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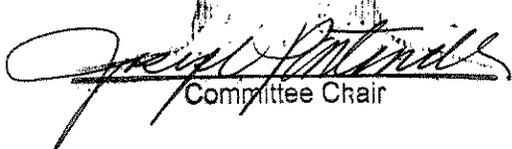
BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

MINUTES

March 21, 2007

Council Chamber

APPROVED:



Committee Chair

1 CONVENE: 10:07 a.m.

2 PRESENT: Councilmember Joseph Pontanilla, Chair
3 Councilmember G. Riki Hokama, Vice-Chair
(in 10:28 a.m.)
4 Councilmember Michelle Anderson, Member
(in 11:47 a.m.; out 3:45 p.m.)
5 Councilmember Gladys C. Baisa, Member
Councilmember Jo Anne Johnson, Member
(out 3:56 a.m.)
6 Councilmember Danny A. Mateo, Member
7 Councilmember Bill Kauakea Medeiros, Member
Councilmember Michael J. Molina, Member
8 Councilmember Michael P. Victorino, Member

9 STAFF: Lance Taguchi, Legislative Analyst
10 Gayle Revels, Legislative Analyst
Clarita Balala, Substitute Committee Secretary

11 Leinaala Khim, Executive Assistant to
Councilmember Bill Kauakea Medeiros

12 ADMIN.: Kalbert L. Young, Director, Department of
Finance
13 Milton M. Arakawa, Director, Department of Public
Works and Environmental Management
14 Cary Yamashita, Chief, Engineering Division,
Department of Public Works and Environmental
15 Management
16 Brian Hashiro, Chief, Highways Division,
Department of Public Works and Environmental
Management
17 Ralph Nagamine, Administrator, Development
Services Administration (DSA), Department of
18 Public Works and Environmental Management
David Taylor, Chief, Wastewater Reclamation
19 Division, Department of Public Works and
Environmental Management
20 Tracy Takamine, Chief, Solid Waste Division,
Department of Public Works and Environmental
21 Management
Joseph Krueger, Civil Engineer, Engineering
22 Division, Department of Public Works and
Environmental Management
23 Mahina Martin, Public Information Officer,
Office of the Mayor (in the gallery)
24 Brian T. Moto, Corporation Counsel, Department of
the Corporation Counsel
25

1 OTHERS: Additional Attendees: 4

2 PRESS: Akaku: Maui Community Television, Inc.

3

4 CHAIR PONTANILLA: (Gavel.) Good morning, Members.

5 Today is March 21st, 2007. The time is
6 approximately 10:07.

7 Members that are present this morning at
8 the meeting are Members Mateo, Members Baisa,
9 Member Johnson, Member Molina, Member Victorino.
10 Excused are -- and joining us now at this time
11 is Member Medeiros. Excused for now is Member
12 Anderson, as well as our Council Chair Member
13 Hokama.

14 Members, it is the intention of the
15 Chair to call a ten-minute recess. I know we
16 just got through with an earlier meeting, so
17 we'll call a ten-minute recess so you can get
18 yourself in order.

19 Thank you.

20 COUNCILMEMBER MEDEIROS: Thank you, Chair.

21 CHAIR PONTANILLA: Recess. (Gavel.)

22 RECESS: 10:08 a.m.

23 RECONVENE: 10:19 a.m.

24 CHAIR PONTANILLA: (Gavel.) Thank you, Members, for
25 that short recess. At this time, the Chair

1 would like to introduce the members of the
2 Administration that are here this morning. We
3 do have Brian Moto from Corporation Counsel,
4 Kalbert Young from the Finance -- Finance
5 Director, as well as Milton Arakawa, the Public
6 Works and Environmental Management Director.

7 ITEM NO. 4: FINANCE DIRECTOR'S QUARTERLY AND CIP
8 REPORTS, FY 2007 (C.C. Nos. 06-294 & 07-74)

9 CHAIR PONTANILLA: This morning, we'll be discussing
10 the December 31st, 2006, this is the Second
11 Quarter Report for Public Works and
12 Environmental Management Department.

13 Supporting the Committee this morning
14 are Lance Taguchi, as well as Gayle Revels, our
15 Legislative Analysts; along with our Committee
16 Secretary, Clarita Balala.

17 Again, good morning, Members.

18 COUNCIL MEMBERS: Good morning.

19 CHAIR PONTANILLA: At this time, the Chair would like
20 to call on public testimony. Do we have anybody
21 signed for public testimony?

22 Thank you.

23 The Chair will leave public testimony
24 open for a little while longer.

25 Members, this morning, we do have item

1 BF-4, the Finance Director's Quarterly and CIP
2 Reports for Fiscal Year 2007. The Committee is
3 in receipt of County Communication No. 06-294
4 from the Director of Finance, transmitting the
5 Finance Director's Quarterly Report and the
6 Capital Improvement Projects Report for Fiscal
7 Year July 1st, 2006 to June 30th, 2007 (as of
8 September 30th, 2006), as it pertains to the
9 Department of Public Works and Environmental
10 Management.

11 Second, the County Communication
12 No. 07-74 from the Director of Finance,
13 transmitting the Finance Director's Quarterly
14 Report and the Capital Improvement Projects
15 Report for Fiscal Year July 1st, 2006 to
16 June 30th, 2006 -- 2007 (as of December 31st,
17 2006), as it pertains to the Department of
18 Public Works and Environmental Management.

19 Members, for the purpose of today's
20 discussion, we're going to be focusing on the
21 report ending December 31st, 2006.

22 Before we get started with our review,
23 the Committee will receive an overview from the
24 Department highlighting their operation for
25 Fiscal Year 2007. Again, let me remind you that

1 the Committee will -- the posted agenda for
2 today's meeting does not allow for any
3 discussion on the Mayor's proposal Fiscal Year
4 2008 budget, so we'll confine ourselves to the
5 Fiscal Year 2007 and the Second Quarter Report
6 ending December 31st, 2006.

7 At this time, the Chair would like to
8 call on the Director of Public Works and
9 Environmental Management to provide us with an
10 overview.

11 Director?

12 MR. ARAKAWA: Thank you, Mr. Chair.

13 We appreciate the opportunity to discuss
14 the Fiscal Year '07 budget for the Department of
15 Public Works and Environmental Management. I
16 realize that there is a lot of subject area to
17 discuss, and since the Committee's time is
18 valuable, we'll try to emphasize what we believe
19 to be the major points for the Committee's
20 review and consideration.

21 What I'd like to do is to discuss the
22 Department's A, B and C budgets as part of the
23 BF-4 item, and CIP would be discussed as part of
24 the BF-5 item.

25 For BF-4, I would propose that we

1 discuss Public Works Admin, Engineering, Special
2 Maintenance, Development Services
3 Administration, Highways, Wastewater, and Solid
4 Waste in that particular order. I would propose
5 that we include the discussion on abandoned
6 vehicles as part of the Solid Waste
7 discussion, if you don't mind. But this is
8 basically the order that these items appear in
9 the County Budget details.

10 And for BF-5, we propose to discuss CIP
11 for Engineering, Wastewater and Solid Waste,
12 which is basically the order that it appears in
13 the CIP Implementation Report.

14 So if that's okay with the Chair, I'll
15 start with the Public Works Administration.

16 CHAIR PONTANILLA: Let's see. Before you do that,
17 I've got here copies of your overview -- are you
18 going to discuss this overview first?

19 And the Chair -- what the Chair wants to
20 do, as soon as you provide this overview, is to
21 go through your operation activities and pick up
22 those various departments. So if you could go
23 ahead and provide us with a brief overview of
24 the Department?

25 MR. ARAKAWA: Actually, Mr. Chair, I'd like to defer

1 that overview to the specific divisions because
2 they'll be going over the overview of their
3 divisions, as well as the A, B, C budgets so
4 that the Committee can get a more broader and
5 more general overview of the activities of the
6 Department in general.

7 CHAIR PONTANILLA: Okay. Then, if you could, I'll
8 call on Kalbert Young to provide us an overview
9 in regards to the operation itself, and then we
10 can go directly into your presentation. That
11 way, you know, I had Mr. -- Mr. Young on the
12 agenda to discuss the budget in regards to the
13 numbers up to December 31st, 2006.

14 Mr. Young?

15 MR. YOUNG: Thank you very much, Mr. Chair. Good
16 morning, Members.

17 COUNCILMEMBER VICTORINO: Good morning.

18 MR. YOUNG: I'm going to be referring to the Finance
19 Director's Quarterly Report for the period that
20 has concluded for December 31st, 2006, and I
21 will be referring specifically to that section
22 of the report that is pertaining to the
23 Department of Public Works and Environmental
24 Management in the section that's -- that's
25 labeled as "V.A. Operations by Activity." And

1 it is in the -- near the second -- or the last
2 third of the report. It's the report that looks
3 like a computer print-out that was also
4 referenced yesterday for the Department of Water
5 Supply referencing on page 8 through 9.

6 From a financial perspective looking at
7 the different components and divisions that
8 comprise the Department of Public Works and
9 Environmental Management, the Department is --
10 is slightly behind its spending trend as opposed
11 to its budgeted amount for the first six months.
12 The majority of divisions have ample funds
13 available from the yearly appropriated budget to
14 carry it through to the remaining six months of
15 the Fiscal Year.

16 There are various divisions and sections
17 in the Department of Public Works that, as the
18 report reflects, have significant spending
19 remaining in their budget. The Department of
20 Finance has not reviewed or analyzed the
21 specific operational needs for each of those
22 divisions, so perhaps the Department of Public
23 Works and Environmental Management Director may
24 have some more specific issues as -- in terms of
25 what the spending trends or any specific items

1 that remain in the Department's operational
2 needs for the remaining six months of the year.

3 With that, I'm available for any
4 questions. Thank you very much, Mr. Chair.

5 CHAIR PONTANILLA: Thank you, Mr. Young.

6 Members, you heard the Finance Director
7 in regards to the report that he just gave you.
8 If there's any discrepancies -- not
9 discrepancies, but any underspending that's
10 being done by Public Works and Environmental
11 Management, if you could hold those questions
12 until we bring up the different divisions up
13 here, and the Director can easily provide us
14 with more information in regards to the spending
15 of the Department themselves and the division
16 themselves.

17 Members, any questions for the Finance
18 Director at this time?

19 If not, thank you very much.

20 Okay. Mr. Arakawa, if you could go
21 ahead and provide us with information regarding
22 the various divisions in your particular
23 responsibility as Public Works and Environmental
24 Management Director.

25 Director Arakawa, please?

1 MR. ARAKAWA: Thank you, Mr. Chair.

2 I just wanted to start out first with
3 Public Works Administration and, actually, I'm
4 just looking at the -- the '07 budget details as
5 far as A, B and C Budget.

6 Basically, it's very simple accounting
7 here. In the Administration Section, we have
8 five positions. There's a Director, Deputy
9 Director, Administrative Officer, Private
10 Secretary and Department Personnel Clerk.

11 And in Fiscal Year '07, we had one
12 expansion position, a Clerk/Typist III, and this
13 person was intended to help out with the
14 personnel filing and typing and dealing with the
15 sheer number of phone calls and referrals that
16 come in. We have a candidate who has been
17 interviewed and selected, and we are awaiting
18 the results of the physical exam at this point.

19 As far as the Operations Budget, the
20 approved amounts are unchanged from the year
21 before. And as far as equipment is concerned,
22 we had some office furniture that was approved
23 and budgeted for the Clerk/Typist, and we have
24 started this process of procuring the furniture,
25 so that's pretty much it for PW Admin.

1 Any questions on that?

2 CHAIR PONTANILLA: Members, any questions in regards
3 to the Administration side as far as their
4 operation activities?

5 Seeing none, go ahead.

6 MR. ARAKAWA: I'd like to call down our Engineering
7 Division Chief Cary Yamashita, and Cary will go
8 through the A, B and C Budget for the
9 Engineering Division.

10 CHAIR PONTANILLA: Thank you.

11 Good morning, Cary.

12 MR. YAMASHITA: Good morning.

13 My name is Cary Yamashita. I'm the
14 Engineering Division Chief, and I would like to
15 briefly give an overview on our Engineering
16 program.

17 Basically, we had in Fiscal Year '07
18 three additional positions. And the first
19 position is a Janitor I position and that
20 position was going to be used to -- to provide
21 janitorial services at the Old Courthouse.
22 Right now, we are currently under contract with
23 an outside consultant for janitorial services,
24 and this person will replace that janitorial
25 service.

1 We also have two college interns, which
2 we hope to fill this summer.

3 Getting back to the janitor position, we
4 also had two janitors that retired this past
5 December of '06, so we have one of those
6 positions already filled, and the other, we do
7 have an applicant that has been selected. And
8 for the expansion position, we're still
9 undergoing recruitment to fill that position.

10 As far as existing staffing within the
11 Division, we do have several vacancies to fill,
12 and they include previous -- a recently retired
13 surveyor, one position. We do have an EA-1
14 position, Engineering Assistant -- Engineering
15 Aide position 1 that has yet to be filled also.
16 In addition, we do have a Supervising
17 Inspector -- Construction Inspector position
18 that we're currently recruiting for. And one
19 CE-4 position in construction.

20 We hope to have all these positions
21 filled within the next three to four months.

22 CHAIR PONTANILLA: Thank you.

23 Cary, if you could, kind of briefly
24 explain the responsibility of the Engineering
25 Division so that, you know, new Council Members,

1 that are not on the Public Works and
2 Environmental Committee would have a better idea
3 on your responsibilities?

4 MR. YAMASHITA: Surely. The Engineering Program
5 provides engineering and inspectional services
6 to plan, design, construct highway, drainage and
7 bridge improvements for the County of Maui. The
8 program implements drainage and traffic master
9 plans, and performs survey and land acquisition
10 functions, and reviews subdivision and
11 construction plans for private developments.

12 CHAIR PONTANILLA: Thank you.

13 Members, any questions for the
14 Engineering Section?

15 Member Molina?

16 COUNCILMEMBER MOLINA: Thank you, Chairman.

17 Good morning, Mr. Yamashita.

18 MR. YAMASHITA: Good morning.

19 COUNCILMEMBER MOLINA: Just one question. What is
20 the status of your folks' report that is
21 supposed to analyze and prioritize all the
22 drainage facilities? And I guess this relates
23 to you folks' engineering performance measures.
24 Any -- has the report been completed yet?

25 MR. YAMASHITA: Not yet. Not yet. We're currently

1 in a selection process to -- to hire a
2 consultant. And I believe you're referring
3 to -- is that a \$200,000 funding that was for
4 Calvert Inventory?

5 COUNCILMEMBER MOLINA: If memory serves me right, I
6 believe it is.

7 MR. YAMASHITA: Yeah, it's on that CIP.

8 COUNCILMEMBER MOLINA: Okay. So it's still in
9 progress?

10 MR. YAMASHITA: Yes.

11 COUNCILMEMBER MOLINA: You're just trying to find a
12 consultant?

13 MR. YAMASHITA: Uh-huh.

14 COUNCILMEMBER MOLINA: Okay. Thank you.

15 Thank you, Chair.

16 CHAIR PONTANILLA: Thank you, Member Molina.

17 Member Medeiros?

18 COUNCILMEMBER MEDEIROS: Mahalo, Chair.

19 Does the position of the ground
20 maintenance around the County building come
21 under your division?

22 MR. YAMASHITA: Yes, it does.

23 COUNCILMEMBER MEDEIROS: And is that person working
24 or...

25 MR. YAMASHITA: Right now, he's under industrial

1 leave. He had on-- undergone surgery on his
2 shoulder and he's still...

3 COUNCILMEMBER MEDEIROS: And is there any temporary
4 replacement for him to -- I mean, who does the
5 work now then?

6 MR. YAMASHITA: We are contracting out services
7 every -- every few weeks.

8 COUNCILMEMBER MEDEIROS: Thank you, Chair.

9 CHAIR PONTANILLA: Thank you, Member Medeiros.

10 Member Baisa, any questions?

11 Member Mateo?

12 Member Victorino?

13 COUNCILMEMBER VICTORINO: No questions at this time.

14 CHAIR PONTANILLA: Member Hokama, questions?

15 Okay. Thank you very much.

16 Again, Members, this afternoon, we're
17 going to be discussing the BF-5 item, which is
18 the CIP.

19 Director?

20 MR. YAMASHITA: Okay. For our B Account, a major
21 item was -- well, we had some vehicles that we
22 need to replace, so we had two replacement
23 vehicles and one expansion vehicle. And the
24 expansion vehicle was for our Administrative
25 Section and that was to be used as a pooling

1 vehicle. The other two vehicles that were to be
2 replaced were from our Construction Section, and
3 they have since been, I guess, procured under a
4 contract and we're just expecting shipment of
5 those vehicles.

6 The case with the Administrative
7 vehicle, because it was classified as a hybrid,
8 we didn't have any -- receive any bidders for
9 that contract, so our Highways Section is
10 currently working with potential vendors to --
11 to procure that vehicle.

12 Aside from that, the B Account was
13 relatively clean and there was, you know, no
14 outstanding or large procurements.

15 As far as a C Account, we do, under
16 Special Maintenance, we oversee index codes
17 916022 -- oh, 122, which is a County Building
18 Services, and 916155, which is other County
19 buildings. 916122 encompasses the Kalana O Maui
20 Building and this index code is solely used for
21 this building. 916155 covers other buildings
22 within this footprint, and that includes
23 development -- Kalana Pakui and the Old
24 Courthouse Buildings.

25 We -- according to our projections, we

1 anticipate savings on both of these accounts,
2 and what -- I guess a large ticket item was the
3 electrical costs. And due to the stabilization
4 of oil prices, we haven't seen further increases
5 to the electric -- electricity unit prices, so
6 we're pretty much within budget on that, also.

7 CHAIR PONTANILLA: Thank you, Cary.

8 Members, any questions to the B and C
9 Account for the Engineering Division?

10 Let me go to my right. Mr. Victorino?

11 COUNCILMEMBER VICTORINO: None at this time.

12 CHAIR PONTANILLA: Mr. Hokama?

13 VICE-CHAIR HOKAMA: Chairman, thank you.

14 Mr. Yamashita, we are happy to hear you
15 budgeted well for your electrical needs. You
16 know, I just find your comment interesting, not
17 from the point of you folks are dealing with
18 budgeting, you know, you folks have a sister
19 department that came in for \$1 million more from
20 this Committee to take care of electricity
21 increases. So was it a management tool that you
22 guys utilized to stay within budget or -- or are
23 we unsure of how you're able to stay within
24 budget while another department needs \$1 million
25 more?

1 CHAIR PONTANILLA: Department?

2 MR. YOUNG: Mr. Chair, if I may respond?

3 CHAIR PONTANILLA: Go ahead.

4 MR. YOUNG: Mr. Hokama, on behalf of the Department
5 of Public Works and the other department that
6 you're referring to, I believe it's the
7 Department of Water Supply, when the Fiscal
8 Year '07 Budget was being constructed, the
9 Department of Finance and the Department of
10 Budget did a review in looking at the forward
11 futures for energy prices with the
12 U.S. Department of Energy in looking forward for
13 the next 12 months of what the projected energy
14 prices would be for crude oil, gasoline, diesel,
15 et cetera.

16 And at that time the forward future was
17 an estimate of about 40 percent increase looking
18 for fuel and electrical costs, so Departments
19 were advised at the time to take a look at their
20 current budget, which was at the time Fiscal
21 Year 2006, whatever costs they had for gasoline
22 and electricity costs, they should up their
23 expenditure requests for Fiscal Year '07 by
24 40 percent. And that's just to maintain current
25 operations for that '06, to carry operations

1 that were existing in '06 to the '07.

2 So I believe that's what the Department
3 of Public Works did. I'm not sure if the
4 Department of Water Supply, when they did their
5 calculation, if it included services or
6 operations that were brand new for Fiscal
7 Year '07, and that might be part of the problem
8 that the added expense was not calculated into
9 their...

10 VICE-CHAIR HOKAMA: Thank you for that comment,
11 Director Young. I would ask if you would please
12 communicate with Mr. Pablo, the Budget Director,
13 that this might be something he might want to
14 review Department-wide either through the Office
15 of Management -- the Department of Management or
16 I would say with your -- your Department's
17 assistance.

18 MR. YOUNG: Certainly, Mr. Hokama. And just for the
19 Committee's information, I know we're not
20 speaking on the FY '08 budget, but this review
21 on forward futures looking for energy prices,
22 the Department of Finance and Budget has also
23 done that again this year, so we are looking at
24 energy prices being projected to be consistent
25 through the next 12 months.

1 VICE-CHAIR HOKAMA: Thank you for that comment,
2 Director Young. We appreciate your -- your
3 dedication to providing us with the most
4 up-to-date numbers.

5 But back to Engineering, because there's
6 two things that eventually, I think the Finance
7 Director and your Department, as well as the
8 sister Departments would be required to, is
9 regarding the sign off by each Department head
10 on their asset management list. And I believe
11 we have some Departments that have been
12 delinquent in performing to State Statute. It's
13 not a County ordinance, you know, this is a
14 requirement of State Statute.

15 But what I wanted to get at very quickly
16 is, Mr. Yamashita, when you go out for
17 procurement for vehicles, whether it's for your
18 Department or you're scoping standards for, I
19 guess, the County, do you folks go and -- and
20 set it up so that any Department that just wants
21 a plain sedan, not say to do -- whether it be
22 meal services, transportation from Human
23 Concerns or whether it be the need of a clerk in
24 Public Works Engineering, that is already
25 established, and not every time a request come

1 in, then you go through this whole scoping all
2 over again, whereby it's already set for the
3 year that we have our pricing if -- if the
4 Department needs a sedan, this is what you're
5 going to get: Four doors, AC, standard AM/FM
6 radio, seat belts and what not. We don't need
7 the CD players. We don't need six-way
8 changeable seats, you know, all of these
9 fringes. Is that how you folks approach
10 procurement and scoping of vehicles for the
11 County?

12 MR. YAMASHITA: Okay. Our role -- well, as far as
13 procuring vehicles, all we do is we furnish
14 specifications to the Highways Division and they
15 pull the contract to the various vendors.

16 And, you know, we -- we just ask for a
17 minimum AC and four-wheel drive for inspectors,
18 so -- but, you know, as far as those other
19 items, we're not involved in the actual drafting
20 of the specifications and that's -- that's left
21 for the Highways Division, so...

22 VICE-CHAIR HOKAMA: For any Department's request for
23 a vehicle, it will still end up with Highways
24 Division?

25 MR. ARAKAWA: Yeah, Councilmember Hokama, actually,

1 Highways Division handles that on behalf of the
2 County, and the Highways Division Chief,
3 actually, will be -- can discuss that in further
4 detail when he comes up next, in fact.

5 VICE-CHAIR HOKAMA: Okay. So Engineering just has a
6 small role, then it goes to the Highways
7 Division?

8 MR. YAMASHITA: Yes. We create -- well, we tell them
9 what we're looking for, as far as the type of
10 vehicle we need for our -- our functions and
11 other divisions have different functions, and
12 so -- so, therefore, they may ask for slightly
13 different things that are added into the vehicle
14 itself, so...

15 VICE-CHAIR HOKAMA: So you just deal with your
16 division then, Mr. Yamashita?

17 MR. YAMASHITA: Exactly, yes.

18 VICE-CHAIR HOKAMA: Okay. Then I'll wait until
19 Highways comes up.

20 Chairman, thank you so much.

21 CHAIR PONTANILLA: Thank you, Mr. Hokama.

22 Member Molina?

23 Thank you.

24 Member Medeiros?

25 Thank you.

1 Member Baisa?

2 COUNCILMEMBER BAISA: Thank you, Chair.

3 We were discussing the electricity bill
4 and I'd just like to know, out of curiosity,
5 what does the bill for this Kalana O Maui run,
6 what is the budget?

7 MR. YAMASHITA: We're looking between 35 to \$38,000 a
8 month.

9 COUNCILMEMBER BAISA: Thank you.

10 MR. YAMASHITA: And just getting back to the planning
11 and the estimating for -- for the increase.
12 Back in, I believe, 2005, we did a study and
13 that's why we -- we -- at that time, we asked
14 probably for like a 45 percent increase because
15 we had -- we had a shortfall back in '05, and
16 that's why we already had incorporated it -- it
17 was incorporated in the '06 and '07 budgets. So
18 we haven't had problems, you know, meeting -- or
19 funding electricity costs for this...

20 COUNCILMEMBER BAISA: Well, thank you for your --
21 thank you for the information and for your
22 diligence. I'm sure it takes an awful lot of
23 electricity to keep the lights on here.

24 Thank you.

25 MR. YAMASHITA: Yes.

1 CHAIR PONTANILLA: Thank you, Ms. Baisa.

2 Member Mateo?

3 Thank you.

4 COUNCILMEMBER MEDEIROS: Chair, excuse me?

5 CHAIR PONTANILLA: Member Medeiros?

6 COUNCILMEMBER MEDEIROS: The Department and Division

7 was discussing the B and C Accounts. Do we have

8 something here that we're following with, or is

9 it a handout, or is it part of the binded

10 information?

11 CHAIR PONTANILLA: It's part of the binded

12 information that was passed out by the Mayor.

13 It does show the 2007 Fiscal Year numbers, and

14 that's -- although it's not the -- it's for the

15 year, the Fiscal Year, from July 1st, 2006

16 through June 30 -- 30th, 2007. So as far as the

17 items, line items themselves, it's located in

18 the particular binder.

19 COUNCILMEMBER MEDEIROS: Thank you, Chair.

20 VICE-CHAIR HOKAMA: Chairman? Chairman?

21 CHAIR PONTANILLA: Mr. Hokama?

22 VICE-CHAIR HOKAMA: One quick question.

23 CHAIR PONTANILLA: Sure.

24 VICE-CHAIR HOKAMA: Mr. Yamashita, how often do

25 you -- does your Division, working with the

1 Director's Office, review your measurements so
2 that when appropriate -- it gets revised? Is it
3 an annual review, so that...

4 Let's say for whatever reason, you know,
5 wheelchair ramps modification, you know, we're
6 in full compliance with ADA, where there's no
7 consent decree over us, it's already standard in
8 all projects we do to ensure wheelchair ramps
9 are incorporated in the design, so I would say
10 more than likely that would be now.

11 MR. YAMASHITA: Yeah, as far as tracking, we do it,
12 like, quarterly on all those sub -- sub-items,
13 and -- but, you know, we do have monthly status
14 reports and -- and we do have intermediate
15 checks.

16 VICE-CHAIR HOKAMA: Because, you know, just a
17 suggestion, Chair, very quickly.

18 CHAIR PONTANILLA: Yes.

19 VICE-CHAIR HOKAMA: Since we're in Engineering, on
20 page 71 of the Quarterly Report, under your --
21 under Engineering, it just says, "Lane miles
22 improved/renovated/resurfaced." Okay.
23 Projection for this year is 38 miles.

24 I think also what may be helpful for us
25 to know is what -- what percentage this is of

1 your total responsibility, because,
2 Mr. Yamashita, if your responsibility is
3 1,000 linear miles of County roads and we're
4 doing 30 miles a year, we definitely know for
5 you to come back to this 38 miles is going to
6 take, more than likely, two generations of
7 people in this Chambers.

8 MR. YAMASHITA: Definitely.

9 VICE-CHAIR HOKAMA: So if the Council wanted to make
10 appropriate adjustments in funding and the
11 ability to have improvement resurfacing done
12 throughout the County, because let's say the
13 Council makes a decision that we want 10 percent
14 of our roads resurfaced every year, which means
15 once every 10 years, more than likely, the road
16 may get resurfaced. Then the stories we hear
17 of, "My whole life, I never seen the County come
18 back," you need to help us so that we can make
19 better -- better decisions. Because if that's
20 something that the people want and the Council
21 can support, then we will be able to then go
22 back to our communities and say, "This is what
23 it takes to have resurfacing done once every
24 10 years. Are you willing to pay the
25 appropriate either gas taxes or fees so that we

1 can do this once every ten years?"

2 Because if we're going to go the way we
3 are, and our -- you're responding, growing, new
4 divisions, everything.

5 MR. YAMASHITA: Yes.

6 VICE-CHAIR HOKAMA: 38 miles in one year --

7 MR. YAMASHITA: Yeah.

8 VICE-CHAIR HOKAMA: -- is a peck in -- in your big
9 responsibility. And I'm not saying that you're
10 not doing a good job, I'm just saying that we
11 need to better understand the program so we can
12 also assist your Division to do a better job, as
13 well as explain to the community what is the
14 cost to do it at that kind of rotation
15 frequency.

16 MR. YAMASHITA: Okay.

17 VICE-CHAIR HOKAMA: So I would just ask that maybe in
18 your -- in measurements for all Departments,
19 Chairman, that they might want to make the
20 appropriate adjustments so we can appropriately
21 measure the performance, because it's tied to
22 something we can understand and assist us in
23 making better choices.

24 Thank you, Chairman.

25 CHAIR PONTANILLA: Thank you, Mr. Hokama, and I share

1 the same sentiments with you in regards to some
2 of our goals and objectives need to be more, I
3 guess, meaningful to us so that we can make
4 proper decisions.

5 MR. YAMASHITA: Okay. Yes.

6 CHAIR PONTANILLA: So now, Department, if you want to
7 comment, go ahead.

8 MR. ARAKAWA: Mr. Chair, I don't have the exact
9 answer for the Council at this point, but I can
10 give you an order of the magnitude type of
11 answer. Basically, the roads in the County's
12 inventory is roughly about 500 miles. I mean,
13 in that neighborhood of -- if you're looking at
14 lane miles, you may roughly talking about double
15 that. I mean, that's a rough order of magnitude
16 idea of what our responsibilities are.

17 VICE-CHAIR HOKAMA: I'm sorry. Can you just explain
18 again for us -- you know, we're not in the
19 Department, the difference between lane miles
20 and -- and the linear miles? So if it's just a
21 two-lane road versus the four-lane road kind of
22 thing?

23 MR. ARAKAWA: Well, lane miles means just one lane
24 for the vehicles and, obviously -- most of the
25 roads that did we're responsible for are two --

1 two-lane roads. So in terms of our inventory,
2 it's roughly about 500 miles of roads that we
3 are -- that are clearly within our jurisdiction,
4 so my guess or my rough estimate is you're
5 talking about roughly 1,000 lane miles or so
6 that we are responsible for.

7 So basically, we do 38 lane miles a
8 year, so, you know, if the Council desires to do
9 more, then obviously, you know, funding has to
10 be increased, or we have to look at other ways
11 to -- to do that.

12 VICE-CHAIR HOKAMA: And again, Mr. Director, thank
13 you so much because let's say we just round it
14 out, 40 miles a year, 500 miles, we would
15 basically tell our community, "Once every
16 25 years, the County may come back and resurface
17 your road at the level we're currently moving
18 along."

