CHAIR HOKAMA: Thank you. Ms. Baisa?

COUNCILMEMBER BAISA: Thank you, Mr. Chair. Just want to weigh in on this. You know, I'm really very much in support of the fence. I think that we need to do everything we can to protect historical artifacts if we can. And you know, it's funny, but there seems to be something going on. As I was watching the news this morning on Channel 4, they were commenting on the rise in property crimes and in vandalism and those kinds of things and we're seeing that here, too. You know, I have a home in a neighborhood that's been there over 40 years, never known to have any theft or vandalism; and, in the past few months, we've had a whole bunch of vehicles being stolen and homes being broken and entered into. And so I think yes, we can, you know, we can monitor each other, but I don't know what is going on. And is it because of homelessness, is it because of people needing stuff or drugs or whatever it is? But we seem to have a rise in this kind of lack of respect for other people's things. So I think as County has invested very heavily in this historic situation, we might as well go the whole way and protect the real thing, which is the possible disturbing of something important; so I'll be supporting. Thank you, Chair.

CHAIR HOKAMA: Thank you. Anyone else? Is there a need to have the archeologist to come forward?

COUNCILMEMBER BAISA: No.

CHAIR HOKAMA: Okay. Any other questions for Ms. Taomoto or Ms. Savage, Members?

COUNCILMEMBERS: Recommendation?

CHAIR HOKAMA: Okay. The Chair will agree in principle. This is an important site, it needs to be protected. I for one have no problem with full prosecution for any violation.

COUNCILMEMBER BAISA: Amen.

CHAIR HOKAMA: Well, we say that, but we seem to always never go to prosecution. So I'm just saying, there's expectations from this body regarding enforcement and follow

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through. And I think the word was brought up couple times, I think Ms. Baisa and Mr. White, I find the word, respect, being said quite often and you hear the rhetoric about respect for the native culture and yet you hear potential acts of desecration. It doesn't run in the same direction. You know, the old days, if the kupunas put kapu, everybody understood. Kapu means kapu. You don't touch. You don't dare disrespect that kapu. But, nowadays, people seem to think kapu means nothing, because there's no follow-through ramification if you don't follow either the practice or the law or something. So I have no problem with us going for notice that we will prosecute to the fullest extent. Because you not stealing from a, you stealing from the whole community. You're stealing from a culture, that is worse; so I have low tolerance, low tolerance, people. I don't have a problem of recommending that we move this forward; but I will say though, Members, I don't want another 23 years to go by before we get a sense of when Mokuuula and Mokuhinia will be completed. We would like dates on what is anticipated completion of the projects and anticipated cost and whether the current revenue streams are sufficient or not and if it's not, we'll may need to make appropriate adjustments. I'm not gonna wait another 23 years to continue to not see things happening in that project site, not with the people's money. So, with that, I will recommend moving this bill for an ordinance forward to the full Council for consideration and adoption. So I will entertain a motion now for a Bill for an Ordinance Amending the Fiscal Year 2015 Budget for the County of Maui as it Pertains to Estimated Revenues; West Maui Community Plan Area, Parks and Recreation, Mokuhinia Ecosystem Restoration Project; Total Capital Improvement Project Appropriations; and Total Appropriations (Operating and Capital Improvement Projects).

VICE-CHAIR WHITE: So move, Chair.

COUNCILMEMBER COCHRAN: Chair, I second the motion.

CHAIR HOKAMA: Thank you. I have a motion by Mr. White, seconded by Ms. Cochran. We are under discussion, Members. Any discussion? Having none, all in favor of the motion, please say "aye".

COUNCILMEMBERS: Aye.

CHAIR HOKAMA: Opposed, say "no". Motion passes. Do we need to file the communication?

UNIDENTIFIED SPEAKER: ...*(Inaudible)*...

CHAIR HOKAMA: Members, we will file County Communication 15-75?

COUNCILMEMBERS: No objections.

CHAIR HOKAMA: No objections, so ordered.

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

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmembers Carroll, Couch, and Crivello.

MOTION CARRIED.

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

CHAIR HOKAMA: Okay. We'll move on. Is there any request regarding the final one on the CIP report, is there any Department or representatives you folks feel to put on notice so that when we bring it up, we can have those people available for your needs?

COUNCILMEMBER COCHRAN: On this item, Chair?

CHAIR HOKAMA: On the last item. The last item is the CIP Quarterly Reports.

COUNCILMEMBER COCHRAN: Oh. Oh.

CHAIR HOKAMA: So I'm just, wanted to give those Departments sufficient time if a Member wanted a representative.

ITEM NO. 34: AMENDING FISCAL YEAR 2015 BUDGET: DEPARTMENT OF FINANCE, DEPARTMENT OF PUBLIC WORKS, AND DEPARTMENT OF WATER SUPPLY (EMPLOYEE FRINGE BENEFITS) (CC 15-87)

CHAIR HOKAMA: Okay. We'll bring up next, BF-34. Thank you Ms. Savage. Thank you, Ms. Taomoto. Okay. Amending Fiscal Year 2015 Budget: Department of Finance, Department of Public Works, and Department of Water Supply, this is as regards to Employee Fringe Benefits. We have a proposal, Members, a bill for an ordinance and this is to amend the current 2015 Budget to address miscalculations in employee fringe benefits by increasing Carryover/Savings in the Highway Fund by 620,000; amending Department of Finance, Countywide Costs (a) increasing Fringe Benefits 1.45 million; decreasing Fringe Benefit Reimbursements, 1.45 million; amending Section 3.B.15.e, Department of Public Works, Highway Administration Program – Highway Fund, (1) [sic], increasing Contribution to General Fund – Employee [sic]

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Retirement System and Federal Insurance Contributions Act or FICA, 330,000; increasing Contribution to General Fund – EUTF, 290,000; (4) amending Section 3.B.17.b., Department of Water Supply, Departmental Expenses – Water Fund, increasing Contribution to General Fund – Employee Benefits, 830,000; and amending Section 3.B.17.c., decreasing Department of Water Supply, Water Operations – Water Fund, 830,000. We also have a Certification of Additional Revenues dated March 13th, 620,000 in Carryover/Savings from the Highway Fund. Mr. Agsalog.

MR. AGSALOG: Thank you, Mr. Chair.

CHAIR HOKAMA: If you would give us your comments, please.

MR. AGSALOG: Thank you, Mr. Chair. Again, as you have mentioned, this amendment is just due to the miscalculation during budget preparation when it was submitted to the Council and as we had the approved budget, the office of, the Budget Office were able to look at where those miscalculation, which is Highway Funds and Water Funds, to go to the Fringe Benefits Countywide in the Department of Finance. I, in the Department of Finance, administer those funds by paying those FICA, EUTF, ERS, all that sort of things, but the miscalculation is in the transfers of funds from Highway Funds and Department of Water Supply. I know you have the Department of Water Supply here, but they were not included in the calculation of this. It was in the Budget Office that had the miscalculation that's in effect so. I will answer more question, Mr. Chair. I apologize that the Budget Director is not here to answer. He's more intimate on this particular calculation.

CHAIR HOKAMA: Okay. Thank you. Mr. White, questions for the Director?

VICE-CHAIR WHITE: Director, what's the percentage of the miscalculation?

MR. AGSALOG: It's an amount of 620 from Highway Funds to go to the General Fund so that we can remit all those calculations, those funds to the appropriate agencies, either be the FICA, Federal Income Tax Contributions or in the ERS, so it should have been 620 to, from the Highway Funds so that we can actually account for whatever their part of that contribution, sir.

VICE-CHAIR WHITE: Okay. What, then, what was the total of the Fringe Benefit Cost for Public Works in this same division that we're transferring the funds to or making the adjustment to? I'm trying to get a sense of how far off we were. I haven't had a chance to go back and look at the number.

