

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

MINUTES

March 25, 2008

Council Chamber, 8th floor

CONVENE: 9:05 a.m.

PRESENT: VOTING MEMBERS:

Councilmember Joseph Pontanilla, Chair
Councilmember G. Riki Hokama, Vice-Chair
Councilmember Gladys C. Baisa (out 11:41 a.m.)
Councilmember Jo Anne Johnson (in 9:21 a.m.)
Councilmember Danny A. Mateo (in 11:37 a.m.; out 11:41 a.m.)
Councilmember Bill Kauakea Medeiros
Councilmember Michael J. Molina

EXCUSED: Councilmember Michelle Anderson
Councilmember Michael P. Victorino

STAFF: Lance Taguchi, Legislative Analyst
Michael Geers, Legislative Analyst
Gayle Revels, Legislative Analyst
Yvette Bouthillier, Committee Secretary

Leinaala Kihm, Executive Assistant to Councilmember Medeiros

ADMIN.: Fred Pablo, Budget Director, Office of the Mayor
Milton M. Arakawa, Director, Department of Public Works
Joseph Krueger, Civil Engineer, Engineering Division, Department of Public Works
Cary Yamashita, Chief, Engineering Division, Department of Public Works
Traci Fujita Villarosa, First Deputy Corporation Counsel, Department of the Corporation Counsel

Seated in the gallery:

Kalbert L. Young, Director, Department of Finance
David Taylor, Chief, Wastewater Reclamation Division, Department of Environmental Management

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OTHERS: Item 1: Mike McCormick, Best Buddies
 Others (2)

PRESS: Akaku: Maui Community Television, Inc.

CHAIR PONTANILLA: ...*(gavel)*... The Budget and Finance Committee meeting for March 25, 2008 is now in session. The time is 9:05. The Committee Members that are present this morning are Member Baisa--good morning--

COUNCILMEMBER BAISA: Good morning.

CHAIR PONTANILLA: --Member Medeiros, good morning...

COUNCILMEMBER MEDEIROS: Morning.

CHAIR PONTANILLA: Member Molina, good morning--

COUNCILMEMBER MOLINA: Morning.

CHAIR PONTANILLA: --and Member Hokama, good morning. Excused at this time are Members Mateo, Anderson, Johnson and Member Victorino. Supporting the Committee from our Staff is Lance Taguchi as well as Gayle Revels, Legislative Analyst, with Yvette Bouthillier, our Committee Secretary. Up front and continuing from where we left off yesterday, we do have the Budget Director, Mr. Pablo and the Public Works Director, Milton Arakawa. And along with Milton is our...Engineering Department, Engineer Mr. Yamashita. And from Corporation Counsel we do have the First Deputy, Tracy Fujita Villarosa.

Members, this morning we do have one testifier this morning. At this time the Chair would like to give the ground rules for testimony. For those of you that are providing testimony this morning you have three minutes to provide testimony, one minute to conclude. If you can state your name and organization that you represent, we'll appreciate that. But before we go into public testimony, if you can turn all your cell phones to the silent mode or to the off position as not to interrupt the meeting this morning.

Members, this afternoon we'll be leaving this chambers and we'll be heading for Molokai for a Budget and Finance public hearing meeting to receive testimony from the community of Molokai. It is my intentions to

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adjourn at one o'clock but if we complete all business much earlier than that, then at least we have that much more time to go pack our bags and get ready for Molokai. So without any further ado, I'd like to...

VICE-CHAIR HOKAMA: Chairman.

CHAIR PONTANILLA: Mr. Hokama.

VICE-CHAIR HOKAMA: Just one quick question and comment, please, for your direction. Because of what has recently occurred on Molokai, I'm sure there's many concerned residents on that island. You know, we're there on a specific purpose this evening which is to receive their comments on the Mayor's proposed new budget and I'm sure on...on Molokai residents, there may be a lot of other issues involved. So I would hope we could structure the parameters that we still can conform to the requirement of Sunshine Law knowing that it's a very emotional time on that island. It is a very difficult time. But...but we...just wish to have...ask for your direction in assisting us and the community so that we can still conduct our business be...but be aware and sensitive of the...what has occurred recently on the island. So I would've...we would've...I would say...have the Committee, we would appreciate that assistance as the chairman. Thank you.

CHAIR PONTANILLA: Thank you, Chairman Hokama. And the Chairman of this Committee is sensitive to that issue. After some discussion yesterday, our first intent is to...receive testimony on the 2009 Budget as being proposed by the Mayor of this County. I know we're gonna have some testifiers that may talk on different subjects and if they could tie it in to the budget, then the Chair will allow that. But I will be very sensitive to the issues on...on Molokai tonight.

VICE-CHAIR HOKAMA: Thank you, Chairman.

CHAIR PONTANILLA: Thank you. So at this time the Chair would like to call on our public testifier this morning. We do have one, Mr. Mike McCormick.

...BEGIN PUBLIC TESTIMONY...

MR. McCORMICK: Aloha, Council Members, Councilmember Pontanilla. I'm here today to ask for your support in the Mayor's request for Best Buddies. It's listed as a line item on the 2009 Budget and over the last

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couple of months I've met with all the Council Members to ask for your support regarding this great program. Just a real brief reminder, Best Buddies was started in 1989 by Anthony Kennedy Shriver and his parents have started a lot of great institutions in America, Special Olympics, Job Corps, Vista and Head Start. So I'm honored to be asked to get the Best Buddies program operational here in the State of Hawaii and Maui County will be the first county to actually have this program started.

In a nutshell, the program matches up intellectually disabled students in the intermediate, high school and college levels with regular students. And they form a one-on-one relationship and that's how the name Best Buddies came about. This program has a tremendous impact on the lives of the intellectually disabled students that participate in this program. It's almost like a light goes on in their life and not only does it make it easier for the special ed. teachers at the different schools that they're attending, it...it also has a real impact on the intellectually disabled students and their families.

And then for the regular kids in the schools that participate, it makes them better citizens. They learn what volunteering in the community is all about and they'll have a chance to attend this international leadership conference that is every year at Indiana University. And I think this is gonna be a great experience for students of Maui County to attend this and rub elbows from kids from all over the United States and the world. Best Buddies right now is on six continents and in 34 countries and about 45 states throughout the United States. By the year 2010 the goal is to have Best Buddies in every one of the United States.

So I...I want a few special thanks here. I was having a little trouble getting Best Buddies through the DOE and thanks to Mike Molina calling Bruce Anderson, they were real excited to hear about the program. And a letter went out to all the schools here on Maui that, you know, they embrace this program and would love to see it get it started. Councilmember Baisa has said she would help assist in getting some office space and has given me a contact number over at the Cameron Center.

So on April 4th, I will be meeting with the chapter president from Maui High School. We already have a faculty advisor and the special ed. advisor at Maui High School.

MS. REVELS: Three minutes.

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MR. McCORMICK: And I'm just a few days away at Baldwin High School. And throughout the course of the next year, I'll have the program up and running at all the high schools throughout Maui County. Thanks again for your support.

CHAIR PONTANILLA: Thank you, Mr. McCormick. Members, any questions for the testifier this morning? If not, thank you very much.

MR. McCORMICK: Thank you.

CHAIR PONTANILLA: Mr. McCormick was the only person to sign up for testimony prior to the meeting. Is there anyone out in the gallery that wanna provide testimony at this time? Seeing none, Members, if there's no objections, the Chair would like to close public testimony.

COUNCIL MEMBERS: No objections.

CHAIR PONTANILLA: Thank you.

...END OF PUBLIC TESTIMONY...