19 And again, you know, you hear it about
20 the potholes, we hear potholes, we hear shoulder
21 holes, we hear, you know, the concerns. And so
22 I think it's going to be helpful for us to be
23 able to explain that as we made adjustments and,
24 again, because the community wanted it, we
25 reduced our portion of the fuel tax, although it

1 made no impact on the cost of gas basically,
2 because it's still going up after our reduction,
3 there's still now less money in the Highway Fund
4 to do more resurfacing and improvements unless
5 we do some creative financing, I guess is the --
6 is the word.

7 Thank you, Chairman.

8 CHAIR PONTANILLA: Thank you, Mr. Hokama.

9 Member Baisa, followed by Member Mateo.

10 COUNCILMEMBER BAISA: Chair, brief question for the
11 Department. Again, the learning curve here.

12 How does the Department prioritize which
13 roads get fixed before others?

14 CHAIR PONTANILLA: Department?

15 MR. YAMASHITA: Yes, I can answer that. First of
16 all, we receive a list from our Highways
17 Division. They -- they do have the people in
18 the field that travel the roadways almost daily
19 and so they provide us a list each year. And
20 what we'll do is we'll send our engineers out
21 there to analyze them, and we'll prioritize it
22 and -- it's also based on the volume, you know,
23 how much traffic we have on the particular
24 roadway system. And that's all, you know, we...

25 Right now, it's -- it's both our input

1 and the Highways's input, and we try to come up
2 with a list for each district every year, so --
3 we do have that available.

4 COUNCILMEMBER BAISA: Well, thank you for that
5 answer, because you can imagine that as
6 representatives of our District, we receive a
7 lot of requests from our constituents about,
8 "When are they going to fix my road?" And it
9 helps me in being able to answer their question
10 by saying, you know, "They are on the job and
11 they are monitoring and they're trying to
12 prioritize with the brief and small budgets we
13 have."

14 And, you know, looking at the statistics
15 that Chair Hokama, you know, just shared with us
16 once in 25 years, people get really frustrated,
17 and those who live on that road, of course, feel
18 that their road is the most important. So it
19 helps us to be able to answer.

20 Thank you.

21 CHAIR PONTANILLA: Thank you, Ms. Baisa.

22 Member Mateo?

23 COUNCILMEMBER MATEO: Chairman, thank you very much.

24 How do you -- how do you continue to
25 plan in terms of meeting your objectives of

1 X-amount of miles a year as a -- as an objective
2 when the cost of paving continues to escalate
3 and fluctuate and it varies -- it could vary
4 from district to district in terms of
5 accessibility and mobilization? So have -- has
6 your numbers been on target to meet the
7 Department's objectives in the number of miles?
8 MR. YAMASHITA: Not really. We're beginning to fall
9 behind because, you know, the amount of asphalt
10 that we can purchase for the same price is much
11 less.
12 COUNCILMEMBER MATEO: So...
13 MR. YAMASHITA: And definitely, it's impacted the
14 quantity of work that we can...
15 COUNCILMEMBER MATEO: So do you have an idea that
16 fall behind means -- means what?
17 MR. YAMASHITA: Let's say if we're doing 40 miles a
18 year, we're down to probably 30.
19 COUNCILMEMBER MATEO: And...
20 MR. YAMASHITA: Maybe even 20, yeah.
21 COUNCILMEMBER MATEO: And is there a catch up? Do
22 you add these -- these numbers, do you at it to
23 the next year's projections, or is it a wash,
24 it's not going to get done?
25 MR. YAMASHITA: Yeah, we just do whatever is being

1 allocated to -- to us. But each year we've been
2 going -- going in with, like, a \$500,000 request
3 through the budget process, you know.

4 COUNCILMEMBER MATEO: So you're in the budget
5 process -- Chairman. I'm sorry. May I continue
6 one more last question?

7 CHAIR PONTANILLA: Go ahead.

8 COUNCILMEMBER MATEO: Thank you.

9 Then in the process of the -- in the
10 budget process then, do you come and tell the
11 Budget Committee, "Therefore, we were not able
12 to complete 40 miles of paving because of
13 escalating costs, therefore, we would like to
14 add the cost of 20 more miles on to whatever the
15 Department is asking in that Fiscal Year's
16 request?"

17 MR. YAMASHITA: No, we haven't, but we will be.

18 COUNCILMEMBER MATEO: Thank you.

19 Thank you, Chairman.

20 CHAIR PONTANILLA: Thank you.

21 And maybe the Department can explain in
22 regards to the different types of materials that
23 are being explored? Because I know the black
24 stuff is becoming hard to get because of the
25 competition that we do with other -- other

1 developers or vendors out there that are doing
2 repaving work. So if the Department have -- or
3 could provide us some information regards to
4 alternative materials that can be used?

5 MR. YAMASHITA: Sure. Right now, we do have -- in
6 addition to asphalt pavement, we -- there's this
7 UTW. It's an ultra-thin white topping, and it's
8 a concrete mixture with -- with fibers in it.
9 And that lasts, from what we're told, up to 25
10 years. So in comparison to AC, which, you know,
11 15 years is pretty much stretching it.

12 But, you know, the application of that.
13 There's a curing time involved. As you know,
14 concrete takes a lot longer to cure, so you
15 can't throw the traffic on there immediately.
16 And also, right now, cost-wise, we -- we haven't
17 really done a detailed comparison, but, you
18 know, the cost of AC is approaching the price of
19 this ultra-thin white topping.

20 The other method would be to just to --
21 to do a seal coat. And one of the major
22 problems with pavement, deterioration is
23 accelerated when you have cracks in them, and if
24 you seal -- seal the cracks, you know, you
25 prevent moisture from getting in -- into the

1 base which releases fines. And once the fines
2 come up from the base material, the roads start
3 sinking. And it -- and it accelerates the crack
4 on the roadway, too. So there...

5 We're exploring methods as far as doing
6 seal coats to seal the cracks that are appearing
7 right now. And, you know, that is a much
8 cheaper method, and that's another alternative
9 we're exploring right now.

10 COUNCILMEMBER MATEO: Okay. Thank you.

11 CHAIR PONTANILLA: Thank you, Mr. Yamashita.

12 Just one more question. How often, you
13 know, do we repave, let's say, collector roads
14 for one, residential roads, rural roads and, you
15 know, the other roads that are our
16 responsibility within Maui County?

17 MR. YAMASHITA: We hope to do it on a 15-year cycle,
18 but yeah, as I mentioned earlier, we're -- we're
19 kind of falling behind on that 15-year
20 projection, so -- but yeah, 15 years probably
21 the maximum term that inch and a half pavement
22 can -- can really be reliable for.

23 CHAIR PONTANILLA: Okay. One last question. You
24 know, as I drive through my area, you know,
25 there's a lot of heavy construction going on

1 and, you know, we do have a lot of heavy trucks,
2 you know, on the road. And how does the heavy
3 usage or heavy, I guess, materials that are
4 being hauled from one point to another point,
5 you know, shorten the life of the road
6 themselves or the pavement?

7 MR. YAMASHITA: I can't quantify it into years as far
8 as shortening the life span of the pavement, but
9 definitely, there -- there is a direct impact to
10 the pavement structure itself, because, you
11 know, typically within a residential area, we
12 have two inches of AC on six inches of base
13 course, so it's not made for that type of
14 loading. It's made more for your pickup trucks
15 or passenger vehicles.

16 And on collector roads, we have much
17 stronger sections. It's like a two and a half
18 inch AC with a five and a half inch aggregate
19 asphalt-treated base material. And below that,
20 you have, like, up to eight inches of not --
21 regular untreated base material, which is just
22 the plain rock, so it -- you know, that's
23 section is meant for the collector roads, and
24 the collector roads are supposed to be the
25 roadway systems that handle this heavy traffic,

1 truck traffic.

2 CHAIR PONTANILLA: Thank you.

3 Members, if you do have any more
4 questions in regards to the Engineering
5 Department, if you could put it in writing and
6 submit it to the Chair, and we'll get response
7 from the Department.

8 Thank you very much, Mr. Yamashita.

9 Director?

10 MR. ARAKAWA: Thank you, Mr. Chair.

11 We were in Special Maintenance, and
12 Special Maintenance is also partly administered
13 by Engineering Division and partly through our
14 Highways Division. And I'd like to call our
15 Highways Division Chief, Brian Hashiro, to
16 discuss the Special Maintenance under the
17 Highways Division.

18 Good morning, Mr. Hashiro.

19 MR. HASHIRO: Good morning. I had to check my watch
20 to see if it was still morning or not.

21 Good morning, everyone. My name is
22 Brian Hashiro. I'm with the Highways Division,
23 Chief, Special Maintenance.

24 Highways Division is responsible for
25 various functions. We take care of the Civic

1 Centers in Hana and Molokai. We take care of
2 the Veterans cemeteries on Lanai, Molokai and
3 Maui. We take care of County cemeteries. We
4 also do the General Fund County garages for most
5 of the Departments. We handle seaweed removal
6 from beaches, and that's pretty much it.

7 I'm not certain about the budget stuff,
8 but I think we're on course. We -- we didn't
9 have any expansion positions or anything like
10 that. If there's any specific questions, I'd be
11 glad to answer.

12 CHAIR PONTANILLA: Thank you.

13 Members, I'm going to go start with
14 Member Mateo. Do you have any questions?

15 Member Baisa?

16 COUNCILMEMBER BAISA: No questions.

17 CHAIR PONTANILLA: Member Medeiros?

18 COUNCILMEMBER MEDEIROS: No questions at this time,
19 thanks.

20 CHAIR PONTANILLA: Member Molina?

21 COUNCILMEMBER MOLINA: No.

22 CHAIR PONTANILLA: Member Hokama?

23 VICE-CHAIR HOKAMA: Just one quick one, Chairman.

24 CHAIR PONTANILLA: Go ahead.

25 VICE-CHAIR HOKAMA: At your halfway point,

1 Mr. Hashiro, you spent basically 35 percent of
2 your budget. Is there something that in the
3 second half you would -- you would be required
4 to execute to spend the balance of the funds, or
5 is this just a changing of the situation so that
6 your -- this program is able to provide us with
7 a savings for this year?

8 CHAIR PONTANILLA: Department?

9 MR. HASHIRO: I think our biggest savings right now
10 is in fuel. We really overbudgeted the amount
11 that we thought we'd need and now the fuel
12 prices are substantially lower, so I think
13 that's where our major savings is right now.

14 VICE-CHAIR HOKAMA: I appreciate that comment because
15 I remember, I guess, what, three years ago, we
16 really had a situation at the baseyard regarding
17 fuel, so I appreciate the Department's ability
18 to make -- make adjustments.

19 Okay. Chairman. Thank you very much.

20 CHAIR PONTANILLA: Thank you, Mr. Hokama.

21 Mr. Victorino?

22 COUNCILMEMBER VICTORINO: Well, one quick question.

23 When you say seaweed, you're referring to all
24 the seaweed that comes up, like, along Kahului
25 Beach Road and those things, your Department is

1 the one that goes in and cleans it all up?

2 MR. HASHIRO: My Division is responsible for public
3 nuisances on beaches, which becomes seaweed if
4 it becomes noxious and odorous. Kahului Harbor,
5 for the most part, is not a beach, but we go in
6 and sometimes pump out the water in front of
7 Harbor Lights, because that's where the rotten
8 sewage -- rotten seaweed is at. I've got to
9 watch my terms here.

10 COUNCILMEMBER VICTORINO: Yeah, yeah, I was going to
11 say.

12 MR. HASHIRO: It's not sewage, it's seaweed.

13 COUNCILMEMBER VICTORINO: Okay.

14 MR. HASHIRO: Okay. It's rotting in the water, it's
15 smelling, it's odorous, so we try to do the
16 public a favor by trying to take that out of the
17 water, and so we pump that out of the Kahului
18 Harbor.

19 COUNCILMEMBER VICTORINO: Even though Kahului Harbor
20 technically belongs -- or is under -- is under
21 the State's jurisdiction?

22 MR. HASHIRO: Yes. And that area by Harbor Lights is
23 all a rocky shoreline.

24 COUNCILMEMBER VICTORINO: Right. Okay. Well, thank
25 you. I just was interested in what you guys did

1 on the clean up.

2 Thank you.

3 CHAIR PONTANILLA: Thank you, Mr. Victorino.

4 Member -- let's see. Member Hokama,
5 another question? No questions?

6 VICE-CHAIR HOKAMA: Not on Special Maintenance,
7 Chairman.

8 CHAIR PONTANILLA: Okay. Thank you.

9 Member Molina?

10 Member Medeiros?

11 COUNCILMEMBER MEDEIROS: Yes. Thank you, Chair.

12 Mr. Hashiro, I think maybe it could be
13 cleared up for Member Victorino that although
14 the coastline belongs to the State, the County
15 has the mandate to clean up the coastal areas
16 any time it involves noxious things, such as
17 seaweed, dead fish, whales, sharks and so forth;
18 is that correct?

19 MR. HASHIRO: That is correct. There is a State
20 law -- the State put it on the Counties that
21 we're responsible for the beaches as far as
22 anything that is considered public nuisance, you
23 know, things like you just mentioned.

24 COUNCILMEMBER MEDEIROS: Thank you, Chair.

25 CHAIR PONTANILLA: Thank you, Member Medeiros.

1 Member Baisa?

2 Member Mateo?

3 Okay. Members, no more questions.

4 Thank you very much, Mr. Hashiro.

5 Department?

6 MR. ARAKAWA: Mr. --

7 COUNCILMEMBER VICTORINO: Not unless it's funded,
8 mandated.

9 MR. ARAKAWA: Mr. Chair, we'd like to cover
10 Development Services Administration next, so
11 I'll call our Division Chief, Ralph Nagamine, to
12 go over the A, B and C budgets for DSA.

13 MR. NAGAMINE: Good morning. My name is Ralph
14 Nagamine. I'm the Development Services
15 Administrator. And I did prepare a handout.
16 It's got an overview for it from our Division.
17 I don't know if you have that.

18 Basically, our Division is noted mostly
19 for issuing building permits and approving
20 subdivisions. Although we kind of manage the
21 process, I caution you in that we don't actually
22 have ownership of those processes, because what
23 happens is that people apply for building
24 permits, they apply for subdivisions, but we
25 then have to circulate those applications to

1 other Departments. And the process is only as
2 fast as the other Departments can approve --
3 review and approve those applications.

4 So although we accept the applications
5 and we ultimately issue the building permits or
6 grant final subdivision approval, we really
7 don't have a say as to how long that process
8 takes, because we're at the mercy of the other
9 Departments that need to review and approve the
10 applications.

11 My staff is mostly comprised of
12 engineers and inspectors. I would say about
13 half of them are either engineers or inspectors;
14 the other half being clerical, people that take
15 in applications, yeah, do the routing, and
16 people that -- and I do have a small staff that
17 actually reviews plans for conformance with the
18 Building Code.

19 My Division is split in the workplace.
20 I have about half of them here at the Kalana
21 Pakui Building, and the other half is located
22 down at War Memorial by the gym. They occupy
23 the offices that were formerly used by the Real
24 Property Tax Division, and I have a small staff
25 of three on Molokai. So in total, I have

1 52 people, employees.

2 I don't really have any major issues
3 with the Fiscal Year '07 budget. I don't have
4 any expansion positions. We don't do CIP. But
5 the major project -- the one big project that I
6 do have in my '07 budget is relocating my staff
7 that is currently at the War Memorial Gym.

8 As I had mentioned, they occupy the
9 office formerly used by the Real Property Tax
10 Division, and the Planning -- the Parks
11 Department would like to move into those
12 offices, and so they have asked us to find other
13 offices. And so in the Fiscal Year '07 Budget,
14 we have approximately \$450,000 earmarked for
15 relocating.

16 The problem has been, and this has been
17 a problem for several years, is that we have not
18 been able to find office space that can
19 accommodate our special needs, you know. And
20 when I say special needs, it's mostly the
21 parking. You know, because we have inspectors
22 that have their own private vehicles and their
23 County vehicles, we have an usually high demand
24 for parking, so our...

25 We estimate our office needs to be about

1 7,000 square feet of floor space. That would be
2 for office and storage. And then also we need
3 about 50 parking stalls. And so if you look at
4 that, most office buildings would not
5 accommodate our -- our needs because they don't
6 have enough parking.

7 So what would be ideal for us is if we
8 could move into a space kind of similar to what
9 the -- the Service Center at Maui Mall,
10 something similar to that, where there is an
11 abundance of parking that's available, so we're
12 basically looking for something like that.

13 At the War Memorial Gym, if you look at
14 my handout, I've got 23 employees there.
15 They're mostly -- they're all of the Building
16 Inspection Section, the Electrical Section and
17 the Plumbing Section.

18 The Building Inspection Section, they do
19 just strictly Building Code inspections. That's
20 all they do. The Electrical Section, they do
21 permitting and inspections. And the Plumbing
22 Section does permitting and inspections.

23 So the core there, they will have people
24 come in applying for electrical and plumbing
25 permits, and all three sections have either

1 contractors or members of the public coming in
2 to talk about their inspections and their
3 various projects.

4 And so that, again, is my major project
5 in the Fiscal Year '07 Budget. And to this day,
6 I have -- still have not been able to find
7 office space to move to. So that money, you
8 know, in the budget is unspent at the moment.

9 CHAIR PONTANILLA: Is that it?

10 MR. NAGAMINE: That's pretty much it.

11 CHAIR PONTANILLA: Thank you very much.

12 Members? Mr. Victorino, any questions?

13 COUNCILMEMBER VICTORINO: How many of these
14 52 positions that you show here, staffing
15 permanent, full-time permanent employees, how
16 many vacancies do you have at this time?

17 CHAIR PONTANILLA: Department?

18 MR. NAGAMINE: I have about eight vacancies.

19 COUNCILMEMBER VICTORINO: Eight vacancies?

20 MR. NAGAMINE: Yes, that's correct.

21 COUNCILMEMBER VICTORINO: And of that eight, what,
22 mostly in inspectors?

23 MR. NAGAMINE: Well, the inspector positions are the
24 most difficult to fill. Okay. Most of them, if
25 not all of them, currently are being recruited

1 and the inspector positions have been on
2 continuous recruitment for a number of years,
3 and the problem is that the pay isn't high
4 enough to attract the kind of people that we
5 need to come into the inspection core, and so
6 we're just having a real hard time filling the
7 inspection positions.

8 COUNCILMEMBER VICTORINO: Again, a continuous and
9 repetitious problem with all of the -- many
10 Departments who have specialty skills as far as
11 their positions are concerned and I think,
12 again, it's another example of government cannot
13 be efficient unless we have the quality people
14 to do the jobs that need to be done. And then,
15 you know, you're hamstrung with pay scales that
16 cannot compete with the private sector,
17 especially with this kind of an economy at this
18 time, yeah?

19 MR. NAGAMINE: That's correct.

20 COUNCILMEMBER VICTORINO: Thank you, Mr. Chair.

21 CHAIR PONTANILLA: Thank you, Mr. Victorino.

22 Member Hokama?

23 VICE-CHAIR HOKAMA: Okay. So you have 18 vehicles
24 for 23 employees in -- at the Gym Complex. How
25 many vehicles does the County provide for your

1 26 at the Kalana Pakui facility?

2 MR. NAGAMINE: Kalana Pakui, I think I have six, six
3 County vehicles.

4 VICE-CHAIR HOKAMA: Six vehicles.

5 MR. NAGAMINE: And at the War Memorial, I have 18.

6 VICE-CHAIR HOKAMA: The inspectors also -- excuse me.

7 The supervisors also go out and assist the
8 inspectors with field work, Mr. Nagamine?

9 MR. NAGAMINE: They do. And they -- they often meet
10 with -- along with the -- well, the way the
11 Inspection Sections are set up is that you have
12 an inspector assigned to a designated area. And
13 if there should be a problem or some kind of
14 discrepancy, the supervisor and the inspector
15 will meet with the owner or the contractor at
16 the job site.

17 VICE-CHAIR HOKAMA: Okay. I'm more concerned now
18 about Lanai, Mr. Nagamine. You know, Molokai
19 has three full-time people in your division.
20 Knowing the flight schedules, the infrequency,
21 the time of days, I occasionally have had
22 requests of the inability of the County to
23 provide timely inspections. So do you have any
24 suggestions on how we can improve -- be able to
25 improve our delivery?

1 MR. NAGAMINE: Yeah. The airline situation is very
2 bad. We -- we can't get direct flights to and
3 from Lanai, and so, as a result, we have had to
4 resort to using the expeditions, the boats, from
5 Lanai -- from Lahaina. And so our inspectors
6 are having to drive from here to Lahaina, and we
7 recently got a parking stall at the County --
8 one of the County parking lots. So we're
9 parking our cars at the County parking lot and
10 they're having to walk to the harbor, catch the
11 boat to and from Lanai.

12 And so I send four different types of
13 inspectors to Lanai every month. Okay. I send
14 a construction, a building, an electrical and a
15 plumbing inspector to Lanai every month.

16 The building inspector has requested
17 that he go more frequently because of the
18 activity that's happening on Lanai, so we've
19 allowed him to go twice a month.

20 VICE-CHAIR HOKAMA: Okay. I guess in the new budget
21 we can talk about other means of how we might be
22 able to service Lanai a little -- a little
23 better, but I'll just give you a hint that it
24 may make sense for us to expand County housing.
25 We already provide housing for police on the

1 Island. We may want to go, you know, ahead and
2 provide -- secure additional housing so that it
3 might make better sense to have the inspector do
4 an overnight if the workload warrants it so that
5 he can maximize his time on Island inspecting
6 than you worrying about the 45-minute drive to
7 what, Lahaina, 45 minute boat ride, half an hour
8 to get to certain sites, so already half the
9 inspector's day is just travelling to the site
10 request on Lanai.

11 And for us, I mean productivity and
12 everything else, I would say we look forward to
13 your -- your Division's suggestions on how we
14 can assist them in improving their ability to
15 perform.

16 Thank you, Chair.

17 CHAIR PONTANILLA: Thank you, Mr. Hokama.

18 Member Molina?

19 COUNCILMEMBER MOLINA: Yeah, thank you, Chairman.

20 Just to dovetail off of Chairman
21 Hokama's questions regarding building
22 inspection. I note in your performance measures
23 for '07 you mention a goal of three days upon
24 the receipt of the application, and then once
25 the Department is done with it, up to three

1 days. But then for year-to-date for the second
2 quarter is 44 days.

3 Can you explain why the disparity
4 between, you know, the Department's goals
5 initially at three days and now the days are
6 44 days, I guess, from the time of receipt of
7 the application to the time of, I guess,
8 approval or completion of the building
9 inspection?

10 CHAIR PONTANILLA: Department?

11 VICE-CHAIR HOKAMA: Page 73, Director.

12 COUNCILMEMBER MOLINA: Yeah, 73 of the Finance
13 Director's Report. I guess what you had
14 mentioned earlier, the travel time for the
15 inspectors, I'm sure that's probably a
16 contributing factor.

17 MR. NAGAMINE: You know, I think there's a typo in
18 that performance measure.

19 COUNCILMEMBER MOLINA: Okay.

20 MR. NAGAMINE: Under the Building Inspection Section,
21 okay, that performance measure was intended to
22 track how quickly we respond to complaints, so
23 it wasn't really necessarily talking about
24 building permit applications, it was talking
25 RFS -- RFS's complaints.

1 COUNCILMEMBER MOLINA: So that 44 days...

2 MR. NAGAMINE: Was how long it takes the building --
3 well, if an RFS comes in, a complaint comes in,
4 and I then assign it to the Building Inspection
5 Section, they're taking about a month and a half
6 to go out and investigate that complaint. And
7 we believe that they should be going out within
8 three days.

9 COUNCILMEMBER MOLINA: Okay. All righty. And now
10 one more question, if I --

11 CHAIR PONTANILLA: Go ahead, Mr. Molina.

12 COUNCILMEMBER MOLINA: -- since we're still there on
13 the performance measures, for the single family,
14 residential additions and non-residential
15 structures and additions, the projected goal is
16 a range from 16 to 18 days -- 16 to 18, but the
17 actual is showing 23 and 44. Can you
18 contribute -- or tell us what is the
19 contributing factor to that?

20 MR. NAGAMINE: That's just your number of
21 applications coming in, building permit
22 applications coming in. And we haven't had an
23 increase in staff for several years, and so we
24 just have not been able to keep up with the
25 amount of applications coming in.

1 COUNCILMEMBER MOLINA: Okay. So this is --

2 MR. NAGAMINE: So in this particular set up of
3 numbers that you're talking about, it's measured
4 from the time that somebody applies for a
5 building permit application and the time that my
6 staff actually takes the plans and reviews it.
7 It's taking that long.

8 COUNCILMEMBER MOLINA: Wow.

9 MR. NAGAMINE: That's a queuing time.

10 COUNCILMEMBER MOLINA: So the solution is more
11 personnel would definitely reduce that number?

12 MR. NAGAMINE: Yes.

13 COUNCILMEMBER MOLINA: The bulk?

14 MR. NAGAMINE: Yes. I mean, we would like --
15 actually, to tell you the truth, I would like
16 more people in most of my sections, but it all
17 goes back to the space problem. I have no place
18 to put these people.

19 COUNCILMEMBER MOLINA: Okay. Thank you.

20 Thank you, Chairman.

21 CHAIR PONTANILLA: Thank you, Mr. Molina.

22 Member Medeiros?

23 COUNCILMEMBER MEDEIROS: Mahalo, Chair.

24 Mr. Nagamine, the permit system starts
25 with your office and ends with your office?

1 MR. NAGAMINE: That's correct.

2 COUNCILMEMBER MEDEIROS: Okay. So when you send out
3 the permits to the other Departments, agencies
4 for their review and approval or disapproval, is
5 there a routing stamp on the cover sheet that
6 the agencies sign off when they received it and
7 when they forward it to the next agency?

8 MR. NAGAMINE: Well, it's sent electrically. When --
9 when someone comes in to apply for a building
10 permit, our building permit clerk will do the
11 intake. They will -- they'll take the hard copy
12 application and input the pertinent data into
13 KIVA, which is the Countywide permit tracking
14 system, and that kind of time stamps the
15 application for everybody to review the
16 application.

17 COUNCILMEMBER MEDEIROS: Okay. And the reason I'm
18 asking is that, you know, we get -- constantly
19 get calls about why does it take so long to get
20 the permit through the process, and I know you
21 mentioned some of it, that it gets tied up in
22 different agencies, which you have no control
23 over.

24 Do you do any annual summary report on
25 statistics of how long it takes at certain

1 departments or agencies?

2 MR. NAGAMINE: Yes, we do. If you were to look at
3 the page that Mike -- Councilmember Mike Molina
4 was just referring to.

5 COUNCILMEMBER MEDEIROS: Page 73.

6 MR. NAGAMINE: Yes. And on the very next page.

7 COUNCILMEMBER MEDEIROS: Okay.

8 MR. NAGAMINE: We have a performance measure for how
9 long it's taking everybody to review
10 applications.

11 COUNCILMEMBER MEDEIROS: Okay.

12 MR. NAGAMINE: And if you will see -- if you'll note
13 that the two agencies in my office, DSA, the
14 Building Plans Review and the Engineering
15 Review, are the most timely of all the agencies,
16 so we're basically waiting for everybody else.

17 COUNCILMEMBER MEDEIROS: Yeah. And the reason I ask
18 is we're trying to work with the other
19 departments and agencies to make it more
20 efficient and more streamlined, so these
21 statistics will really help us looking that
22 over. Thank you.

23 Thanks, Chair.

24 CHAIR PONTANILLA: Thank you.

25 Before I go to Member Johnson, I just

1 have one comment in regards to what Member
2 Medeiros was talking about.

3 On page 73, the first performance
4 measurement, "Measure performance of reviewing
5 agencies in complying with the 45-day
6 preliminary subdivision review deadline," is it
7 45 days per department or --

8 MR. NAGAMINE: It's measured from the time that they
9 apply for a subdivision application. By
10 ordinance, we have 45 days to either grant
11 preliminary approval or deny.

12 CHAIR PONTANILLA: And when I look at one department,
13 three percent meaning that only three percent of
14 the total that came through your Department was
15 met?

16 MR. NAGAMINE: Three percent of all the applications
17 sent to that Department, they have returned the
18 comments within 45 days.

19 CHAIR PONTANILLA: Okay. Thank you.

20 Member Johnson?

21 COUNCILMEMBER JOHNSON: Yes. And following up along
22 those lines, how many of the preliminary
23 subdivision applications are approved because
24 you did not meet the deadline?

25 MR. NAGAMINE: There isn't -- there isn't a

1 requirement that there's -- it's automatically
2 approved within 45 days. However, it has been
3 historically past practice that we issue a
4 preliminary approval letter within the 45 days.
5 And because oftentimes we don't have the
6 comments from some of these reviewing agencies,
7 we'll just put in a very generic statement in
8 there that they will have to comply with those
9 comments whenever those comments are received.

10 COUNCILMEMBER JOHNSON: Okay. So -- and it's kind
11 of...

12 MR. NAGAMINE: It doesn't hamper us. What it does is
13 hamper the applicant, subdivision applicant.

14 COUNCILMEMBER JOHNSON: So that...

15 MR. NAGAMINE: Because they're not -- they're not
16 getting the comments back.

17 COUNCILMEMBER JOHNSON: Okay. Because then what the
18 challenge is if any of those areas would not be
19 in compliance, then even though it goes beyond
20 the 45 days, they may not necessarily have their
21 preliminary subdivision approval?

22 MR. NAGAMINE: Well, they have their preliminary
23 subdivision approval, but they just don't know
24 what they need to do to get final subdivision
25 approval.

1 COUNCILMEMBER JOHNSON: Well, in essence then what
2 you're saying is that all preliminary
3 subdivisions are -- unless you complete all your
4 work beforehand and they're denied, you're
5 giving them preliminary subdivision approval?

6 MR. NAGAMINE: That is true.

7 COUNCILMEMBER JOHNSON: Well, Mr. Chair, I -- that's
8 for an '08 discussion, but I think this is
9 really important that we understand that, you
10 know, this may not be acceptable. If something
11 definitely is not, I guess, up to code or up to
12 standards -- I don't know. It just seems like a
13 backward way of dealing with this, so -- anyway,
14 that's just one Council Member's opinion.

15 The other thing that I wanted to ask is
16 with regard to your Department or your Division,
17 have you undergone a performance audit? Have we
18 done that? I just can't recall.

19 MR. NAGAMINE: Not while I've been there.

20 COUNCILMEMBER JOHNSON: Okay.

21 MR. NAGAMINE: Okay. But I believe that prior to my
22 being the Division head, I think there were
23 audits.

24 COUNCILMEMBER JOHNSON: Okay. And you don't recall
25 what the recommendations were that came out of

1 the audits as far as streamlining or as far as
2 making the Department more...