CHAIR HOKAMA: So you wanted to know how much we budgeted, Mr. White?

VICE-CHAIR WHITE: Yeah, I just want to get a sense of, 620,000 is that a 10 percent miscalculation or 20 percent or what, what was originally budgeted for fringe in this department?

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MR. AGSALOG: I'm trying to get it now, Mr. Chair, just trying to do a quick calculation. Seems like about 5 percent, Mr. Chair.

VICE-CHAIR WHITE: Okay. So the 620 is 5 percent of the Highway Fund Fringe Benefit?

MR. AGSALOG: Yes.

VICE-CHAIR WHITE: Chair, does that square with the number that you have there?

CHAIR HOKAMA: I'm trying to calculate it. Okay. I think Michele has it faster than my brain's going.

MS. YOSHIMURA: Mr. Chair, I think for FICA and ERS, the original budgeted amount was about one point--

CHAIR HOKAMA: One five eight.

MS. YOSHIMURA: --one million.

VICE-CHAIR WHITE: One point what?

MS. YOSHIMURA: One point one five million.

CHAIR HOKAMA: One five eight million.

MS. YOSHIMURA: And the request is for \$620,000.

VICE-CHAIR WHITE: That's like more than, we're 60 percent off.

CHAIR HOKAMA: So.

MS. YOSHIMURA: Correct. They budgeted for, I guess, 67 percent of what is actually needed.

VICE-CHAIR WHITE: I guess, Chair, I'm just wondering how we can be that far off on.

CHAIR HOKAMA: Okay.

VICE-CHAIR WHITE: And again, that brings up the question of the, what's the amount of miscalculation on the one that we're having to put in, 1.45 million?

CHAIR HOKAMA: We going have fun with ...*(inaudible)*...

VICE-CHAIR WHITE: We were arguing over a \$50,000 fence ten minutes ago and now we're.

CHAIR HOKAMA: And you know, it's going to be a hard day for us, Members, because...and that's one of my issues with last-minute Budget Amendments for the current fiscal

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year. 'Cause I got some, I'm disturbed by what they're basing the new Budget on and showing me numbers and, yet, what they're asking us to do today and on Monday...you know what I'm going to do, I'm going to take one recess at this point in time and--

VICE-CHAIR WHITE: You know, 'cause Staff could just give us the--

CHAIR HOKAMA: --check with Staff.

VICE-CHAIR WHITE: --what was budgeted and what we're now adding back.

CHAIR HOKAMA: And I understand Ms. Baisa has commitments that she needs to be out of the Committee room before 12:00, as I understand, so I'm going to honor that. Mr. V has some unforeseen issue he has to take care of right now that the Chair is aware of, and so we will be at bare quorum for a while, Members. And we'll do the best we can, the best we can; so we're going to take a short recess and we'll be back at 10:30, Members. . . .*(gavel)*. . .

RECESS: 10:15 a.m.
RECONVENE: 10:32 a.m.

CHAIR HOKAMA: . . .*(gavel)*. . . We shall reconvene the Budget and Finance Committee meeting. We are on BF-34, which is a proposed Budget Amendment to the Fiscal Year 2015 Budget regarding Employee Fringe Benefits for the Department of Finance, Public Works and Water Supply. Mr. White, sir, you have a question?

VICE-CHAIR WHITE: No, Chair. I did get the numbers and it looks like the increase in the Department of Water Supply was \$830,000 or a 16 percent increase. Then Public Works the calculation was off by 330,000 in the ERS system or about 28 percent and 290,000 in the EUTF and that amounts to about a 35 percent increase over what was budgeted. So it's just...it's, you know, concerning because those should be the things that are relatively straight-forward calculations and I, makes me a little concerned that we may have some similar miscalculations in our upcoming Budget but we'll have to wait and see.

CHAIR HOKAMA: Okay. Mr. Agsalog?

MR. AGSALOG: Mr. Chair, thank you. I was just been told that a miscalculation is, for those two areas, there were, they used the basis of 2013 actual instead of the proposed 2015 percentage of that 2015 proposed budget for salaries; and, as we know, we have some increases between '13 to the current budget now, pay increases, so that's what, where that came from. So, again, it's just for those two areas. I want to let you know that our staff at the Budget Office, they do a good job. It's just at that time it was very difficult because I have stolen one of their senior analysts to come down to Department of Finance and it's a really busy time during that transition so again, I still very, very confident that our staff at the Budget Office they do a good job.

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VICE-CHAIR WHITE: Well, I think we all have a lot of confidence in that staff. But again, Chair, the difference is much larger than the difference between the Fringe Benefit multiplier that we were using in 2014 versus 2015, 'cause I think that only increased by a couple points. So it, it's a bit troubling to see that we're off by that amount.

CHAIR HOKAMA: The Director and I have had a very candid conversation. The Director understands the Chair's position. I really don't want to see a request like this next year and he's going to work very hard with his team to ensure that the appropriate numbers are before us for our consideration, Chair White, so...

VICE-CHAIR WHITE: Chair, would you, I would appreciate it if the Department could take a look at what is, what the main cost drivers are in the increases. Is it health care? You know, FICA is pretty set. I mean, it's gonna be whatever the normal FICA percentage has been and it's gonna go up a little bit because of the wage increases, but certainly not by 28 percent. I think it would be important for us to, as we're moving into our Budget, that we have a sense of where those costs are being driven by or what the costs are being driven by, whether it's increased health care costs or increase of some other portion of the Fringe Benefits.

CHAIR HOKAMA: Okay. We'll, we will send that letter under my signature on the Committee's behalf to the Director for his review and response.

VICE-CHAIR WHITE: Thank you, Chair.

CHAIR HOKAMA: Okay. Mr. Guzman.

COUNCILMEMBER GUZMAN: Thank you, Chair. I just, my concern is I don't...what, you know, let me just speak frankly. I want to know how this miscalculation happened. Is this human error or was this, what I'm getting at is there's a transfer of funds and that there was an analysis personnel that was transferred out of Budget and therefore there was a miscalculation. What is, I know that you may be privy to the information, but I am not; so I would like to know how this occurred, specifically. It's such a great, if we can argue for 20 minutes about 50,000 for a fence; I definitely need to know what happened in this miscalculation for this amount of money.

CHAIR HOKAMA: The Chair has no problem with that question, and I'll ask Director Agsalog to respond, please.

MR. AGSALOG: Thank you, Mr. Chair. Again, this particular miscalculation, as I have mentioned, it was based on a, the actual 2013 Fiscal Year, actual 2013 salaries. It wasn't based on what we proposed. When I was in the Budget Office, I, when we calculate the fringes, we base it on the proposed salaries. So if your basis is not the, your basis to get the percentage of the Fringe Benefits if it is wrong, then the appropriation will be wrong. So if we used 2013 actuals, which is a little bit lesser than the proposed most of the time in the way we budget, that was 2013, we are now

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in 2015, so it's going to be short. So our proposed, the basis on this estimated appropriation is wrong. So if it's 2013 actual instead of what we proposing as it was a little bit more, then the result would be short. So, again, I wasn't privileged, as everybody think it is, that on the Budget's calculation; but that's what I'm told that the two areas where the miscalculation was affected was based on 2013 actual. Okay. So, again, our normal procedure when we're calculating the Fringe Benefits, Mr. Chair, is based on what we are proposing and that's the normal thing. So on this particular area, it was based on the actual 2013 because we know what was the actual, then. Okay. The proposed is just an estimate. Okay. So, again, I don't think there is any other way, it's just the way the assumption was made and that's the result of the shortage, Mr. Chair.