ITEM NO. 1: FY 2009 BUDGET (C.C. Nos. 08-55 and 08-56)

CHAIR PONTANILLA: Okay, Members, we do have the Public Works Department over here to review the CIP for that particular Department for the County of Maui. What was handed out to you this morning is a revised Mayor's Fiscal Year 2009 CIP Proposal by the Department sheet that we'll be utilizing. Okay, and when you look at the sheet, it's by district so it would make it very easy to...to follow. On the extreme left-hand side is the page number in your Details booklet and, of course, the district and the description and the type of project and the type of funding and the total of the funding. So at this time the Chair would like to call on Mr. Arakawa.

MR. ARAKAWA: Thank you, Mr. Chair. If you don't mind, I can do the brief overview of the various projects by district. And then open it up to the Committee for questions.

CHAIR PONTANILLA: Thank you. And if you can introduce Mr. Krueger.

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MR. ARAKAWA: Okay, sure. With me today, I have also Cary Yamashita who's our Engineering Division Chief and Joe Krueger who's a Civil Engineer with the Engineering Division. So with that we can start with the Hana District. And the first project is on page 23-10. This is Hana District Road Resurfacing and for Fiscal Year 2009, we're requesting \$500,000 in County funds to do resurfacing in that district. Tentatively we plan to continue the resurfacing along the back side along Piilani Highway with those monies if approved.

We also have Kaholopoo Bridge Replacement project. That's on page 23-12. This is one of the Historic Hana Bridge Replacement projects. And we are asking for \$100,000 in Lapsed Bond Funds basically to try and complete the design on this start bridge, and I would note that the implementation of the bridge is in accord with the final preservation plan for the County of Maui bridges within the Hana Highway Historic District.

On page 23-15 we are also proposing the Papahawahawa Bridge Replacement. This includes funds for design construction and construction management. The total request is \$1,100,000 in Bond Funds and \$2 million in Federal funds. This is also one of the historic Hana bridges and also is being done in accord with the preservation plan. The temporaries...this bridge, Papahawahawa, will involve the installation of a temporary bridge while the permanent bridge is under construction.

And the last project in the Hana district is on page 23-18. This is Kalepa-Alelele Rockfall Emergency Protective Measures. This is basically some mitigation that is needed as a result of the October 15, 2006 earthquake near the Kalepa and Alelele area. The scope of work for the project would in...involve rock scaling, rock bolting and...installation of rockfall ring netting. And this project work would be submitted to the Federal Emergency Management Area [*sic*]...Management Agency,--excuse me--FEMA for reimbursement funding. Our request here is \$300,000 in design money and \$5 million in construction money. With that, we'll be happy to answer...answer questions on the Hana projects.

CHAIR PONTANILLA: Thank you. Members...Member Baisa.

COUNCILMEMBER BAISA: Just an interesting question to me on the Kalepa-Alele...Alelele Rockfall Emergency Protective Measures. I noticed that this...this is described as a temporary project, three to five

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years. What does that mean? That that will last for three to five years, or it's going to take three to five years or--don't quite understand.

MR. KRUEGER: The FEMA reimbursement which is 75 percent is to do the project to the prior condition. Prior to the earthquake, the same area was subject to rock slides. So what we're going to do is...put a temporary net on the cliff face and...and scale off these loose rocks to bring it to prior to the earthquake conditions. They...they...they will reimburse us for this work and we can leave the netting up for three to five years is what they're saying.

COUNCILMEMBER BAISA: And so it's expected then to serve for three to five years and then what after that? \$5.3 million for three to five years?

MR. KRUEGER: That's what the FEMA process is...is, you know, bring it to pre-existing conditions. And that's what we're gonna be at when we take the netting off and everything. We walk away from the job, unless the County comes up with a...a permanent solution, or more permanent solution to fix the problem.

COUNCILMEMBER BAISA: Well, I understand, you know, that you're complying with Federal requirements and it sure seems like an awful lot of money for a very short time. But I know to the people that use this area, the safety is so important that, you know, we can't sit here trying to say it's not worth doing. We have to do it. But it's kinda sad that we're gonna spend \$5.3 million and the life of it is expected to be only three to five years. That's...that's my only comment.

CHAIR PONTANILLA: Thank you, Member Baisa. Member Medeiros, you have any questions?

COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman. On the resurfacing for the Hana District...Director, you did mention that the Department plans to return to the program that we used to have and then got suspended for a long time of trying to resurface some more areas on Piilani Highway in the Kaupo area? What are the plans as far as how many miles you plan to do for Piilani Highway?

MR. KRUEGER: We've been...we started out doing two, three miles a year.

COUNCILMEMBER MEDEIROS: Right.

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MR. KRUEGER: And then when the expense got up, we're doing less and less. Now the 500,000 will go about half a mile.

COUNCILMEMBER MEDEIROS: Okay. And about how many miles are left unpaved on the Piilani Highway? Is it about four? More?

MR. KRUEGER: Well, we...we plan to continue on the way to Hana town, right?

COUNCILMEMBER MEDEIROS: No, I'm just talking about the unpaved sections.

MR. KRUEGER: Oh, the unpaved sections?

COUNCILMEMBER MEDEIROS: Yeah. The dirt road that remains.

MR. KRUEGER: That's like Mile Marker 35 or like Mile Marker 26.

COUNCILMEMBER MEDEIROS: Okay.

MR. KRUEGER: So it's like nine miles more.

COUNCILMEMBER MEDEIROS: Okay. About nine miles. So is that the section that you guys gonna be paving? Or you going to be paving over the existing pavement?

MR. KRUEGER: What we're, we're still...we're still on the Kaupo side of the...of the real bad unpaved area.

COUNCILMEMBER MEDEIROS: Oh, okay.

MR. KRUEGER: Which is from Mile Marker 30 to 35.

COUNCILMEMBER MEDEIROS: So you plan to pave the part of the unpaved sections of road?

MR. KRUEGER: We're working to it from Kaupo side.

COUNCILMEMBER MEDEIROS: Right, okay. And then, what kind of challenges do we face in getting hot asphalt paving in the back there with one vendor available?

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MR. KRUEGER: Timing--with one vendor, the...the problem is the timing, when they can get out there. Right now because of the Manawainui rockfall protection project, we're kinda holding back the paving because of all the work...working and, you know, it's in that area where we're gonna pave so we...we don't wanna pave the road and have them run over the road with all this heavy equipment.

COUNCILMEMBER MEDEIROS: Okay. How does it work with the asphalt paving company now being that there's only one? Is the County able to like make a reservation with them to secure a time schedule so they...they will meet that? Or are we at the mercy of whenever they want to do it?

MR. YAMASHITA: Councilmember Medeiros, right now we have actually two projects already bid out in Hana. And we're awaiting Maui Paving to schedule that work then. Of course, all of you realize that because there's just one company, they're pretty much backlogged for with all work regarding State agencies and airports and us alike. But...yeah, we're...we've been trying to have them, you know, tend to our projects for us to give it more priority over the other entities. But right now they...they have started Piiholo Road and they are...they have their crew up there and they're doing some re-surfacing work for us right now.

COUNCILMEMBER MEDEIROS: Okay.

MR. YAMASHITA: And hopefully we...we'll try to get them out to Hana after they're done Piiholo. But, yeah, as...as far as getting the contractor to address our issues before the other agencies, we...we've been trying to...to push them. And...

COUNCILMEMBER MEDEIROS: Well, it seems like, you know, the way things are going now with one vendor that they should have some kind of reservation, you know, system like a hotel so you can guarantee when you gonna get service. The way it's going now, you never know. And it puts the County at a disadvantage, you know, not knowing when we can get the projects done. But being that they gotta mobilize all the equipment to Hana, is the plan to do all the Hana projects one time since they're gonna have their equipment there?

MR. YAMASHITA: I would think so. Yes, yes.

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COUNCILMEMBER MEDEIROS: Okay. Okay, that's good. Then on the Kalepa-Alelele area, the FEMA reimbursement is 100 percent reimbursement?