3 MR. NAGAMINE: Well, these audits would have been,
4 like, 15, 20 years ago --

5 COUNCILMEMBER JOHNSON: Okay.

6 MR. NAGAMINE: -- so whatever recommendations they
7 had -- might have come up with, they wouldn't be
8 pertinent now.

9 COUNCILMEMBER JOHNSON: Okay. Do you believe that
10 that could help to identify roadblocks or areas
11 where it's difficult for you to actually --

12 MR. NAGAMINE: Actually, the difficulties we have are
13 with the other reviewing agencies. You know,
14 them not being timely. That's really causing us
15 a lot of grief.

16 COUNCILMEMBER JOHNSON: Okay. And again, I'll ask,
17 do you believe, though, that as part of a
18 performance evaluation or an analysis of the
19 policy and the procedures that you utilize, do
20 you think that it would be helpful if there were
21 some type of a performance audit and then we
22 looked at, or the agency that would be reviewing
23 it, looked at how we could actually streamline
24 some of the procedures, and even perhaps going
25 into other Department functions?

1 MR. NAGAMINE: I think that we're always trying to do
2 that. Internally, we're trying to figure out
3 how we could do things a lot better, but the
4 thing is that -- like I keep stressing, is that
5 we can't make the other Departments move faster,
6 and that's really been our problem.

7 COUNCILMEMBER JOHNSON: Have you ever considered
8 putting a cap on the number of applications that
9 you receive been within a given time period?

10 MR. NAGAMINE: No.

11 COUNCILMEMBER JOHNSON: Okay. Thank you very much.

12 CHAIR PONTANILLA: Thank you, Member Anderson.

13 Member Baisa?

14 COUNCILMEMBER BAISA: Thank you very much.

15 Yours is a frustrating job. We hear
16 from everybody that complains about building
17 permits and processing, and I know you guys are
18 tired of hearing it, too.

19 I think that maybe our energies would be
20 well spent in trying to assist you with finding
21 the space you need and, in addition to that,
22 trying to get you to help your need.

23 And along those lines I wanted to just
24 say something so that my colleagues would be
25 aware of it also -- they probably are, but it

1 was news to me -- that in hiring retirees, they
2 may want to work, they may want to work
3 part-time, but they are not willing to start at
4 entry level. And having experienced this
5 recently, I'm aware of that.

6 My husband would have been glad to work
7 part-time, but they wanted him to work at entry
8 level, so instead, he's helping a contractor and
9 being paid what he deserves. So that may be
10 part of our issue.

11 CHAIR PONTANILLA: Thank you, Member Baisa.

12 MR. NAGAMINE: Thank you. We could use the help in
13 finding more space. That's for sure.

14 But talking about retirees, it's funny
15 that most of my vacancies are due to retirement.
16 You know, my staff is getting at an age where
17 they're all going to be starting -- retiring, so
18 just finding people to come in and replace them
19 is very difficult.

20 COUNCILMEMBER BAISA: You know, when you retire with
21 30 or 35 years or 40 years of service, you
22 really don't want to come back to work and be
23 paid what an entry level person is paid. It's
24 not appropriate.

25 CHAIR PONTANILLA: Thank you.

1 Member Mateo?

2 COUNCILMEMBER MATEO: Thank you.

3 Mr. Nagamine, your eight vacancies have
4 been vacant for how long?

5 MR. NAGAMINE: Some of them, like in the Plumbing
6 Inspection, my -- I guess my oldest vacancy goes
7 back to the end of 2005, so it's been a whole
8 year since that position has been vacant.

9 COUNCILMEMBER MATEO: And -- and you're not able to
10 work with -- with Personnel in terms of trying
11 to creatively come up with redescribing the
12 position and perhaps consolidating some of your
13 vacancies so you can offer a better pay?

14 MR. NAGAMINE: The -- well, I think you should
15 probably discuss that with Personnel Services
16 when they come up.

17 COUNCILMEMBER MATEO: Okay.

18 MR. NAGAMINE: But my understanding is that they're
19 pretty rigid in their rules as to, you know,
20 what the entry level pay is. The only exception
21 is if they consider a position a shortage
22 category or...

23 COUNCILMEMBER MATEO: That's exactly what you're
24 dealing with.

25 MR. NAGAMINE: Right.

1 COUNCILMEMBER MATEO: Hello?

2 MR. NAGAMINE: Right. And then they give you the
3 flexibility to negotiate the pay.

4 COUNCILMEMBER MATEO: Okay. Now, my -- my, I guess,
5 asking is only because shortages don't only
6 exist in your Department, yeah, it's throughout,
7 and somehow I don't know if it will require the
8 Departments, Chairman, to take positions and
9 start demanding that considerations from
10 Personnel be able to move positions through and
11 either redescribe them or do what they need to
12 do to help us meet the need, because if we don't
13 be creative in planning at this point, you know,
14 we're going to get continuous situations of what
15 Mr. Nagamine indicated by his very opening
16 statement by telling us that the process is only
17 as fast as the other departments processing of
18 their applications. That's not acceptable.

19 It's not acceptable in this time and age
20 because this Body has been consistent in wanting
21 to help, and we look to you guys and tell you
22 guys, "Tell us how we can help." And by telling
23 us that, you know, "We've got to go do this and
24 this and this doesn't cut it."

25 Take the initiative. Tell us how we can

1 help you, which is what we want to do. We want
2 to help you, but you're the -- you're the
3 expert. So, to me, Chairman, and it's not --
4 it's not all you, Mr. Nagamine, it is consistent
5 with a lot of Departments who we now need to
6 look at them and say, "Tell us specifically how
7 we can help because we want to alleviate some of
8 the unnecessary stresses that you are
9 experiencing and your hardships."

10 And you are a man without a home, and
11 you are a man with -- short of employees and
12 that's, you know, we can -- we can -- you know,
13 we can look at and think it's kind of funny, but
14 in terms of providing the services to our
15 people, that's not funny at all.

16 So thank you, Chairman.

17 CHAIR PONTANILLA: Thank you, Member Mateo. And I
18 think yesterday we had a pretty good discussion
19 with the Water Department in regards to, you
20 know, how -- how do we satisfy our internal
21 customers meaning ourselves.

22 And, you know, we haven't taken a survey
23 in regards to, you know, if the different
24 Departments are satisfied as far as their
25 performance in providing, you know, information

1 to other Departments, so maybe something that
2 can be considered by the Administration.

3 Members, any more questions of DSA at
4 this time?

5 COUNCILMEMBER VICTORINO: Mr. Chair?

6 CHAIR PONTANILLA: Mr. Victorino.

7 COUNCILMEMBER VICTORINO: You know, one of the other
8 questions I had for you is this evaluation or
9 performance measures by -- for other
10 Departments, we have what the actual in 2006 and
11 the projected in 2007. And in most cases -- and
12 the public can't see this, but in most cases, I
13 see a downward trend. In other words, from '06
14 to '07, you -- you seem to be working a little
15 bit quicker, not to say they have made any
16 substantial change, but some of them have
17 brought it down, you know, a good 25, 30,
18 35 percent of what they were in 2006.

19 But again, just like others have said
20 today, the biggest challenge you face is if
21 they're taking 168 days to get back to you, if
22 I'm correct in my evaluation, 160 days is almost
23 half a year, because 180 is half a year. And so
24 that does definitely tie up people. It ties up
25 your Department. It ties everything else. If

1 somebody comes back in 12 days and that same
2 Department takes 168 days, there's a big
3 discrepancy there. As have been -- my
4 colleagues have mentioned, that is an area we
5 need to work on, and Administration would be the
6 key. But this hundred and...

7 What I was trying to ask is, what do you
8 attribute the different between 2006 and 2007?
9 Because I think we're heading in the right
10 direction. What would you attribute that to, or
11 do you have any reason why in most numbers, it's
12 a downward trend?

13 MR. NAGAMINE: Are you comparing the actual 2006 with
14 the...

15 COUNCILMEMBER VICTORINO: The projected in 2007,
16 yeah.

17 MR. NAGAMINE: Well, the projection is just what
18 we're hoping.

19 COUNCILMEMBER VICTORINO: Okay.

20 MR. NAGAMINE: We're hoping that the other agencies
21 would improve.

22 COUNCILMEMBER VICTORINO: So -- but then I'll ask
23 this question, then you say the FY '07, second
24 quarter --

25 MR. NAGAMINE: Right.

1 COUNCILMEMBER VICTORINO: -- isn't that an actual
2 number then?
3 MR. NAGAMINE: Yeah. That's an actual number.
4 COUNCILMEMBER VICTORINO: That's an actual number?
5 MR. NAGAMINE: And the '07s, what I'm finding is -- I
6 just did a quick analysis of our applications
7 for building permits and subdivisions, and I
8 project -- I anticipate that we will do fewer
9 building permits -- building permits in
10 subdivision this is year than we did previous
11 year.
12 COUNCILMEMBER VICTORINO: Okay.
13 MR. NAGAMINE: So we're doing less right now than we
14 did last year.
15 COUNCILMEMBER VICTORINO: I think -- I think a lot of
16 us are seeing that downward trend, you know, a
17 slowing down --
18 MR. NAGAMINE: Right.
19 COUNCILMEMBER VICTORINO: -- of construction --
20 MR. NAGAMINE: Yeah.
21 COUNCILMEMBER VICTORINO: -- you know, to a point.
22 MR. NAGAMINE: And I -- and my numbers kind of
23 predict that that's what we're going to see at
24 the end of the year.
25 COUNCILMEMBER VICTORINO: Well, I appreciate that. I

1 just -- I wanted to make sure that projections
2 and actual numbers, then if you take actual
3 numbers, then the trend would be just almost a
4 complete opposite, more going up than down. And
5 considering that we're slowing down, I think
6 Administration has to look at it. I think
7 that's very important.

8 I think work space is always important
9 also, because even if you're a man without a
10 home, there are many that have homes that are so
11 crowded that even the roaches have kind of left
12 the building, because there's no room for them
13 any more. I mean, Engineering, for example, I
14 mean, Water Department, they're all on top of
15 each other.

16 So it's a -- it's a real matter that
17 this County, whether it's the Administration and
18 this Board, this Body, I should say, will take a
19 hard look at expansion, and we've got to quit
20 saying, "Wait. Wait. Wait." We've got to do
21 something and something very quickly.

22 Thank you, Mr. Chair.

23 CHAIR PONTANILLA: Thank you, Mr. Victorino.

24 Director?

25 MR. ARAKAWA: Mr. Chair, you know, at the risk of

1 further muddying the waters, I just wanted to
2 mention that much of the -- a factor, let's put
3 it -- a factor in the review times is also a
4 reflection of the -- the construction boom where
5 you have a lot of the consultants who are very
6 busy. They've turned in -- turned in their
7 initial plans and they're too busy to actually
8 do the corrections, and so the actual time for
9 review reflects on the County Departments that
10 are actually waiting for the consultants to make
11 the corrections to plans before it gets
12 approved. So that's, you know, a factor that
13 should be considered in this overall equation as
14 well.

15 COUNCILMEMBER VICTORINO: Mr. Chair, with that --

16 CHAIR PONTANILLA: Thank you, Department.

17 COUNCILMEMBER VICTORINO: -- statement being said,
18 how much additional time -- or have you ever
19 factored that in, and I guess you have to ask
20 each Department, but if you were to give me an
21 educated estimate, how much additional time for
22 these corrections going back and forth between
23 the bodies?

24 MR. NAGAMINE: Okay. First of all, because of the
25 problem that the Director just mentioned --

1 COUNCILMEMBER VICTORINO: Yes.

2 MR. NAGAMINE: -- okay, these performance criteria
3 are just based on our initial review; in other
4 words, how long does it take us, once they
5 apply, for us to get back to them with their --
6 our initial comments.

7 If a project is well designed, planned,
8 okay, hopefully there is just one iteration of
9 review and comments. We review it, we tell them
10 what's wrong with it, it comes back perfect.
11 Okay.

12 But when people are scrambling --
13 everybody's busy, the County's busy, the
14 consultants are busy. You know, you might go
15 through iterations of review and comments. I
16 mean, you review it, you send it back for
17 corrections, it comes back, still wrong, got to
18 send it back. And so all these iterations is
19 costing the County money and it's costing them
20 money. So what we would like to do is just cut
21 down on the iterations. Okay. Get back a
22 product that is good to go.

23 COUNCILMEMBER VICTORINO: Okay.

24 MR. NAGAMINE: So what Milton's talking about is how
25 long it takes to approve a permit for a

1 subdivision. Okay. It kind of lengthens that
2 all out by having to submit, resubmit and all
3 that kind of stuff. But the performance -- the
4 performance measures that are in the annual
5 report are just based on that first review. It
6 doesn't take into account how long it takes the
7 consultants to make the corrections.

8 COUNCILMEMBER VICTORINO: Okay. So this is just the
9 first review?

10 MR. NAGAMINE: Yeah. That's just...

11 COUNCILMEMBER VICTORINO: Nothing beyond that?

12 MR. NAGAMINE: Nothing beyond that.

13 COUNCILMEMBER VICTORINO: So -- but even with that in
14 mind, do you think if the public understood --
15 and I don't always blame County because I think
16 there are people that put in applications and
17 don't have all their ducks lined up, if you want
18 to use for a lesser of a better term, that also
19 contributes to some of this delay because it
20 goes to these various Departments and boom,
21 they've got to come back?

22 MR. NAGAMINE: Absolutely. Absolutely.

23 COUNCILMEMBER VICTORINO: So it's good that the
24 public hears this, too, that, you know,
25 sometimes they like to blame the Government or

1 they like to blame the County or blame the
2 various agencies when in many cases, and I've
3 seen this happen, where the actual applicant has
4 not followed the right steps and then causes the
5 delay.

6 So I'm glad that you bring this up, that
7 the public gets to see this. And I'm sorry,
8 Mr. Chair, we're taking a little longer, but I
9 think this is an important point as we point out
10 these various factors in our system, yeah.

11 Thank you, Mr. Chair.

12 CHAIR PONTANILLA: Thank you, Mr. Victorino. I think
13 that's a very good point.

14 Mr. Hokama, you had a question?

15 VICE-CHAIR HOKAMA: Chairman, I just have a request
16 for all the Departments, from correspondence
17 from you. I think what, you know, the Members
18 have shared this morning is the disconnect we
19 have between goals and objectives and the
20 measurements. And it's hard for us to move to a
21 true performance budget if goals and objectives
22 are not tied to measurements.

23 You know, let's just take this -- this
24 program here. "Optimize utilization of KIVA."
25 That's one of their objectives, but nowhere in

1 their measurements is there a statement about
2 KIVA so, again, I see a disconnect.

3 So we're still basically one level
4 down -- you know, this is basically advanced
5 program budgeting, but we have yet to really
6 achieve the performance budgeting stature that
7 we would all like, that would help us make
8 better decisions, help the Departments be able
9 to make more responsive requests for finances
10 and resources.

11 Because I think one of the key things
12 that might be able to help us understand the
13 difficulties of this Division is, what is the
14 amount of building permits that they go through
15 a year? We have no idea reviewing the reports.
16 Let's say Mr. Nagamine said, "Last year we had
17 8,000 building permits to process. This year,
18 we've got -- anticipate, let's say it goes the
19 other way, 10,000 permits to process is our
20 estimation." Because all the banks forecasting
21 of building construction is all off permit
22 applications and what not.

23 I think it would help us understand what
24 eight vacancies means to a Division that got to
25 process 2,000 more building permits this year

1 than last year with that kind of staff
2 shortages. So one of the performance
3 measurements, I would think would make sense, is
4 staffing level, full, partial, eight short. We
5 can understand then why it's impacting some of
6 the other components of their measurements
7 because it all makes sense.

8 But we have a disconnect in measurements
9 versus goals and objectives. And I would ask
10 that if we can forward this to the Budget
11 Director, Department of Management, Managing
12 Director Morrison, hopefully we can assist the
13 Departments, they can assist us, and we can go
14 through this with much better information to --
15 to make appropriate adjustments, Chairman.

16 Thank you.

17 CHAIR PONTANILLA: Thank you, Mr. Hokama, for that
18 comment. I do agree with you, and I'd just like
19 to add once we send a letter to Management or
20 the Administration that I think some of the
21 goals and objectives that we're looking at are
22 also goals and objectives for the different
23 Departments. And if they need to meet those
24 goals, you know, somehow the Departments got to
25 come to a consensus in regards to meeting those

1 objectives.

2 If you want to get out 800 permits
3 within a given timeframe, then all Departments
4 that is responsible for building permits review
5 and approval, you know, meet the criteria in
6 regards to having permits approved on a more
7 timely basis. I think, you know, that will help
8 the public as well as people that are trying --
9 especially those people trying to build ohana
10 units, extensions to their homes, because it
11 does take some time.

12 Members, at this time I'm going to
13 excuse the DSA at this time, because I think we
14 have more divisions to be reviewed at this time.
15 And we'll probably go to 12:15, and then we'll
16 take a break for lunch.

17 Director, next division?

18 MR. ARAKAWA: Thank you, Mr. Chair.

19 We'd like to go over the various
20 programs of the Highways Division, so I'd like
21 to call our Division Chief Brian Hashiro to the
22 front, and he can do a brief overview.

23 MR. HASHIRO: Good morning, again.

24 Brief overview. We're at the bottom of
25 the barrel. Whatever everybody doesn't want, we

1 get it.

2 I did pass out a binder out there.

3 COUNCILMEMBER BAISA: Thank you.

4 MR. HASHIRO: It -- the first tab is basically about
5 the Highway Fund, about what purposes we can use
6 the Highway Fund for, HRS references through a
7 Highway Fund and stuff.

8 Second tab is more the locational thing,
9 the districts, you know, what areas they take
10 care of. I provided a number of our Index
11 codes. We have, like 24 Index codes for Highway
12 Fund and another 12 for Special Maintenance.

13 Some general information about traffic
14 signals and stuff that we maintain.

15 You know, basically Highways, we --
16 we're supposed to take care of all the
17 highway-related functions, you know, pavement,
18 sidewalks, crosswalks, et cetera, but somehow we
19 end up with everything else.

20 Like I said, Special Maintenance, we do
21 all the Veterans' cemeteries. We do all the
22 County cemeteries. And there is a tab there
23 for us, so if you want to locate all the
24 cemeteries that we're supposed to maintain, it's
25 in there.

1 Flood control. We have three flood
2 control facilities: Iao Stream, Kaunakakai
3 Stream and Kahoma Stream. And Bill is quite
4 familiar with Kahoma Stream. Those are three of
5 the flood -- Corps of Engineers funded flood
6 control projects because we have to maintain on
7 an annual basis. We get inspected annually.

8 We have a number of soil erosion type
9 projects, NRCS, National Resource Conservation
10 Service. We have a number of facilities in the
11 West Maui area. One in ...(inaudible)... and
12 some -- some areas in Piihola Road and Olinda
13 Road. Some areas where we take water off the
14 road and into gullies.

15 We -- we have a potential big project
16 for a future NRCS project, which is going to be
17 the Lahaina Watershed. Last fiscal, we funded
18 four positions for Lahaina for that purpose
19 thinking that the first phase would have been
20 started, would have been finished, but I heard
21 that they haven't started yet, so a little
22 bit -- a little bit ahead of the game on that.

23 We do all kinds of other work. We --
24 we're very heavy into fire support. We have the
25 water tankers to support the Fire Department in

1 remote areas. We've done, like, the Kula fire
2 up in the forest reserve, Kahikinui, Maalaea,
3 every place else. We're heavy into supporting
4 the Fire Department.

5 We support other agencies, like the
6 Parks Department. We create their infields, you
7 know, for the baseball fields. We mow some of
8 their areas.

9 Water Supply, we haul water for them.
10 When we had the problem Upcountry with water
11 quality, we were providing the water tankers to
12 haul water up there.

13 So we're doing a whole lot of work
14 besides Highway stuff so, you know, I would hope
15 that at some point we can refocus on what
16 Highways is really supposed to be doing.

17 And, you know, Milton tried to put in
18 for '08 -- just to touch on that. We tried to
19 put in, like, a resurfacing project to do
20 in-house resurfacing, but apparently, that was
21 cut out, so I won't go through that right now,
22 but this...

23 And Cary talked about those various
24 options about seal coating, et cetera, you know,
25 those options that we would like to eventually

1 get into, but we need to know what the costs
2 are, what the benefits are, you know, how much
3 longer do we preserve the pavement by doing
4 these things? And then at some point, you
5 know, look at the funding for equipment and see
6 if we have in-house -- manpower or whether we
7 need to go out -- you know, outsource or
8 whatever.

9 Just talking about '07 Budget, we had
10 seven positions. Like I said, four in Lahaina.
11 All four in Lahaina have been filled. We had
12 two clerical positions. We're still waiting for
13 Department of Personnel Services to provide us a
14 recruitment list. And we had one electronic
15 tech for the emergency call boxes and traffic
16 signal maintenance. We're still waiting for
17 that list.

18 We have about -- maybe about a dozen
19 vacancies at this point. We did recommend to
20 fill Bill's old position, so hopefully that will
21 be filled shortly. We still have the working
22 foreman position in Hana. Sam Kalalau, he
23 retired so we're waiting for that list to come
24 out. Bill's old Administrative Services
25 Assistant, Katie Nishimoto, we're waiting for

1 that list to come out. And we have some other
2 laborers and equipment operators and stuff that
3 we're trying to get filled.

4 Talking about one of those issues about
5 filling some of these specialty positions, we're
6 getting problems filling mechanics, tire
7 repairers. Electronic techs are always hard to
8 fill because they have a dual requirement of
9 electronics and also a journeyman electrician's
10 license, so it's hard to find people that want
11 to work for the County for our pay.

12 We've had a tire repairer vacant now for
13 about two years. It's on a DPS open
14 recruitment. Some of the people they provide us
15 on a list basically, you know, take off the car
16 tire from a car and that's it. When we sent
17 them to our tire repair machine, they look at it
18 and say, "No thank you," and they walk off. So
19 some of the guys we get on the recruitment lists
20 are not really qualified for the job and we've
21 gone for multiple re-recruiting.

22 Hopefully, we found our last one to fill
23 that position. Our auto mechanics, some of the
24 problems is that some of these guys don't really
25 believe we do drug testing. They passed the

1 medical, came down to the drug test. Failed.
2 You know, how bad can that get, you know? And
3 we tell them up front that we're going to do
4 drug testing and they still do it, so in a way
5 it's good that we find out early.

6 So, you know, we're having some issues
7 and problems like everybody else. At this
8 point, if there's any questions?

9 CHAIR PONTANILLA: Thank you.

10 Member Victorino, questions?

11 COUNCILMEMBER VICTORINO: Well, I'm just overwhelmed
12 at the extent. I never realized, first of all,
13 all the cemeteries for which you need to take
14 care of. I mean, that's all news to me and I
15 apologize.

16 And on top of all the other things you
17 guys have to do, wow. You know, I -- I take my
18 hat off to you now. I don't think that you
19 guys -- like I've heard other people say, don't
20 do much because, man, you guys are responsible
21 for more than what Highways should be in charge
22 of. I mean, I think there are some department
23 we could separate right here and make a whole
24 department for some areas, I should say.

25 So I guess the question I have for you

1 is, in the areas of these general services, such
2 as flood control, drainage, the manpower for
3 those particular areas come directly from
4 Highways?

5 MR. HASHIRO: That's correct.

6 COUNCILMEMBER VICTORINO: So the people play multiple
7 roles then, they're doing the highways and
8 whatever flood control or whatever other areas
9 you have to do in drainage, they would, in turn,
10 still accommodate us in that area?

11 MR. HASHIRO: Yes.

12 COUNCILMEMBER VICTORINO: And those same people would
13 also be the ones that, as we -- Mr. Medeiros,
14 Councilmember Medeiros, mentioned earlier, and
15 whatever stinky things are on the beaches
16 throughout our County, we go out -- and those
17 same people have to clean that up also?

18 MR. HASHIRO: Yes.

19 COUNCILMEMBER VICTORINO: Thank you, Mr. Chair.

20 CHAIR PONTANILLA: Thank you, Mr. Victorino.

21 Mr. Hokama?

22 VICE-CHAIR HOKAMA: Mr. Chair, thank you.

23 Obviously, this Division is hard-pressed
24 with not only its basic requirements, but
25 additional requirements imposed by --

1 interestingly enough, a Division head was good
2 enough to show us on page 87, Members, under
3 "Others" requests and assistance that they
4 provide to (?) Department of Land and Natural
5 Resources, that's State of Hawaii; State
6 elections, that's State of Hawaii.

7 But the one I was going to -- kind of
8 quite interested in was the assistance to the
9 Parks Department and the clearing of park lands
10 of noxious or unwanted foliage.

11 Do you then back-charge the Parks
12 account for the time and service you provide
13 from your division to Parks?

14 MR. HASHIRO: We have on our -- one of our Index
15 codes assistance. That's the method the General
16 Fund uses to pay us back for our Highway Fund
17 use.

18 VICE-CHAIR HOKAMA: So it goes -- so you say --
19 excuse me. Just so we're clear. The General
20 Fund, after you do this service for let's say
21 Parks, this Parks program, General Fund money
22 goes into that Highway Trust Fund Account?

23 MR. HASHIRO: They budget, I believe, \$75,000 a year
24 for General Fund assistance by the Highway Fund,
25 but we do really a lot more than that.

1 VICE-CHAIR HOKAMA: I believe you, Mr. Hashiro, and I
2 don't doubt the amount of work your people do.
3 Because I definitely support and appreciate the
4 Division's work in providing assistance and
5 maintenance to Veterans Cemetery. I think that
6 is something the County can do for our people
7 who serve our country, so I don't have a problem
8 with those kinds of things. And I would give
9 you appropriate support of the equipment,
10 manpower, operational needs.

11 But I'm more concerned about when you do
12 all of these other non-required activities,
13 is -- where is the money coming from, a General
14 Fund Account or from Highway Funds Account?
15 Well, more than likely, the answer cannot be
16 using Highway Funds, it's restricted moneys, so
17 can you give us just your understanding of how
18 we're processing these things?

19 MR. HASHIRO: Basically through Highway Fund with
20 that reimbursement process from General Fund,
21 unless they are specially funded, like cesspool
22 pumping from Wastewater. The physical...

23 VICE-CHAIR HOKAMA: Yeah, we -- I understand what
24 those Inter-funds.

25 Is it a problem, Mr. Young, Finance

1 Department, with this type of initial outlays
2 from a Trust Fund and it gets reimbursed by
3 General Fund, do we need to set up a special
4 General Fund account so there may be no concerns
5 of violating the use of Trust Funds?

6 MR. YOUNG: Well, Mr. Hokama, the charges that
7 Mr. Hashiro points out get paid through the
8 General Fund Countywide accounts back to the
9 Highway Fund to reimburse them for whatever
10 costs that are -- that are listed.

11 But that I believe that when the budget
12 is appropriated each year, I'm not sure if every
13 single activity that, say, the Highway Fund,
14 Special Fund activity is doing gets charged
15 dollar for dollar, so, for instance, the
16 Administrative costs of running that program to
17 do a beach clean up or a park clean up may not
18 be fully charged.

19 VICE-CHAIR HOKAMA: Okay. Is this process by a
20 purchase order request, Mr. Hashiro, to your
21 Division, then you and the Director decide
22 whether or not you can accommodate this request
23 outside of the Department?

24 MR. HASHIRO: All requests go to the Director and he
25 forwards it down to me for action, and then I

1 have sometimes some discretion sometimes. Other
2 times not.

3 VICE-CHAIR HOKAMA: Okay. Because you've added more
4 things than I thought your Division was doing,
5 because I didn't know you did the Halloween
6 Block Party clean up in Lahaina and all those
7 kind of things.

8 Because most of this, we have General
9 Fund appropriations, Chairman, and we give Taro
10 Festival, you know, East Maui, their Special
11 Economic Development Fund, we -- we promote
12 Lahaina Invitational, Maui Invitational, all
13 those things, so it's already all in these
14 General Fund accounts, and I am concerned about
15 Highways using their Trust Fund, which is
16 specified for Highway use, even if it's in
17 advancing. You know, it concerns me whether or
18 not it's -- the fund is then being reimbursed
19 the actual amount it's outlaying in advance of a
20 reimbursement, because that means it's less
21 ability of Highways to do what Highways wants to
22 do is work with highways.

23 So that's my concern and I would ask
24 that we might want to assist the Division in
25 being able to maintain as much of their Highway

1 moneys possible and, if need be, create a
2 General Fund account to allow them to assist,
3 when possible. But I think the dependency -- we
4 might want to consider reducing the dependency
5 on Highways to provide all of these non -- again
6 as he, the Division head mentioned, non-Highway
7 functions, so I would appreciate the Committee's
8 consideration.

9 Thank you, Chairman.

10 CHAIR PONTANILLA: Thank you, Mr. Hokama.

11 We'll take that into consideration and
12 work with the Finance Director or Budget
13 Director in trying to create a fund for Highways
14 Division whenever they do these specialty type
15 functions.

16 Member Molina?

17 COUNCILMEMBER MOLINA: Yeah, thank you, Chairman.

18 Mr. Hashiro, we should just totally
19 rename your department. I mean, just looking at
20 all the things that you folks are doing, it's
21 incredible, I mean.

22 In terms of the support that you folks
23 give the State, do you folks get any type of
24 reimbursement? You know, for example, State
25 election booths, you know, any type of

1 reimbursement for the services you provide or
2 assistance to any of the State functions or
3 Departments?

4 MR. HASHIRO: I don't believe we get reimbursements,
5 per se. I'm trying to think. I can't really
6 say off hand. We can go and research that if we
7 ask or not.

8 COUNCILMEMBER MOLINA: All right. I think you guys
9 should get some type of support, because, you
10 know, to just rely on, you know, using the
11 Highway Fund, which is earmarked for other
12 things and you guys are having to...

13 MR. HASHIRO: We just got a request for, like, the
14 Kihei Boat -- Small Boat Harbor, to move some
15 sand into Kamaole Park so, again, this is a
16 State function, but we're being asked to move
17 the sand so it's -- whether we get reimbursed
18 for that, I'm not certain, but I don't think so.

19 COUNCILMEMBER MOLINA: Goodness. Boy, this is a lot
20 of headaches for you, folks. I mean, you guys
21 are going above and beyond from what I see here.

22 Well, anything you guys need when we do
23 discuss the budget, it's hard to say no, but
24 there's a point where, you know, we've got to
25 literally draw the line in the sand, yeah, to

1 some of these requests from, you know, State
2 agencies and even some of our other Departments,
3 so...