CHAIR HOKAMA: Mr. Guzman.

COUNCILMEMBER GUZMAN: Thank you.

CHAIR HOKAMA: Ms. Baisa?

COUNCILMEMBER BAISA: No, Chair. I totally understand the process. You know, I used to do this job of trying to do budgets and figuring out fringe benefits. Sadly, you know, it was an error. I think it'll behoove us as we look at the upcoming proposals to make sure that they are correct. And I agree with you that this is not the kind of big errors we want to make, but it happened and my understanding is we don't have a choice, we got to pay. So here we are, we got to make the best of the situation; but we gotta make sure it doesn't happen again.

CHAIR HOKAMA: Thank you. Ms. Cochran.

COUNCILMEMBER COCHRAN: Thank you, Chair. And so the, we're looking, the Highway, increase the Highway Fund by 620,000 for Public Works? So there's two asks here, basically, one for Public Works and one for Water?

MR. AGSALOG: Yes, Mr. Chair.

COUNCILMEMBER COCHRAN: Okay. And Chair, the Highway Fund that this is under the proper usage of that type of fund?

CHAIR HOKAMA: Pardon me?

COUNCILMEMBER COCHRAN: For the monies--

CHAIR HOKAMA: Yes.

COUNCILMEMBER COCHRAN: --in Highway Fund --

CHAIR HOKAMA: Yes.

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COUNCILMEMBER COCHRAN: --is a, this is the proper usage for Fringe Benefit and not just, you know, capital...

CHAIR HOKAMA: The percentage, yeah. Yeah. The pro rata component is...yeah.

COUNCILMEMBER COCHRAN: Okay.

CHAIR HOKAMA: Comes from this component of the Budget.

COUNCILMEMBER COCHRAN: Oh, okay. Okay. Just wanted to reassure that. Okay. Thank you, Chair.

CHAIR HOKAMA: Okay. Mr. White?

VICE-CHAIR WHITE: Thank you, Mr. Chair. Yeah, I, with all due respect to Mr. Agsalog, I don't see enough of a change in the base salaries from 2013 to '14 to account for the 16 percent and the 28 percent and the...I can't remember what the other one was, 30...

CHAIR HOKAMA: Thirty-three.

VICE-CHAIR WHITE: Thirty-five percent.

CHAIR HOKAMA: Thirty-five.

VICE-CHAIR WHITE: The increases, so I'll look forward to their response to your letter. Thank you.

CHAIR HOKAMA: Okay. Anything else, Mr. Guzman, on this one? Well, we'll send a letter to the Director. We'll await his, this is something they're gonna have to be able to explain to the Committee and justify because the Chair starts with zero. There's no basis for the future appropriation. Everybody starts with zero with me and they have to justify every dollar they want. There is no such thing as last year is the base. Last year has no existence to this Chairman. They don't perform; I'll punish 'em. They perform; they'll get more attention and more resources upon performance. There's a new sheriff in town. Okay. If there's no other questions, the Chair, you know, I'm not the happiest guy, I made my sentiments known to the Director and Mr. Baz, but we are in a place where we need to get certain things squared away. So I will entertain a motion to move forward the Bill for an Ordinance to Amend the 2015 Year Budget as regards to Department of Finance, Public Works and Water Supply (Employee Fringe Benefits) to Council is...and I will entertain a motion for that.

VICE-CHAIR WHITE: So moved, and I assume you want to file the County Communication.

CHAIR HOKAMA: And I will, yeah, filing of County Communication, Members.

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COUNCILMEMBER BAISA: Second the motion.

CHAIR HOKAMA: Thank you. I have a motion made by Mr. White, seconded by Ms. Baisa. We're under discussion, Members. Anything further? Having none, all in favor of the motion, please say, "aye".

COUNCILMEMBERS: Aye.

CHAIR HOKAMA: Opposed say, "no". Motion passes with five "ayes", four excused, Mr. Carroll, Mr. Couch, Mr. Victorino and Ms. Crivello. Director, I would just say that when it goes to Council, you may want to have the appropriate departments be available should, at the Council meeting, Members who are not present today, if they have questions, please notify them.

MR. AGSALOG: Yes, Mr. Chair.

CHAIR HOKAMA: Thank you, Mr. Director.

MS. YOSHIMURA: Excuse me, Mr. Chair.

CHAIR HOKAMA: Yes?

MS. YOSHIMURA: Could you allow Staff to make nonsubstantive changes to the bills?

CHAIR HOKAMA: Okay, thank you. Members, with no objections, allowing Staff for nonsubstantive adjustments?

COUNCILMEMBERS: No Objections.

CHAIR HOKAMA: Thank you. So ordered.

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

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmembers Carroll, Couch, Crivello, and Victorino.

MOTION CARRIED.

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

ITEM NO. 35: AMENDING FISCAL YEAR 2015 BUDGET: DEPARTMENT OF ENVIRONMENTAL MANAGEMENT, DEPARTMENT OF FINANCE, DEPARTMENT OF PARKS AND RECREATION, DEPARTMENT OF PUBLIC WORKS, AND DEPARTMENT OF WATER SUPPLY (DEBT SERVICE) (CC 15-88)

CHAIR HOKAMA: Let me please now direct you to BF-35. This is regarding Debt Service again, another request to Amend the Fiscal Year 2015 Budget: Department of Environmental Management, Department of Finance, Department of Parks and Recreation, Department of Public Works, and Department of Water Supply. Okay. The purpose of this bill proposal is to amend the current year's budget to appropriate additional funding to the County's Debt Service by the following: (1) amend Section 2, Estimated Revenues by increasing Interfund Transfers 3.237.740 million, and increasing Carryover/Savings in (1) [sic] General Fund 2.977,396 million; (b) Sewer Fund 886,153; (c) Highway Fund 688,997; (d) Solid Waste Management Fund 683,182; and finally, (e) Golf Fund 29,408; amending Section 3.B.3.b., under the Department of Environmental Management, Wastewater Administration Program – Sewer Fund, increasing Debt Service, 886,153; amending Section 3.B.3.d., as in dog, Department of Environmental Management, Solid Waste Administration Program – Solid Waste Management Fund, by increasing Debt Service 683,182; (4) amending Section 3.B.4.f., Department of Finance, Countywide Costs, increasing Bond Issuance and Debt Service \$6.215,136 million; (5) amending Section 3.B.10.g., Department of Parks and Recreation, Waiehu Golf Course Program – Golf Fund, by increasing Debt Service by 29,408; amending Section 3.B.15.e., Department of Public Works – Highway Admin. Program – Highway Fund, increasing Debt Service 688,997; amending Section 3.B.17.b., Department of Water Supply, Departmental Expenses – Water Fund, by increasing Debt Service \$950,000; and amending Section 3.B.17.6, point c, excuse me, by decreasing the appropriation for the Department of Water Supply – Water Operations Program – Water Fund, \$950,000. Additional funds will be used for principal and interest payment due June 1, 2015, as and for the 2014 bond issuance. We also have a Certification of Additional Revenues, dated March 13th, for Carryover/Savings from the following: General Fund 2.977396 million; Sewer Fund \$886,153; Highway Fund \$688,997; Solid Waste Management Fund \$683,182; and the Golf Fund, 29,408. Mr. Agsalog, if you would please.