MR. YAMASHITA: 75 percent.

COUNCILMEMBER MEDEIROS: 75 percent. And...the issues at Kalepa and Alelele regarding the landowners, the cultural surveys, the archaeological surveys, are that all completed as far as getting ready to start the project? Because I know there were issues about National Parks had property there. And private owners had property. The County and...

MR. KRUEGER: The issue with...with the National Park has...has been settled.

COUNCILMEMBER MEDEIROS: Okay.

MR. KRUEGER: They're behind the project 100 percent. We're working on an agreement for a cost-sharing because FEMA cannot give money to another Federal agency. So we have a cost-sharing with the National Park and a reimbursement from FEMA. Our archaeological inventory had identified several sites and one site that they went back to found a burial in a cave. And we're meeting with the Burial Council. I think it's next week to figure out what to do on that.

COUNCILMEMBER MEDEIROS: Okay. So but we...we don't see any challenges of the project being held up at this point?

MR. KRUEGER: I don't know. I don't think so.

COUNCILMEMBER MEDEIROS: Okay. And, Mr. Chair, my final question. On the two bridges, Kaholopoo and Papahawahawa, in the planning of the design of the bridges, if you remember when the State wanted to rebuild some of the bridges on the State highway to Hana, that there was a big challenge about not building bridges that looked like it's in Wisconsin but to keep the character of the bridges in that area. So is that also being done for the Kaholopoo and the Papahawahawa Bridges?

MR. ARAKAWA: Yes.

COUNCILMEMBER MEDEIROS: Okay.

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MR. ARAKAWA: This...the design, the final design went through many, many revisions in consultation with Hana community. This whole process started maybe about 10, 12 years ago actually. So, yeah, and...it's being done in accordance with that final preservation plan which was approved by the community and the commissions.

COUNCILMEMBER MEDEIROS: Okay. And I just want to thank the Department for your efforts for the Hana District. I know Hana presents logistical challenges in doing things over there. But thank you for your efforts. Mahalo, Mr. Chairman.

CHAIR PONTANILLA: Thank you, Member Medeiros. Member Molina. But...

COUNCILMEMBER MOLINA: No questions.

CHAIR PONTANILLA: None? Chair would like to recognize Member Johnson.

COUNCILMEMBER JOHNSON: Morning.

CHAIR PONTANILLA: Good morning. Member Hokama.

VICE-CHAIR HOKAMA: So, we can appreciate the...with the challenges you...you face, Mr. Krueger and Mr. Yamashita, for the Public Works Department. Has this always been under the County's jurisdiction? This...this road area and...and the...the project scope, has this always been viewed as County responsibility versus State responsibility or other jurisdictions that you...that you can share with us?

MR. YAMASHITA: Actually that portion of Piilani Highway was maintained by the State DOT. And I don't recall when the...the turnover of the maintenance was done, but I...I would say a few years back. It...it...the maintenance jurisdiction for Piilani Highway on the backside of Haleakala was turned over to the County.

VICE-CHAIR HOKAMA: Can you tell us what instrument the State used whether it was an executive order or if it was a...an inter-governmental agreement between the Governor and the Mayor?

MR. YAMASHITA: Yeah.

VICE-CHAIR HOKAMA: So, we can....'cause--

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MR. YAMASHITA: Uh-huh.

VICE-CHAIR HOKAMA: --normally--again what's normal nowadays, gentlemen--but normally things between communities have always been viewed as State responsibility. And things within a community has always been County responsibility. Because I, in my recollection, I believe--and thank you for verifying that the State at one time was taking care of it and was the responsible entity. So I'm just trying to understand how we have now become the key jurisdiction to have the oversight on this...area.

MR. YAMASHITA: Okay. Well, back in the '60s there was a State-County agreement as far as our maintenance agreement.

VICE-CHAIR HOKAMA: Uh-huh.

MR. YAMASHITA: And, I believe Phase Four of that agreement had implemented this switch...transfer of jurisdiction from the State to the County. And there are other roadway systems also involved where the State inherited a County roadway. But...but I'm not sure of the date, but I'm pretty sure it was under Phase Four of the State-County agreement.

VICE-CHAIR HOKAMA: Mr. Yamashita, can you provide us a copy of that agreement? Is there something that we can refer to? 'Cause I think it will help us in the future, the State Legislature is currently also trying to make us, in their view, enforce...to enforce jurisdiction of a...of a government entity over all of this government roadways that the State says is not theirs. And the County says we haven't...you haven't officially turned it over. We have not accepted this government roadway. So if you could, send it to my office as the Chairman of the Council 'cause I believe this is maybe something I would like to have Public Works Committee to have a chance to review so we can have a better understanding as a Council about how certain roads are now under our responsibility and what we transferred. Can't believe that the State took some of ours, but what we transferred to the State and...and then what is still within the questionable area of title and jurisdiction, please.

MR. YAMASHITA: Yeah, sure.

VICE-CHAIR HOKAMA: Thank...

MR. YAMASHITA: We'll do that.

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VICE-CHAIR HOKAMA: Thank you very much. Thank you, Chairman.

CHAIR PONTANILLA: Thank you. Member Johnson, you have any questions?

COUNCILMEMBER JOHNSON: No.

CHAIR PONTANILLA: Chair has questions on the bridge for...Kaholopoo Bridge as well as Papahawahawa Bridge. In Fiscal Year 2007, the Federal government had provided some funding for both bridges totaling in the amount of almost \$5 million. Do we still have that Federal funding available to...to do...both projects?

MR. YAMASHITA: No. That money has since been de-obligated. However, in the STIP for Fiscal Year 2009, money was put in for Papahawahawa Bridge and that money goes into effect...October 1st of this year.

CHAIR PONTANILLA: Thank you. In regards to Federal monies that we receive as a County, is there any criteria that we should be aware of as far as the, you know, if the project is delayed or for some reason it's not gonna be done? If it's not gonna be done, I'm...I'm sure that we lose the money. But if it's gonna be delayed, does the government take it back to provide funding for other projects?

MR. YAMASHITA: That is correct.

CHAIR PONTANILLA: And the other projects would be County or within the State?

MR. YAMASHITA: It...it would be...yes, it would go to the Statewide pool.

CHAIR PONTANILLA: So, it would...

MR. YAMASHITA: And...for the STIP, there's several amendments that's...that's normally been, you know, implemented throughout the...the year that it's enacted for.

CHAIR PONTANILLA: So that money, we still need to compete for then?

MR. YAMASHITA: That is correct.

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CHAIR PONTANILLA: Thank you. Members, any more questions for Hana District?

VICE-CHAIR HOKAMA: One question, please, Mr. Chairman.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: Thank you. The cash will be coming from General Funds, gentlemen? Is...is that your source of cash revenues?

MR. PABLO: I don't have the information here, but I believe it is coming from Highway Funds.

VICE-CHAIR HOKAMA: From Highway Funds?

MR. PABLO: Yeah.

VICE-CHAIR HOKAMA: Yeah. I would just be interested, Mr. Pablo, if you can assist the Committee with letting us know--like especially with the bond. Is that gonna be a Special Fund reimbursement over the period for the bond advancement of the--

MR. PABLO: For the bonds, it would be. The...the debt service would be charged to...to the Highway Fund to reimburse the Countywide.

VICE-CHAIR HOKAMA: Okay, okay. And the Director and the Committee had our discussion on the...the concerns of...of the Highway Fund generates sufficient revenues to take care of its...its needs. So we understand your...the challenges you...you face, gentlemen, and we appreciate the...your efforts to do the best you can. Thank you, Chairman.

CHAIR PONTANILLA: Thank you. Mr. Director, Paia-Haiku?