4 But, anyway, thank you for all you do.

5 Thank you, Chairman.

6 CHAIR PONTANILLA: Thank you, Mr. Molina.

7 Mr. Medeiros?

8 COUNCILMEMBER MEDEIROS: Mahalo, Chair.

9 Mr. Hashiro, I want to first thank you
10 for this very in-depth report in your binder.
11 It's probably one of the best reports we have
12 seen affecting your Division. And having worked
13 under you for many, many years, I know this is
14 just your ordinary way of doing things because
15 you have always been in depth about -- about
16 doing these things, so I thank you for this
17 report.

18 And I want to say, everything
19 Mr. Hashiro says is true, and he has maybe
20 tempered it a lot. There's a lot more that goes
21 on because, you know, I used to be in charge of
22 the Hana District and then Lahaina, and at
23 times, you know, our Division, the Highways
24 Division, were asked to pick up, you know, body
25 skeletons that have been eroded from seaside

1 cemeteries. And I never saw, you know, in our
2 position descriptions, you know, such work
3 unless it come under, "And other duties as
4 required."

5 But yes, the Highways Division is
6 charged with a lot of things to do, and --
7 including picking up leis for Memorial Day,
8 which is a great function, but I need to say
9 that a lot of the requests I know from
10 Highways -- a lot of requests for Highways, they
11 do work that seems unusual for the Highways is
12 it gets filtered down from the Mayor's Office,
13 and a lot of times Mr. Hashiro does not have a
14 say on whether we can do it or not.

15 But I also want to add to his report
16 that the reason the Highways Division is -- and
17 under the Public Works gets most of this work is
18 that it's the biggest department with the most
19 people and equipment, so everybody comes to
20 Highways to build their parking lots for the
21 Lahaina Civic Center and, you know, many other
22 places.

23 So without having worked with this and
24 knowing what Mr. Hashiro is in charge with, I
25 have no questions, Mr. Chair, except to commend

1 Mr. Hashiro for holding this Division together
2 all these years.

3 Thank you.

4 CHAIR PONTANILLA: Thank you, Mr. Medeiros.

5 Member Johnson?

6 COUNCILMEMBER JOHNSON: Yes. And I, too, want to
7 thank you, Brian, because it's a very
8 educational piece, and you made it concise and
9 you made it understandable to anyone that picks
10 this up, so from my perspective, I really
11 appreciate it because some of your photos in
12 here, one picture is worth 1,000 words. So it's
13 very much welcome because it gives us a real
14 comprehensive understanding of the challenges
15 you face.

16 My question, basically, will be,
17 Mr. Chair, to Corporation Counsel because with
18 Mr. Hashiro's kind provision of what the
19 utilization of funds would be, I would ask at
20 some point to have Corporation Counsel, not now,
21 but issue us a written opinion about the
22 appropriateness of heaping on additional
23 responsibilities and the legality, actually, of
24 utilizing Highway funds, even if at some point
25 they're reimbursed, by putting, as Mr. Hashiro

1 has not said, but I say, his Department has been
2 the dumping ground for a lot of things that fall
3 through the cracks.

4 And I think that from my perspective, I
5 want a legal opinion as to whether or not we can
6 legitimately use these moneys for the purposes
7 which he has been charged with actually
8 performing. Because when I read the
9 description, this doesn't fit what he's actually
10 doing, and so I'm concerned about that. So if
11 we could get some kind of an opinion from
12 Corporation Counsel.

13 CHAIR PONTANILLA: Thank you, Member Johnson, and
14 we'll forward a letter to Corporation Counsel
15 for some response.

16 Ms. Baisa?

17 COUNCILMEMBER BAISA: I'd briefly like to thank you,
18 Mr. Hashiro, for the well done report. You
19 know, being a new Member on the Council, it
20 really helps us when things are laid out so well
21 for us. I'd like to thank you. Of course, I'm
22 not surprised, having had the opportunity to
23 work with you in the past. I know how well you
24 do things.

25 I also share in Member Johnson's

1 request. I think it would be a good idea.

2 Thank you.

3 CHAIR PONTANILLA: Thank you, Ms. Baisa.

4 Member Mateo?

5 COUNCILMEMBER MATEO: Chairman, thank you very much.

6 Mr. Hashiro, thank you very much, and

7 there is just one word I think you need to learn

8 is "no."

9 CHAIR PONTANILLA: Thank you, Member Mateo.

10 MR. ARAKAWA: I think he knows that word already,

11 Member Mateo.

12 CHAIR PONTANILLA: Members, if you do have any more

13 questions for the Department in regards to

14 Highway Division, if you could put it in writing

15 and I'll forward it to the Department for some

16 response.

17 I know we haven't touched base on Solid

18 Waste as well as Wastewater, and we'll take that

19 up right after lunch before we go into CIPs --

20 CIP.

21 So Members, at this time, the Chair

22 would like to recess this meeting, and we'll

23 reconvene at about 1:30. Recess. (Gavel.)

24 RECESS: 12:11 p.m.

25 RECONVENE: 1:35 p.m.

1 CHAIR PONTANILLA: (Gavel.) Thank you, Members. The
2 Budget and Finance Committee meeting is
3 reconvened. The time is 1:35.

4 At this time, I'd like to call on the
5 Public Works Director to bring the next Division
6 up.

7 MR. ARAKAWA: Thank you, Mr. Chair.

8 Our next division is our Wastewater
9 Reclamation Division, and they have a PowerPoint
10 presentation for you that they'd like to
11 present.

12 CHAIR PONTANILLA: Thank you. At this time, the
13 Chair would call for a two-minute recess.
14 (Gavel.)

15 RECESS: 1:36 p.m.

16 RECONVENE: 1:38 p.m.

17 CHAIR PONTANILLA: (Gavel.) Members, the Budget and
18 Finance Committee meeting is reconvened.

19 At this time, I'd like to call on
20 Mr. Dave Taylor, who is the Division Chief for
21 Wastewater, to provide us with an overview
22 regarding the Wastewater Management area.

23 Dave?

24 MR. TAYLOR: Thank you, Mr. Chair.

25 We appreciate this opportunity to go

1 through some of the main points of the Maui
2 County's Wastewater System and the Wastewater
3 Reclamation Division.

4 In this presentation, we're going to
5 combine a number of things. We're going to try
6 to give an overview of the system, give a little
7 Wastewater 101, talk about some of our
8 terminology and wrap that all into our FY '07
9 Budget, the projects we've been doing, our CIP
10 and kind of what's coming up in the future, so
11 we're going to try to wrap all of this up into
12 one presentation.

13 I want to start with what we consider
14 our global performance measures. And these
15 performance measures are not the ones written in
16 the budget; these are really big picture issues
17 that the County -- that the Wastewater
18 Reclamation Division takes care of.

19 And the things we do, are we increase
20 reliability of our existing facilities; we
21 expand the sewer system to non-sewered areas; we
22 increase the volume of reclaimed water that we
23 use; and we improve the quality of treated
24 effluent.

25 When the public looks at our Division,

1 this is how they judge whether or not, you know,
2 we're serving them, so currently we're putting
3 almost all of our resources into this issue, is
4 increasing the reliability of existing
5 facilities. We're doing very little to expand
6 the sewer system or reclaimed water or make
7 treated effluent quality better.

8 One of the goals of this presentation is
9 we're going to come back to this slide at the
10 end, and we're going to understand what this
11 means to increase reliability of existing
12 facilities, and we're going to understand why it
13 is we're almost solely focused on -- on this one
14 global performance measure.

15 So first, we just -- in a general way,
16 we want to talk about what happens to
17 wastewater. From anyone's house or business, we
18 all generate wastewater. It goes into what we
19 call gravity sewers. These are just pipelines
20 that are buried and slopes downwards, so the
21 water flows downward.

22 We have about 210 miles of gravity sewer
23 line that we operate. The wastewater goes into
24 pumping stations, pumping stations through pipes
25 that go uphill, which are called force mains,

1 pump toward the treatment plants. We have
2 42 pumping stations and force mains, and
3 24 miles of force mains.

4 So wastewater from any particular
5 location on its way to the treatment plant may
6 go through many, many pump stations and force
7 mains. So it may go to a gravity sewer to a
8 pump station, to another gravity sewer to
9 another pump station, and on and on.
10 Eventually, all of the wastewater reaches one of
11 our wastewater treatment plants, of which we
12 operate five.

13 All of the solid material from the
14 wastewater treatment plants, 100 percent of it
15 goes to composting at the landfill facility
16 operated by Solid Waste.

17 So of the water, 22 percent of it goes
18 to reuse and 78 percent of the water goes down
19 injection wells, so this is an overview of
20 the -- of the system and what we operate.

21 As far as how the system can fail, the
22 bottom line is that failure of any of these
23 systems end up with wastewater spilling into the
24 environment either -- either pipes break and
25 sewage spills out onto the roads and into the

1 ocean. If the wastewater treatment plants fail,
2 we get low quality water that plugs up the
3 injection wells. That backs up into the plant,
4 overflows the walls.

5 So really, the bottom line of all we do
6 is we take wastewater from people's homes and
7 businesses and make sure it gets disposed of
8 properly, and that's our -- really, our primary
9 purpose.

10 This is a picture of a wastewater
11 treatment plant, the Kahului Treatment Plant,
12 the Kihei Treatment Plant, and you can see some
13 reclaimed water areas from the Elleair Golf
14 Course off to the side, and that's 100 percent
15 irrigated with reclaimed water.

16 This is an injection well. There's been
17 a lot of talk about injection wells. It is
18 basically just a pipeline deep into the ground.
19 It goes down a couple of hundred feet where the
20 water is injected.

21 So we're just going through some of this
22 terminology so as we get into the presentation
23 and you see our projects and CIP projects later,
24 you kind of understand what it is we're talking
25 about.

1 A pump station inside of a pump station.

2 One of our hard-working employees.

3 And the wastewater system is on all
4 three Islands. On Molokai, Kaunakakai Town is
5 served, as well as we operate a gravity
6 collection system in Kualapuu. The Kualapuu
7 Treatment Plant is operated by Molokai Ranch.
8 The rest of Molokai is operated by either septic
9 tanks or privately-owned treatment plants.

10 On Lanai, we have a sewer system in
11 Lanai City of gravity lines and a treatment pond
12 system. Castle and Cooke owns their own
13 treatment plant. They take all of our water,
14 and they bring that up to higher quality and
15 reduce it all on their golf courses. The rest
16 of Lanai, we do not service.

17 On Maui Island, we service Central Maui,
18 South Maui and West Maui. We have a small
19 gravity system in Haliimaile, and the rest of
20 Maui is serviced by -- including East Maui and
21 Upcountry by either private systems, septic
22 tanks. Pukalani has its own privately-owned
23 treatment plant. So does Makena. Maalaea is
24 also serviced by private treatment plant.

25 The extent of the Central Maui Treatment

1 Plan starting in Kuau by Mama's Fish House
2 include all of Paia, Spreckelsville, Kahului,
3 Wailuku, out to the new Waiehu Kou Subdivision,
4 Wailuku Heights and a portion of Waikapu. Most
5 of Waikapu, Old Wailuku Heights and Waihee are
6 not served by the sewer system. This is an old
7 map. This is Wailuku Country Estates, which is
8 actually sewerred by -- is sewerred and connected
9 to our system. We just have to update this map.

10 In South Maui, as I mentioned, Maalaea
11 is served by private treatment plants that have
12 their own injection wells. Our system runs from
13 Sugar Beach all the way to Makena Surf. Maui
14 Meadows is not served, and Makena has its own
15 private treatment plant.

16 In West Maui, basically the sewer system
17 encompasses all of West Maui from Puamana all
18 the way to Kapalua. The notable exception is
19 Wahikuli, which is not sewerred. I'm sorry.
20 That wasn't Wahikuli. Wahikuli is down here.
21 So Wahikuli is really the only major area that
22 is not sewerred.

23 Our division -- this is kind of hard to
24 read -- basically has the same functions as the
25 Water Department. And you had a detailed

1 presentation by the Water Department yesterday.
2 We have the same kind of thing. We have
3 mechanics and operators, engineering staff.
4 We're organized at a Division level under a
5 Division Chief. We have our Administrative
6 Section, which has Engineering, Permitting,
7 Planning, and then our Operations Section, which
8 is the majority of our people.

9 This is divided up into each of the
10 individual treatment plants, baseyards. We have
11 mechanics, electricians, central operations with
12 truck drivers, electronic technicians, et
13 cetera.

14 We have a -- we have our own laboratory,
15 so essentially, we are a free-standing utility,
16 similar to the Water Department, and our
17 functions are similar. We're just organized
18 under a division level, rather than a
19 department.

20 Some funding history just to understand
21 where we are in the history of the system.
22 Before the 1970s, all of the wastewater on Maui
23 just gravity flowed raw sewage right to the
24 ocean. In the early 1970s, the Clean Water Act
25 was passed at the federal level, and there was

1 huge amounts of construction moneys made
2 available to local communities, so we had huge
3 grants that funded construction of most of our
4 wastewater treatment system. This is the
5 treatment plants, pumping stations, large
6 gravity lines, force mains, so still, a huge
7 majority of our system was paid for back in the
8 '70s and '80s with federal money.

9 Because of our environment and the
10 materials this system was constructed of, most
11 of the system had a lifetime of 20, 30, 40 years
12 which basically brings us to today, when a lot
13 of the system is -- is degrading to the point
14 where it's ending its useful life.

15 So what we've really been doing and what
16 we're going to continue doing is rehabilitation,
17 replacement and reliability upgrades of the
18 overall system.

19 Also, from the beginning when the sewer
20 system -- when the sewer service started on
21 Maui, the sewer system was subsidized by General
22 Fund moneys. And around the year 2000, the
23 sewer system moved to being 100 percent
24 self-funded through wastewater fees only.

25 So what you can see is, we have an old

1 system that was paid for by federal funds. Even
2 the operations maintenance was subsidized by
3 General Fund. So when we move to today, where
4 we're trying to replace the old system and we're
5 trying to run operations and maintenance
6 completely with sewer fees, the sewer fees have
7 been going up, because from the early 1970s, the
8 sewer fees have never represented the true cost
9 of ownership and operation of the wastewater
10 system. So this is really the reason why sewer
11 fees have been rising and why they will probably
12 have to continue to rise until we get to a level
13 that represents the true cost of ownership of
14 the system.

15 Capacity and reliability? What follows
16 is going to sound like a little bit of an
17 engineering discussion, which I suppose it is,
18 where we had so many questions about capacity
19 and we're always talking about reliability, we
20 decided that we needed to explain what it is
21 we're talking about, how they're related. We're
22 also going to try to tie in operationally what
23 all of our staff is doing and the '07 Budget
24 projects and our CIP to this little discussion,
25 so bear with us. We're going to try to cover a

1 lot of information in a few quick graphs here.

2 When we talk about capacity, we're going
3 to use these graphs which show time, and just
4 imagine this as 20, 30, 40 years in time versus
5 capacity of a pipeline. So if we build a
6 pipeline, it has some capacity. It can carry a
7 million gallons or two million gallons a day or
8 something. And that pipe doesn't get bigger or
9 smaller, so 30 years later, the capacity is the
10 same.

11 But we know over the lifetime of a
12 pipeline, it's going to break a bunch of times.
13 So when it breaks, capacity goes to zero. And
14 as it gets older, it's going to break more and
15 more often, so all these times the capacity goes
16 to zero. This is what we mean by reliability.
17 It's not how much capacity there is, it's how
18 often you don't have that capacity because it's
19 breaking.

20 And just something about wastewater so
21 you can kind of understand some background, if
22 you leave water sitting around for 1,000 years,
23 it may get some algae in it, but it's not --
24 nothing's really going to happen to it.

25 Wastewater has a lot of constituents

1 that are biochemically active, and it turns to
2 sulphuric acid. So the wastewater in our system
3 is always turning into sulphuric acid and it's
4 dissolving the system, the pipes, and the pumps,
5 the treatment plants, everything. In addition,
6 we live in a beach community. We have a lot of
7 sand. Essentially, running sand through the
8 system is like having sandpaper in the inside of
9 the system.

10 As you saw where most of the sewer
11 system is, it's along the coastline, which has
12 erosion from the ocean and from salt air, so
13 basically the entire sewer system is being
14 eroded and corroded from the inside out and from
15 the outside in all the time from day one. So
16 it's a very -- it's kind of a nasty substance to
17 work with, and it's very aggressive on our
18 system.

19 During the same time period we've been
20 talking about 20, 30 years, whatever, the flow
21 keeps increasing due to development. And
22 additionally, when we have heavy rainstorms,
23 flow increases even more during those short
24 duration periods, so flow over a long period
25 looks like this. It's ever increasing and we

1 get these peaks.

2 So you put this all together, we have a
3 pipeline capacity and we look at the flows
4 coming in over time. And we can look at the
5 history of any pipeline, whether it's a gravity
6 line or a force main. We build the thing. It
7 has a lot of capacity and there is very little
8 flow.

9 But at some point in time, you know, we
10 have these peaks due to rain, but we still have
11 a lot of capacity so there is no problem, then
12 it breaks. So regardless of how far below we
13 are at capacity, this represents a wastewater
14 spill. The purple line of flow coming in is
15 greater than the black line of available
16 capacity, which is zero during a break, so all
17 this flow spills.

18 So this is a sewer spill. People start
19 screaming that the line is over capacity, over
20 capacity, but it isn't, it just broke. So as
21 time goes on and time goes on, there's more
22 peaks, flow keeps going up and we get into this
23 point in time where it's breaking often. It's
24 getting old. It's always breaking.

25 Every one of these times where the

1 purple line crosses the black is a sewer spill.
2 So even though we don't run out of capacity
3 until way out here, this represents a whole
4 bunch of sewage spills and, again, the people
5 start saying that the lines are over capacity,
6 the lines are over capacity, but they're not,
7 they're under-reliable. And so this is this
8 concept of reliable capacity.

9 And our focus is this area. And what
10 our crews are doing, we have flushing crews that
11 are cleaning the lines to try to keep this level
12 of capacity. We have repair crews that, every
13 time there is a break, they respond and try to
14 fix it as quickly as possible. Our planning
15 efforts are to try to predict where in the
16 lifetime every one of our pipelines is. And as
17 we're coming into this time as it gets older
18 where the reliability is going to start
19 plummeting, we initiate projects to replace it,
20 and that's where our design and construction and
21 CIP programs come in is we're replacing these
22 lines.

23 So that's kind of what our crews are
24 doing, and when you start seeing lists of our
25 projects for pipelines, pipeline rehabilitation,

1 pipeline replacement, it's all about this. It's
2 not about capacity. We initiate projects
3 because they're not reliable. They're failing
4 too often.

5 Developers, if they're going to build a
6 big project, say at this point in time, which
7 means the flow coming in is going to start
8 increasing, they're going to initiate a pipeline
9 project to replace this -- we're going to ask
10 them to replace this line because of capacity
11 reasons. So that's where we come in. We don't
12 replace lines to make capacity for developers,
13 we replace lines for reliability reasons. So
14 that's a little bit about pipelines and how that
15 relates to all of the projects.

16 We're going to look at pump stations in
17 the same way. So this is a typical pumping
18 station. You can see there's four motors and
19 four pumps and valves and all kinds of things.
20 So when we look at the same kind of reliable
21 capacity curve for a pumping station, we build
22 this pumping station, and if everything's
23 working, this is the capacity. 30 years later
24 if everything's working, the capacity is still
25 the same.

1 But there's a lot of things that go
2 wrong in between. Because pump stations have
3 multiple pumps and multiple pieces and parts, we
4 tend not to get whole failures. So when a pump
5 station fails, maybe one unit fails, and later,
6 a different unit fails. Again, as we get older
7 and older, these failures are happening more and
8 more often, and we do get sometimes where, say,
9 everything fails at once or there is a power
10 outage when the emergency generator fails and
11 then your capacity goes to zero.

12 So just like with pipelines, it's not
13 really the capacity we're worried about, it's
14 the reliability. It's, are we in the zone where
15 things are failing more often than is
16 acceptable? Over the same time period, the flow
17 comes up. We get these peaks coming in from
18 rain events and, when we superimpose them, we
19 can see the history of this pumping station over
20 many, many years. When it's built, you have
21 plenty of capacity, even when there's peaks,
22 even if something's out of service, you still
23 have plenty of capacity.

24 This is the first time it would have
25 spilled. You have some sort of breakdown that

1 lowers your capacity while you're having a peak
2 event. This may only last for a few hours, but
3 there would be a sewage spill right here. The
4 next day when it's all fixed, and the rain event
5 stops, you have plenty of capacity again.

6 So again, here's another sewer spill,
7 here's another sewer spill. Until the purple
8 line gets to the peak black line, the pump
9 station is still under its capacity. These are
10 all considered reliability problems.

11 What our crews are doing, they operate
12 these stations on a daily basis. When things
13 break, they repair them as quickly as possible.
14 We initiate all sorts of preventative
15 maintenance to try to keep these things from
16 breaking and try to keep the time that we're out
17 of service as short as possible.

18 Our planning groups are constantly
19 evaluating where are we in this lifetime, how
20 likely are these failures to happen, and
21 initiating large construction projects to
22 replace them before they fail.

23 I should note that when we replace
24 things, we will probably upgrade the capacity
25 because if you're going to replace a pump or a

1 pipe or anything else, it doesn't cost much more
2 to get a slightly bigger one. So when we
3 initiate reliability projects, whether they're
4 operational projects or CIP projects, we'll
5 probably upgrade capacity at the same time.

6 Again, if a developer is doing a lot of
7 projects back in the time when the system is
8 still considered reliable, we wouldn't pay for
9 that. We would have the developer pay for the
10 pump station upgrades, but that whole new
11 station would start this cycle again and we
12 would get a reliability upgrade for free.

13 So, basically you get reliability and
14 capacity together. All of our projects are
15 initiated because of reliability. It's because
16 we're at the point in their life where they're
17 becoming unreliable.

18 I just want to note that if Maui
19 Electric or Water Department were using their
20 graph, they would basically have the same graph
21 of reliable capacity. Maui Electric would look
22 at this purple line as electric demand, and
23 they'd look at this black line as equipment
24 generators out of service. So their worrisome
25 condition would be when a generator is out of

1 service and they have a hot day, and this would
2 be how much power they didn't have available.

3 Water Department would look at this
4 purple line as usage, where the black line is
5 available capacity. So their worst day would be
6 a drought when water usage is really high and
7 their ability to give water is really low. And
8 the little area underneath that triangle would
9 represent how big a tank or reservoir would have
10 to be to make it through that outage.

11 So you can see this concept of reliable
12 capacity isn't about peak capacity, which
13 everyone's asking about. It's not about the
14 360 days a year that everything is okay. It's
15 about the five days a year that things aren't
16 okay, and what level of service is acceptable
17 under the worst conditions.

18 So when there's discussions of what is
19 the capacity of a plant or a pump station or
20 anything else, it's probably more productive to
21 ask, "Under normal failure conditions, what
22 level of service can we expect?" That's really
23 how all the utilities plan their functions. We
24 don't really look at this line. We look at
25 these conditions and what's acceptable. So

1 that's where this concept of reliable capacity
2 comes in and that's why we're mostly talking
3 about reliability while most people are talking
4 about capacity.

5 We're going to apply the same concept to
6 a wastewater treatment plant and after -- let me
7 just get through this, to a treatment plant. So
8 if we build a wastewater treatment plant and we
9 run -- and everything's running, we have a
10 certain amount of capacity.

11 I have this term here 30 milligrams per
12 liter. That's just like 30 parts per million.
13 That's the quality of water. That's like if you
14 have a big jar and there's a million marbles,
15 just imagine that 30 of them are black marbles
16 and the other million are clear marbles. That's
17 the clarity of 30 milligrams per liter or
18 30 parts per million. This is what our permits
19 require that we make. So this plant, if
20 everything's running, could make some amount of
21 30 milligram per liter water.

22 Although our permits allow that, water
23 of that quality will clog the injection wells,
24 will clog filters, and we can't run a reliable
25 operation for a long term if we're making that

1 quality water.

2 So we make water that's closer to five
3 milligrams per liter, but to do that, we have to
4 sort of slow the flow through the plant, meaning
5 we can process less. So any plant that can
6 process this much 30 milligram per liter water
7 can process a little bit less of five milligram
8 per liter water.

9 Reclaimed water has to be around
10 two milligrams per liter. It's actually
11 measured in a slightly different manner, but
12 it's pretty close to two milligrams per liter,
13 so we can make even less of that.

14 Now, these are the capacities of this
15 plant is everything is working. But as we saw
16 from pipelines and pump stations, not
17 everything's working all the time. So over the
18 life of this plant, let's say again this is
19 30 years, we have all these outages.
20 Something's broken. It gets fixed. Something
21 else is broken. It gets fixed. Something gets
22 taken out of service. It gets fixed.

23 So the capacity at any time to make 30
24 milligram per liter water is changing. It's
25 always different. The capacity to make five

1 milligram per liter water is always a little bit
2 lower, and the capacity to make reclaimed water
3 is always a little bit lower than that.

4 So when we're always asked this
5 question, what is the capacity of a particular
6 treatment plant, this is why we have so much
7 trouble answering because it's all of these
8 things. If everything's working and we want to
9 make permit quality water, the capacity is this.
10 If everything's working and we want to make
11 reused quality water, it's this. If
12 everything's broken, it might only be this for
13 reclaimed water.

14 So, again, we look at incoming flows
15 over the long-term. Flows go out. This
16 population increases. We have these increases
17 in -- due to rain events and we superimpose all
18 of these different things, and you can see the
19 history of what happens. The plant's built.
20 Everything's fine. There's plenty of capacity,
21 even for a peak rain event.

22 Here, when a bunch of things are broken
23 and you have a rain event, you might have to
24 shut off reclaimed water because the flow coming
25 in is more than we can handle, so we shut off

1 our use for a day or two. And as we move on, we
2 might have a condition where, for a short time,
3 the wells are clogged. We violate the permit
4 once, twice. We -- we get to some point where
5 the flows are so high, we have to shut off
6 reuse.

7 And we get to the point where things are
8 breaking so often that we have these extended
9 violations, and finally, on every day the flow
10 is greater than our ability to make permit
11 quality water, and we're in permanent violation.
12 This is the point most people talk about as
13 being over capacity, but in the -- it might be
14 ten years before that, the whole ten years
15 before that, where you have all these events
16 happening. This doesn't mean the plant's over
17 capacity, it means we're having reliability
18 problems.

19 So again, looking at the '07 budget and
20 what we've been spending money on, our operation
21 staff operates these plants to try to keep them
22 working. Our maintenance staff, every time
23 there's an outage, fixes things as quickly as
24 possible. Our planning groups are evaluating
25 all of the different pieces and parts of the

1 plant, looking at where we are in this lifeline
2 and deciding what we need to do next. And our
3 CIP projects are essentially trying to replace
4 things so they don't fail. So reliability is
5 about replacing stuff in this period of time
6 before it fails.

7 And that's probably the end of the
8 engineering portion of the lecture, so...

9 When we talk about reliability, we want
10 to stick a number to it. So if we look at the
11 years 1992 to 1994, we processed about
12 15 billion gallons of sewage during that time
13 period, and we spilled about -- a little over
14 six million gallons. You divide these numbers,
15 and it ends up that 99.9575 percent of it was
16 treated well, so we can redefine our reliability
17 as 99.9575 percent during this time period,
18 which seems high.

19 If the flow coming into the whole system
20 was equal over a whole year, that would be
21 equivalent to three hours and 43 minutes that
22 the system was off over a whole year.

23 Now, in most parts of our life, our car
24 or any other piece of equipment we have, these
25 numbers would seem really good. In our

1 business, people expect a lot more, and we were
2 actually sued by the EPA for violations of the
3 Clean Water Act for this level of performance,
4 and that put us under a consent decree. The
5 public was screaming that spilling six million
6 gallons over three years of sewage was
7 absolutely unacceptable.

8 By the years 2003 to 2005, we processed
9 about 16 billion gallons of sewage, only spilled
10 350,000 gallons, and that's a reliability of
11 99.9978 percent or the equivalent over a year of
12 12 minutes of down time. This is where the
13 public has basically agreed that this is an
14 acceptable level of performance from us.

15 Now, we don't show these numbers to pat
16 ourselves on the back or anything like that.
17 We're really just trying to show that the level
18 of performance that the public expects of the
19 wastewater system is really, really high. Much
20 higher than we expect of almost any other
21 service. And it's hard to put a whole division
22 into one number, but this number comes pretty
23 close.

24 We basically -- everything we do, every
25 CIP project, every operations project, every

1 time we send someone to training, every piece of
2 equipment we replace, it's really trying to get
3 this number to be 99.9978 or higher. So as we
4 do less and less, this number's going to fall
5 off back to these levels that are unacceptable.

6 So we tend to use this number to
7 describe reliability, and that's really the goal
8 of our organization. And really, our primary
9 effort is to keep this reliability high, which
10 is why we went through all of those, you know,
11 graphs in the previous examples.

12 Over the past couple of months, we've
13 had two really bad events that have spilled a
14 lot of wastewater into the ocean. A force main
15 broke, spilled 700,000 gallons. And we had a
16 berm at a pond burst and we spilled 1.4 million
17 gallons. So over the past year because of those
18 events, we're back in this unacceptable range.

19 So it's a constant reminder that no
20 matter what we do, we have to do better and it's
21 really easy to fall back into this unacceptable
22 range. So that's a reminder to us as a Division
23 and us as a County that we need to be vigilant
24 about this, because it doesn't take much to get
25 back to this unacceptable range.

1 From a maintenance standpoint, we have
2 thousands of maintenance items that we do that
3 are scheduled out months and years in advance.
4 We have a computerized maintenance program.
5 We're actually replacing that. That's one of
6 that our big issues we're doing this year,
7 replacing our computerized maintenance program
8 to have work orders and tracking and things.
9 But essentially, it's something like this, like
10 you see in an owner's manual of your car, that
11 we just schedule thousands of items and try to
12 keep those things going to provide this level of
13 reliability.

14 This is a six-year CIP project
15 scheduling. I know you can't read it, but it
16 lists all of our CIP projects individually that
17 we're doing for the next six years. Green is
18 the planning phase, blue is the design -- I'm
19 sorry. Green is the planning phase, red is the
20 design phase, and blue is the construction
21 phase.

22 So what we do is we schedule all our
23 projects out, even though they projects may go
24 through many fiscal years. Planning may be in
25 one fiscal year. Design in another fiscal year.

1 Construction in another fiscal year. We tend to
2 track them to see, are we on track with our CIP
3 program to provide this level of reliability to
4 replace these things before they get to the age
5 where they start failing.

6 So in a simpler manner, this schedule
7 actually goes out to the year 2030. It kept
8 crashing the computer when we tried to import
9 it. But we basically have hundreds of projects
10 scheduled out to the year 2030 with rough costs
11 about what we're going to have to do to keep
12 this level of reliability to replace everything
13 before it gets to that time in its life where it
14 starts failing.