MR. AGSALOG: Again, Mr. Chairman, thank you so much for going through that long request for amendments, but essentially, Mr. Chair, our Debt Service at the moment is in need of new appropriation or additional appropriation of 6,215,136. Mr. Chair, as I have intimated to you in our meeting at your office that the request was, is necessary because of the timing of the Debt Service for the 2014 series of the bond that we have sold in June, in July last year. Mr. Chair, when we were in the process of selling the

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bond at that time, it was also very similar to the time that the Budget deliberation was going, but initially, Mr. Chair, when we put our budget for request, it was anticipating a bond sale sometime after the Fiscal Year 2014; however, Mr. Chair, when the underwriters of, financial advisors showing me some savings of that we could have gotten for selling the bond at that time, I looked at the potential savings that we have and it was a little bit already too late in my part to come to you and ask for those because the deliberation was already ongoing, to come and ask for extra additional appropriation for the anticipated payment of the bond. I can say, Mr. Chair, that when we started the process sometimes in April, I think, April-May, when we were doing the bond presentation and it seems like the interest rates were moving at that time to increase rates, we decided to do the competitive bond sales where we have gotten a very successful rate of 2.63 true interest cost for a 20-year bond float. It averaged to about nine life, nine years life on that particular sale, Mr. Chair. It was about 600, correction, it was 68 million bond sales and we got a premium of about almost 7 million premium, so the whole revenue on that, Mr. Chair, was 75 million. Then when we calculated the Debt Service, Mr. Chair, for a Debt Service or for the bond to mature in July, it would have been 200,000 more on the Debt Service versus maturity in June. So I made a prudent decision to use June as the maturity, so we paid interest in December and we going to pay the interest and some principal in June 1st, this year, Mr. Chair. So as I have mentioned to you in our short meeting, I would really, the County would really need this request to be evaluated by you and hopefully that we can get it in a timely manner, Mr. Chair. I will answer any questions that you might have.

CHAIR HOKAMA: Okay. Thank you very much. Mr. White, questions for the Director?

VICE-CHAIR WHITE: Yes. When was the decision made to move the payment date from July to June?

MR. AGSALOG: It was already when we structuring the bond, which it, it was, I would say, just before we went on the competitive bid date, which is June 26, right around there, the bid date. Yeah.

VICE-CHAIR WHITE: That's when the sale was?

MR. AGSALOG: The sale closed in July 9, but we have to tell them what's the maturity date that we want and when we run the calculation based on assumptions that we would save and right now with, I, we can compare the two of maturity date of July 1 versus June 1, we can save \$229,000 more versus the July 1.

VICE-CHAIR WHITE: But I guess my question is, when was the decision made to put that in as part of the package that the sale date was gonna be moved up?

MR. AGSALOG: Before we went to the bid date, Mr. Chair. That was in June, in June already. Yes.

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VICE-CHAIR WHITE: Okay. So it was after the passage of the Budget?

MR. AGSALOG: Oh, yes. It was, you guys, I think in May already have the, your approved Budget at that time.

VICE-CHAIR WHITE: Okay.

MR. AGSALOG: Your, the Council's adopted Budget, I should say. Yeah. So that date that when we made, I made the decision to try to save 200,000, I know then that I will have to come and ask for this Debt Service, but I think 200,000 is 200,000 for the taxpayer.

VICE-CHAIR WHITE: Yeah. I would agree. Thank you, Chair.

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

COUNCILMEMBER GUZMAN: Not at this time. Thank you, Chair.

CHAIR HOKAMA: Thank you. Ms. Baisa?

COUNCILMEMBER BAISA: No, Chair. Thank you.

CHAIR HOKAMA: Ms. Cochran?

COUNCILMEMBER COCHRAN: Not at this time. Thank you, Chair.

CHAIR HOKAMA: Logistically, I mean, you know, this is a doable request, Members. My disappointment is when we had already made the first payment, we knew we should have been ready for this amendment earlier. And I wish we had taken care of this before the end of last term, because as my druthers is, Members--and Mr. Baz not here--but I'm really uncomfortable with the FY '16 estimated revs. So it's gonna be, it's gonna be one interesting session for us, Members, but I will not allow the County to default. We have a bill to pay. We have obligations. The Charter tells us specifically the priority of bill payments; and while I'm not happy how we are here today, I will definitely not allow the County to default. So saying that, I'm going to defer this and post this for decision making shortly with the Committee Staff. I'll be working with Mr. Agsalog on the specific date of the reposting. If any of you have additional questions, please let the Chair be aware of it and the Chair will forward the question on your behalf to the appropriate personnel or Department for a response. Any questions on this, Mr. White?

VICE-CHAIR WHITE: Thank you, Chair. Not a question, but just a comment that I would agree with you that this is, you know, if we knew back in June or July when the sale was finalized, that this payment was going to be moved up into this Fiscal Year, we could have been advised considerably earlier than March 13th so I would agree with your concerns. Thank you.

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CHAIR HOKAMA: Okay. Thank you. So, Members, with no objections, I'm going to defer this item.

COUNCILMEMBERS: No objections.

CHAIR HOKAMA: Okay. This item is deferred.

ACTION: DEFER pending further discussion.

**ITEM NO. 33: AMENDING FISCAL YEAR 2015 BUDGET:
DEPARTMENT OF FIRE AND PUBLIC SAFETY
(SALARIES, PREMIUM PAY, AND OPERATIONS) (CC 15-86)**

CHAIR HOKAMA: I would like to bring up—and, again, I am well aware of the clock, Members—I'm gonna bring up BF-33. This is regarding the amendment request, Department of Fire and Public Safety, under Salary, Premium Pay, and Operations. This is under BF-33. BF-33, Members, provides us with a proposed ordinance and the proposal is to amend the Budget by increasing Carryover/Savings in the General Fund by 2.185068 million; amending Section 3.B.5., Department of Fire and Public Safety, by increasing (a) Administration/Maintenance Program by \$359,374; (b) Fire/Rescue Operation [sic] Program \$1.799,652 million; and Fire Prevention Program for 26,042. Additional funds will be used to cover the projected shortfalls and salary, premium pay, and operations. And also accompanying is a Certification of Additional Revenues, dated February 19th for 2.185068 million in Carryover/Savings from the General Fund. It's amazing we never have an unending source of General Fund Carryover/Savings. That we will work hard on during this coming Budget, Members. With that, I'll ask Mr. Agsalog if he has questions. And the Chief is here; so, the Chief, if you want to join us, please come forward. If you need one more chair...Mark, can you assist the Chief and the Department, please? Okay. Thank you for joining us today. Chief, you or either the Finance Director, who would like to give opening comments, please?

MR. AGSALOG: Okay. Mr. Chair?

CHAIR HOKAMA: Yes, sir.

MR. AGSALOG: Just a quick one. Again, I'm sitting here for the Administration and with the Department, this, it's my understanding that this request was also originally requested in the proposed Budget and the Department would be able to detail the requirements as presented to you, Mr. Chair, so I would take any questions that I'm not be able to answer here today and bring it to the Administration should there be. Thank you, Mr. Chair.

CHAIR HOKAMA: Thank you, Director. Chief, opening comments?

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MR. MURRAY: Aloha, Chair. Good morning, everyone.

CHAIR HOKAMA: Good morning.

MR. MURRAY: As Director Agsalog has mentioned, that this was part of our request in FY '15's Budget and we have come to that point where we need the funding to get us to the end of June 30th of this year and I'd be happy to answer any questions specifically to the numbers that have been presented to you.

CHAIR HOKAMA: Okay. Thank you very much. Ms. Baisa, any questions at this time?

COUNCILMEMBER BAISA: I'm trying to remember, Chair, when we were in Budget and I know there was a lot of discussion about the Fire Department, the Fire Department request and I remember clearly us instructing them that if they were, ran into trouble because we had concerns about the request, that they needed to come back for Budget Amendments, so I'm assuming that's why we're here today. And if anybody can break this down a little bit more for us and tell us a little bit more about exactly, you know, what these needs are, I'm ready to listen.