MR. ARAKAWA: Yes, Mr. Chair. Paia-Haiku, let me call your attention to page 24-9. This is the Baldwin Avenue Bikeway/Greenway project and for Fiscal Year 2009, we're asking for \$400,000 to...to land acquisition for the bike path. This is gonna be a separate bike path running from the Makawao area to Paia along Baldwin Avenue. As you can see, it's intended for Federal funding, probably we're looking at probably at Fiscal Year 2014 if we can square away all of the design issues and the land acquisition issues. There may be a possibility that this could be moved up

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if it's ready to go. But for the time being, we're asking for land acquisition funds to proceed with that aspect of the project.

Next on page 24-11, this is Paia-Haiku District Resurfacing. And here we're asking for \$800,000 in County funds to do resurfacing. We tentatively have identified Ulumalu Road--this is not Upper Ulumalu Road but Ulumalu Road which is clearly...clearly under County jurisdiction--Waha Place and Pu`u Way which also extend off of Ulumalu Road in the Haiku District.

CHAIR PONTANILLA: Thank you, Director. As far as the road resurfacing...(end of tape 1A - 9:36 a.m.)...With the roads and streets that's gonna be repaved so that we have a good idea when our constituents ask us, you know, what roads will be repaved, we know exactly what roads will be repaved. Member Baisa, questions?

COUNCILMEMBER BAISA: I'd like to ask a general question and the reason I ask it is because many of my constituents, as everybody else's, ask about road resurfacing. It's probably the thing we hear the most. Why doesn't anybody fix my road? And I think it would be really helpful if they heard how roads are selected for resurfacing and just a very brief description of the...the problems. We all know what they are, but just maybe real quick mention about why we're having delays. If someone could please do that?

CHAIR PONTANILLA: Department?

MR. ARAKAWA: Your question is why we are having delays?

COUNCILMEMBER BAISA: Yeah. And the first road question is how do you choose which roads get done?

MR. ARAKAWA: Okay. Well, generally the selection of which roads get resurfaced goes through...filtering process. We have...recommendations that are submitted to us by our Highways Division because those are the guys that are out in the field putting in...repairing the potholes and, you know, doing the shoulder work and so forth. They...they...they see the condition of the roads probably a lot better than us folks in the office. They make the recommendations to us. It goes to Engineering. Engineering takes a look at it. They do also some field checks as well. And it comes to me and then it comes to the Mayor and goes finally to the Council as far as what roads get resurfaced.

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We actually wanna be a little bit more methodical in our selection. We're...in the process of purchasing some software to assist us in selecting exactly which roads get resurfaced. And it'll give us a little bit more detail as far as roadway condition and the priorities that should be done, you know, on a...on a more rational basis. So that's kinda in the process. One of the...the pitfalls that we'll...we'll be running across with the softwares is, of course, we need to feed the correct data into the software to get the correct answer from the software program.

But anyway, that's our attempt to try to be a little more rational in this process. But currently, it's...it goes through that...that filtering process. Even with the software we still have to go through that, verify whether our conclusions are correct. And it ultimately comes to the Council and you folks, you know, make the decision.

COUNCILMEMBER BAISA: And the second piece was why the delay?

MR. ARAKAWA: Well, the delay, I think we kinda alluded to earlier, there's basically one paving contractor. Prior to that there were two, two paving contractors who bid on County jobs. There is a backlog of work that needs to be done by that contractor. And we can basically ask them to expedite. I know the State has expressed some frustration, too, as far as the delays that they have encountered on their contracts that have already been lent...let out as well. So it's somewhat frustrating from our end because, you know, the contracts--we have, I think, about eight or nine different contracts already executed, ready to go, and we're just waiting for the contractor to actually do the construction.

COUNCILMEMBER BAISA: One last question. And that is with \$800,000, approximately how many miles of road can you resurface? And, you know, I understand we can't take this to the bank. It changes. But I don't think that the public understands how much it costs to resurface a road.

MR. KRUEGER: In this case it'll be about a mile, a mile and a half.

COUNCILMEMBER BAISA: A mile, a mile and a half?

MR. KRUEGER: Yeah. See, it depends. Some roads we can resurface with maybe an inch and a half, some roads we go with two inches. And some roads needs a lot of prior repairs just to pave and resurface it.

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COUNCILMEMBER BAISA: Thank you very much for this information. I think it'll help a lot if people understand what you're facing. You know, I know you do...you do the best you can with what you have, but the public always feels that my road is the worst and I've been waiting for the longest time. So maybe they'll understand better. Thank you.

CHAIR PONTANILLA: Thank you. Member Johnson.

COUNCILMEMBER JOHNSON: Yes, this is just a general question about the way this--and this might be to Mr. Pablo--but on page 24-11 under District Road Resurfacing, Paia-Haiku, it shows 1.2 million in cash. And I've got last year's budget and it was District Road Resurfacing, 300,000. So...I actually...I guess we increased it by 300 so it was 600,000. So when you say prior appropriation, where are you getting those figures because...

MR. PABLO: Prior appropriations would be for any prior year in which there was an appropriation made by...by this Council and which...which has been encumbered.

COUNCILMEMBER JOHNSON: Okay. But...

MR. PABLO: So...so it could be...

COUNCILMEMBER JOHNSON: But how far back does--

MR. PABLO: It could be...

COUNCILMEMBER JOHNSON: --that go?

MR. PABLO: It could be for several years.

COUNCILMEMBER JOHNSON: Yeah, see, and that, Mr. Chair, that's a little bit of a problem for me because what we try to do is each year when a district the previous year got a big bump up, then we have been trying to spread out the load because I know that, you know, in other districts...you know, like road resurfacing was, let's say, 600,000 for Paia-Haiku. And then some of the other ones where it shows a real big, large number, then now this, you know, this past year, the most recent year or maybe a couple years running, it was only 300,000. So what's difficult for me is to be able to look back historically and then see what kind of money is going into that district over what period of time because I don't fundamentally agree with, you know, just giving continuously to certain districts. And then

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particularly, you know, the districts that are getting small, small, small amounts of money. It's really hard to gauge that so when you say prior appropriations I would prefer that that be broken out to...to distinguish. But I don't know. I'm just looking at what was in last year's budget as a comparison.

MR. PABLO: I understand the...the issue and this is an issue that...that we...we face with the departments this year. As you know the budget staff has been in...in the office a year now and we've encountered this. We looked it up in the County Code. I believe that's where it's at. And the prior appropriations, the definition there is, any appropriation which have been...encumbered. So your question is...is very fair. How far back do we go?

COUNCILMEMBER JOHNSON: Yeah, and...

MR. PABLO: What I'd like to do is review that particular County Code section with the Budget and Finance Committee staff and see how we could better define it.

COUNCILMEMBER JOHNSON: Yeah. I really appreciate that and I didn't realize 'cause...I mean, I'm just looking at this year's budget and because everything, you know, doesn't jump out as a new member, as I get a little long in the tooth here, I just look at things that would be helpful to me to be able to gauge what kind of revenues were expended and over what period of time. And I realize there are some changes from last year, too, because some of the projects may not actually have been able to go forward. So I think you and I, Mr. Pablo, have discussed about what was submitted on a previous year's budget, what was approved by the Council and then what was actually completed. And because this is CIP also, some of it, you know, I mean, it runs for an 18-month life cycle so some of it may not even be completed yet. But that's just my only...my only observation and I totally understand what Mr. Pablo's saying. But just--it's always helpful, I think, from my perspective to just look at the historic kind of trend for particular districts. And if some districts need more, then at least we'll see that look, we're bumping that one up.

MR. PABLO: Yeah.

COUNCILMEMBER JOHNSON: Because the roads are in really a bad state of disrepair.

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CHAIR PONTANILLA: Thank you. I...I think Mr. Hokama has a burning question.

MR. PABLO: Okay.