15 So our CIP project program is basically
16 on track. Like everybody, we have a few
17 glitches here and there, but we tend not to look
18 at what are we doing this year and what are we
19 doing next year, we look at the overall program.
20 Are the projects on track, are we replacing
21 things before they fail, and we really look at
22 the overall long-term program of this level of
23 reliability, and that's the reason for all of
24 these projects.

25 Later today, when we go through the

1 individual CIP projects, they're all basically
2 the same. They're all either pipeline, pump
3 station or plant upgrades for reliability. And
4 they all have all kinds of fancy names and
5 things, but they're all part of this program,
6 and they all just kind of come along in their
7 priority listing of when they need to be done.

8 When we look at our costs through the
9 year 2030 through this CIP program that we've
10 laid out, we see that, on average, we think
11 we're going to have to do between 30 and
12 \$40 million a year of CIP for the next 20 years
13 or so, and that is just to replace the original
14 infrastructure.

15 In the past 10 years, we've been down in
16 the \$10 million range. You know, we came up a
17 little last year, you'll see us coming up, we've
18 got a few spikes that we're trying to iron out
19 and smooth out, but you can see that we're in a
20 ramping up phase. And if we're going to avoid
21 the kind of problems that we've been seeing in
22 Honolulu, spilling large quantities of
23 wastewater to the ocean, we're going to have to
24 ramp up the CIP to this 30 to \$40 million a year
25 budget to actually accomplish all of these

1 projects that were shown in the last slide.

2 As it ties into this year's projects and
3 reliability, this year, we're just doing the
4 next set of projects, the most -- the projects
5 that are most priority. Next year, we'll do
6 those. They're all kind of the same projects.
7 They're force mains, gravity lines, pumping
8 station and treatment plant upgrades.

9 From this reliability number that I
10 talked about before, the 99.9978 number, what we
11 would really do is we want more reliability.
12 We'll accelerate projects. We'll do more.
13 Basically, in the coming years, we'll have to
14 raise these numbers and do projects faster.

15 If there is less funding and we want a
16 lower level of reliability, we would move the
17 projects back. That would lower our
18 reliability. We'd spill more sewage, probably,
19 but we'd be spending less.

20 So that reliability number, 99.9978 or
21 whatever it was, is just tied to spending, and
22 the more we do, the higher our reliability will
23 be. There's no projects we would cancel. We
24 would basically either accelerate or decelerate
25 all of the projects to accomplish that level of

1 reliability, and the costs would be -- would
2 have to track those.

3 Yeah. This is a painful slide. This
4 is, based on that level of spending, what our
5 expected debt service is going to be through the
6 year 2027 to accomplish that level of CIP. And
7 you can see it is going up and up and up and up.
8 So, that shows the magnitude of what's ahead of
9 us as far as replacing all of this
10 infrastructure that was built with the old
11 federal moneys.

12 In order to do that, you can see this is
13 a pie chart of -- it's actually our FY '08
14 proposed budget, but the FY '07 was pretty
15 close. Debt service and CIP is an enormous
16 portion of the budget because of those big costs
17 you just saw with CIP. Even operations and
18 electricity, which get a lot of discussion, are
19 pretty small compared to CIP and debt service.
20 So, again, this reflects the aging
21 infrastructure and the effort that it's going to
22 take to replace all of it.

23 As far as the 2007 Fiscal Year goes,
24 this was -- our green is our estimated revenue.
25 And you can see in blue our actual revenue,

1 which is a little bit higher, so financially, we
2 should have greater revenue than expected for
3 Fiscal Year 2007.

4 In our Administration Program, we're a
5 little higher because of our rent at One Main
6 Plaza was due, I think, you know, the first day
7 of the Fiscal Year, so we -- we basically
8 started high, but that's about to cross and we
9 should be -- we should track pretty well for the
10 rest of the year.

11 Our Operations Fund is actually -- we've
12 been spending less than projected, but there are
13 some large expenditures coming, so we expect to
14 keep tracking and basically be -- be right on
15 with our Fiscal Year 2007 Budget projections.

16 So CIP and A, B, C Accounts are
17 basically on track. There's always some
18 glitches, and you've heard from the other
19 Departments what those tend to be. We have the
20 same daily sort of operational challenges, but
21 as a whole, we're on track with our goals and
22 performance measures for this year.

23 Just to kind of summarize. We've got
24 the system of all these component parts. It's
25 very old. It was paid for with federal money.

1 We're having to replace it all with our own
2 money. That's leading to this pretty large CIP
3 Program that's going to be happening for the
4 future.

5 And when we look again at the first
6 slide we looked at, our global performance
7 measures, increase the reliability of existing
8 facilities, you can see that almost everything
9 we talked about is about this. It's taking
10 almost all of our resources just to keep the
11 same level of service we've had in the past.

12 So this is why we're not expanding the
13 sewer system to non-sewered areas. We haven't
14 been increasing the volume of reclaimed water,
15 and we haven't been really improving the quality
16 of treated water. We have been almost solely
17 focused on this increasing reliability and
18 keeping the reliability from decreasing.

19 So this ties into that number 99.9978.
20 If we want to keep that reliability high, the
21 program we sort of outlined is what's going to
22 be necessary. And if we're going to do these
23 other things, that's going to have to be on top
24 of the existing program.

25 From a policy standpoint as the policy

1 makers, we didn't intend this whole presentation
2 to teach you how to do all these graphs and
3 things like that, we really wanted them as
4 background so that you can see that from a
5 policy standpoint, these are really the only
6 decisions to make. If we're going to do more of
7 this, all of those graphs are going to change,
8 all of those tables will change, we'll ramp
9 everything up if we want higher reliability.
10 We'll kind of slow it all down if we want lower
11 reliability. If we're going to do these other
12 additional things, they just add to it.

13 So you don't need to worry about, you
14 know, all of the graphs and all of the tables,
15 that's just what we do. Really, what the
16 Council policy -- I guess what we need to hear
17 from the Council, what we need to know is, do
18 you agree with this purpose of higher
19 reliability, and if you want this other -- these
20 other items, how to pay for those. So these are
21 really the policy questions.

22 And that concludes the presentation. We
23 hope this kind of clarifies a lot of the
24 language we've talked about, how the system
25 works, and really how the '07 Budget items fit

1 into the long-term program goals of our
2 Division.

3 CHAIR PONTANILLA: Thank you, David.

4 At this time, the Chair will call for a
5 two-minute recess. (Gavel.)

6 RECESS: 2:12 p.m.

7 RECONVENE: 2:14 p.m.

8 CHAIR PONTANILLA: (Gavel.) The Budget and Finance
9 Committee meeting is now reconvened.

10 Thank you very much, David, for that
11 overview in regards to your Division's work
12 functions. I think it provided -- provided me
13 some -- with some education in regards to
14 wastewater. I'm sure it did to some of the
15 other Members here this afternoon.

16 At this time, I'd like to call on the
17 Director for comments, if any.

18 MR. ARAKAWA: Mr. Chair, I think the presentation was
19 very thorough, and we'd be happy to try to
20 answer any questions that the Committee may
21 have.

22 CHAIR PONTANILLA: Thank you.

23 Members, any questions?

24 We'll start with Member Mateo.

25 COUNCILMEMBER MATEO: No.

1 CHAIR PONTANILLA: Thank you.

2 Member Anderson?

3 COUNCILMEMBER ANDERSON: Thank you, Chair.

4 I've got a question. It's kind of
5 sobering to see the investment that we're
6 looking at in the future just to maintain the
7 reliability of the system that we have right
8 now, and so I just want to clarify my
9 understanding.

10 The graph that you showed us going out
11 to 2030 for CIP investment, that doesn't take
12 into consideration the -- the increase in
13 capacity that would be necessary to service the
14 Community Plan designations; is that correct?

15 CHAIR PONTANILLA: Department?

16 MR. TAYLOR: Thank you, Member Anderson.

17 This is always a difficult question to
18 answer because it depends on timing. As we
19 pointed out in the presentation, when we do a
20 CIP project, we're usually considered -- we're
21 usually concerned with reliability. But when we
22 go to replace something, we'll probably upsize
23 it because it doesn't cost much more. It may
24 cost 10 percent more to double its capacity.

25 So if it's in our schedule, because of

1 reliability that we have to replace it, we'll
2 add capacity. So essentially, the community
3 gets that at no extra cost, and so any potential
4 developers would have access to that additional
5 capacity and they wouldn't have to pay for it.

6 If any developer wants to build out and
7 needs capacity in our system that doesn't exist
8 at their time of building, they're going to have
9 to absorb that cost and then we get the
10 reliability.

11 So we've been -- we've been -- because
12 the General Plan is underway. We've been
13 working with Long-Range Planning trying to kind
14 of explain this same concept. It's really about
15 timing, and it's really difficult to say whether
16 or not those costs will allocate enough capacity
17 to future development or not. It really depends
18 on timing, but let me just say this...

19 COUNCILMEMBER ANDERSON: But I mean, just based on
20 the chart that you gave us and you're looking
21 at -- like you said, it may be an average of
22 \$40 million a year in CIP to -- up until 2030 is
23 how far that chart went. You know, I mean and
24 the amounts vary, so you must have some, you
25 know, specific idea as to what this 30 million

1 or 40 million or in this one case, it's kind
2 of hard to read this, but is that 80 million,
3 the one big blue spike?

4 So, you know, when you're estimating
5 these costs, you're looking at, "Well, we have
6 to make these improvements to it to secure and
7 maintain the reliability of the system," but as
8 we're making these improvements to maintain the
9 reliability, as you just said, since we're doing
10 it, we're going to upgrade the capacity. So you
11 must have some kind of idea as to, you know,
12 what this \$40 million a year will yield in
13 increased capacity.

14 And it's not so much about timing as --
15 what I'm trying to look at, is this a solid
16 figure for us to anticipate being able to -- to
17 serve increased capacity to the year 2030 when
18 we have all these Community Plan designations
19 built out?

20 CHAIR PONTANILLA: Department?

21 MR. TAYLOR: That's -- that's one of the most
22 difficult concepts to try to kind of lay out in
23 a 30-year plan. And let me say that the plan
24 that's in -- the plan that we have -- I guess,
25 one of our assumptions is, just from a -- just

1 trying to put numbers together, we look at what
2 if there was not a single building permit issued
3 from now on, ever, what would we have to do?
4 And from that, our CIP program is sort of based
5 on that assumption.

6 And obviously, that's not -- it's not a
7 realistic assumption, but we're saying that even
8 if there is no more construction and there is no
9 more demand for our services, we look at each
10 facility, when is it expected -- when is its
11 useful life expected to run out and when do we
12 have to replace it? Then we put a dollar amount
13 in today's dollars about how much we think that
14 will cost, so --

15 COUNCILMEMBER ANDERSON: Mr. --

16 MR. TAYLOR: -- what you see here in this graph...

17 COUNCILMEMBER ANDERSON: Mr. Taylor, let's just stop
18 right there. So when you say, you know, this
19 X-amount of dollars is going to cost us this
20 year to secure the reliability of whatever
21 system you see needing that upgrade, or
22 replacement, then at that time when you're
23 looking at that cost and you know what the
24 capacity restraints are on the current pie or
25 transmission line or pump station or whatever it

1 might be, when you're looking at -- at replacing
2 that, you're looking at upgrading it, so what --
3 you know, how much of an upgrade is it as far as
4 increasing capacity?

5 MR. TAYLOR: I see. I see your question.

6 On average, these upgrades will support
7 probably the growth that we're looking at in the
8 Community Plan areas, and -- and I've heard that
9 that's somewhere in the neighborhood of one and
10 a half percent a year compounded annually,
11 something like that, which is, you know, what,
12 30 percent over 30 years, something like that.

13 And so because 30 percent is a
14 reasonable amount to upgrade when we replace --
15 if we replace a pipe, to get 30 percent more
16 capacity is pretty easy, so over the average,
17 this CIP would allow most of that work. It
18 might not allow it in the timeliness that the
19 developers want to build in that area, and there
20 also may be pockets that...

21 Let's say we just replaced something
22 last year, it may be 30 years until that's
23 replaced, so we may run out of capacity here and
24 there. But on average, this CIP program should
25 allow for the growth that's in the Community

1 Plans.

2 COUNCILMEMBER ANDERSON: Okay. Thank you. That --
3 that is very helpful.

4 And then one other question, Chair. You
5 know, there's a lot of unsewered areas in the
6 County, and I know that the Clean Water Act has
7 an initiative that has recently caused any -- is
8 it cesspool? -- any cesspool that services 20 or
9 more people to be done away with. And so I
10 don't know how many -- how many of those
11 throughout the County -- it looks like Molokai
12 could be in trouble, and Upcountry, the
13 hospital, schools.

14 Can you just give us some idea of what
15 we're looking at in the future? And to me -- my
16 understanding, I may not have this clear in my
17 memory, but this is only the first step, and
18 that eventually EPA wants to do away with all
19 cesspools.

20 MR. TAYLOR: Thank you, Member Anderson.

21 Privately-owned wastewater treatment
22 plants, cesspools, septic tanks are all overseen
23 by the State Department of Health, not by our
24 Division, but I -- I do have some knowledge in
25 that and I can address your concerns.

1 The EPA law basically mandates that
2 large capacity cesspools -- and a cesspool is
3 just a hole with an open bottom. That's what a
4 cesspool is, that those had to be replaced.
5 Now, one thing that they're allowed to be
6 replaced with is a septic tank, which is a
7 closed tank, which has -- the treated water goes
8 out into a leech field.

9 So that doesn't mean -- so the law
10 doesn't mean that everybody with a cesspool has
11 to hook up to a sewer system. It first means
12 they have to hook up -- they have to replace it
13 with a septic tank or a private treatment plant
14 or hook up to a sewer system. So we're probably
15 not going to be -- we're not seeing much in the
16 way of connections to our system because of that
17 law. Most of those people are -- are replacing
18 their cesspools with septic tanks.

19 COUNCILMEMBER ANDERSON: Septic.

20 MR. TAYLOR: Yeah. And I think you heard from Parks
21 on Monday that they're actually taking the Civic
22 Center, Lahaina Civic Center cesspools and
23 they're -- they are tying those to our system, I
24 believe. But for the most part, that -- that
25 law doesn't really affect us. It affects the

1 homeowners who have to replace their cesspools
2 with septic tanks, but they're not tying into
3 our system.

4 COUNCILMEMBER ANDERSON: Okay. Then the reason I
5 asked that is because when you gave us this list
6 of policy, you know, decisions, one was expand
7 to non-sewered areas, and so in your, you know,
8 capacity, and with your experience and knowing
9 what the law reads, do you see a need for us to
10 plan to expand into non-sewered areas?

11 MR. TAYLOR: One of the reasons we put that as a
12 measure is because a lot of the public thinks
13 that's what we do. And since the federal money
14 ran out in the '80s, we've probably initiated
15 one CIP project that hooked up maybe 50 houses
16 to the sewer system.

17 Hooking up un-sewered areas to the
18 County's sewer system is really something that
19 we've never done. And a lot of people think we
20 do, and a lot of people are always calling us
21 asking when we're sewerering their neighborhood:
22 Maui Meadows, Wahikuli, Waikapu, all of these
23 areas. And there is an expectation from a lot
24 of people that they think that's what we do, and
25 we've really never had any sort of funding to do

1 that since the federal grants ran out.

2 So I included that basically to show
3 that if we are going to do that, that would have
4 to be a source of revenue previously unseen.

5 COUNCILMEMBER ANDERSON: But what I'm asking you
6 is...

7 CHAIR PONTANILLA: Member Anderson, can we --

8 COUNCILMEMBER ANDERSON: Yeah.

9 CHAIR PONTANILLA: -- move on?

10 COUNCILMEMBER ANDERSON: In your expertise, do you
11 think that it's something that we should look at
12 doing?

13 MR. TAYLOR: I'm an engineer by training. I'm not
14 really an environmental scientist, so whether or
15 not there's really harm or good that comes from
16 having cesspools and septic tanks versus not
17 having them is a little out of my, you know,
18 expertise to really answer from a public health
19 question.

20 COUNCILMEMBER ANDERSON: Okay. Thank you.
21 Thank you.

22 CHAIR PONTANILLA: Thank you, Ms. Anderson.

23 Ms. Baisa?

24 COUNCILMEMBER BAISA: Yes, Chair.

25 Mr. Taylor, I'd like to congratulate you

1 on a very good presentation. It certainly
2 helped me understand a lot, but there's a couple
3 of things I don't understand.

4 Can you help me or explain for me what
5 you mean when you talk about a rain event?

6 MR. TAYLOR: Sure. During heavy rains, we know we've
7 seen -- we get a lot of rain in a very short
8 period of time. It saturates the ground. It
9 floods. We've seen flooding on the streets. A
10 lot of that water enters into the sewer system,
11 and in a very short time, we can double our flow
12 in a pipe, in a pumping station, at a treatment
13 plant for an hour, for two hours for something
14 like that. So that's what we mean by a rain
15 event, a heavy rain event where our flow to the
16 plant of pump stations increases significantly
17 in a very short amount of time.

18 COUNCILMEMBER BAISA: So the run-off runs into the
19 sewer, it's open then, it's accessible? In my
20 mind, these were all pipes that were closed.

21 MR. TAYLOR: Technically, the pipes are supposed to
22 be closed. Why it's leaking in is a subject of
23 great debate across the whole country. A lot of
24 it may be that people's pipes connecting from
25 our system to their house has all kinds of holes

1 in it. A lot of people may tie their drainage
2 of their property into these pipes. Rain
3 gutters. There could be pipes underground that,
4 as the ground saturates with water, the pressure
5 from the groundwater forces it into pipes.

6 So basically, we get rainwater coming in
7 through a wide variety of sources that are
8 really difficult to track down.

9 COUNCILMEMBER BAISA: Thank you. That really helps
10 me understand, because you showed peaks where we
11 had rain events, and I didn't -- couldn't figure
12 out how that -- how that fit.

13 The other thing I wanted to ask you was,
14 the ultimate product out of your system is
15 reclaimed water. Do you have a lot of reclaimed
16 water that is not used?

17 MR. TAYLOR: What -- in one of the early slides, we
18 showed that 22 percent of our water is reused
19 and the other 78 percent isn't. All of our
20 water is at a quality able to be reused.
21 There's different levels of reuse.

22 At the highest levels, you can spray it
23 everywhere. It's called unrestricted. You can
24 just spray it everywhere. At lower levels, you
25 can use it for spraying in areas where there

1 isn't public contact and subservice --
2 subsurface irrigation, so all of the water
3 qualifies under one or more of those categories.

4 And just to say, if you looked at the
5 effluent from any of the treatment plants and I
6 put it in a glass here next to a glass from the
7 water fountain, you would not be able to tell
8 the difference. You could look at it and smell
9 it, and you would not be able to tell the
10 difference.

11 So I just want to kind of say, a lot of
12 people think that it's this dirty water. It's
13 incredibly clean. And in fact, if we sent it
14 down to the Water -- Department of Water lab and
15 we didn't tell them where it came from, it would
16 probably pass all of their tests. They would
17 find it slightly high in nitrogen.

18 Because of where it comes from, they're
19 not allowed to drink it, but they probably, from
20 a testing standpoint, would say this passes
21 drinking water quality standpoints, so I just
22 want to say that it's really, really clean.

23 COUNCILMEMBER BAISA: So then in -- as we plan, we
24 really should look for ways to use the rest of
25 that water?

1 MR. TAYLOR: That's -- that's something that we're
2 always working with the Department of Water
3 Supply on, and I know it's going to be, you
4 know, part of the General Plan and part of the
5 Water Use and Development Plan. And that whole
6 issue really just comes down to funding and how
7 to pay for it rather than its quality.

8 But we absolutely support reclaimed
9 water. It's safe. It's a great resource. It
10 comes down to how to get it to where it needs to
11 be and who should pay for that.

12 COUNCILMEMBER BAISA: Thank you very much.

13 CHAIR PONTANILLA: Thank you, Ms. Baisa.

14 Member Johnson?

15 COUNCILMEMBER JOHNSON: Yes, David. Thanks again for
16 the presentation.

17 One of the things that I'm trying to tie
18 this back into, of course, is your performance
19 measures and your goals and objectives. And I
20 think Council Chair Hokama had said a little bit
21 earlier that sometimes it's difficult to tie in
22 the goals and objectives and then tie it back
23 into performance measures.

24 So when I'm looking at -- I guess your
25 system reliability would be a goal and

1 objective. I guess to permit -- you know, and,
2 again, I think what you're doing is you're
3 making general statements in here, and what
4 would be helpful for me is to quantify that
5 into -- and look at over time tying it into your
6 presentation. What percentage are we increasing
7 in terms of percentage increase and reliability?
8 I think you said like the goal and objective was
9 like 99.99 percent reliability, but again, all
10 these numbers under performance measures, they
11 don't mean a whole lot to me because where did
12 they -- and I'm looking at page 81 in our
13 Wastewater Administration Program.

14 I'm looking at how do they really relate
15 to where you're going as a Department. If your
16 goal and objective is to reach this
17 99.9 percent, where -- where is that measure and
18 how can we interpret these numbers that we're
19 looking at?

20 Because it's great to, you know, say
21 that you've got percentage of wastewater reuse
22 22 percent, but where is your goal and
23 objective? You know, what do you want to get
24 to? Do you want to get to 100 percent? I don't
25 see that up at the top.

1 MR. TAYLOR: Member Johnson, if you look actually on
2 the next page, page 82, under our "Operations
3 Program Performance Measures" --

4 COUNCILMEMBER JOHNSON: Okay.

5 MR. TAYLOR: -- we have number of compliance days in
6 the collection system, number of compliance days
7 in the plants and number of R1 compliance days,
8 those are basically tied to that reliability
9 numbers.

10 We look at it here as the reason it's in
11 performance measures for number of days is to
12 not have one large spill kind of skew the
13 numbers to make everything look bad. So we're
14 really looking at -- because these -- these
15 events tend to not happen on the same day. If
16 we look at number of days an incident happened,
17 that usually, from this type of performance
18 measure, gives a clear description of how often
19 are these things happening. So that's why we
20 have number of compliance days as our actual
21 performance measures in the budget.

22 But there are different ways to look at
23 them, and I wouldn't really want to put the
24 99.99 number, whatever, in the budget, because
25 it -- it's hard to directly link that to how

1 well we're doing, because one large event can
2 completely skew that number, even though as a
3 systemic standpoint, things may be okay, you may
4 fail miserably in that number or vice versa. So
5 that's why we use number of days events happened
6 as really a better indication of system overall
7 reliability.

8 COUNCILMEMBER JOHNSON: Okay. And I -- and I do
9 appreciate that. One of the things, then, that
10 would be helpful in conjunction with some of the
11 storm events that you describe is perhaps having
12 an asterisk or some legend to say that when you
13 were not in compliance, if it was due to a storm
14 event, which that's nature, you have no control
15 over that, because then you're going over
16 capacity which then interrupts your reliability
17 at times, at least put a notation there because
18 then that should not be charged against your
19 performance. It's just simply that it's an
20 event that cannot be anticipated.

21 MR. TAYLOR: Thank you.

22 COUNCILMEMBER JOHNSON: Thank you.

23 CHAIR PONTANILLA: Thank you, Member Johnson.

24 Member Medeiros?

25 COUNCILMEMBER MEDEIROS: Mahalo, Chair.

1 Mr. Taylor, thank you for that
2 presentation. It was very informative and very
3 well produced. Thank you for keeping it in
4 layman's terms, and thank you for making the
5 connections, so now I really understand what's
6 the most important thing for wastewater, and
7 that's reliable capacity.

8 I want to ask you, you know, you
9 mentioned the history of the -- our sewer
10 infrastructure. And I know that we did get a
11 lot of money in the '70s to construct these
12 systems. And I know in the '90s, we -- we, in
13 Public Works in Lahaina, assisted Wastewater in
14 digging up those lines along Kaanapali because
15 of their age and leakage, and we found that
16 there was no pipe left. It was only the shape
17 of the pipe in the ground. And you did mention
18 how corrosive this, you know, material the water
19 can be.

20 So today, for materials and equipment,
21 has the technology improved or increased where
22 it's more durable and it improves the
23 reliability of the pipes and the equipment?

24 MR. TAYLOR: Thank you, Councilmember Medeiros. That
25 is some of the good news, though it's probably

1 not good news except for this generation's
2 children and grandchildren, is that the
3 materials now are going to last two or three or
4 four times longer than the materials that were
5 originally put in. And basically, the old
6 materials were metal-based or concrete-based
7 that did corrode. There have been huge advances
8 in plastic pipe, PVC, high density polyethylene,
9 and that's all we're putting in.

10 So the lines we're putting in now are
11 probably going to last 50, 60, 100 years. So
12 this is the last time anyone's going to have to
13 go through this, and then the next generation is
14 really going to really have whole decades of
15 system that they don't have to replace at all.

16 So it's really just a life cycle timing
17 thing, and we're -- we're in the worst part of
18 this sort of 100 years of wastewater, probably.

19 COUNCILMEMBER MEDEIROS: So our investment now would
20 give us more durability and a longer service
21 life in the -- in the infrastructure?

22 MR. TAYLOR: That's correct.

23 COUNCILMEMBER MEDEIROS: Okay. You mentioned that
24 78 percent of the treated water goes into
25 injection wells. Some of our injection wells,

1 such as at the Kahului Plant, are close to the
2 ocean. What happens to water that goes into
3 injection wells?

4 MR. TAYLOR: The injection wells are -- are deep.
5 They're a couple of hundred feet deep. So the
6 water's injected hundreds of feet below the
7 ocean level, and because the pressure from
8 inland water running towards the ocean pushes it
9 outwards towards the ocean, the injected water
10 basically spreads outward and upward and
11 eventually makes it way toward the ocean.

12 A recent study that was done in South
13 Maui, somebody actually tracked what was in our
14 wastewater and kind of found it at different
15 well sites down closer to the ocean. And he did
16 a whole hydrogeological computer model of it
17 all, some USGS study. He found that it takes
18 between two and five years for this water to
19 kind of make its way to the ocean, so that's
20 where it goes and that's how long it takes.

21 COUNCILMEMBER MEDEIROS: And you mentioned the
22 quality of the water that comes from the
23 treatment plant is almost drinkable, and I think
24 it is, because we had somebody give us an
25 orientation on a wastewater treatment plant in

1 Lahaina, and I won't mention the person's name,
2 but he drank the water. So I guess he's very
3 confident about the quality of the water.

4 MR. TAYLOR: We don't recommend that.

5 COUNCILMEMBER MEDEIROS: Right. But I also want to
6 ask you that, does your Division do the cesspool
7 pumping now, because Highways used to do it?

8 MR. TAYLOR: The funds for cesspool pumping come
9 through our Division, and, in fact, sewer fees
10 are still supplementing cesspool pumping though
11 the staff are Highways Division staff, and we do
12 interdivisional transfers of the money. So we
13 basically just handle the money and Highway
14 staff does the cesspool pumping.

15 COUNCILMEMBER MEDEIROS: And my last question, Chair,
16 if I may.

17 CHAIR PONTANILLA: Go ahead.

18 COUNCILMEMBER MEDEIROS: So when we do cesspool
19 pumping, that water gets dumped into sewer lines
20 so that they can be treated; is that correct?

21 MR. TAYLOR: That's correct.

22 COUNCILMEMBER MEDEIROS: And how does that affect
23 your capacity, is it a significant amount?

24 MR. TAYLOR: It's not significant.

25 COUNCILMEMBER MEDEIROS: Thank you, Chair.

1 CHAIR PONTANILLA: Thank you, Mr. Medeiros.

2 Mr. Molina?

3 COUNCILMEMBER MOLINA: Thank you, Chairman.

4 I don't really have a lot of questions.

5 I think we've had Mr. Taylor here before, so I
6 just want to thank you for a very good
7 presentation.

8 And with regards to your performance
9 objectives of doing public presentations, I note
10 for the FY '07, you -- the Department set a goal
11 of about 65 and you're at around nine, I think
12 presentations like this would really benefit the
13 public to educate them more about the importance
14 of our -- our wastewater system and what we
15 could be facing if we don't upgrade it.

16 And I think there was -- you know, just
17 the top of the cesspools, you know, with the new
18 laws that are being passed, I think that would
19 be of real interest to the area that I'm from,
20 you know.

21 So, anyway, just keep up the good work,
22 and I'd like to see you increase the amount of
23 public presentations, and maybe if you can offer
24 yourself to go out to do presentations in front
25 of various community groups, I think that would

1 be helpful, as well. So I thank you for the
2 good presentation again.

3 Thank you, Chairman.

4 CHAIR PONTANILLA: Thank you, Mr. Molina.

5 Mr. Hokama?

6 VICE-CHAIR HOKAMA: Thank you, Chairman.

7 I would just dovetail off Mr. Molina. I
8 think on Lanai, we have resident concerns of
9 trying to understand how the bill is derived,
10 especially on Lanai, which is a private water
11 system, Chairman, and then, of course, we have a
12 County sewer program. So on a Lanai Water
13 Company bill, you have it tied to the County's
14 sewer program.

15 And I guess we just need to make people
16 more informed, Mr. Taylor, because people are
17 having a hard time trying to calculate, as well
18 as in your new budget there is a proposal for
19 rate increases. So it might be helpful in our
20 communications to our users that federal law has
21 set the parameters that the system is to pay for
22 itself and that's why we look at rate increases
23 and rate adjustments.

24 But saying that, I need to ask, why
25 would the Department or the Division, when I

1 look at things like this, consider allowing
2 private developers to do their own private
3 systems when we build in capacity, and the more
4 users we have, the further we disburse total
5 costs? And so I'm just asking it from a program
6 standpoint, why would we even consider allowing
7 private systems?

8 MR. TAYLOR: Thank you, Chairman Hokama.

9 As far as allowing -- from a Division
10 standpoint, we don't have any authority to tell
11 people they have to hook to our system unless
12 their property is fronting a sewer line. That's
13 by County ordinance. So that's really the only
14 teeth we have as a Division, as a Department is
15 to enforce that -- that law.

16 So if someone doesn't fall under that,
17 if their property they're developing doesn't
18 front a County sewer system, it's really between
19 them and the Department of Health and possibly
20 the County Council or the Planning Commission or
21 the State Land Use Commission to put a
22 requirement that they do tie into the system, so
23 that's not really something that we can dictate.

24 As far as recommendations, the small
25 treatment plants -- the technology for small

1 treatment plants has so sky-rocketed in the past
2 10 years, they're so much more reliability than
3 they used to be, that the ability to have a
4 stand-alone development of 500 or 1,000 homes
5 having its own treatment plant, that's become a
6 very reliable system due to technology changes.