CHAIR HOKAMA: Chief?

MR. MURRAY: Alright. Thank you for that opportunity. So it's broken down in programs and majority of it, I would say, high 90 percentile is for the salaries and we have one of those numbers that is in there is for our maintenance program, which is for the maintenance of all of our vehicles, response apparatus and what have you.

COUNCILMEMBER BAISA: Chair?

CHAIR HOKAMA: Ms. Baisa.

COUNCILMEMBER BAISA: Chief, does it appear that you are actually spending more or are these the figures that you had budgeted?

MR. MURRAY: The figures are really close. It was our anticipated based on the arbitrated salaries and the, we had some step movements that we had to catch up and some retroactive pay during that collective bargaining negotiation. So once it was awarded, that's where we ended up and this were close to our projections, really close.

COUNCILMEMBER BAISA: So unlike some of the things we've looked at earlier, these were anticipated but we reduced it?

MR. MURRAY: Yes, they were, ma'am.

COUNCILMEMBER BAISA: Okay. Thank you, Chair.

CHAIR HOKAMA: Thank you. Ms. Cochran?

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COUNCILMEMBER COCHRAN: Thank you. And I guess just following up on Ms. Baisa's...and you stating that, yes, it was anticipated, but yet we're just receiving it today. So I mean if it was anticipated, could it not have come to us sooner, earlier?

MR. MURRAY: Yes, our request to Budget Office was that, that we were anticipating this, it was looking that way and we had to wait for their preparation of this document to you.

COUNCILMEMBER COCHRAN: Okay.

MR. MURRAY: Yeah.

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

MR. MURRAY: You're welcome.

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

VICE-CHAIR WHITE: Thank you, Chair. You know, I'm not ready to support any action on this today. We've, I've requested information from the Department on a number of financial questions and those, that request was made March 6 and I haven't received the response yet, so I'm sure I'll be receiving it soon. But I'm not ready to take action on this measure until after I've had a chance to take a closer look at that. I think the reason I'm concerned is that, as we all know and we discussed in last year's budget, there's a significant amount of overtime and premium pay that drives the personnel cost in this Department. And the increase that was established for the Department in the last contract--and this is just a rough figure--just take a total contract increase and divide it by the number of people in the Department. It shows that the increases for the Fire Department well exceed the increases for the Police Department. And, as we all know, we have a very difficult time filling positions in the Police Department and retaining officers; whereas, in the Fire Department, we have, you know, 1,400 people show up for, you know, a small number of openings, 12 to 15 or whatever the number might be. So, you know, to me, this is a, there's a larger question here of managing resources and how we deal with contract requirements and how we schedule our existing personnel in a way that we can make the best use of the resources. And, you know, we all appreciate the work that the Department does. I think they do a great job. They do a lot of wonderful service, but they've also enjoyed significantly higher increases over the last four or five years than the other bargaining units by quite a margin. And so, you know, for me, while the Fire Department is very important and critical to our safety; so are the guys that work in the Water Department because we all depend on the free flowing of water; so are the guys in Public Works when we have a problem with our roadways and drainage ditches and flooding and so on. So it's difficult for me to make a decision on this request because it's a significant amount of money. And you add this to the other requests that we're dealing with today and we're at a point of about \$13 million. And so, you know, with all due respect to the Department, I'm just not ready to support this request until I've had a chance to take a closer look at their numbers when I get them.

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CHAIR HOKAMA: Okay. Thank you very much.

VICE-CHAIR WHITE: Thank you.

CHAIR HOKAMA: Mr. Guzman.

COUNCILMEMBER GUZMAN: Thank you, Chair. It appears on the second page on the, let's see, what I, in reviewing the budget request, it appears that most of it is salary driven except for Section 2 of 5 where it says, provided that 50,000 shall be for the Maui All Hazards Incident Management Team. Other than that, everything else looks like it's salary and premiums, premium pay. So what is, what exactly is this 50,000 for?

CHAIR HOKAMA: Chief?

MR. MURRAY: We're trying to clarify where that is at.

CHAIR HOKAMA: That's on Page 2 of--

COUNCILMEMBER GUZMAN: Page 2.

CHAIR HOKAMA: --document, on the ordinance document at the top under Department of Fire and Public Safety Administration/Maintenance Program, No. (2).

MR. MURRAY: Alright. That would be Item No. 2 on Item 5, yeah? Five, Item 2?

CHAIR HOKAMA: Five a.

MR. MURRAY: A(2), yeah, okay. That was the money that was provided for our All Hazards Incident Management Team to provide training and response in natural disasters or what have you so...

COUNCILMEMBER GUZMAN: This 50,000 was in your original proposal?

MR. MURRAY: Right.

COUNCILMEMBER GUZMAN: That we did not appropriate in the...

MR. MURRAY: No, we have it.

COUNCILMEMBER GUZMAN: Oh, you have...

MR. MURRAY: Yes, we do.

COUNCILMEMBER GUZMAN: Okay. On the salaries and the premium pay request, are those, I guess, they have a nexus with your bargaining agreement?

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MR. MURRAY: Absolutely, yes.

COUNCILMEMBER GUZMAN: And those are requirements that should have required us to increase?

MR. MURRAY: Right. Those are all arbitrated requirements.

COUNCILMEMBER GUZMAN: Okay.

MR. MURRAY: Within the collective bargaining agreement.

COUNCILMEMBER GUZMAN: Okay. Thank you, Chair.

CHAIR HOKAMA: Okay. Ms. Baisa, additional questions?

COUNCILMEMBER BAISA: No, thank you, Chair.

CHAIR HOKAMA: Ms. Cochran?

COUNCILMEMBER COCHRAN: No, Chair.

CHAIR HOKAMA: Mr. White? Okay. I would say, Members, I am going to defer this item, repost it for a Committee decision shortly, but today, since there's only five of us and I know we will not get unanimous decision on it, I'm going to defer this item with no objections?

COUNCILMEMBERS: No objections.

CHAIR HOKAMA: Okay. This item is deferred. We'll bring it back up.

MR. MURRAY: Alright. Thank you for the opportunity. Have a wonderful day.

CHAIR HOKAMA: Thank you, Chief.

ACTION: DEFER pending further discussion.

**ITEM NO. 23: AMENDING FISCAL YEAR 2015 BUDGET:
DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
(SOLID WASTE MANAGEMENT FUND) (CC 14-306)**

CHAIR HOKAMA: Okay. We'll bring up BF-23. This is also another amendment to, for the Fiscal Year 2015 Budget: Department of Environmental Management (Solid Waste Management Fund). Okay. This is regarding, let's see, we have a bill for an ordinance, this is to amend the Budget (1) increasing estimated Carryover/Savings in Solid Waste Management Fund by 700...\$700,029; amend Section 3.B.3.d. as in dog,

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Department of Environmental Management, Solid Waste Administration Program – Solid Waste Management Fund, by (a) increasing appropriations by \$100,340; increasing the equivalent personnel (“EP”) by 1.0; amending Section 3.B.3.e., Department of Environmental Management, Solid Waste Operations Program – Solid Waste Management Fund by (a) increasing appropriation by \$599,689; increasing EP by 3.0; amending Section 3.B.4.f., Department of Finance, Countywide Costs, by (a) increasing appropriations for Fringe Benefits by \$100,340; decreasing the appropriation for Fringe Benefit Reimbursements of \$41,751; and decreasing the appropriation for Overhead Reimbursements by 58,589. Also accompanying this request is a Certification of Additional Revenues, dated December 8, 2014, for \$700,029 in Carryover/Savings from the Solid Waste Management Fund. We also have correspondence from the Budget Director, dated March 19th where he gives us a revised proposed bill and that is to (1) delete the request for EP, 1.0 EP, Solid Waste Admin. Program; and (2) change the request for expansion of 3.0 EP to LTAs or Limited Term Appointments. Before I have Mr. Agsalog or Director Ginoza and Deputy or Mr. Ratte, I’d just point out, in the Budget we just got, estimated revenues from other sources, Solid Waste Management Fund, they’re in the hole under this source of \$1.522154 million...minus...minus. So gentlemen, welcome and good luck. Who’s gonna speak first?