VICE-CHAIR HOKAMA: Chairman, with your...with your permission, I'd like to just suggest to the Committee Members if you look at your quarterly CIP reports, it is listed by fiscal year, the amount of appropriation, what has been encumbered, what has lapsed, what has been in cash, what has been in bond, and then it'll give you a history of what it is...how the totals have arrived, Chairman. So we have documents that we can refer to and I would ask maybe Budget Director Pablo have a copy readily available for you to go through to...to be able to respond to some of the Members' questions. But we have documents and...and the information available, Mr. Chairman, to assist the Committee in its deliberations.

CHAIR PONTANILLA: Thank you for that information, Member Hokama. And I think the last report that we have--I don't know if that...the third quarter report is here, but the December 31, 2007 report is in hand. Member Medeiros.

COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman. I know the highways districts submit their budgets to the department and they prioritize or they list the roads that they feel, in their districts, need the attention of resurfacing. How important does that play on the final selection of roads that get resurfaced?

MR. KRUEGER: That plays a...a major portion. In fact, we start off our...our filtering system with that list.

COUNCILMEMBER MEDEIROS: Okay.

MR. KRUEGER: Then we add and subtract as we go through the filtering system.

COUNCILMEMBER MEDEIROS: Okay. And...and that's good to hear because I realize, you know, you don't have the staff to go look at every County road throughout the whole County to decide which one you going repave or resurface. So it's good to hear that the budget requests from the districts play an important part. The other question is, as part of the resurfacing monies, does that include the speed bumps, humps, speed tables, raised pedestrian crosswalks? Or is that in a separate funding?

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MR. ARAKAWA: No, it doesn't include that.

COUNCILMEMBER MEDEIROS: Okay, okay. And then finally, because, you know, we all get lot of calls like my colleague Member Baisa stated from constituents about their roads or their subdivisions, how is it that many of them call and, you know, they have lived in the subdivision or the area since it was brand new and it has never been resurfaced in 30 to 40 years? Is...is that because subdivisions don't have a high priority compared to the more travelled roads in the County?

MR. ARAKAWA: We have received those calls as well from people who said that exact same thing. And basically it comes down to funding. I mean, we can go and...you know, if the Committee so requests we can ask...we can give you an...an amount of money that would be needed for resurfacing to resurface, say--what we would consider optimum--is maybe like once every 20 years or so. Of course, in the past, you know, the funding...over the past decades, you know, hasn't really been adequate to do that kind of resurfacing. So basically here today, if you look at today, we...we're faced with a backlog as far as what we need to do as far as resurfacing; hence, all of the complaints that you folks all receive about resurfacing.

COUNCILMEMBER MEDEIROS: Okay. Well, thank you for that, you know, information and clarification. But, finally, Mr. Chairman, if you allow me. I...I just wanted to know, you know, I asked about the raised pedestrian crosswalks and the speed tables. That comes under what part of the budget?

MR. KRUEGER: Countywide Safety.

COUNCILMEMBER MEDEIROS: Okay. Thank you, Department.

MR. ARAKAWA: One other thing, Councilmember Medeiros, I think our...our practice--at least within the last several years--as far as speed tables are concerned because speed tables are normally installed on County collector roads, and because collector roads carry a heavier volume of traffic than, say, a local residential street on which a speed hump would be installed, we generally have asked for a proviso for a speed table. Then, you know, at least it goes through a budget...a public process to be approved. And that's what the Council, anyway, has done now for the last, you know, several years with regards to speed table requests.

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And, you know, we...we don't have anything in the Code specifically dealing with speed tables per se, like speed humps, for instance, there...there must be a petition signed by 80 percent of the abutting owners on that particular segment of street that the speed hump is being requested on. So there's nothing like that for speed tables. So we want it to at least go through a public process and have, you know, the Council approve it, specifically through a proviso.

COUNCILMEMBER MEDEIROS: Okay. Well, thank you for that information. I realize that, you know, that would be the best way to do it. So thank you for the information. Mahalo, Mr. Chairman.

CHAIR PONTANILLA: Thank you, Member Medeiros: Member Molina.

COUNCILMEMBER MOLINA: Thank you, Mr. Chairman. And, good morning, Mr. Directors Yamashita, Mr. Krueger. Thank you, Mr. Director, for giving the clarification for Ulumalu Road 'cause I...I didn't see on the, you know, CIP but that \$800,000 appropriation I presume would be used, most of it, towards to Ulumalu Road. And on behalf of the residents, I thank you there because Ulumalu Road, it's in the Haiku District. And as we know, it's a...it's, I think, the second fastest growing district in the County. So the road has become much more heavily travelled. It's in need of repair and as noted in your letter back to me that we had asked you to respond to some questions which included the priority rating for Ulumalu Road as well as the site inspection of Ulumalu Road. You folks did that and you gave the estimate of what it would cost. So I wanna thank you guys for going out there.

And in general, you know, I know on the surface to some it may seem unfair that some districts get more money than others. But in my particular district--and I...I remember, Mr. Director, you acknowledged it. I don't know if it was a year or two ago that the roads in Upcountry have been long neglected. That is a fact. And the citizens that live in that district, they pay taxes too. So for me, I have no problem with any of my colleagues if they need more monies in their district for monies, I'm not gonna go lament and grumble about it 'cause we're accountable to all citizens in Maui County. And we should be supporting each other's road needs in their district. So I just wanna make that statement. So thank you for that, Mr...Mr. Director, for Ulumalu Road. It's much, much appreciated. And you will see the residents coming out probably at the Paia hearings 'cause they're gathering up steam.

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One on...other question on a road that's not listed, is the Ulu...Ulalena Loop situation. I know that's an old government road and in a letter that you'd sent to us on December 3rd to my office, you mentioned that you would submit a request for funding of that. Apparently it might...I guess didn't make the cut, if you will. Could you give us some details on that?

MR. ARAKAWA: I'm presently...I...I know your office had sent us a letter regarding Ulalena Loop...funding. I'm presently consulting with the Corp. Counsel's office regarding the procedures to do any work on that old government road. As you know, there is a Chapter 12.50 that governs work on old government roads. And I'll have to get back to you in writing. I...I wanted to at least consult with the Corp. Counsel's office first on this specific procedures that really should be followed on old government roads. And...and I'll give it back to the Council in writing.

COUNCILMEMBER MOLINA: Okay. Thank you. And one last question just in general of how you folks made your determination for prioritizing certain roads for paving. Is...you folks also base that on traffic counts too or the amount of cars travelling? That's also a consideration?

MR. ARAKAWA: That's...that's one of the main factors as well.

COUNCILMEMBER MOLINA: Okay, 'cause that thought occurred to me 'cause I remember a few years ago with Makawao Avenue. I remember it was like number eight or nine on the priority list and then...living up in that area and, of course, the condition of that portion of Makawao Avenue at that time, where we're getting a lot of calls. And...and as folks who live there and travel it everyday, we can tell you how frustrating it was at the time. And I appreciate the fact that we moved it up. And, of course, with the...at the time fellow Councilmember Tavares' help, support, you know, it was moved up to the, I guess, one or two on the list. And, of course, Councilmember Tavares, now our Mayor, so I guess it...it--the bottom line, too, not only traffic counts but the residents, I guess, is it the old, "squeaky wheel gets the grease" or something. That...is that, does that have a play in it too, I guess? (*chuckles*) Well, you don't need to answer. But anyway...no, I was just...I was just curious about the...your process for determining the...the priority list for our various roads here for resurfacing. So, but that's it. I think I've said enough. Thank you, Mr. Chairman.

CHAIR PONTANILLA: Thank you, Member Molina. Member Hokama.