7 And it's really tying into reclaimed
8 water that probably kind of pushes the systems
9 towards these -- what we call satellite
10 treatment plants on their own, because if
11 somebody's -- like, let's take a certain project
12 that's miles away from the treatment plant.

13 In order to tie into the treatment plant
14 and use reclaimed water, they need to put a
15 pipeline in both directions, whereas, if they
16 just build a plant at their site, they can make
17 that reclaimed water and use it at their own
18 site, and not build any pipelines.

19 So the economics and the reliability
20 when you're kind of far away from the treatment
21 plant, far away from the system, and you want to
22 do reclaimed water pushes you towards a private
23 treatment plant. And that's probably sometime
24 where we would even think that's a really good
25 idea, because they can have a -- kind of a

1 better level of service at a lower cost than if
2 they tied into our system and transmitted all
3 the waste to us, we treated it and then we had
4 to pump it back. So the overall cost to the
5 community would be higher; whereas, I agree with
6 you 100 percent, if somebody is near our system
7 and they just tie in, we do get to spread the
8 cost to -- to them easily.

9 So that's kind of how the economics tie
10 into that, and reclaimed water is really a big
11 part of that equation because of the second
12 pipeline necessary.

13 VICE-CHAIR HOKAMA: I understand what you shared with
14 us, Mr. Taylor, and I appreciate that. And so
15 on a sidebar, I would ask that your Division
16 review some of the comments it has provided to
17 some applications regarding wastewater
18 treatment, because we currently have one in
19 South Maui that is too -- close enough to our
20 system, should be tying into our system.

21 Thank you, Chairman.

22 CHAIR PONTANILLA: Thank you, Mr. Hokama.

23 Mr. Victorino?

24 COUNCILMEMBER VICTORINO: Yes. A couple of quick
25 questions, Mr. Taylor.

1 Number one, what percentage of the total
2 effluent is reclaimed in Maui County today?

3 MR. TAYLOR: That would be about 22 percent.

4 COUNCILMEMBER VICTORINO: About 22 percent. So --
5 and much of that is in the Kihei area, if I'm
6 correct?

7 MR. TAYLOR: That's correct.

8 COUNCILMEMBER VICTORINO: Okay. And then of all
9 these replacements that you were referring to,
10 what are the three top areas that you would have
11 replacement challenges in; in other words, older
12 systems that would be prioritized as being this
13 is the oldest area? And I understand, you know,
14 you may -- it may go just depending on an area,
15 but where would be your top three if you were
16 talking replacement of sewer systems now?

17 MR. TAYLOR: It's not...

18 COUNCILMEMBER VICTORINO: And for age purposes, not
19 so much for capacity.

20 MR. TAYLOR: Because most of the system was built
21 about the same time in the early '70s, it's all
22 about the same age so your question really -- it
23 is not really about geographic area, it's really
24 about the type of system and what materials
25 they -- it was built out of, and so those are

1 spread all over the place.

2 So clearly, the -- the biggest concern
3 we have in our force mains, our pressurized
4 lines. Some of them are up to two miles long.
5 We have no way to bypass them if they break.

6 And that's what broke in Honolulu a year
7 ago when they spilled 48 million gallons.
8 Pressurized line a mile long. There's no way to
9 stop it. There's nothing to do with it. When
10 those things break, you spill sewage until you
11 can fix it. And when they're made of metal, as
12 the old ones are -- they're ductile iron -- and
13 they corrode, those are definitely our -- our
14 biggest concern.

15 So we do have a number of those that are
16 being replaced and they are definite priorities.

17 COUNCILMEMBER VICTORINO: What's the difference
18 between a pressurized line and a regular sewer
19 line, just because I don't -- I'm sorry.

20 MR. TAYLOR: A pressurized line is like your garden
21 hose, where it's always full. If you poke a
22 hole in it, water will come spurting out. It's
23 under -- it's under pressure, like all of the
24 water lines.

25 A gravity line that comes -- runs from

1 your house, it's more like your rain gutter.
2 Even if you took the top off, nothing would come
3 out. It's just kind of running down hill. So
4 because these gravity lines have manholes every
5 300 feet, even if they break, we can bring our
6 temporary pumping equipment and pump 300 feet
7 around the break while we fix it up.

8 But the force mains, because they're
9 very long, they have really high capacities,
10 there is just no way to stop it. And so we have
11 some that are over two miles long. If they
12 break, we basically just spill sewage to the
13 ocean until we can fix it. That's exactly what
14 happened in Waikiki last year and that's --
15 those are probably our biggest concern.

16 COUNCILMEMBER VICTORINO: So those would be the
17 priority for -- for upgrades, would be those
18 force mains?

19 MR. TAYLOR: The prioritization is kind of this
20 complicated spreadsheet that I didn't show in
21 the presentation. It takes into account age,
22 material, environmental conditions, we do
23 testing of how corrosive the soil is, size, size
24 of the line, capacity, meaning how close -- how
25 large is it. And so we have sort of a sorting

1 prioritization to say what -- it's a combination
2 of, you know, age, type, all that kind of thing
3 that we end up with prioritizing the lines based
4 on when we think we can -- how long we can keep
5 using it until it ends its useful life.

6 So the same pipe in an aggressive
7 environment versus a non-aggressive environment,
8 you know, one might last longer than the other,
9 so that's all taken into account in the 2030 CIP
10 replacement strategy plan.

11 COUNCILMEMBER VICTORINO: Mr. Chair, one more
12 question.

13 On the -- newer subdivisions that are
14 being put in that are connecting to our system,
15 is there an assurance that you guys check to
16 make sure that the new systems that are being
17 put in, new sewer lines in the new subdivisions,
18 are using what I call quality material?

19 A case in point, that recently I had
20 experienced not of a sewer line, but actually a
21 drain line that totally had corroded in an area
22 that was like 20 years old. And when they dug
23 up the line, the underneath had all corroded,
24 just like what you had described, and a lot of
25 it was due because the type of material was

1 used. And even the contractor who was digging
2 up the area -- it happened to be my backyard.
3 That's why I know -- said that this was very
4 poor material they had used, but it had been
5 done by a private developer put in.

6 And so the question was raised, what
7 about the sewer line that's adjacent above my
8 house, and I said, "I hope I don't find that out
9 in the near future."

10 However, you know, is someone making
11 sure that whoever is putting new sewer lines in
12 in these new subdivisions throughout our County
13 that they are not only putting -- being put in,
14 but good quality material that, like you just
15 said, can last us decades instead of, you know,
16 10 or 20 years, last 50, 60, 70 years?

17 MR. TAYLOR: First of all, the DSA, Development
18 Services Administration, subdivision inspectors
19 inspect new subdivisions, including the lines
20 that end up being turned over to us, so they do
21 inspect those.

22 From a practical standpoint, sewer line
23 construction materials are pretty standard.
24 Everybody's using PVC pipe and concrete
25 manholes. You really can't even buy anything

1 else, and so the materials are standards and any
2 contractor is really using the same materials.

3 COUNCILMEMBER VICTORINO: Okay. Thank you,
4 Mr. Chair.

5 CHAIR PONTANILLA: Thank you.

6 Members, you know, I just want to move
7 on to the Solid Waste Division. And if you have
8 any more questions in regards to Wastewater --
9 Mr. Hokama?

10 VICE-CHAIR HOKAMA: Chairman, not a question, but I
11 just wish to inform the Department and its
12 Division that currently in Congress under the
13 Clean Water Act review, there are other states
14 like ours that went through the same type of
15 build up in the '70s. So I believe in the House
16 through the Farm Bill that our Senior
17 Congressman, Mr. Abercrombie, is trying to find
18 ways to see if he can help Hawaii's Counties
19 with some federal dollars that could assist us
20 in a replacement program.

21 So I would ask you to please watch
22 what's happening at Congress. And in the
23 Senate, I believe, Senator Akaka, through --
24 I'll get you the Committee, because it's in the
25 Farm Bill on the House side, but it's in a

1 different version in the Senate, that they are
2 also looking to see if there's ways where they
3 can assist Hawaii's Counties, because the
4 biggest county that is in deadly trouble, if I
5 can use that phrase, seriously, is the City and
6 County of Honolulu.

7 Thank you, Chairman.

8 CHAIR PONTANILLA: Thank you, Mr. Hokama, for that
9 information.

10 Members, if you do have any more
11 questions in regards to Wastewater, if you could
12 put it in writing, address it to the Chair, and
13 we'll make sure that the Department respond to
14 those questions.

15 Again, Mr. Taylor, thank you very much
16 for that presentation.

17 Director?

18 MR. ARAKAWA: Thank you, Mr. Chair.

19 Next up is Solid Waste Division, and our
20 Solid Waste Division Chief is Tracy Takamine,
21 and he'll be going over the Division's A, B and
22 C Budget for Fiscal Year '07.

23 CHAIR PONTANILLA: Thank you.

24 Before I recognize Mr. Takamine, the
25 Chair would like to close public testimony, if

1 there's no objections.

2 COUNCIL MEMBERS: No objections.

3 CHAIR PONTANILLA: Thank you very much.

4 Mr. Takamine?

5 MR. TAKAMINE: Council Chair, do you want me to
6 begin?

7 CHAIR PONTANILLA: Yes, go ahead.

8 MR. TAKAMINE: All right. I want to thank you for
9 allowing us to do a presentation today. I don't
10 have any fancy PowerPoint like the Wastewater
11 Division. I just have a simple handout. We've
12 got too much work to do.

13 CHAIR PONTANILLA: Thank you.

14 MR. TAKAMINE: To begin with, Solid Waste Division is
15 responsible for the residential refuse
16 collection, the management and operation of four
17 sanitary landfills, active landfills. We also
18 have one convenience center located at Olowalu
19 for recycling and municipal household refuse
20 disposal. We have four closed landfills located
21 throughout the County on both -- on three
22 Islands. We're also responsible for Landfill
23 Diversion Program, which includes 13 HI-5
24 Redemption Centers, nine Recycle -- Recycle Drop
25 Box Centers, 13 Used Motor Oil Recycle

1 locations, and I didn't put on here, I forgot to
2 put on here, we're also responsible for the
3 Abandoned Vehicle Towing and Disposal Program,
4 and we're also responsible for the Residential
5 Appliance Pick Up Program.

6 I've highlighted -- or I've put in there
7 a table of our sections. The first one is my
8 Administrative Section, which is my office. We
9 have a total of eight authorized, and I show six
10 assigned. We're currently short my clerk typist
11 and a cashier that is responsible for the
12 accounts receivables, opening and closing
13 accounts, commercial billing and residential
14 billing.

15 In the Recycle Section, we currently
16 have four authorized and four assigned. Two of
17 those are actually bottle bill personnel that
18 are fully funded at the current time by the
19 State Bottle Bill Program. And as you probably
20 know, we are not going to be funded with that
21 program next year, and they will hopefully
22 become County funded. I have in my budget for
23 those two individuals to be funded by the County
24 and then become a Recycle Specialist working for
25 the County.

1 Under my Sanitary Landfill Sections,
2 total on the bottom, we have, again, four
3 landfills we operate, a total of 30 authorized
4 and we have 25 assigned currently. My shortages
5 include a Landfill Work Site Supervisor at
6 Central Maui Landfill, three Landfill Attendants
7 at Central Maui Landfill, one Landfill Attendant
8 in Hana.

9 Under the Refuse Collection Section, we
10 have basically three -- three areas that I take
11 care of: Wailuku Refuse, which includes Central
12 Maui and South Kihei; the Makawao Refuse, which
13 includes Upcountry and Paia; and Lahaina, West
14 Maui. A total of 45 authorized personnel, we
15 have 44 assigned. Short one Refuse Collector
16 out of Makawao.

17 And also my Abandoned Vehicle Section,
18 two authorized. I have two assigned.
19 Currently, one is a limited term hire. I still
20 have basically -- the Administrative position is
21 still vacant.

22 So that brings me a total of
23 89 personnel, 81 assigned for FY '08 -- I guess
24 we're talking '07. '07, the -- I had seven
25 supplemental positions authorized for Central

1 Maui Landfill, I think it was three Equipment
2 Operators, two Landfill Attendants, and two
3 Laborers. I also had a Clerk III for Central
4 Maui Landfill and a Clerk III for refuse
5 collection in '07.

6 Do you have any questions on my manpower
7 first or -- and then I can go into the
8 responsibilities and -- I guess I wasn't sure
9 how you wanted this presentation so I kind of
10 listed what we do by section, and then I had
11 areas of concerns, which I'm working on in terms
12 of funding, personnel, staffing.

13 CHAIR PONTANILLA: Well, the employee count seems
14 pretty straight-forward.

15 Members, any questions to that?

16 Member Medeiros?

17 COUNCILMEMBER MEDEIROS: Mahalo, Chair.

18 Your vacant Landfill Attendant at the
19 Hana Landfill, how long has that been vacant and
20 what is the status of filling that position?

21 MR. TAKAMINE: That one has been vacant probably
22 about two or three months. We're in the process
23 of filling it right now. We're waiting on a
24 list -- probably a new list to come out.

25 COUNCILMEMBER MEDEIROS: Mahalo, Chair.

1 CHAIR PONTANILLA: Thank you.

2 Any more questions regarding the vacancy
3 report?

4 Member Victorino?

5 COUNCILMEMBER VICTORINO: Well, along the same lines,
6 I noticed Central was 50 percent short, three
7 short. How are you looking in that area? The
8 central Maui Landfill, you have three Landfill
9 Attendants. You're assigned only three and you
10 have six. How are we -- how are we in that
11 area?

12 MR. TAKAMINE: Well, actually, again we're waiting on
13 a new list, but basically for that one, the two
14 laborers that we brought in, we found that
15 they're very good workers, their probation is up
16 within the next month or two. We intend to do a
17 promotion without exam within the Department,
18 give them the opportunity to move up and become
19 Landfill Attendants, so we're going to be
20 filling two of those within in next, probably
21 two months. And then we will -- the laborers
22 will open up and it's very easy to get laborers.
23 There's no waiting time, basically. It just
24 comes off of the labor list.

25 COUNCILMEMBER VICTORINO: So then you're probably

1 looking at being short by one at that point in
2 time?

3 MR. TAKAMINE: Correct. And if we get a list, a new
4 list, we'll start the interviewing and fill
5 that.

6 COUNCILMEMBER VICTORINO: Okay. Thank you,
7 Mr. Chair.

8 CHAIR PONTANILLA: Thank you, Member Victorino.

9 Okay. Tracy can continue on.

10 VICE-CHAIR HOKAMA: Chairman, just one...

11 CHAIR PONTANILLA: Okay. Mr. Hokama.

12 VICE-CHAIR HOKAMA: Thank you so much.

13 Page 3, your -- under Abandoned Vehicle
14 Section, can you just give us one short comment,
15 please, Mr. Takamine, regarding -- you've got
16 two coordinators instead of one and -- and your
17 administrator is currently vacant. Do you have
18 anything you can share with us this afternoon,
19 please?

20 MR. TAKAMINE: The Administrator position hasn't
21 been -- been -- what should I say -- developed
22 yet. We're still working on developing the
23 position description and determine how we want
24 to actually fill that position in terms of what
25 type of administrator we need in there.

1 You know, I take responsibility on that.
2 I could have done it sooner. It's just that,
3 again, the amount of time I spent, the
4 priorities have shifted, so I'm working on that
5 at the current time, coming up with a position
6 description, and we're trying to work with the
7 DPS to get that classified correctly and then
8 probably recruit.

9 In the mean time, I do have two
10 individuals in there. They did a limited term
11 just to have bodies in there to do the work.
12 And right now, it's just strictly towing,
13 issuing towers and keeping track. It's a lot of
14 paperwork. And in reality, I think -- I don't
15 know how much assistance an Administrator would
16 do. It would help me in that I wouldn't be the
17 direct supervisor. Right now, I'm the direct
18 supervisor for this position or this section,
19 and it's -- it involves a lot of management,
20 which I cannot give the time it needs. That's
21 why I want an Administrator.

22 In the '08 Budget, you'll see I also got
23 in a Clerk III for this section because there
24 are a volume -- voluminous paperwork involved in
25 trying to track all these vehicles and sending

1 out notifications and keeping correct records.

2 VICE-CHAIR HOKAMA: I thank you for that response.

3 Thank you, Mr. Chairman.

4 CHAIR PONTANILLA: Thank you, Mr. Hokama.

5 Okay. Tracy, Operations?

6 MR. TAKAMINE: Refuse Collection System Operations.

7 Just for your information, we currently have
8 11 automated trucks, and we have seven that
9 should be arriving within the end of the year
10 for our next phase of expansion to automation.

11 We have 16 reloading trucks, manual
12 trucks, which will probably be replaced, most of
13 them, at the end of the year when the seven new
14 trucks come in. We'll be automating Lahaina and
15 Upcountry, so we're looking at possibly 8,700
16 accounts being automated either by the end of
17 the year or early next year.

18 I also show you a breakdown of our
19 residential accounts. Basically, we have about
20 23,000 residential accounts that we provide
21 service to.

22 So some of my areas of concern in the
23 Collection System, we currently have -- I don't
24 know if you've ever been down to the Wailuku
25 Baseyard, no baseyard. I call it no baseyard.

1 They have an office, one office about the size
2 of a cubby hole, maybe eight-by-eight feet,
3 barely enough room for one desk.

4 My field supervisor, who is in charge of
5 this entire Refuse Collection Section, has no
6 office. He has no desk. He works out of his
7 pickup truck. He has no files. The clerk that
8 he just had -- received is still out of my
9 office. I gave him a space so that he can at
10 least come in. But throughout the years, he's
11 worked, you know, basically in the field.

12 I know a lot of these guys come in, they
13 do their work, and these are the "uku pau"
14 system, they go home. But if they come in in
15 the morning, if they have to have a meeting, if
16 it's raining outside, they sit in their cabs,
17 because there's no place for them to sit. They
18 sit in their cabs or they sit in the old -- if
19 you're familiar with across the Palms into that
20 old garage by the tire station, and the roof
21 leaks and everything just run down there, so my
22 goal is to get them a facility. And I have in
23 the CIP Budget for '08 \$400,000 to remodel or
24 build a facility for them next to the paint shop
25 or the auto body shop.

1 Other than that, like I just mentioned,
2 the Automation Program, Phase 4 will goes into
3 effect this year, so we're going to probably
4 start negotiations with UPW and develop a
5 Phase 4 Automation Program. And the personnel
6 that are probably freed up with that program
7 will probably -- we're looking at developing
8 some kind of bulky item appliance pick up crew.

9 Landfill Operations, next page. Again,
10 we have three active landfills. I show you the
11 amount of staff I have for each landfill. The
12 tons per day average and the hours of operation.
13 The main issues I have here -- you can read the
14 literature later, but big problems I have here
15 is litter, personnel staffing, equipment
16 reliability. We have a lot of issues with DOH
17 and EPA. Recently, within the last few years,
18 we've been getting inspected. We are failing to
19 meet the minimum requirements under the
20 regulation in terms of maintaining daily cover,
21 keeping litter, meeting our MPDS permit
22 requirements, numerous -- numerous other
23 violations. A lot of it comes down to basically
24 staffing.

25 In the -- in the past, I believe that

1 the staff that was available was just enough to
2 maintain the daily workload and not do anything
3 more. With the new regulations nowadays and the
4 lined landfills that we have and the strict MPDS
5 requirements and clean water and clean air
6 requirements, it requires a lot more management
7 and oversight, and that, I do not have.

8 If you look at these landfills, all of
9 my outer landfills has no supervisor. I've got
10 a Bull Dozer Operator and a Landfill Attendant.
11 You know, his main job is to cover the landfill
12 and then spot the people bringing trash in. He
13 doesn't have the time to go out and ensure that
14 the stormwater drainage system's operating, that
15 the leachate manhole is being tested, that the
16 gas monitoring wells are being serviced. You
17 know, his main job is to push the trash, so I
18 believe that's one of the issues that where we
19 failed to provide, I think, the Division with
20 the proper management level personnel to -- to
21 do the job that we need to do in a correct
22 manner.

23 So next year in my '08 Budget, I'm
24 coming in with 16 additional requests for
25 positions so that I can properly manage each

1 landfill.

2 Landfill Diversion Program. We're
3 basically responsible for maintaining all the
4 Drop Box Recycle Centers that you see around the
5 Islands.

6 We're also doing Recycle Molokai. They
7 operate the scale house and the recycle
8 facilities at the Molokai Landfill.

9 We also have EKO Composting. Recycle
10 all the wastewater sludge that comes in,
11 100 percent of the wastewater sludge goes there,
12 in addition to all commercial green waste.

13 Let's see what else I have.

14 We also handle the Used Motor Oil
15 Program; Deposit Beverage Container Program,
16 again, which is probably going to change at the
17 end of this FY; Glass Recycling; and auto -- not
18 automobiles, but that's about all.

19 Concerns in this area. Again, staffing.
20 As you know, the bottle funding is not going to
21 be approved next year, so two individuals that I
22 have are currently funded 100 percent Bottle
23 Bill money and I'm requesting that they be
24 transferred basically from the DBC to the County
25 and funded 100 percent through the County funds

1 so I can maintain my staff of four in the
2 Recycle Section, which I'm probably going to
3 need as we are continuing to work on the
4 Integrated Solid Waste Management Plan, which we
5 just started consultants on board. He's
6 actually here on Island now. And we're probably
7 going to be looking at ramping up into curbside
8 recycling, improving our recycling on the outer
9 Islands, on Hana, Molokai and Lanai, which,
10 again, I mentioned the notice of violations have
11 a lot to do with lack of recycling activities
12 going on at the landfill.

13 Abandoned Vehicle Program. We are
14 responsible, basically, to handle all tow orders
15 issued by the Police Department. They tag a
16 vehicle, either derelict or abandoned. We get
17 the tow order. We issue a tow order. We make
18 sure that the vehicle is processed correctly.
19 We -- we verify ownership. We issue letters
20 requesting payment of all charges for towing --
21 we try to.

22 We also ensure that the vehicle is then
23 either auctioned. If it's abandoned vehicle, we
24 hold -- we hold an auction once a month to try
25 and sell vehicles that are still in -- in

1 acceptable condition that somebody might want,
2 to try to get some cost reimbursement to the
3 County. Anything that's not sold and all
4 derelict vehicles are then also taken to SOS
5 processing.

6 We are responsible for the contract --
7 maintenance of the contract and operation, and
8 we recycle the cars and the appliances, as we do
9 with the Residential Pick Up Program.

10 And that concludes my presentation.

11 Any questions?

12 CHAIR PONTANILLA: Thank you very much, Tracy, in
13 regards to your Department's overview.

14 At this time, the Chair would like to
15 entertain questions, and we'll start with Member
16 Mateo.

17 COUNCILMEMBER MATEO: Chairman, thank you very much.

18 I'd like to go back to A, but I could
19 wrap it up with these additional areas.

20 CHAIR PONTANILLA: Sure.

21 COUNCILMEMBER MATEO: Thank you.

22 Mr. Takamine, I've listened to your
23 presentation, and I keep hearing the -- the
24 recurrent need for additional staff, the need
25 for staffing as the requirements in taking care

1 of the landfills continue to mount.

2 I think the -- the question would be for
3 fiscal -- this last Fiscal Year '06 that just
4 ended. Would you have an idea of what the --
5 what your division spent on overtime alone?

6 MR. TAKAMINE: I don't have the numbers here, but my
7 big overtime costs is the landfill operation in
8 Central Maui, and I want to say it was either
9 two to \$300,000 or higher.

10 COUNCILMEMBER MATEO: For overtime?

11 MR. TAKAMINE: For overtime.

12 COUNCILMEMBER MATEO: And that didn't take into
13 consideration positions that are currently
14 vacant or positions that this Body approved for
15 hire?

16 MR. TAKAMINE: Well, it might have been funded for
17 positions that might have been open, but on a
18 straight overtime basis, I believe I recall that
19 number somewhere in the \$300,000 range. Very
20 high. But I did -- I probably had some openings
21 back then. I don't recall how much.

22 COUNCILMEMBER MATEO: So...

23 MR. TAKAMINE: Or how many.

24 COUNCILMEMBER MATEO: Yeah. So then I guess with
25 that rather high 300,000 in overtime, you are

1 already taking a look at how to adjust that so
2 that the overtime itself dwindles down?

3 MR. TAKAMINE: That's correct. Actually, what we did
4 last year when I first came in, if you recall, I
5 reduced the hours at Central Maui Landfill. We
6 were operating 6:00 to 4:00, I think it was
7 seven -- six days a week, and then Saturdays
8 shorter.

9 When the landfill closes, it still takes
10 us over two hours after that to finish wrapping
11 up the actual covering of all of the actual
12 material, getting the equipment put away and
13 serviced, so that was creating a lot of overtime
14 because these guys were working 15-hour days
15 sometimes and I didn't have back up staff.

16 At certain points, I hate to say this,
17 but my -- my supervisor in charge of all the
18 landfills was on the dozer working, you know, a
19 lot of times because, if not, there would be
20 nobody else on the dozer, which I know UPW
21 definitely doesn't like to -- to hear that, but,
22 you know, we had to do what we had to do back
23 then.

24 COUNCILMEMBER MATEO: So Mr. Takamine, where does one
25 come up with \$300,000 to cover overtime

1 expenses?

2 MR. TAKAMINE: I think -- I think in 2006, we
3 actually went in for supplemental budget for --
4 requesting additional funds, if I recall. But
5 this year, again, we try and reduce -- I know
6 you gave us, Council gave us seven additional
7 bodies. We're finally filling it. It took --
8 it takes a long time to fill it. I only
9 recently started filling the equipment
10 operators, I think it was like two months ago or
11 a month and a half ago.

12 The same with the attendants and -- and
13 we hope to drastically reduce the overtime
14 and -- and really monitor that, but I'm here to
15 tell you that we're still doing overtime. It's
16 not that far down, but we are trying to improve
17 our efficiency.

18 One of the problems is you get an
19 equipment operator on -- or I'm told is it may
20 take five years for this equipment operator to
21 be efficient to learn how to actually compact
22 the material, push the garbage and -- and do it
23 efficiently, so he has a long learning curve, I
24 guess, to -- to know how to actually do the job
25 correctly.

1 COUNCILMEMBER MATEO: Thank you.

2 Thank you, Chairman.

3 CHAIR PONTANILLA: Thank you, Member Mateo.

4 Fast question. In regards to your
5 vacancies, I know we've been funding positions
6 for a period of six months only. And if you
7 see -- or have you had any -- anyone that, you
8 know, wanted to work for the County in regards
9 to the landfill area -- you know, it may not
10 only be in Public Works, but other areas that
11 you want to hire right away, do you wait until
12 the six months is passed by or -- and then you
13 hire the person, or could you come in for an
14 amendment to that to hire the body sooner?

15 MR. TAKAMINE: What I have done because I needed
16 bodies, I have done in some occasions gone to a
17 temp agency and hired based on that, on a
18 purchase order for a set amount of time. We've
19 also done limited term hires, but -- we took a
20 position, converted it to a limited term, and
21 basically hired somebody that's not qualified
22 and put the position -- the person in that
23 position. Now, I would have to have basically
24 other positions open where I had funds
25 available.

1 CHAIR PONTANILLA: Thank you.

2 Member Anderson?

3 COUNCILMEMBER ANDERSON: Thank you, Chair.

4 Thank you for the overview,

5 Mr. Takamine. I know you have many challenges,
6 not the least of which are all these violations.

7 Do you know what the cost is in the violations
8 that DOH has issued?

9 MR. TAKAMINE: The most recent violation that we paid
10 was for Central Maui Landfill settlement
11 agreement that was a fine of \$200,000. They
12 agreed to go with \$100,000 fine, monetary fine,
13 and a \$100,000 SEP project.

14 We recently received, and we are
15 appealing, three notice of violations, one for
16 Hana, Molokai and Lanai. And I believe the
17 total, \$62,000. Somewhere around there.

18 COUNCILMEMBER ANDERSON: So --

19 MR. TAKAMINE: They're basically MPDS Clean Water
20 violations.

21 COUNCILMEMBER ANDERSON: Which are federal violations
22 that carry the heavy fine, right?

23 Excuse me. So right there is almost
24 your overtime pay in violation fines. And so
25 what you're telling us is that if you can

1 increase your staffing, you can solve the
2 overtime problem and you can solve the violation
3 problems?

4 MR. TAKAMINE: We'll definitely work on it. I know
5 I'm --

6 COUNCILMEMBER ANDERSON: I mean that's the goal,
7 right?

8 MR. TAKAMINE: That's the goal. That's correct,
9 yeah.

10 COUNCILMEMBER ANDERSON: And that's to secure more
11 staff?

12 MR. TAKAMINE: We need to have the bodies to be able
13 to do the functions that we need to do.

14 COUNCILMEMBER ANDERSON: Right.

15 MR. TAKAMINE: That's correct.

16 COUNCILMEMBER ANDERSON: Okay. Thank you for that.

17 You know, one of my concerns, and I
18 don't really see it addressed here in your
19 report, but, then again, I haven't read it real
20 clear -- clear through, but last year we found
21 out that the Central Maui Landfill, the various
22 phases of that, are filling up twice as fast as
23 what was projected, and we were told that it was
24 due to strictly residential refuse.

25 So have you guys gone back and looked to

1 see exactly where the miscalculation was? I
2 know for a fact, because I've gone and looked at
3 what each Community Plan projection was as far
4 as population increase, and I know that we
5 are -- we have exceeded what our population
6 projections were for most of our Community Plan
7 regions, so that, I'm sure, has a big part to do
8 with the landfill filling up so fast.

9 But have you guys gone back and -- and
10 done any recalculation so that we can make
11 whatever adjustments need to be made for the
12 future, so that we are planning expansion for --
13 for the landfill to meet our needs in a more
14 exact manner?

15 CHAIR PONTANILLA: Department?

16 MR. TAKAMINE: Yes, we have. Actually, the -- to go
17 back to your first statement, the increase in
18 disposal is not strictly due to residential.
19 Commercial disposal, commercial companies, from
20 hotels, condos account for probably 70 percent
21 of what's going into that landfill. Our
22 residential pickups are more like 30 percent.

23 COUNCILMEMBER ANDERSON: That is in total
24 contradiction to what we were told last year,
25 because I made that point, is that the hotels

1 that are, you know, doing demolition and
2 remodeling that are causing the landfill to fill
3 up, and we were told that it was strictly
4 residential.

5 MR. TAKAMINE: Okay.

6 COUNCILMEMBER ANDERSON: And that there is a separate
7 landfill for construction.

8 MR. TAKAMINE: No, okay. Let me clarify. That's
9 correct. When I say -- when you say
10 residential, there's -- there's commercial
11 C and D trash. That's what you're applying -- I
12 guess referencing. C and D, commercial and -- I
13 mean construction and demolition, wood, gypsum
14 board, anything -- all that trash is not going
15 to the landfill.