MR. AGSALOG: Thank you, Mr. Chair. Again, this particular request with the other transmittal, which is a revision, I think it’s just to say it’s a very similar request that they have requested in the, the Department requested in the proposed, in their proposed ’15 Budget. They are here now to request that particular part of their budget that, as a part of the shortage of their operation. The amendment, Mr. Chair, I think, is instead of the three requests that I think they making it an LTA, Limited Term Appointment, on the request with the amendment, amended request, Mr. Chair. And they are here to answer all your questions that you might have in a more detailed manner that I can’t. I apologize that I wasn’t part of the conversation with the Budget Director, but the Budget Director will give me a short briefing about this request, Mr. Chair, and I will bring anything that Administration can’t answer to the Budget Director when he’s able to come back.

CHAIR HOKAMA: Okay. Thank you very much, Director Agsalog. Mr. Ginoza.

MR. GINOZA: Thank you, Chair. I’ll be brief. As we expressed before the last fiscal year ended, we were concerned about making it through the year and shortly after the fiscal year started, which is why we had tried to curtail services to try to save budget. We are at a point where we will run out of monies before the end of the year, which is why Chip had testified because I am meeting with him later on today about the potential ramification should we not receive a budget amendment. I have with me today, Mike Ratte, who is the Solid Waste Division Chief as well as Mike Kehano, who is the Assistant Solid Waste Division Chief that would be able to provide you more specific information as to where the shortfalls are and how we would be able to proceed. Thank you.

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CHAIR HOKAMA: Okay. Thank you. Mr. Ratte, any comments at this time?

MR. RATTE: Thank you, Chair; and thank you, Councilmembers. Yeah. I'll keep it brief as well. In general, this is very consistent with what we've discussed with Council in the FY '15 Budget deliberation phase as well as in the various documents that we gave Council throughout the Budget deliberations and various requests for information. In general, we have, in the Division, have had a number of historical non-compliance areas that we've had to address over the years and have been identified over the past couple of years with an internal division audit; and, with that, we submitted our FY '15 Budget. In general, what we got approved for the Budget versus what we requested is basically what we are coming before you today to request to make it through the year without having to face layoffs of our staff. We have evaluated every option that we have before us to make other cuts that we're addressing any areas of non-compliance that we could cut and we've done that. So, at this point, we're down to it probably about mid-May to beginning of June at some point is when we're gonna run out of money. So, yeah, we're before you today to basically ask for approval for this supplemental budget. We did make some adjustments from the December 8th submittal as requested by the Budget Chair, so that's the version that you have before you today. So yeah, like Kyle had said, we're willing to answer any questions and be transparent as much as we can be with you if you have additional questions for detail. What's being handed out to you now, we don't have to go over, you can read that at your leisure, but I can kinda just give a quick summary of that. One of the documents is the Division Mission Statement, and I'll just read it for you right now. To provide public health, safety, and environmental protection of Maui County's air, land and water through effective and sustainable solid waste management practices, resources and a team of dedicated and empowered employees. Below that is our priorities that we have in the Division. So this is how we make our decisions day-to-day. No. 1 is safety; No. 2 is regulatory compliance and environmental protection; No. 3 is resource management, efficiency and building sustainability; and No. 4 is non-safety, non-compliant related services and programs. This is how we make our choices and decisions day-to-day. Basically, with our budget that we have right now and where we are in the Fiscal Year, we're focusing on one and two items and what we're hoping to do is build long-term sustainability with the FY '15 Budget and with our FY '16 Budget and moving forward, so that's our goal. That's our mission there. And that's how we make our choices day-to-day. There may have been some confusion or misunderstanding between Administration and potentially Council, as to what those priorities were because I know that that was requested from Council in the past, so that's why we provided that today. Also submitted to you today was, it's a draft chart that does show the actual amount that was reduced from our budget compared to what was requested. It is more on the order of probably 10 to 15 percent if you just look at our operations budget itself of what was cut in the four positions versus what our actual operations budget is and what those cuts ended up requiring us to do in out-sourcing. Also, there's a timeline of events for the FY '15 Budget dating back to the beginning of 2014 when the Department went over what our budget was gonna be, so there's various items in there that lead us through the process of responses to Council for information and presentations that we provided Council. And that brings

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us up to today's date where we have the meeting today. So, in general, that's where we're at. That's the history of where we were throughout the budget cycle with Council, so we do respectfully ask for a approval of the budget as soon as possible to avoid the layoffs. Really, we have no other choice and no other options that we have from the Department or Division level. We have looked at disencumbering contracts. I know that's been asked before about can we disencumber monies, what is your actual ability to do that? And our answer to that is brief. It's, we've looked at everything we have, we have compliant-related projects and issues that have been identified that are in process now, we cannot stop that mid-stream and show that we've identified things and not address them; so we're unable to cut any of those projects, we can certainly get into more detail if you have about that, but if they're identified and they're compliance related, it's not something that we can do at the Division or Department level to make any stoppages of those projects. So that's pretty much all I have for starters and, of course, please look over the information we provided throughout the budget process in making the decision, but we're confident that it is justified and is needed and we've looked at other avenues for cuts and we have none. So this is what we're down to at this point. Thank you.

CHAIR HOKAMA: Thank you. Ms. Baisa, any questions for our gentlemen?

COUNCILMEMBER BAISA: Probably more questions than answers.

CHAIR HOKAMA: That's okay. That's okay.

COUNCILMEMBER BAISA: But, you know, it seems like I've been hearing about this business of we're running out of money, we're not going to have money for quite a while now and surprising that we're here at the end of March, but this is where we are. You know, earlier we had the problem with the landfill closings and people not having their rubbish picked up and whatever and we kinda got through that with a gentlemen's shake of the hand, you know, let's keep going and in good faith, let's work this out. And so it's a spirit in which I'm here, Chair, and I know it's not an easy situation. I think we have to look carefully at both sides. My concern is the impact on the customers, because I don't like being stopped wherever I go and people saying, ah, nobody picked up my rubbish or how come you guys aren't doing this or that? And so I am here to learn a little bit more about, you know, both sides of this. And it's frightening to me that we're actually talking about layoffs; because if we lay people off, that's not going to make it any better, it's going to get worse, obviously. And so, this seems to me like, you know, we've, it's fish or cut bait time. So I don't know how much more information we need to gather. I don't know if Budget Chair has everything he needs, you know. Apparently he's asked for a lot of things in relation to the other items on the agenda; I don't know if he has them all. And, like everybody else, I read *The Maui News*. And we get stopped along the way and asked questions and we hear all kinds of things, but I think now is the time for us to get to the heart of the matter and hear the truth so we can make a good decision. Thank you.

CHAIR HOKAMA: Thank you. Ms. Cochran.

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COUNCILMEMBER COCHRAN: Thank you, Chair. And I'm looking at the, your landfill closure logs and it seems to be more of a rural areas and, you know, Ms. Crivello's not here, but hearing her past comments in reference to Molokai and the management of that area, are not a lot of these places utilizing Public Works people, their manpower?

CHAIR HOKAMA: Department?

MR. RATTE: No. We don't have any Public Works staff working in our landfills at all. We do have Highways Department collecting refuse in Hana and Molokai, but no landfill staff whatsoever is being supplemented by Public Works.