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VICE-CHAIR HOKAMA: Chairman, you know, I can appreciate my colleague's concern about the amount of roadway that can be paved with large amounts of--well, for us...for me, it's a large amount of money, \$800,000 is a lot of money. But to be fair to the Department though, Mr. Chairman, you know, we have maintained, you know, the gas tax for the County does not have a cost of living adjustment. So we have kept the tax at...at the same level for years. In...in fact, you know, we rolled it back a couple of years ago to try and address certain economic situations and...and yet we know what the bidding environment is out there. So we are...we have less purchasing power than we did years ago when we had considerations of what would be a fair amount of gas tax to help offset the cost of paving. And, you know, if we're looking at...what, 150 miles of County roadways more or less. Is that a good estimate on my part?

MR. ARAKAWA: No, we're responsible for about 565...

VICE-CHAIR HOKAMA: 500?

MR. ARAKAWA: Five hundred sixty miles of roadway.

VICE-CHAIR HOKAMA: Okay. So let's see if I...then adjust that four times...now, let's see. What was my number? Four times...so, you know, Mr....Mr. Chairman, you know, in my rough calculations, if we are going to repave our roads once every 20 years, we're looking at about a half billion dollars of current money value. And that we would need to...can look at on an annual basis then approximately \$22 million a year we would need to appropriate to pave 5 percent of our roads every year. We can do that if the...of course, the tax base is gonna have to agree that this is something what they wanna pay for and this is a high priority and...and we can make it happen. We have the ability to make it happen, Mr. Chairman. But I think we would need to, you know, ask our communities, our taxpayers. And we need to be fair.

And so I think Mr. Director's comment about helping us have some idea of...the amount of money it would take to do even once every 20 years. And again, I...I'm working off those numbers, you know. You...you mentioned about what \$800,000 buys. Well, I'm looking...thinking of that, you know, and besides paving you might need to do some shoulder repair work and whatnot. So I'm looking at high numbers, gentlemen. So as to understand the environment that when you do road resurfacing, it's not that simple, you just go over and lay something. You might need to

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do...intersection adjustments, ADA requirements, culvert upgrades, you know, those kinds of things. So I was looking at something of about 700, 750,000 per...a linear mile, taking into account all the other safety requirements and situations you...you may encounter, gentlemen. And so that's how I--am I right with that? My ballpark estimates, Chairman, of about half a billion dollars to just resurface all our County roads of 560 miles of responsibility? And...and I, you know, just wanna state that I can appreciate the limitations that we place the Department under with limited revenues.

But I think this is the right place and the right time to have the discussion so our community can hear that we might need to look at different ways to fund our road maintenance and road improvement program. The Highway Fund cannot be the sole source of this revenues. The whole community is a beneficiary of our road system. So we may wanna look at different ways including what is fair from the General Fund to support the road system since everyone benefits besides just those that drive on...on the highway system of the County. And I share this because I think people need to know what it's gonna cost us to do the resurfacing, to do the road improvements to meet Federal requirements.

And, again, I can tell you that the State is in the same predicament. The Federal government is in the same predicament of how we're gonna move forward in the 21st century because after we build the inter-state system in the nation, it also needs resurfacing and maintenance, nationwide. This is a major problem nationwide, Mr. Chairman. But I think for our responsibilities of County roads, I am reluctant to count on the Federal to give...Federal government and State governments to give us sizeable chunks of revenue to take care of our maintenance needs.

So we're going need to find ways of how to, for a period of time, be able to collect approximately 20 something million dollars a year at this rate if we are gonna pave 5 percent of our roads a year to meet the once in 20 year cycle. So I just bring this up because I can appreciate the calls that my colleagues get--I get 'em too. I know Mr. Yamashita and Mr. Krueger get a lot of them. The Director gets a lot of 'em. And it's not that we don't wanna perform. We all wanna perform, Chairman. And now it comes down to, what are...are people willing to pay to make it happen. And I just share this comments because it's an appropriate time, especially when we're going to need to consider saying "no" more often than saying "yes" in this budget cycle. So I...I thank you for my opportunity, Chairman.

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CHAIR PONTANILLA: Thank you, Mr. Hokama, for that reality check. It does cost money to repave the County roads. I agree. I...I think the Department is doing all it can to satisfy the people of this County in regards to issues on roads. So with that, I'd like to go back to Mr. Arakawa. Makawao-Pukalani-Kula.

MR. ARAKAWA: Yes, Mr. Chair, Makawao/Pukalani/Kula and the only project that we have in the district for '09 is district resurfacing. And that we're requesting \$800,000 in County money. The streets that are being contemplated for resurfacing are Pukalani Street within the Pukalani Terrace Subdivision and we'll see how...how far the money takes us, but we have some requests from Kula Kai, Kula Kai Subdivision, and also we've started on some of the resurfacing within Pukalani Terrace but haven't completed that. So we need to do more resurfacing within the Pukalani Terrace Subdivision.

CHAIR PONTANILLA: Thank you. Member Baisa, questions?

COUNCILMEMBER BAISA: Yes. Thank you for that information and while I've got you here, can you tell me if...if one of you tell me what's going on with Lower Kimo?

UNIDENTIFIED SPEAKER: Lower Kimo.

COUNCILMEMBER BAISA: Lower Kimo Drive in Kula. Is that scheduled for...for anything? I thought there was money?

MR. KRUEGER: We had...you had a line item last year.

COUNCILMEMBER BAISA: Yeah. Yeah.

MR. KRUEGER: And we already have, had the bid...bid out, bid out the project. It's one of those that are waiting in line to be resurfaced. In fact, they're up there now doing Piiholo. I think this will be right after that.

COUNCILMEMBER BAISA: Well, you're gonna make some people really, really happy. There's not a party or a gathering I go to where somebody doesn't ask me that question. Thank you very much.

CHAIR PONTANILLA: Thank you, Member Baisa. And, Members, in regards to the quarter...quarterly report that Mr. Hokama alluded to earlier, you

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know, it is my hope that the committee chairman for, you know, that particular department would review the quarterly report on a regular basis so that we, you know, would know as far as statuses on all of those projects on the quarterly basis or semi-annual basis. Hopefully it can be done by the...the various committee chairpersons in their committee. Member Johnson, you have any questions?

COUNCILMEMBER JOHNSON: No, but I just wanted to find out and if perhaps you or Mr. Pablo can answer this. When we look at the quarterly report, a lot of times even...even when we see the contracts that have been entered into and the encumbrance is made, there is no--once the money is encumbered, just like we're waiting for these road projects in some kind of, I don't know, queue, if you will. What ends up happening? Is there a time of performance or do you have any idea once the money's encumbered? With...unless you check with the department where that actually stands because I know that there's several projects in many districts that are pending that have already been encumbered 'cause I see it when we enter into the contracts. And yet it's not completed.

MR. KRUEGER: Correct. Excuse me. The resurfacing projects are all backed up. Okay, now there's eight or nine projects that are backed up. We have the bid opening. We award the contract. We execute the contract. And the funds are encumbered. So that's where the funds is, stays with the contract until the contract is worked on, until the actual work can...starts.

COUNCILMEMBER JOHNSON: Now do you have an expiration time for that?

MR. KRUEGER: No.

COUNCILMEMBER JOHNSON: There's no...

MR. KRUEGER: No.

COUNCILMEMBER JOHNSON: Once it's encumbered, it's just there whenever they get...

MR. KRUEGER: Correct.

COUNCILMEMBER JOHNSON: No. It just seems incomprehensible to me, though, that you guys can actually function because you're so dependent on, you know, these outside contractors. And every time we go out to bid now with this budget cycle, and we're asking for 800 and 300 and, you

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know, to me it's almost like meaningless if you can't compel the work to be done on a specified timeline.

MR. YAMASHITA: Let me give you some more information on this, Councilmember Johnson. Once we award the contract, once we start the project...(end of tape 1B - 10:03 a.m.)...which is agreed upon by the...between the contractor and the County, they have a time limit to complete the project. So if you don't do it within the allotted contract time, they'll assess liquidated damages.