16 COUNCILMEMBER ANDERSON: Okay.

17 MR. TAKAMINE: That is going to a private landfill in
18 Maalaea.

19 COUNCILMEMBER ANDERSON: Okay.

20 MR. TAKAMINE: When I say commercial, it's commercial
21 resident -- I guess commercial municipal solid
22 waste is what we call it, composed of hotel,
23 condo. They still have rubbish.

24 COUNCILMEMBER ANDERSON: Right. Right. Right.

25 MR. TAKAMINE: That's what I mean when I say

1 80 percent of our landfill comes from commercial
2 MSW, and 30 percent or maybe 20 percent,
3 25 percent comes from residential, what we pick
4 up.

5 COUNCILMEMBER ANDERSON: What we pick up?

6 MR. TAKAMINE: Our County staff.

7 COUNCILMEMBER ANDERSON: Right. Because you're not
8 expecting residential to come and dump their
9 trash at the -- at the landfill?

10 MR. TAKAMINE: We do have some, but, yes, most of it
11 we pick up through our automated trucks and
12 manual trucks. That accounts for maybe, like I
13 said, 20, 25, 30 percent. The big haulers, like
14 Maui Disposal, Aloha Waste, there are accounts
15 with all these condos, all the hotels, all the
16 businesses, even this County building goes to
17 the landfill, and that's the -- that's the bulk
18 of it, 70 percent to 80 percent.

19 COUNCILMEMBER ANDERSON: That's very enlightening.
20 So like Costco, they have someone pick up
21 their --

22 MR. TAKAMINE: Correct.

23 COUNCILMEMBER ANDERSON: -- trash and they bring it?

24 MR. TAKAMINE: Correct. They have those big Dipsy
25 dumpsters --

1 COUNCILMEMBER ANDERSON: Right. Right. Right.

2 MR. TAKAMINE: -- that come to the landfill. That's
3 not considered C and D. C and D is when you --

4 COUNCILMEMBER ANDERSON: Okay. Thanks --

5 MR. TAKAMINE: -- destroy a building, glass.

6 COUNCILMEMBER ANDERSON: -- for clarifying.

7 MR. TAKAMINE: Yeah.

8 COUNCILMEMBER ANDERSON: Yeah. So then 70 percent is
9 all commercial?

10 MR. TAKAMINE: That's correct.

11 COUNCILMEMBER ANDERSON: I mean, did -- was that --
12 when you go back and look at the plan that was
13 developed for the landfill, did you -- was that
14 anticipated, that 70 percent of the landfill
15 would be taken up by commercial dumpers?

16 MR. TAKAMINE: Probably in the design Phase 4-A,
17 their estimate back then was 400, 450 tons a day
18 included all of that, included the commercial
19 and residential MSW. But again, for some
20 reason, I mean population growth, people are
21 throwing away more trash, it's now we're
22 averaging 650 tons per day, so that reduced our
23 design capacity from two years to one year.

24 We're trying to get ahead of the
25 ballgame. We are in a -- we opened Phase 4-B --

1 I forgot when. February. One-third of it. I
2 had to -- we had to complete only one-third of
3 it because we had to be in it already. The
4 other two-thirds are still being built right now
5 and we anticipate finishing that by end of
6 April, mid April, and then putting trash in that
7 site.

8 To get ahead of the ballgame, I need to
9 purchase Phase 5, design Phase 5, and have it
10 constructed by 2009 or again we're going to be
11 behind the ball -- ballgame on that.

12 COUNCILMEMBER ANDERSON: Thank you for that update
13 and I certainly appreciate the difficult
14 situation you've put yourself in in this job,
15 and appreciate that you've been able to
16 accommodate this overflow so that we still have
17 a place to put our trash.

18 And, you know, Chair, I don't think any
19 of us anticipated back when this plan was first
20 developed that there would be a Costco, that
21 there would be, you know, a Home Depot, that
22 there would be such a surge in building and all
23 of that ends up in our -- in our landfill.

24 Thank you very much.

25 CHAIR PONTANILLA: Thank you, Member Anderson.

1 Member Baisa?

2 COUNCILMEMBER BAISA: Thank you, Chair.

3 Mr. Nagamine. Excuse me. I'm still
4 having trouble with my throat today. On page 4
5 of your report -- and thank you for this report.
6 I'm kind of old-fashioned. I like having
7 something in my hand. Thank you.

8 I notice that you have actuals and
9 estimated and the changes in the residential
10 accounts. I notice that there have been some
11 pretty big losses, particularly in like Lahaina
12 and a sizable one in Makawao, one in Lanai.
13 What do you attribute that to?

14 CHAIR PONTANILLA: Department?

15 MR. TAKAMINE: I haven't actually gone in and asked
16 those questions, but I can probably guess,
17 educated guess. We have a lot of -- and we're
18 trying to change this, by the way, we have a lot
19 of transient accounts in terms of renters.
20 Renters come, they open an account, they stay
21 three months and they close their account. Some
22 of them don't close the account. That's why we
23 have a lot of delinquencies. We don't -- we
24 don't have an accurate count of, you know, if
25 the person is still there.

1 So I would say a lot of it is due to the
2 movement of renters coming and going from
3 different areas.

4 COUNCILMEMBER BAISA: Just as a follow-up, I'm very
5 interested in the impact of the fees that we pay
6 to collect rubbish, and if it has any effect on
7 people, you know, subscribing for the -- for the
8 system, because I'm concerned about litter and
9 it's all over the place, and I don't know what
10 the answer to it is, but certainly making people
11 have a place to dispose their trash, you know,
12 might help.

13 What percentage of our residences pay
14 for collection, do we know?

15 MR. TAKAMINE: I do not have that percentage figure.
16 I can only tell you that, you know, from our
17 accounts, we have 22,000 accounts and that's
18 basically one per -- you know, an account is a
19 house and could be a cottage. So I don't know
20 what the -- the population or the --

21 COUNCILMEMBER BAISA: The number of residences is...

22 MR. TAKAMINE: -- count. Right. I don't know off
23 hand.

24 COUNCILMEMBER BAISA: I'll ask Chair to get that
25 information, please.

1 CHAIR PONTANILLA: Yes, we could --

2 COUNCILMEMBER BAISA: Thank you very much.

3 CHAIR PONTANILLA: -- question to the Department.

4 Thank you, Member Baisa.

5 Member Johnson?

6 COUNCILMEMBER JOHNSON: Yes, Tracy, I'm glad to see
7 that we're going to be doing West Maui for the,
8 you know, pickups.

9 One of the questions I had when you
10 talked about the permanent building, because
11 your workers are really not housed anywhere, is
12 there any opportunity as an interim solution,
13 because I know the capital costs and what not,
14 to look at a trailer, you know, some kind of
15 modular type -- I don't know. I guess there's
16 all kinds of these modular homes that you could
17 put on site that would not be as cumbersome as
18 trying to get the permits and build the whole
19 building.

20 You know, would that be any easier, and
21 have you looked at the cost benefit analysis for
22 that?

23 MR. TAKAMINE: We actually looked at that. A trailer
24 could probably cost -- you can get a used
25 trailer, maybe 20, \$30,000. The problem being

1 in the Highways baseyard, there is no room.
2 When we were talking about building a building,
3 we're actually going to have to tear down an old
4 paint shop that's attached to the automotive
5 section and -- and construct a new building in
6 the same spot.

7 Right now, we're -- I mentioned we're
8 getting seven new automated trucks, and when
9 those come in, Highways is already tight for
10 space, so it's going to be very, very tight just
11 to get the new trucks a parking space down
12 there. So it -- it was a possibility, but we
13 haven't pursued it.

14 COUNCILMEMBER JOHNSON: Yeah. And -- and the reason
15 I'd be interested in that is because if the
16 situation changes, you know, where you've got to
17 relocate, some times -- you know, when one
18 landfill closes, at least you could relocate the
19 trailer and move it closer to where your
20 activities are going on over time, rather than
21 siting something permanently in a location and
22 then not being able to move it off that site.
23 So I -- I just -- that's one of the things that
24 I would like to have you explore.

25 And then I -- I think there was another

1 question that I had, but, you know, if there is
2 anything else, I'll just put it in writing to
3 you, but I think that you're challenged in terms
4 of your work force and, of course, the amount of
5 money that it costs to manage everything. But I
6 appreciate you're trying to do the best you can.

7 Thank you.

8 CHAIR PONTANILLA: Thank you, Member Johnson.

9 Member Medeiros?

10 COUNCILMEMBER MEDEIROS: Mahalo, Chair.

11 Mr. Takamine, the Hana Landfill, what's
12 the projected -- expected service life left on
13 that landfill and have you plans to secure
14 another site?

15 MR. TAKAMINE: We don't have an accurate topo of that
16 landfill. For some reason, it wasn't done
17 recent -- in very recent years. We are in the
18 process of trying to do a fly-over topo of Hana
19 Landfill, Molokai Landfill and -- no, I've got
20 one for Molokai -- Lanai Landfill.

21 Once we get that, we can get a bigger --
22 a better estimate, but that landfill's life
23 expectancy, I think, is still -- still in the
24 15 to 20-year timeframe. I mean, there's no
25 issue about capacity in that landfill at this

1 current time.

2 COUNCILMEMBER MEDEIROS: And how do you determine
3 tonnage that comes into Hana Landfill, being
4 there's no scale there?

5 MR. TAKAMINE: Both the Hana Landfill and Lanai
6 Landfill is an estimate. We -- we base it on
7 the number of households, what the estimated per
8 household tonnage or pounds would be, and -- and
9 do a very rough estimate, so it's -- it's not
10 very accurate.

11 COUNCILMEMBER MEDEIROS: I have questions on the
12 Abandoned Vehicles Program, because you did say
13 that the towing is done through your agency for
14 abandoned vehicles?

15 MR. TAKAMINE: Yes.

16 COUNCILMEMBER MEDEIROS: Okay. And so that's done by
17 contracting out the towing?

18 MR. TAKAMINE: Yes.

19 COUNCILMEMBER MEDEIROS: And for the amount of
20 vehicles we see abandoning now on our highways,
21 has it become more feasible to buy our own
22 towing truck and tow our own, like we used to
23 before? What -- what's the cost of towing now?
24 I mean, what does it cost your budget?

25 MR. TAKAMINE: We currently have two towing

1 contracts; one with Maui Tow for South Maui,
2 Central Maui, Upcountry and East Maui. Total
3 contract costs, \$330,000. It varies. If you
4 have a tow in South Maui or Central Maui, it's
5 69 or \$79 per tow, Upcountry, it's \$99 per tow.
6 If I get a call out in East Maui, it's \$400 a
7 tow.

8 COUNCILMEMBER MEDEIROS: So you go until that money
9 runs out?

10 MR. TAKAMINE: We go until the money runs out, and if
11 it's not at the end of the year, I amend the
12 contract and we -- we increase the cost of the
13 contract.

14 COUNCILMEMBER MEDEIROS: Okay. I would ask the
15 Department to look into that about, you know,
16 doing their own towing.

17 So we're responsible for vehicles on the
18 State highways?

19 MR. TAKAMINE: That's -- that's correct. We do State
20 highways and County highways.

21 COUNCILMEMBER MEDEIROS: And not to fault your
22 agency, but why is it -- why does it take so
23 long to tow a vehicle? I mean, cars on Hana
24 Highway going to East Maui have been there for
25 months, and now they're all burned, which

1 doesn't look very good for the tourists, and a
2 lot of it -- you know, vandalized, parts
3 stripped off, so I'm wondering why does it take
4 so long to tow the vehicle?

5 MR. TAKAMINE: The basic process for towing a
6 vehicle, we don't -- we don't get involved in
7 the actual tagging or police report, but -- but
8 when you see a vehicle on the road, somebody
9 needs to first initiate a police report. They
10 need to call the Maui Police Department. They
11 send out an officer. I don't know how long that
12 would take. But once the officer is out there,
13 they do a, I guess, check on the car and make
14 sure it's not stolen. That's one of the reasons
15 you have to get a Maui Police Department officer
16 to tag it and not anybody. We just can't go out
17 and tow it, because it might be a stolen car.
18 It might belong to somebody, then now so we're
19 liable for that.

20 So they come out. They do, I guess, a
21 records check, make sure it's not stolen. They
22 tag it. They have to wait 24 hours, because
23 they're allowed -- the vehicle has to sit
24 24 hours, make sure it -- if the individual
25 comes back, he moves it, it's taken care of.

1 So now, I believe the officer needs to
2 come back. When he comes back within 24 hours
3 or 48 hours, I guess, depending on the
4 workload -- again, I don't know what's involved
5 there -- but then he initiates a police report.
6 He fills out his police report, goes back to
7 their office, and that report then needs to be
8 faxed to our office.

9 Once it gets to our office, we have --
10 we then do a records check ourselves. We verify
11 who the owner is, find the last recorded owner,
12 do all this documentation. We get photographs
13 of the car. Each car is photographed before
14 it's towed, front and back. We've got to get
15 all those documents. We -- we have to
16 categorize it, research it -- research the
17 owners, make sure that the car is a derelict or
18 abandoned. Once we know that it's derelict, it
19 needs to be towed. Then we issue a tow order to
20 our towing contractor. He has 48 hours once he
21 gets the tow order to then go pick up the car.

22 If everything ran smoothly, you could
23 tow a car within like three days. You know, if
24 the officer went back, came right back to his
25 office, faxed me the form. I took the form, did

1 my research in five minutes, faxed it to the tow
2 operator and he went straight out there, but
3 that doesn't happen. You know, there's --
4 there's issues with the Maui Police Department.
5 They're busy. It's not their top priority.
6 When he comes back, you know, he doesn't do it
7 right away. It might take a day or two. By the
8 time it gets to my office, you know, depending
9 on my staffing and how much backlog we have, so
10 sometimes it takes a long time.

11 And then -- and a lot of times when we
12 go out there, the car's not there because
13 somebody goes -- they know our procedure and
14 they move the car. Once they move that car...

15 COUNCILMEMBER MEDEIROS: It starts the process?

16 MR. TAKAMINE: Yeah. If the odometer reading's
17 changed, we can't tow that car. You know, they
18 try to -- they try to get an odometer reading.
19 And if there is a change in the odometer reading
20 and the car is still sitting there with a tag on
21 it and it doesn't match, we -- we cannot tow the
22 car, so then we...

23 And that tow operator is not going to
24 call Maui Police Department again. He's just
25 going to go back, fill out his form, send it

1 back to us, and we just put it as "Not on
2 location." We don't have the staff to go back
3 out to the car and verify the car is there, so
4 it's going to sit there until somebody else
5 initiates another call. And -- and with the
6 volume of calls out -- cars out there, we don't
7 have control over that. All we know is what
8 comes to our desk and it's -- from that point
9 on, we can control it.

10 COUNCILMEMBER MEDEIROS: Okay. And my last question,
11 Chair, is to Mr. Takamine, what is the status of
12 recycled materials and the Deposit Beverage
13 Container Program for Hana?

14 MR. TAKAMINE: Okay. For Hana, we have a grant going
15 out already signed for Hasegawa to start a
16 recycle redemption center. I believe he's in
17 the process of purchasing -- it's going to be a
18 _____ vending machines. He's -- he's going
19 to be purchasing _____ vending machines, a
20 forklift and a truck, I believe. So that should
21 start, I would say, the next few months.

22 COUNCILMEMBER MEDEIROS: Okay. Thank you, Chair.

23 CHAIR PONTANILLA: Thank you, Mr. Medeiros.

24 Member Molina?

25 COUNCILMEMBER MOLINA: Thank you, Chairman.

1 Mr. Takamine, just a quick follow-up on
2 Member Medeiros' line of questions with regard
3 to the Abandoned Vehicle Program.

4 You mentioned, I guess, some of the
5 challenges you're dealing with is the research
6 and paperwork as to why you're -- you're going
7 to be requesting, I guess, an Abandoned Vehicle
8 Administrator.

9 Are there any other challenges?
10 Director Arakawa and I, we did a little
11 site-seeing up at Piiholo Road and Olinda Road
12 to check on the conditions, and we saw a couple
13 of those Maui cruisers, so -- and I know in your
14 response to Member Medeiros, you know, the
15 challenges you have to deal with the Police
16 Department.

17 Anything else we should be made aware of
18 as to why some of -- some of these vehicles stay
19 out a little bit longer than they normally
20 should?

21 MR. TAKAMINE: I don't believe so. I mean, basically
22 if I had more staff, if we wanted to get the
23 cars off the road quick -- and I think Big
24 Island does it, I don't know how, but they send
25 their staff, which I think is only one, and he

1 goes on the road and he is the one that actually
2 checks these cars out. Again, I don't know how
3 he does it, but if we -- if we wanted to do
4 that, we'd have to have more staff and they'd be
5 on the road basically, you know, driving and
6 basically doing what the police officer's doing.

7 Right now, we depend on Maui Police
8 Department to do -- to do all the tagging on the
9 roads, and I guess if -- if you want to get it
10 off the road faster, we -- we would have to be
11 responsible for actually going out there and
12 check -- tagging these car, I guess.

13 COUNCILMEMBER MOLINA: So -- so do you know if the
14 police would have any objections if, say, you
15 know, the Department -- your Department did the
16 checking of the cars rather than...

17 MR. TAKAMINE: That, I don't know. But I say that,
18 but I wouldn't want to do that because, again,
19 we've had instances where we've towed a car and
20 it was -- I think one was a stolen car, and we
21 had an incident where one car -- and again, it
22 goes back to Maui Police Department. They
23 actually tagged it wrong. Well, I don't want to
24 say wrong, but they tagged it a derelict car.
25 We towed that car. We crushed the car. And an

1 individual showed up and said, "Where he's my
2 car?" And when you look at the photograph, you
3 know, it looks like a decent car. You know, it
4 shouldn't have been processed, but it was
5 processed.

6 And now he's claiming -- he's putting a
7 claim against the County. I wouldn't want
8 our -- our staff to be going out in the field
9 and -- and getting involved with, you know,
10 people coming up saying, "What are you doing
11 with my car?" Because I don't know what kind of
12 authority -- you know, we don't have any type
13 of, like, a parking meter authority or police
14 authority to actually do that, so I would
15 refrain from saying that I would want to take
16 over that responsibility.

17 COUNCILMEMBER MOLINA: Okay. And then my last
18 question. Just a follow-up on your bulky items
19 appliance crew, so this is something that you're
20 looking at as well. So currently what the white
21 goods pick up and everything, you know, any
22 challenges there, additional challenges we need
23 to be aware of? And with the white goods, that
24 includes computers, yeah, not only just stoves?

25 MR. TAKAMINE: No.

1 COUNCILMEMBER MOLINA: Oh, that's -- computers are
2 totally separate?

3 MR. TAKAMINE: Computers, we -- is through the
4 Compu-Swap.

5 COUNCILMEMBER MOLINA: Compu-Swap.

6 MR. TAKAMINE: And it's brought down to our location.
7 We do it twice a year.

8 The White Goods Appliance Program, we do
9 have some issues. We're lucky that we have -- I
10 have an excellent supervisor who is able to get
11 the job done. We're doing a job without an
12 official crew. I mean, the crew that picks up
13 the appliances, a lot of it's been done on
14 straight time when they don't have any refuse to
15 pick up, which is not really part of their job
16 description, but they do it because, you know,
17 they're encouraged to do it by the supervisor
18 so, again, an excellent supervisor gets -- makes
19 use of the people he has. And we're picking up
20 appliances on straight time, and a lot of times
21 if it's -- if the backlog is getting up there,
22 then we do an overtime. And we do it on
23 Saturdays, and that's on a voluntary basis,
24 whoever wants to work.

25 So the program is running, but it's only

1 running because, you know, we have people that
2 want to do it and -- and a supervisor that can
3 get the job done.

4 With this next go-around with the
5 automation, it's probably going to be an
6 official crew with UPW agreements and
7 stipulations.

8 COUNCILMEMBER MOLINA: So currently right now, no UPW
9 issues with, I guess, these people doing this --
10 what would seem to be something that's out of
11 their normal job description?

12 MR. TAKAMINE: Actually, they have said on several
13 occasions that they want to sit down at the
14 table and discuss it, because they know it's
15 happening and they want to make it official. So
16 they're aware of it and we've told them that
17 yes, we're going -- this next Phase 4, we're
18 going to be sitting down and starting to address
19 that issue.

20 COUNCILMEMBER MOLINA: Okay. Thank you.

21 Thank you, Mr. Chairman.

22 CHAIR PONTANILLA: Thank you, Member Molina.

23 Member Hokama?

24 VICE-CHAIR HOKAMA: Just quickly, Mr. Takamine.

25 Chairman, you know, he mentioned the

1 need of additional resource support and what
2 not, would you prefer that discussion be held
3 when we talk about the new budget requests or...

4 CHAIR PONTANILLA: It would be...

5 VICE-CHAIR HOKAMA: I was just asking what...

6 CHAIR PONTANILLA: It would be much better when we
7 come up to the '08 Budget review.

8 VICE-CHAIR HOKAMA: Then I -- I appreciate your
9 direction, Chairman.

10 So just so we know where we are so we
11 have a sense of what comes up in the budget
12 request, this is all part of a coordinated
13 effort within the -- your scope for the Solid
14 Waste Integrated Plan, I'm assuming, right, from
15 the Department's perspective regarding the
16 manpower requests, equipment, it's all part of a
17 coordinated effort that, more than likely, will
18 be reaffirmed by this integrated study?

19 Because I would hate for the study to
20 come back and say, "Well, you shouldn't have
21 given them this additional X-amount of positions
22 because we conceptually saw this different
23 structure," and da da da da da, so I'm -- I'm
24 hoping it's part of a planned-out, thought-out
25 phasing-in program.

1 Would that be the Committee's correct
2 understanding?

3 MR. ARAKAWA: Well, as far as the additional bodies
4 that the Solid Waste Division Chief mentioned
5 that we are requesting for Fiscal Year '08, this
6 is basically to try to address existing
7 problems. And we view the Integrated Solid
8 Waste Management Plan Update as a very important
9 document which is going to layout the blueprint
10 for us over the long term.

11 Whether it conflicts with what we're
12 doing, I hope it does not, because we're
13 thinking that what we are requesting for '08
14 makes sense, but then again, we -- you know,
15 until we get that -- that final plan update, I
16 cannot answer you question for certain.

17 VICE-CHAIR HOKAMA: That's fair, Mr. Director.
18 That's a fair response.

19 Again, off this real fast, when do you
20 anticipate a report from your consultant on this
21 integrated study?

22 MR. TAKAMINE: We should get a rough draft about
23 November timeframe, November, December.

24 VICE-CHAIR HOKAMA: Shucks. Because it would have
25 been helpful for us in the budget review process

1 to -- to have an understanding that we're moving
2 in the right direction, so again...

3 MR. TAKAMINE: For this budget or next budget?

4 VICE-CHAIR HOKAMA: This upcoming budget, '08.

5 MR. TAKAMINE: I doubt if we can get it done. In
6 fact, they're here on Island right now, and this
7 is probably their second trip here.

8 VICE-CHAIR HOKAMA: I would just ask if you can touch
9 base with them and as we prepare to review your
10 new upcoming budget, if they have some comments
11 they could share with you to help us make a
12 better decision that -- you know, I would ask
13 that you consider that, please.

14 Okay. I would appreciate that.

15 A couple of things that, you know, it's
16 obviously in your response to other Members, and
17 the Members have shared some of their concerns
18 with me. And one in particular, since I have
19 introduced legislation regarding the banning of
20 superstores, and there is consideration for one,
21 I understand, right now in Hilo on Hawaiian
22 Homes lands for a superstore. So it is way
23 beyond our existing Costco size and existing
24 Wal-Mart sizes.

25 Have you folks been able to determine

1 whether or not this type of commercial
2 enterprise, as well as the large condominiums,
3 your large apartment complexes, when they do
4 complete overhauls or changeovers of entire
5 products like, let's say, Grand Wailea is going
6 to change every TV in every room, so let's say
7 there are 1200 rooms, they're going to change
8 1200 television sets, one crack. And a luxury
9 condo of 400 units is going to change every
10 stove and refrigerator, so we're going to have
11 400 refrigerators, 400 ranges potentially
12 entering our system.

13 Have you folks made a determination of
14 how this is impacting us, if any? Would this be
15 part of your integrated study for consideration
16 so that we can then make appropriate
17 adjustments, if need be, in our fee structure so
18 that the appropriate group is paying for their
19 appropriate share of the impact to the
20 landfills?

21 MR. TAKAMINE: We haven't done any detailed study in
22 terms of how we can do that, but I know that
23 during the planning process, there's a
24 requirement for, when you do these major
25 renovations, for them to come up with a recycle

1 plan. I don't know how much pressure, I guess,
2 they're put on in terms of doing what percentage
3 of recycling, but there have been some projects
4 that they've done a fantastic job in recycling,
5 probably 80 percent of the material. But,
6 again, it depends on, I guess, the developer or
7 the owner on how much effort he's going to make.

8 But other than that, we -- I don't
9 believe we have looked -- that I know of, looked
10 at how we can prevent that, other than through
11 our ordinance, such as cardboard boxes, you
12 know, they're banned from the landfill if
13 they're not flattened. We're looking at maybe
14 in the future -- the next one is to ban
15 cardboard boxes. Develop an ordinance how we
16 can do that commercial -- customers come in with
17 a lot of cardboard boxes.

18 MR. ARAKAWA: I will also say that as part of the
19 Integrated Solid Waste Management Plan update,
20 the scope will include a very thorough
21 discussion of just fees in general and how we
22 should be charging for our services. So part of
23 it is, you know, who gets to pay for what kind
24 of service, and whether the -- the fees would be
25 even across the board or there would be some

1 progressive structure to it, or -- you know,
2 those are the types of questions that the
3 consultants will be looking at as part of the
4 plan update.

5 VICE-CHAIR HOKAMA: Okay. That would be appreciated,
6 Mr. Director, Mr. Takamine.

7 My last one is hearing your situation
8 and, you know, we've heard some similar comments
9 from your sister Department called Parks and Rec
10 regarding their need for space. Does this make
11 sense for us to consider maybe Puunene, just as
12 an example of site, to consider relocating and
13 constructing a modern high-tech baseyard for
14 our -- our Department, such as yours, so that we
15 can take care of whatever Department of Health's
16 concerns about seepage of engine oils or fluids
17 into -- into the ground system, whether it be
18 just space, safety space for equipment and
19 trucks moving around versus manpower, proximity
20 to the fuel tanks, those kind of things?

21 We've heard your comments from the
22 Divisions. We hear -- we see it in writing. Is
23 this something we should be looking for, other
24 than just trying to fit more in the same little
25 square feet -- square feet?

1 MR. ARAKAWA: Councilmember Hokama, that's a very
2 good point and we have entitlements going
3 through the Council right now for that Abandoned
4 Vehicle facility at Old Puunene Airport.
5 We have, as a part of the scope of the
6 Integrated Solid Waste Management Plan update,
7 asked our consultants to look at whether or not
8 perhaps even a thing like a MRF might be
9 related -- might be relocated there. But I know
10 as far as the Solid Waste baseyard, that's
11 something that's been on our minds for quite
12 some time. Where it's going to be located is an
13 open question as far as at this point in time.
14 It could be at Old Puunene. We can certainly
15 look at that as a possibility. We had also
16 looked at the possibility that it could be
17 located at the Central Maui Landfill since the
18 trips are either going to begin or end there,
19 anyway.

20 So it's certainly something in the back
21 of our mind. I think we'd like to start the
22 planning on that so that we can get this
23 resolved, because space is -- is going to be a
24 continuing issue at the Wailuku Baseyard for
25 refuse collection.

1 VICE-CHAIR HOKAMA: And I just bring it up,
2 Mr. Director, because we -- I believe we heard
3 from your DSA Division, even their need to -- I
4 guess Parks is giving them a giant shove that
5 Parks wants their space back, so, of course,
6 where do you put your 23 inspectors and, you
7 know, staff from there? Where do they go then?
8 Already, Mr. Takamine is telling us people
9 working out of the vehicles, which I would
10 consider that inappropriate work -- work sites,
11 especially for supervision and requirements of
12 when you need to do confidential discussions
13 with an employee. You know, we need to observe
14 some of the protocols of collective bargaining,
15 so...

16 I'm glad you're thinking about it and
17 then when we come to the new budget, I hope you
18 folks can share with us additional detailed
19 information, so, again, that we can make
20 appropriate adjustments and -- and good
21 decisions.

22 Thank you, Chairman.

23 CHAIR PONTANILLA: Thank you, Mr. Hokama.

24 Mr. Victorino?

25 COUNCILMEMBER VICTORINO: When you're last, you've

1 got to be very creative in your questioning
2 because hopefully everything has been covered by
3 the other questions by our -- my fellow
4 councillors, but I am creative and I have some
5 definite questions.

6 I'll start with a statement that I know
7 for a fact that many of the major properties
8 here on the Island of Maui, when they go through
9 renovation, three things occur: One, many times
10 they give away to their employees TVs, furniture
11 and stuff like that. I'm -- I'm familiar with
12 four major properties that do that and probably
13 seven or eight have done that.

14 Secondly, many of them will have
15 containers brought in to take away things that
16 can be recycled or reused. A class example was
17 Kapalua. I think something like 60 percent of
18 everything that was torn down was sent off for
19 recycling purposes, okay. So we do have some in
20 the resort and visitor industry that are very
21 cognizant of our dilemma with our landfill, so I
22 give them kudos for that.

23 Again, I think Mr. Takaminia -- I mean,
24 Mr. Takamine, you can attest to this, because
25 you mentioned that earlier.

1 But I will also say that we have to look
2 in the very near future of setting guidelines,
3 setting policy forward for these industries, as
4 well as what you just said about cardboard.

5 I have a question. Of all the cardboard
6 that is collected on Maui by the recycling
7 centers, how much does -- how much of that
8 cardboard ends up at the landfill?

9 CHAIR PONTANILLA: Department?

10 COUNCILMEMBER VICTORINO: How much cardboard that is
11 recycled, that are put into all our recycle
12 centers, ends up at the landfill?

13 MR. TAKAMINE: I cannot tell you how much gets into
14 the landfill. I can tell you how much we got
15 out of the landfill.

16 COUNCILMEMBER VICTORINO: Okay.

17 MR. TAKAMINE: Let's see.

18 COUNCILMEMBER VICTORINO: And the reason I bring this
19 point while Mr. Takamine is looking up this
20 thing, the reason I was -- I bring this up is
21 because I have been told by a number of vendors
22 out there, and by the general public, that
23 sometimes they see bales of wrapped cardboard
24 taken down to the dump -- taken down to our
25 landfill, which I find very appalling if that is

1 happening.