COUNCILMEMBER COCHRAN: Okay. And so as in equipment operators and people you're not utilizing Public Works services?

MR. RATTE: No, we're not.

COUNCILMEMBER COCHRAN: In these areas?

MR. RATTE: We're not.

COUNCILMEMBER COCHRAN: Okay.

CHAIR HOKAMA: Director?

MR. GINOZA: Part of the reason why we don't utilize Public Works Equipment Operators is the unique nature of the job for compacting and operating at a landfill, so it's quite specialized to have someone just come over every once in a while, and we found it more problematic and we were concerned about safety, so that's why we closed.

COUNCILMEMBER COCHRAN: But hauling waste out of Hana, you're not using, it's all solid waste employees doing that?

MR. GINOZA: We don't haul waste out of Hana. We just dispose at the Hana landfill.

COUNCILMEMBER COCHRAN: You're not hauling green waste? Green waste?

MR. GINOZA: That's by contract.

COUNCILMEMBER COCHRAN: Okay.

MR. RATTE: If I could add to that. For Molokai and that's what started your question, we do have projection for Molokai closures and partial closures to become much less than they are on this chart here. One of the positions that was granted by Council, we had two out of the six, one of them we did reallocate to Molokai because Molokai was our number one priority for a position that we brought before Council in the budget, so

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Molokai, once we fill that position, which is right down to it at this point, I think we'll actually have that filled, you know, within the next weeks or months. The Molokai partial closure should not be 100 percent not happening, but it'll decrease much more than what's on this chart. However the Hana and Lanai landfills will still be short that dedicated operators, so those are two of the key positions that we do still need.

COUNCILMEMBER COCHRAN: Okay. Alright. And...yeah, lot more questions, but, Chair, I'll just let this go for now. Thank you.

CHAIR HOKAMA: Okay. Mr. White.

VICE-CHAIR WHITE: Thank you, Chair. One of the questions I have for you is, what is the status of the Central Maui Landfill Improvement Project, the CIP Project?

MR. RATTE: We may have more than one CIP there. Are you referring to the Waste Conversion Project there with Anaergia?

VICE-CHAIR WHITE: Referring to the project that was approved in last year's budget for \$1,080,000 in cash?

CHAIR HOKAMA: Mike, you can come down.

MR. RATTE: I'm going to have Mr. Michael Kehano answer that question for you. He's currently our Operations Program Manager, Assistant Division Chief, and Engineering Manager. So he wears a lot of hats right now, but...

CHAIR HOKAMA: Introduce yourself to the Committee, please.

MR. KEHANO: Hi, I'm Mike Kehano. I'm the, basically, what he introduced me as. To answer your question about, that was actually three different projects that got put together under that million eighty, so I believe one of 'em is done or close to being done and then two of 'em were close to, we have the, we're almost done with the design part of it and which case we'd go out to bid and we're hoping to get those done or at least the contracts encumbered by August of this year.

VICE-CHAIR WHITE: So what, you've spent so far, 190,000, do you recall what that was spent on? Is that professional services or other items?

MR. KEHANO: I believe that was part of the wind turbine project, some of that.

VICE-CHAIR WHITE: And how much was spent on professional services versus materials?

MR. KEHANO: I'd have to go back and look. I don't have that off the top of my head, but...

VICE-CHAIR WHITE: But part is spent on professional services, right?

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MR. KEHANO: If it's part of the construction part of it, meaning the CQA or the construction quality assurance part of it, then, yeah. That's the only time, but normally we have our design contracts or some of our design contracts, I should say, outside, from the operations budget. Depends on what project it is.

VICE-CHAIR WHITE: Okay. And what's the status on the Satellite Transfer Station Project?

MR. KEHANO: So that is one of 'em that's, we have a contract out, just got encumbered about a month ago and so they're doing their background, getting their, collecting their background information at this point.

VICE-CHAIR WHITE: When is that contract gonna come down? We haven't seen it yet. I don't believe we've seen it.

MR. KEHANO: You know, I'm not sure if, I'd have to check with the other engineer, but I thought that was already encumbered. We're really close at being encumbered if it hasn't been.

VICE-CHAIR WHITE: Okay. And what's the status of the Hana Landfill Berm Project?

MR. KEHANO: So the consultant engineer is still working on a report that we're gonna take to Department of Health to ask them basically their opinion or support on what we're, would like to do and then once we get that approval, then that money is for the actual implementation of whichever plan we choose or DOH allows us to do.

VICE-CHAIR WHITE: Okay. So the \$120,000 worth of consulting service that are professional services, don't those numbers normally come out of the CIP request?

MR. KEHANO: Yes, but this was something that had been identified...

VICE-CHAIR WHITE: Okay. But you haven't accessed any of the 750,000 at this point?

MR. KEHANO: Correct. So...

VICE-CHAIR WHITE: And are you gonna spend that all before the end of the year?

MR. KEHANO: Probably not all of it, so we're gonna probably begin to do it. And that's why we actually took out some money that we were gonna propose in this year's Budget or FY '16's Budget, actually took that out because of the timing of what's happening right now.

VICE-CHAIR WHITE: Okay. But those are cash totals that you're not going to spend by the end of this Fiscal Year on that project, right? Are you going to spend...

MR. KEHANO: Correct. For the, you're talking about the CIP?

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VICE-CHAIR WHITE: Yeah, the 750,000.

MR. KEHANO: Yes.

VICE-CHAIR WHITE: Okay. So the 120,000 you're requesting for the Hana Landfill Berm Project could or should have come out of the 750,000 and you wouldn't need to request monies under this new proposal for this budget amendment, correct?

MR. KEHANO: Because the...

VICE-CHAIR WHITE: Because you've already got \$750,000 and the money can be used for professional services?

MR. KEHANO: Right. My understanding--and maybe somebody from Finance or Budget could answer this--but my understanding is if we start a contract out of Operations money that you have to continue doing that, that you can't actually have a contract that has both, Operations and CIP money on the same contract.

VICE-CHAIR WHITE: Well, can somebody help us understand that? When we've got \$750,000 assigned to a project, why would it be started under Operations as opposed to under CIP as it was authorized and aren't you using up available funds that can be put to other uses like salaries and wages and keeping everything open if you simply assign the monies to the 750 that's already been allocated?

MR. KEHANO: So again, this is something that we had identified last fiscal year and needed to, we felt we needed to get this done right away or as soon as possible and so that's why we had started it in FY '14's Operations budget.

VICE-CHAIR WHITE: You asked for CIP monies, does that mean that you're going to have to do this whole project then in, with Operations money and you can't touch the 750?

MR. KEHANO: Just the design part of it or the consultation part of it. So us using the consultant, yes, that's my understanding. But the 750 was actually proceeding with the physical work.