COUNCILMEMBER JOHNSON: Oh.

MR. YAMASHITA: But the time between award and the NTP can vary. And that...that's a...that is a problem we're...we're facing right now because the contractor knows that when they...we issue the NTP, they have to complete the project within a certain amount of time.

COUNCILMEMBER JOHNSON: Yeah. And...and, you know, I guess similar to questions about timing and when, how when...when you issue that notice to proceed, that's your decision? Or it's a mutually agreed upon decision?

MR. YAMASHITA: It's a mutually agreed decision.

COUNCILMEMBER JOHNSON: Okay. And that's where the problem is coming in?

MR. YAMASHITA: That is correct.

COUNCILMEMBER JOHNSON: Okay. Because, you know, Mr. Chair, it's...we're looking at numbers and unfortunately because there are things that are not within the Department's control and we are at the mercy--and...and I will really use the term "we are being held hostage" in this situation. I mean, these guys are contractor-terrorists if you will. It's really unfortunate that we're in this predicament.

But I agree more and more with Mr. Hokama that whatever we have to do to create some kind of competitive field if there are opportunities. If MEO microenterprise wants to create opportunities or even--I don't even know if there's a construction division at the University that might actually take this on as a career path and, you know, form their own kind of entity to take on some of these projects as a learning experience.

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But this is just not...it's not meaningful. It's not helpful. And I'm frustrated because, you know, I can look at all the amounts. I can look at what's in Mr. Molina's district or mine and it doesn't mean anything. Because it's--no matter what, if it's 800,000 or 300,000, if it's not getting done, what difference does it make? So that's a problem for me that when we're trying to craft our budget, are we just tying up capital that could otherwise be used for projects that might--just like the STIP--might have the ability to move forward? I don't wanna invest more millions in infrastructure when we can't get there from here.

So that's my thought, Mr. Chair. And, you know, whatever district it is, it doesn't make any difference. If it's not realistic to complete these projects, if there's nothing that we can do to compel the individual firm, you know, to move them forward, then I...I just...I see this as a problem. Thank you.

CHAIR PONTANILLA: Thank you, Member Johnson, your point well taken. Member Medeiros, question?

COUNCILMEMBER MEDEIROS: No questions at this time, thank you.

CHAIR PONTANILLA: Thank you. Member Molina?

COUNCILMEMBER MOLINA: Yeah, thank you, Chairman. Just an up...I guess related to a question I asked Director Arakawa yesterday, an update on the...I guess it was...was it 200,000 appropriation we made last budget session for the Maka...for Makawao Avenue. I guess the portion that would go from--I'm trying to recall maybe from Eddie Tam to the center of town or from Makani Road to at least the post office. When we checked, I think, about several months ago, they were still in the, I guess, the plan and design phase. And I was wondering if you had an update on that? And...and I'm asking this on behalf of some of the residents who have been curious.

MR. YAMASHITA: It's still on the design so...oh, it hasn't been bid out yet.

COUNCILMEMBER MOLINA: Okay. Can you give us a general time?

MR. YAMASHITA: Well...

COUNCILMEMBER MOLINA: Something that I can relay to my constituents.

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MR. YAMASHITA: Well, this year we're...we are trying something new with our resurfacing program so we're...we're bundling districts to make it more attractive to more bidders, hopefully. And so instead of doing it...district by district as far as bidding out the projects, we're gonna lump it into one project for...hopefully we can do an island wide for Maui. And so if we can put out a contract between 3 and \$4 million, perhaps we can get one of these neighbor island contractors to come in and also bid on it. So therefore, because the project is...is so much larger in scope because we're combining all of the districts into one bid, we...we'll probably gonna be going out to bid towards the ending part of the fiscal year for '08 resurfacing funds.

And another advantage to that is once we do--say, we...we get that...that...total package awarded and once the contractor starts on that certain project, they'll need to complete all the districts within that...that time frame instead of going piecemeal. So that's another advantage to doing it that way because once we get the contractor started on that...that project, they'll have only so...so many days to complete it. And...and, you know, so they won't be jumping from project--hopefully--from project to project. Because they'll be assessed damages if they don't comply with the completion date.

COUNCILMEMBER MOLINA: So this would provide, I guess, an option for neighbor island contractors to come...come in. So rather than just--like as you just stated--piecemealing it where it would be attractive just to the local paving company if we make...make the package bigger then, then that could potentially attract, I guess, I guess, only Oahu, I guess, would have the other resurfacing companies that would wanna come here.

MR. YAMASHITA: Big Island has.

COUNCILMEMBER MOLINA: Big Island has too? Oh, so...okay. Sounds interesting. Thank you. Thank you, Chair.

CHAIR PONTANILLA: Thank you, Member Molina. Thank you for that piece of information, Mr. Yamashita. I...I think it can spur up some competition here. Member Hokama.

VICE-CHAIR HOKAMA: No questions, Chairman.

CHAIR PONTANILLA: Thank you. Director?

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MR. ARAKAWA: Wailuku-Kahului. Can I direct your attention to page 26-7? This is the Iao Stream Drainage project. This is a project that we are working on in conjunction with the U.S. Army Corps of Engineers. For Fiscal Year '09, we're asking for \$500,000 in Lapsed Bond Funds primarily to do land acquisition along the...the Iao Stream stretch between Market Street and Waiehu Beach Road. This is a major project that we're working on with the Corps in order to shore up some of the deficiencies that have...shown up in the original design for the stream. If you look at your sheet, you'll notice that in Fiscal Year 2010, there's a large appropriation that is anticipated for the project. We still have to complete the design with the Corps and go through the necessary permit process on it. But for Fiscal Year '09, we're asking for \$500,000 for land acquisition.

On page 26-36, this is the Wailuku/Kahului Resurfacing. Amount that we're asking for is \$2 million that's being requested in Fiscal Year '09. And the streets that we are contemplating resurfacing are Eha Street, this is the Eha Street portion within the industrial park area; Lower Main Street as well as Kaohu Street.

And on page 26-39, we have Kahekili Highway Improvements. These are the improvements along the back side, primarily to repair shoulders and construct retaining walls, guard rails, road widening and do some limited resurfacing. These are primarily safety improvements along that stretch of roadway. And for Fiscal Year '09 we're asking for \$100,000 for land acquisition and...another \$150,000 in design.

CHAIR PONTANILLA: Thank you, Mr. Arakawa. Member Baisa, questions?

COUNCILMEMBER BAISA: No questions at this time.

CHAIR PONTANILLA: Member Johnson?

COUNCILMEMBER JOHNSON: I...this is just a general question. Do we have totals of the monies that have been encumbered but that are waiting in this queue for district road resurfacing or Countywide road resurfacing? Do we have a sum total of what's been encumbered but not yet...

MR. ARAKAWA: We can give you a status, a written status of all those. . .(inaudible). . .

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COUNCILMEMBER JOHNSON: Yeah, I just...I just wanna know what's sitting in the pot of money. So I have--is it 2 million? Ten million? What's out there?

MR. ARAKAWA: I...I don't--people have been frustrated with the rate at which the contractor has been performing, but I wanna assure you they have been doing the work. It's not they haven't done anything at all. It's just a little slower than anticipated. But there is a backlog as we've mentioned. So we...we can provide that information to you.

COUNCILMEMBER JOHNSON: Yeah. And...and I just wanna...I just wanna have a sense of, you know, where--and then if you could just do...maybe just, like, to say what the earliest--I don't know if you have a list or if you can--you know, I just wanna have a sense of what's accumulating over what period of time because if we're adding in more--even though you're going to bundle and you might potentially get another vendor out there that could bid on this, I just think it's helpful to know what money is sitting encumbered that we may want to consider at least temporarily until we can, you know, resolve the problem. You know, maybe de-emphasizing some of these projects that right now cannot move forward just because they're gonna be too far back in the queue. Okay, thank you.