2 Now, I understand that there are times
3 when cardboard becomes contaminated. And I
4 think you understand what that means. For the
5 public, they may not understand. It's cardboard
6 that gets grease, water or something that is no
7 longer recyclable. Okay. So it could be a
8 mix-up in that area, but I really question how
9 much recycled cardboard, newspaper and other
10 items that are being put out there ends up
11 somehow in our landfill, because the impression
12 that we want to give the public is we want them
13 to do it. Please don't contaminate it. Don't
14 dirty it. Don't -- you know, don't grease it,
15 don't wet it, because then it becomes unusable.

16 However, if it is being -- good
17 cardboard or good newspaper being thrown into
18 the -- into our landfill, then I'm not too happy
19 to hear that.

20 CHAIR PONTANILLA: Department?

21 MR. TAKAMINE: From our recycle centers, you know our
22 drop box centers, about 1,000 -- this is in '06,
23 maybe about 1,000 tons of cardboard. Cardboard
24 is a big recycling -- that's the big one. About
25 1,000 tons.

1 And our Central Maui Landfill -- I
2 thought I had that number, but it looks small,
3 .2 tons per month. We have two -- three
4 cardboard bins over there and that thing fills
5 up. People actually use that.

6 Now, that we have it set up where they
7 actually see the cardboards before they come
8 in -- in fact, it fills up so fast -- that that
9 we need to purchase -- and we're in the process,
10 I think, of purchasing next year a cardboard
11 compactor. If you have a card -- compactor, you
12 can get more cardboard in there.

13 Right now, it fills up so fast and with
14 the with the wind factor there, it's starting to
15 blow onto the highway and off of -- out of the
16 bins itself. But we are getting a lot of
17 cardboard out of the landfill. We can get a lot
18 more.

19 In fact, I know -- and I know what
20 you're saying because I stand by the recycle
21 bins -- not the bins, but the drop off bins, and
22 these big commercial trucks come in, you know,
23 these U-Haul trucks. They back up, they open
24 the gate and these huge, you know, boxes. But
25 they don't recycle it because what -- and I

1 asked the guy, I said, "Why aren't you recycling
2 it?" And he tells me, they just go to these
3 construction sites and pick up the -- the
4 rubbish in -- and at their construction site,
5 they take these boxes and they fill it with
6 trash. So when they pick it up, that's all they
7 can do is throw it away because there is no way
8 they can take out the trash and then recycle
9 these huge boxes.

10 So a lot of it's going into the landfill
11 that way, because there is no ban on cardboard
12 boxes as of yet, other than it's supposed to be
13 flattened, but once it gets filled with trash,
14 you know, it becomes a container. So there's a
15 lot of potential to -- to get cardboard boxes
16 out of there, and it is a big, bulky item that
17 is taking up space that's getting in the
18 landfill, and we need to do a better job in
19 reducing the amount that's going in the
20 landfill, but we are doing a good job in getting
21 it out now, but yeah, we could do better.

22 COUNCILMEMBER VICTORINO: I think another area that
23 we need to put some focus on, and I think it's
24 starting in many places on the Mainland and
25 we've got to start looking here on Maui, is foam

1 containers. Foam containers have become a real
2 scourge of our society. Yes, they're
3 convenient, but they fill up our trash
4 containers, they're not biodegradable, and they
5 really cause a lot of pollution in many
6 respects, and not only with our oceans, but
7 within our aina here.

8 So I would hope that you guys look at
9 that also and bring forth something to this
10 Council and to the Body here that we could look
11 at -- at means of changing foam containers,
12 taking a proactive approach of how we can reduce
13 the use of foam containers, and go with
14 biodegradable materials.

15 I think the Administration has looked
16 upon that as being one of her -- the Mayor has
17 looked upon that as being one of her -- her
18 projects, so I hope that you folks will continue
19 with that, and we've got to.

20 And the last thing I'd like to ask you
21 is there -- and I know there's been talk about
22 methane gas. You've talked about that,
23 Mr. Chair, extracting methane gas from our
24 landfill. But has there been real
25 consideration -- and again, I'm not the

1 Administration, but I say it because I believe
2 in it -- for means of garbage to energy and
3 areas of this nature? Because, again, we have
4 so much material, and when I was on the NCL, the
5 Norwegian Cruise Line, they produce a lot of
6 their power off of their garbage. I mean,
7 they're grinding up all this cardboard, grinding
8 up all these materials, where they have reduced
9 to less than a half of a percent of the total
10 garbage that they produce actually comes off the
11 ship. The rest is taken care of either by
12 recycling or by burning.

13 So we, in the County of Maui, we know we
14 have no more land to do this. We're not
15 infinitely land masses to put garbage in, so
16 have you guys looked into that area and -- and
17 will that be part of your plan that you're going
18 to be presenting, Mr. Arakawa?

19 CHAIR PONTANILLA: Department?

20 COUNCILMEMBER VICTORINO: Either one can answer. I'm
21 sorry. I used you because you had mentioned
22 that.

23 MR. ARAKAWA: Councilmember Victorino, we are very
24 interested in pursuing some sort of a Landfill
25 Gas to Energy Project. This would pertain to,

1 of course, Phase 1 and 2, which we recently
2 closed, as well as Phase 4, which -- for which
3 we're currently accepting municipal solid waste.

4 So as part of the '08 Budget, we want
5 to, of course, complete the piping. We have to
6 put in the piping for Phase 1 and 2. And of
7 course, the flare -- flare system. And we want
8 to do, basically, a preliminary engineering
9 report to actually help us to -- to do a scope
10 of work for a Landfill Gas to Energy Project for
11 Phase 1 and 2 and Phase 4.

12 The Integrated Solid Waste Management
13 Plan will also look at how we should be dealing
14 with waste for Phase 5 and beyond. Whether or
15 not we want to continue Landfill Gas to Energy
16 or Waste to Energy or something else in between,
17 what is the best course of action for the County
18 of Maui?

19 So I mean that -- that's all in the
20 works. And when that plan is completed, we
21 intend to come before the Council and get some
22 agreement and buy-in from the Council on the
23 future course of action.

24 COUNCILMEMBER VICTORINO: Thank you, Mr. Arakawa.

25 Thank you, Mr. Chair.

1 CHAIR PONTANILLA: Thank you, Mr. Victorino.

2 Members, I know this has been a long
3 afternoon. We haven't taken a break yet, so if
4 you have any more questions in regards to the
5 Solid Waste Division, if you could provide that
6 question to the Chair and we'll get some
7 responses from the Department.

8 So before we go into the CIP, the Chair
9 would like to take a 10-minute break, so we'll
10 return at 4:05. This meeting is in recess.

11 (Gavel.)

12 RECESS: 3:56 p.m.

13 RECONVENE: 4:10 p.m.

14 CHAIR PONTANILLA: (Gavel.) Thank you, Members, for
15 that short recess.

16 Members, it is the Chair's preference
17 that we continue on. I know that some of you
18 may have to leave by 4:30, that we continue on
19 the Capital Improvement side of the review of
20 '07 to 4:30 this afternoon.

21 Is there any objections?

22 COUNCIL MEMBERS: No objections, Chair.

23 CHAIR PONTANILLA: Thank you very much.

24 And, again, Members, you know, it's been
25 a grueling two days in regards to reviewing the

1 Second Quarter Finance Director's Quarterly
2 Reports, and, you know, as the Chair stated, you
3 know, it will give the newer Members a good feel
4 as far as what we're going to go through when we
5 do the review for the '08 Budget. And I think
6 the last two days -- and counting today, three
7 days, you know, we've had a pretty, pretty good
8 review with the three Departments that make up
9 almost three-fourths of the County itself. And
10 I -- you know, I just want to commend the
11 Departments for their cooperation the last three
12 days.

13 So Members, we'll conclude going over
14 the CIP for '07 for the Highways, the
15 Engineering Department at this time, and we'll
16 go up to 4:30 when the Chair will adjourn this
17 meeting.

18 So Members, with no objections, we'll go
19 directly into CIP.

20 COUNCIL MEMBERS: No objections.

21 CHAIR PONTANILLA: Director?

22 MR. ARAKAWA: Thank you, Mr. Chair.

23 For our Engineering Division, I have our
24 Engineering Division Chief, Cary Yamashita, and
25 Joe Krueger, also with Engineering Division, to

1 go over the CIP.

2 CHAIR PONTANILLA: Members, we're going to be
3 reviewing CIP \$750,000 and up.

4 So, Department?

5 MR. KRUEGER: I'm Joe Krueger. I handout -- I handed
6 out a list. First on the list is Countywide
7 Road, and that's a \$2 million item, but it has
8 several line items that are -- that are broke
9 down -- breaks the \$2 million down.

10 We have Countywide Bridge repairs,
11 \$100,000; Countywide Road Resurfacing, 700,000;
12 Countywide Speed Humps, 500,000; Countywide
13 Safety, 600,000; and the Urban Traffic
14 Prioritization Study.

15 The first four are Countywide that we
16 use for those various items, and it's not
17 restricted to any specific district.

18 Like Bridge Repairs, the funds are used
19 to repair various bridges.

20 And Road Resurfacing, we can resurface
21 roads in all the districts. We normally use
22 this fund to supplement a district. Resurfacing
23 bid, that's been -- been overbid and we have --
24 we don't have enough funds, so we tap this.

25 Countywide Speed Humps is a yearly

1 program that we bid out for speed humps
2 Countywide.

3 Countywide Safety are for safety
4 improvements Countywide for various safety
5 improvements that pop up during the year.

6 The Urban Traffic Prioritization Study
7 is a study needed for our STIP Program to
8 prioritize our traffic signal and other traffic
9 improvements for implementation of the Federal
10 and State funding.

11 The next item -- is there any questions
12 on that one?

13 VICE-CHAIR HOKAMA: Chairman?

14 CHAIR PONTANILLA: Mr. Hokama?

15 VICE-CHAIR HOKAMA: Just a quick question for the --
16 for the Division, please?

17 CHAIR PONTANILLA: Go ahead.

18 VICE-CHAIR HOKAMA: Oh, on the last one please,
19 Mr. Krueger, you know, this Urban Traffic
20 Prioritization Study, we've been informed this
21 morning by our Legislative Liaison, Mr. Kane,
22 that the State is considering for Maui a Maui
23 Traffic Control Center -- Center.

24 So I was wondering if this would be a
25 supplement to what the State is doing regarding

1 their -- their jurisdiction over their alliance
2 and their road system, or is there -- is there
3 an opportunity to dovetail into it?

4 And I just -- and I'm just asking you
5 because we've been -- I've been informed that
6 like on Oahu, you know, Mayor Hannemann
7 mentioned that the City has one Traffic Control
8 Coordination Center. The State has a Traffic
9 Control Coordination Center, but it's
10 interesting enough that on Oahu, both centers
11 don't talk to each other so both doesn't know
12 what each other is doing.

13 So I'm asking so that if we can
14 coordinate and we can save you this 180,000,
15 because the State is doing this big master
16 traffic control center project, that maybe this
17 180 can then -- you can place into another area
18 that could use additional funding support.

19 MR. KRUEGER: That -- that might be a possibility,
20 but this -- this study is to prioritize new
21 traffic signals that come online. You know,
22 we -- we've identified different places where we
23 want traffic signals, and we hire a consultant
24 to do a traffic study and prioritize which ones
25 are needed first, and then the State give us the

1 funding. But the -- tying into the Traffic
2 Center, that can be done as part of this.

3 VICE-CHAIR HOKAMA: Okay. And so just, for example,
4 this -- we were told by a land use application
5 in one of our standing committees that for
6 Piilani, there is a potential of five additional
7 signalization intersections. This would be part
8 of that type of study, Mr. Krueger?

9 MR. KRUEGER: Yeah, it would be for County roads.

10 VICE-CHAIR HOKAMA: Because it would be a County road
11 connecting to a State -- the State Piilani --

12 MR. KRUEGER: Yeah.

13 VICE-CHAIR HOKAMA: -- Highway?

14 MR. KRUEGER: Right. If the State initiates it, then
15 the State will pay for it, but if the County
16 initiates it, the County may pay for the
17 installation, but the State will probably
18 control it.

19 VICE-CHAIR HOKAMA: Okay. Unless the developer
20 pays -- pays for it?

21 MR. KRUEGER: Correct.

22 VICE-CHAIR HOKAMA: Okay. Thank you, Mr. Krueger.

23 Chairman, thank you.

24 CHAIR PONTANILLA: Thank you, Mr. Hokama.

25 Continue on, please.

1 MR. KRUEGER: Okay. The -- the next item is County
2 Highway Baseyard Drainage Grease Traps. These
3 are funds for design and construction of a
4 system to collect and retain oils and
5 contaminants from the equipment and vehicles and
6 operations from our baseyards, to pick it up
7 before it gets into the drainage system and
8 contaminate downstream properties.

9 We estimate it will probably go out to
10 bid in October. Probably take six to eight
11 months to finish the construction of the ones
12 that we can -- we can do -- do with the rest of
13 the money from this balance of the 800,000.

14 The Hana District has a lump sum of
15 almost \$2 million, and this is for two bridges,
16 Kaholopo'o Bridge and Papaahawahawa Bridge.
17 Kaholopo'o Bridge, the plans were completed, but
18 we lost our federal funding and we're trying to
19 program -- reprogram it for 2008. Papaahawahawa
20 Bridge, we were design -- revising the plans for
21 a temporary bridge in lieu of a detour road, and
22 it also got deprogrammed and we're trying to
23 reprogram it for construction in 2008.

24 The next --

25 VICE-CHAIR HOKAMA: One question, Chairman. This is

1 from Federal Highway Administration funds,

2 Mr. Krueger?

3 MR. KRUEGER: Yes.

4 VICE-CHAIR HOKAMA: And again, I know it's happening

5 because the feds have made a real big effort

6 that if the project is not ready, they're going

7 to take the money away to -- and give it to

8 projects that are ready. So our understanding

9 from -- from today's status is that we are ready

10 to go construction and utilize those funds then.

11 Would that be...

12 MR. KRUEGER: Oh, yeah, when it gets reprogrammed...

13 VICE-CHAIR HOKAMA: As soon as you get the reprogram

14 for money we can go.

15 MR. KRUEGER: Correct.

16 VICE-CHAIR HOKAMA: It's a go.

17 MR. KRUEGER: The plans are ready and everything else

18 is in place.

19 VICE-CHAIR HOKAMA: Thank you.

20 CHAIR PONTANILLA: Thank you, Mr. Hokama.

21 Continue.

22 MR. KRUEGER: The next item is the Wailuku/Kahului

23 District, and there -- we have two items under

24 that 760,000. One is the district resurfacing

25 and the other is a traffic signal at Lono

1 Avenue. The district resurfacing will probably
2 complete construction in October. The traffic
3 signal is a federal aid participation project,
4 and it's an upgrade of that traffic signal at
5 Kamehameha and Lono Avenue. We estimate
6 construction completion in June 2008.

7 The next street is Market Street
8 Improvements, \$2 million in County funds and 4.8
9 million in Federal funds. We had our bid
10 opening December 1st, 2006, and we're waiting
11 for the State to give us our permission to
12 award, which we expect soon, and construction
13 will be completed in July 2008.

14 CHAIR PONTANILLA: Good news.

15 COUNCILMEMBER VICTORINO: Very good news.

16 MR. KRUEGER: The next project is our Hansen Road
17 Realignment. This is where we're using the
18 State funds for 1.4 million, and the funds are
19 for construction. The design was in-house, and
20 we are realigning the Hansen Road near the
21 Puunene Post Office. The design is almost
22 complete -- well, it's complete, but just some
23 tweaking with the utility companies. We're
24 dealing with the utility companies to relocate
25 some of the electrical and telephone lines, and

1 then we're also working on the land maps for the
2 land swap. A & B has already agreed for an even
3 land swap, so there will be no money involved as
4 far -- as far as the land acquisition.

5 The next project is the Lahaiana
6 Watershed Flood Control Project. This is with
7 County funds, 1.9 million, and Federal funds, a
8 little over 2 million. This is with NRCS, which
9 is the Department of Agriculture. We had a bid
10 opening recently, and NRCS was about 2 million
11 -- about a million dollars shy of their portion
12 of the funding. They -- they've tried to get
13 more money, but they couldn't, so we're going to
14 have to wait before they can bid out their
15 portion, but what we plan to do is cancel the
16 bid that we just opened, reduce the work, and
17 bid out the County portion of the project.

18 The -- the cost-sharing of the Lahaina
19 Watershed is the County pays for the road
20 culverts, the utility relocations and relocate
21 of any existing facilities, and NRCS pays for
22 the actual channel work, all the new work. So
23 it's actual -- you can separate it physically,
24 so that's what we plan to do. To encumber our
25 funds, we plan to rebid our portion of the work,

1 which is a road crossing, which is a huge
2 culvert, and award that, and then, meanwhile,
3 NRCS is looking for funding for the next two
4 phases and possibly bid that out at the same
5 time.

6 COUNCILMEMBER MEDEIROS: Chair, question.

7 CHAIR PONTANILLA: Mr. Medeiros?

8 COUNCILMEMBER MEDEIROS: Yeah, the road crossing is
9 at what location?

10 MR. KRUEGER: Hokiokio Road.

11 COUNCILMEMBER MEDEIROS: Thank you, Chair.

12 CHAIR PONTANILLA: Thank you, Mr. Medeiros.

13 Continue.

14 MR. KRUEGER: The next project is our Keawe Street
15 Extension. We have \$1.5 million from a private
16 developer and we estimate \$2 million from the
17 Feds. Keawe Street Extension goes from the
18 existing Keawe Street at the cannery to the new
19 Lahaina Bypass, so about a half mile.
20 Everything is on schedule so far and we plan to
21 be completed with construction in 2008.

22 The next project, the Lower Honoapiilani
23 Road, we have 1 million this year and this is
24 just for land purchase. So far, we have 13 of
25 the 23 parcels for road widening and 15 of

1 30 lots required for easements. This will be
2 utility and drainage easements. We're hoping to
3 program this for the STIP for 2008. The
4 STIP Program will start a new -- new series with
5 2008. It will go from 2008 to 2011 with 12 and
6 13 as a back up. So they will start their
7 public hearing process pretty soon to -- to come
8 up with their 2008 to 2011 program.

9 The next one is our Molokai Baseyard
10 Property. We were appropriated 1.2 million to
11 purchase property for the new Molokai Highway
12 Baseyard, which we did, and escrow closed in
13 December 2006. The next phase is design.

14 The last project is our Kaunakakai
15 Drainage Improvements. We were allocated
16 \$2 million to finish up our Subsystem B. The
17 contract is being processed for construction,
18 and we estimate construction to be complete in
19 March 2008.

20 CHAIR PONTANILLA: Thank you.

21 Members, any questions to the
22 information provided by Engineering?

23 COUNCILMEMBER MEDEIROS: Question, Chair?

24 CHAIR PONTANILLA: Mr. Medeiros?

25 COUNCILMEMBER MEDEIROS: On your Countywide road, and

1 you have some money for road resurfacing, is
2 there a cost per mile? Is there an average cost
3 per mile to resurface?

4 CHAIR PONTANILLA: Department?

5 MR. YAMASHITA: Yes. We worked on some preliminary
6 figures, and right now we're looking at a cost
7 of approximately \$130,000 per lane mile, and
8 that includes a 12-foot wide lane. So, you
9 know, comparatively, that's what we're seeing in
10 current costs. As far as AC prices, they --
11 they have been in the range of \$200 a ton, so --
12 but because there's a lot of other added aspects
13 to the project, the total cost is running around
14 \$130,000 per lane mile.

15 COUNCILMEMBER MEDEIROS: And my second question. On
16 Honoapiilani Road Improvements, is land
17 acquisition by condemnation or by appraisal and
18 paying the market price?

19 MR. KRUEGER: Right now, it's by appraisal and
20 offering the market price. And that's why we
21 got a little bit more than half of it, but we
22 will have problems with the condominiums because
23 it's difficult to deal with each and every
24 owner, so we anticipate going through a
25 condemnation process.

1 COUNCILMEMBER MEDEIROS: Thank you, Chair.

2 CHAIR PONTANILLA: Thank you, Mr. Medeiros.

3 Member Hokama?

4 VICE-CHAIR HOKAMA: Just to follow-up because we're
5 aware of what you have to do, which is only to
6 Tesoro, I believe now, manufacturers or
7 producers asphalt oils since Chevron has decided
8 not to, and on Maui, basically only have one
9 road -- what's the right word -- contractor.
10 So, you know, when you mention it's about \$200 a
11 ton and what not, Mr. Yamashita, help us
12 understand how this new environment of only one
13 producer of material, one contractor, has
14 changed the estimates?

15 Because, you know, \$200 a ton, to some,
16 may be cheap if it's been \$200 a ton for a
17 period of time, but if last year it was only
18 \$100 a ton, then, obviously, we know prices
19 doubled, yeah.

20 MR. YAMASHITA: You're correct, Councilmember Hokama.

21 We -- we did a breakdown of costs and we're
22 going to present it during the 2008 Budget
23 proposals, but I can, you know, basically give
24 you some kind of idea what it's been running.

25 We broke it up by districts, and

1 actually for the Wailuku/Kahului District, since
2 2001, there's been a 212 percent increase in
3 AC price alone, just for Kahului/Wailuku.
4 Makawao/Pukalani/Kula, there's 130 percent
5 increase in costs from 2001 to currently 2007
6 prices. West Maui, there's a 243 percent
7 increase in asphalt price. And in Kihei/Makena,
8 there's a 92 percent increase in price.

9 And -- and getting back to your original
10 question, you know, being there's just one
11 paving contractor, it -- it does bump up the
12 price, we -- we feel, because of the
13 noncompetitive nature. And also we have been in
14 contact with them and trying to find out, you
15 know, what's the basis of the higher prices, and
16 in addition to the escalating oil prices,
17 they're telling us that the trucking prices are
18 very high, too, and that they're finding -- it's
19 hard to get truckers to -- to haul the asphalt
20 to and from the regular project site.

21 VICE-CHAIR HOKAMA: Right. The plants?

22 MR. YAMASHITA: Yes. But basically, yeah, it's
23 basically the trucking costs and the material
24 costs that's involved. And when you factor in
25 the -- the single paving company -- they're

1 running two crews right now, but, you know,
2 we're competing with the State DOT, and, you
3 know, that makes it that much more difficult for
4 us.

5 VICE-CHAIR HOKAMA: And I'm aware that Tesoro, if
6 push came to shove, Oahu would get the oil
7 before we would.

8 MR. YAMASHITA: That's correct.

9 VICE-CHAIR HOKAMA: We understand the political
10 pressure that can be exerted on the producers,
11 so we understand that.

12 Well, Chairman, there's obviously an
13 opportunity if we move into one construction
14 mode for the County, that we could eventually
15 maybe garner private sector contracts to do
16 certain types of work, too. You know, it's
17 called reverse privatization.

18 Thank you, Chairman.

19 CHAIR PONTANILLA: Thank you, Mr. Hokama.

20 COUNCILMEMBER VICTORINO: Mr. Chair?

21 CHAIR PONTANILLA: Member Victorino?

22 COUNCILMEMBER VICTORINO: I was kind of shocked at
23 those numbers. Why would -- and again, I don't
24 know if you have an answer, but why would
25 Kahului/Wailuku be 200 percent more and Kihei

1 92 percent more? I'm not following you. Why
2 the variances in areas? I mean, I always
3 figured the outlying areas are more expensive
4 than Central Maui, but maybe you can explain.

5 MR. YAMASHITA: Yes. And I -- I really don't know.

6 We really didn't get into the real nitty gritty.

7 COUNCILMEMBER VICTORINO: Yeah.

8 MR. YAMASHITA: And yeah, I really can't guess

9 because normally I -- I would guess for the
10 out -- outer lying districts, we -- we do higher
11 tonnage.

12 COUNCILMEMBER VICTORINO: Right.

13 MR. YAMASHITA: So if we lay, like, 3500 tons, for
14 example, and in comparison, we lay 1800 tons
15 within the Kahului/Wailuku District, the price
16 would be lower on the higher quantity basis.

17 COUNCILMEMBER VICTORINO: Okay. I just -- it just
18 doesn't make sense.

19 The other question I had -- or more of a
20 statement, I will say that, you know, when it
21 comes to trucking, because that is part of my
22 business in the insurance world, even though
23 we've had a tremendous increase in the amount of
24 truckers, there's also been a tremendous
25 increase in the demand for these truckers for

1 all aspects, both in construction, State,
2 County, all of these areas. The demand has
3 grown so greatly that these guys, many of them
4 are working seven days a week and still cannot
5 keep up with --

6 MR. YAMASHITA: That's correct.

7 COUNCILMEMBER VICTORINO: -- the demand.

8 MR. YAMASHITA: Yes.

9 COUNCILMEMBER VICTORINO: So I can understand the
10 expense in that area.

11 MR. YAMASHITA: Yeah. And again, getting back to the
12 question on the why is it higher within Kahului
13 and Wailuku --

14 COUNCILMEMBER VICTORINO: Yeah.

15 MR. YAMASHITA: -- because the roads are shorter in
16 nature, there -- there's a lot more
17 mobilization. They jump around more. So every
18 time they mobilize, you know, it's down time.
19 They -- they charge time for the equipment
20 movement and -- but whereas, if you -- if we do
21 a project in Makawao --

22 COUNCILMEMBER VICTORINO: Right.

23 MR. YAMASHITA: -- the length is much greater, the
24 roads are longer so they don't have to jump
25 around and mobilize and demob. And a -- a lot

1 of the cost is in, you know, the down time in --
2 in setting up and --

3 COUNCILMEMBER VICTORINO: Thank you.

4 MR. YAMASHITA: -- moving around.

5 COUNCILMEMBER VICTORINO: That's good for us to know.

6 I never -- never thought about it in that
7 respect.

8 Thank you.

9 CHAIR PONTANILLA: Thank you, Member Victorino.

10 Member Baisa?

11 COUNCILMEMBER BAISA: Thank you, Chair.

12 I've always wanted to ask somebody who
13 did this this question, because I drive over
14 them all the time and I've -- I'm always
15 wondering why they are the way they are. But
16 speed humps or bumps, or whatever you want to
17 call them, seem to vary a whole lot in different
18 areas. Some of them you just glide over without
19 hardly slowing down, and others are likely to
20 break your car in half.

21 Can you explain why that is? I'd -- I'd
22 like to know.

23 MR. YAMASHITA: Okay. We have two different types of
24 traffic calming, well, speed humps. One is a
25 speed hump, which is mainly used on minor

1 streets, and they're -- they're supposed to be
2 used only within the residential areas.

3 Speed tables, on the other hand, are
4 used on collector roads, and -- and that is why
5 you can travel at a high rate of speed, but --
6 and then the collector roads are more -- you
7 know, more of the roads that the -- are the main
8 roads.

9 And so -- so within the subdivisions, we
10 would go with speed humps normally, and the --
11 the regional road -- roadway systems would --
12 you know, we would install speed tables if
13 warranted.

14 COUNCILMEMBER BAISA: Thank you.

15 CHAIR PONTANILLA: Thank you, Ms. Baisa.

16 Any more questions for the Department?

17 COUNCILMEMBER MEDEIROS: Just one last one.

18 CHAIR PONTANILLA: Sure.

19 COUNCILMEMBER MEDEIROS: Yeah. The speed tables, is
20 that the same as the elevated pedestrian walks?

21 MR. YAMASHITA: They're very similar, yes.

22 COUNCILMEMBER MEDEIROS: Yes.

23 MR. YAMASHITA: And it's a -- a flat feature and,
24 yeah, the speed that is allowable through the
25 speed table is much greater than that of a speed

1 hump.

2 COUNCILMEMBER MEDEIROS: Thank you, Chair.

3 CHAIR PONTANILLA: Thank you, Mr. Medeiros.

4 Members, if you have any more questions
5 in regards to the CIP for Public Works as -- and
6 Environmental Management, if you could put it in
7 writing. The Chair will gladly pass that to the
8 Public Works Department for some response.

9 Members, if there is no question, the
10 Chair would like to defer this item.

11 COUNCIL MEMBERS: No objections.

12 CHAIR PONTANILLA: Thank you.

13 ACTION: DEFER pending further discussion.

14 CHAIR PONTANILLA: Members, we have completed our
15 review of the Fiscal Year 2007 Second Quarter
16 Reports. I hope that this review will help you
17 in the upcoming weeks as we start our Fiscal
18 Year 2008 Budget proposal.

19 Tomorrow, we will begin our preliminary
20 review of the Mayor's Proposed Fiscal Year 2008
21 Budget. Tomorrow morning, first up will be our
22 Mayor, Charmaine Tavares, and she'll provide us
23 with an overview of the Budget from the Budget
24 Director.

25 After the Budget Director's overview, we

1 will receive an economic outlook from Economist
2 Paul Brewbaker, followed by a question and
3 answer period.

4 Closing out our first day will be the
5 Finance Director, Mr. Kalbert Young, leading the
6 discussion on the County revenues.

7 Members, have a good night's sleep.

8 Tomorrow will be a full day.

9 COUNCILMEMBER VICTORINO: Full day, thank you.

10 CHAIR PONTANILLA: Although the Committees will be --
11 the Committee will meet for only a morning
12 session from 9:00 to 12:00, remember, we'll be
13 in Hana tomorrow night starting at 6:00 p.m. at
14 Helene Hall in Hana. We will be receiving
15 public input on the Mayor's Proposed Fiscal
16 Year 2008 Budget.

17 For the committee and the viewing
18 public, on Tuesday, March 27th, we will be on
19 Molokai at the Mitchell Pauole Center, and that
20 will be starting at 6:00 p.m.; on Wednesday,
21 March 28th, at the Mayor Hannibal Tavares
22 Community Center; on Thursday, March 29th, at
23 the Lahaina Civic Center; on Monday, April the
24 12th -- 2nd, at the Paia Community Center; on
25 Tuesday, April the 3rd, at the Kahului Community

1 Center; on Wednesday, April the 4th, at the
2 Lokelani Intermediate School Cafeteria; and
3 Thursday, April the 5th, at the Lanai High and
4 Elementary School Cafeteria.

5 So Members, do you have any questions?

6 Thank you very much.

7 At this time, the Chair would like to
8 adjourn this meeting. Thank you. (Gavel.)

9 ADJOURN: 4:38 p.m.

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BF 3/21/07

REPORTER'S CERTIFICATE

I, Mary Anne Young, a Certified Shorthand Reporter, do hereby certify:

That the foregoing proceedings were reported by me stenographically and were transcribed through computerized transcription under my direction; and the foregoing is a true and correct record of the testimony and proceedings taken at that time.

IN WITNESS WHEREOF, I have subscribed my hand
This 10th day of April, 2007.



MARY ANNE YOUNG, CSR NO. 12799