VICE-CHAIR WHITE: Okay. And this, the other questions are, that I have are regarding encumbrances, but you know, Chair, to...the point that I'm trying to make is we've got a request for professional services for a project that we've already authorized \$750,000 for. So in my view, that 120,000 could very well have been contracted differently and charged to the CIP as opposed to taking it out of operating funds that then shorts them with respect to being able to pay salaries and wages of the people that are operating the landfills and the, and other areas. And these are cash projects, not CIP, so we have, well, my calculation is 750,000 for the Hana Landfill, remainder of 850,000 for the Central Maui Landfill improvements and the 150,000, which they say now has been encumber or contracted. But not all these monies are gonna be spent in this fiscal year, so I'm a little concerned that we've gotten all this cash sitting here

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totaling about \$1,750,000 that can be used and transferred to Operations through resolution and not a budget amendment. The next question I have is in regards to the encumbrances and you mentioned that you can't change those because you have to, to cancel contracts or you'd be putting yourself in a lack of compliance. But one of the contracts that you've encumbered is for the convenience center. And the convenience center is something that the Council put back in after you guys took it out of the budget. And you didn't agree with it; but, now, you've encumbered it when, in fact, that could have been postponed if you were concerned about running out of money. So again, Chair, my concern is they have the, they have money, but they have begun encumbering them. If I, I look back at the encumbrances last year versus this year, and last year at the beginning of Fiscal Year '14, you had about \$1,690,000 in prior year encumbrances that carried over into the new fiscal year. This past, in this fiscal year, add about one point, well, I can't remember the number, but it was about \$180,000 more in carryover encumbrances. And those are for contracts that continue to, you know, to take care of services and so forth. But what was, in my mind, a critical thing is that the encumbrances that we have now accumulated--and just so that people understand--when you encumber money, it's not available to pay for other things. And this year's encumbrances, if I take out the equipment because the equipment is, there was very little equipment in last year's budget, there's little less than 2 million in this year's budget. Adjusting out the equipment for both years, the encumbrances at this point last year, amounted to \$3.1 million, so those are the commitments for future services and goods to operate the landfill. Right now, we have encumbered 4.85 million so that's 1,750,000 higher encumbrances than we had at this point last year. So, Chair, my concern is that, you know, we've been through this shutting down the landfill, cutting off services; and many of us feel that that was all BS. It was done for political reasons, it was not done for budgetary needs; because we gave them all but \$140,000 out of a \$16 million budget, that's 99 percent of what they were, what they had requested. So I'll be happy to look through the stuff they've given us today. I wish I got it a little earlier. But, again, we have the cash in CIP projects that could be shifted. We have cash in roughly a hundred or 1.75 million in encumbrances. So we have 200,000 on the convenience center; the encumbrances at Central Maui Landfill for cover and other things of that sort are \$500,000 higher than they were last year; the encumbrances for Hana Landfill is \$350,000 higher than last year; Molokai Landfill, \$150,000 higher than last year. We have a couple of contracts that, I won't name the companies, but we have a couple of contracts that total \$280,000 that were for the same, for companies that had contracts entered into in 2012 and 2013 that one took about almost a three-year period to spend a total of about 200,000, the other took about a year-and-a-half to spend, I can't remember the, around \$120,000. But those same two companies have brand new contracts that were encumbered well after they knew that they were short of money. So my question is, if you've got a \$280,000 contract here, you got a \$200,000 contract for the convenience center; if you were really concerned about keeping services operating, you could have held off on any one of those and made up a significant amount of the money that they're asking for today. And I, my sense is that there's more than enough money in encumbrances. There are four items that would have no impact on services between now and the end of the year. There's more than enough money there to pay

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for all the people that are working in our landfill and working in our refuse collection division and completely avoid layoffs without shorting anything else. And, you know, as you and I have discussed, this is, you know, I actually hate to say it, but this Department is the Department that I had the highest respect for in my first term and since then, it has now become one of the Departments in whom I have the least amount of trust and the least credibility. And it may not be their kuleana entirely, it may be that they've been driven by the Administration to make the calls they've made; but they've made them and they've participated in them and I don't see a need for any layoffs after reviewing the financials and looking at the various pots of money that I believe they can access. And so I would like them to take a look at each of the items of encumbrance and explain why they can't disencumber some of those funds and explain why they encumbered funds after August 1st knowing that they were or telling us that they were going to be short of funds. So if you say you're gonna be short of funds, then you have the flexibility to encumber monies necessary to get you to the end of the year, not...and you can save money by not allowing those contracts to go beyond the end of the fiscal year. So I'm, I look forward working through this, but I'm really kind of tired of the games. Thank you, Chair.

CHAIR HOKAMA: Okay. Thank you. Mr. Guzman.

COUNCILMEMBER GUZMAN: Thank you, Chair. I think Chair White has raised some valid issues and concerns and I will await further data. I'd also like to ask the Chair in terms of the audit that we, as a Council passed through, on the status of that, if you're aware of the status, Chair?

CHAIR HOKAMA: I do believe that a proposal is out for response by interested parties to the audit's parameters. That will be conducted on our behalf by the Council Chair as the Chief Procurement Officer for the Legislative Branch and I believe that Mr. White's still awaiting the deadline for, to receive all proposals. Would that be accurate status?

VICE-CHAIR WHITE: That's correct. Thank you.

CHAIR HOKAMA: Okay. You know, I've, Ms. Baisa told me in advance of her requirements. I'm gonna to be very respectful of her request because she made it known in advance, she has to leave before 12; so saying that, Members, real quickly, I'm going to repost this item because we definitely need more, some more discussion. But I will ask one quick question, did you folks go and secure office space for engineers that you have yet to receive budgeting for next door?

MR. RATTE: We secured office space in a Wells Street location for our diversion recycling abandoned vehicle staff. That freed up a few extra offices for actual staff that we're in the process of hiring right now as well as two staff that don't even have offices currently.

CHAIR HOKAMA: So those positions all exist, Mr. Ratte?

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MR. RATTE: Yes.

CHAIR HOKAMA: Okay. Very good. Okay. Members...

COUNCILMEMBER COCHRAN: Chair?

CHAIR HOKAMA: Yes?

COUNCILMEMBER COCHRAN: Sorry, real quick.

CHAIR HOKAMA: You have a question for me?

COUNCILMEMBER COCHRAN: For Department.

CHAIR HOKAMA: I'm gonna hold off, Ms. Cochran.

COUNCILMEMBER COCHRAN: Okay.

CHAIR HOKAMA: And not that I don't want you, if it's very pressing, send it to me. I have no problem--

COUNCILMEMBER COCHRAN: I have writing.

CHAIR HOKAMA: --forwarding it, forward it, forwarding that question including like some of the concerns from Mr. White, I will forward particularly using Operation money for CIP. I have a problem with that, so we'll await some written response and we'll review that with our attorneys. So with this item because we're gonna lose quorum, Members, I'm going to defer the rest of the calendar. But before I do, this item would be, is deferred with no objections.

COUNCILMEMBERS: No objections.

CHAIR HOKAMA: Okay.

ACTION: DEFER pending further discussion.

ITEM NO. 4(2): FISCAL YEAR QUARTERLY REPORTS (DIRECTOR'S QUARTERLY REPORT AND CAPITAL IMPROVEMENT PROJECTS REPORT FOR FISCAL YEAR 2015) (CC 15-73)

CHAIR HOKAMA: On the last one, Members, I brought that up because I have one thing on that Quarterly Report, I'll be very straightforward. In the Budget, we have under the Maui Redevelopment Agency, a project called Wailuku Municipal Parking Lot, \$350,000. Your Chair is very interested in moving that project forward and my

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understanding of State statute, the MRA is a very powerful agency that can basically fund itself and do projects within parameters as outlined. The MRA is a creature of the Council through enabling legislation by State statute and so I am going to see whether or not, what authority has the Council and the Administration or Mayor has regarding approval of projects versus the agency authority itself. But I'm interested in this project. I think it's critical to move Wailuku forward and I am going to pursue this project and I'm just being upfront with everybody. I think it's to the welfare of this community and so for me, it is top priority. Okay. With no further business, Members, this item is also deferred with no objections.

COUNCILMEMBERS: No objections.

ACTION: DEFER pending further discussion.

CHAIR HOKAMA: This meeting is adjourned. . . .(gavel). . .

ADJOURN: 11:49 a.m.

APPROVED:



RIKI HOKAMA, Chair
Budget and Finance Committee

bf:min:150327: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 20th day of April, 2015, in Kahului, Hawaii


Joanne Bista