CHAIR PONTANILLA: Thank you. Member Medeiros.

COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chair. I just have one question because I think on page 26-36 on the resurfacing you mentioned that Eha Street was one of the streets being considered for that project. How old is Eha Street? Because it doesn't seem like it's that old.

MR. ARAKAWA: There's a private section of Eha Street which is not under the County. That's the portion of Eha by the Iao Parkside townhouses and Wailuku Parkside. That's fairly new. But that's not under County jurisdiction. The portion we are talking about is the portion within the industrial park, the more makai sections, down to...

COUNCILMEMBER MEDEIROS: Waiehu.

MR. ARAKAWA: From the industrial section down to...Waiehu Beach Road.

COUNCILMEMBER MEDEIROS: Right. So how old is that street, about?

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MR. KRUEGER: Over 30 years old.

COUNCILMEMBER MEDEIROS: Really?

MR. KRUEGER: Yeah.

COUNCILMEMBER MEDEIROS: Wow. Time goes by fast. Those streets, like in industrial areas, are they built for the carrying capacity of heavy trucks being that that's what industrial areas are for so they have more durability and longer service life?

MR. KRUEGER: Well, being that it was built 30 years ago, our road standards at the time was all the roads were two inches of asphalt on six inches of base.

COUNCILMEMBER MEDEIROS: Even though the plans for that area was industrial?

MR. KRUEGER: Correct. All the roads were...had the same standard detail.

COUNCILMEMBER MEDEIROS: Also, there...there's no different standards for heavier traffic such as industrial areas?

MR. KRUEGER: Now there is.

COUNCILMEMBER MEDEIROS: Now there is.

MR. KRUEGER: Yeah. Now we have...

COUNCILMEMBER MEDEIROS: Okay.

MR. KRUEGER: We have for different types of roads, we have different typical sections.

MR. ARAKAWA: I...I just want to mention, too, that Eha Street, at least this section of Eha Street, is one segment that we are considering the use of concrete which is more durable and should last longer. It is a bit more expensive but it is more durable--

COUNCILMEMBER MEDEIROS: Yeah.

MR. ARAKAWA: --than asphalt.

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COUNCILMEMBER MEDEIROS: And...and when you mentioned concrete, right, it is more durable but more expensive. And I know when it's considered on the mainland and many of the major highways are concrete on the mainland, what comes up a lot of times is there's more wear and tear on the tires. Is that true compared to asphalt?

MR. ARAKAWA: I don't know if you can--I can answer that question.

COUNCILMEMBER MEDEIROS: Okay.

MR. ARAKAWA: I guess it depends on the finish of the concrete itself.

COUNCILMEMBER MEDEIROS: Right. Okay. Thank you, Director. Mahalo, Mr. Chairman.

CHAIR PONTANILLA: Member Molina.

COUNCILMEMBER MOLINA: No questions.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: Chairman, my question would be on the Iao Stream project, please, page 26-7. I can inform the gentlemen here that I took my concerns to headquarters in my last visit to Washington, D.C. with this project. And I think in all fairness to the Committee, gentlemen, I believe, you know, for a \$39 million project, we need more than just a sentence for justification. This is a big project, big money. And I still have my concerns that the County should be putting up \$12-1/2 million for this project.

You know, I had an initial briefing from the Corps from the district of--the district or the division representatives. And I was not satisfied that it is our responsibility to put this kind of funding on a--what I consider--a Corps project. So if you have additional information, I would ask that you share it with the Committee because you're asking us for, especially for next term's members, to look at a 10...12 billion--12 billion, excuse me--a \$12 million bond, for one project, okay? And we are well aware of our financial situation moving forward. And it concerns me that this one project is gonna be so demanding of our resources. Has the Corps given you the assurance that Congress will give them \$25 million for this project because I'm not willing to front 25 million for the Corps?

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MR. KRUEGER: When we...when we do start, they will have the funds guaranteed because we won't have an agreement made with them, a project agreement, as what they will pay and what we will pay towards the construction of that improvement.

VICE-CHAIR HOKAMA: Uh-huh. So is this already authorized in the Federal budget, this project, as...as...as they've made you to understand it?

MR. KRUEGER: They made us to understand that it...it's scheduled. It's in the process and it's scheduled. So they're going along...they're going ahead with...with the design and right now we're in the environmental assessment portion of it.

VICE-CHAIR HOKAMA: Okay. So...so we can have a good understanding, Mr. Krueger, is this a Corps project or is this a County of Maui Public Works project?

MR. KRUEGER: Well, the stream belongs to us. We improve the stream prior, from the outlet, at the ocean, all the way to Happy Valley where the debris basin is--

VICE-CHAIR HOKAMA: Right.

MR. KRUEGER: --with the Corps doing the design. And this particular section between Market Street and Waiehu Beach Road has had some major erosion that seemed like it was a design defect possibly.

VICE-CHAIR HOKAMA: Right.

MR. KRUEGER: If that's the case, they may...they may pay more, but it needs to be repaired and taken care of right away because it's eating into the bank. And we...we're...we have to certify all these levees along that side anyway. So that's why, you know, we're...we're saying it's us and the Corps. We own it and we maintain it, but they help us design it and major all...all major improvements they help us with.

VICE-CHAIR HOKAMA: Thank you for bringing up the...the issue of the design problem. So for this Committee's understanding, the design--when you say the Corps assisted in the design, were they the primary engineers and in charge of the...the general design requirements--

MR. KRUEGER: Yes.

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VICE-CHAIR HOKAMA: --to meet the...so that the Corps would say we...we take responsibility for...for portions of...of...of the drainage project?

MR. KRUEGER: Yes.

VICE-CHAIR HOKAMA: Okay. In the past when the...this project was, I guess, originally done--and...and again, it's a...for me it's an old project--was this done the same way where the County put up a...a amount of money and the Corps put up the balance or, how was this funded originally, please?

MR. KRUEGER: As most Corps projects, the construction portion is a 75/25 percent cost sharing. But the land, all the land is a County cost.

VICE-CHAIR HOKAMA: Okay. So the land is under the title of the County of Maui?

MR. KRUEGER: Correct.

VICE-CHAIR HOKAMA: Okay. Is this a multiple-phase project, Mr. Krueger?

MR. KRUEGER: No.

VICE-CHAIR HOKAMA: It's gonna be done one time...we're gonna shoot this 39 million one time and that, get it done?

MR. KRUEGER: Correct.

VICE-CHAIR HOKAMA: Is that the intent?

MR. KRUEGER: Yes.

VICE-CHAIR HOKAMA: So if things go well, you're looking at 2011 for construction to start?

MR. KRUEGER: That's about right, uh-huh.

VICE-CHAIR HOKAMA: And...and how long do you anticipate the length of this construction project, please?

MR. KRUEGER: About a year.

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VICE-CHAIR HOKAMA: About a year?

MR. KRUEGER: Yeah. What we're--essentially, what we'll be doing is hardening the slopes so that it stops eroding and providing an environmental assets for the animals.

VICE-CHAIR HOKAMA: Is there any anticipated impacts to Lower Beach Road or Market Street? You know, I guess that's the...the...the boundaries, yeah, of the project.

MR. KRUEGER: No, we don't anticipate impacting...

VICE-CHAIR HOKAMA: Nothing on the road system itself?

MR. KRUEGER: Correct.

VICE-CHAIR HOKAMA: Okay. Is there any impact along...abutting property owners regarding issues of...during rainstorms or other safety or land issues that we need to be aware of prior to the start of this project?

MR. KRUEGER: There's a few parcels that we have to acquire. That's why we're asking for some money this year for land acquisition.

VICE-CHAIR HOKAMA: Okay. Are these developed parcels?

MR. KRUEGER: No, they're--well, they're--no, they're undeveloped. There's small slivers here and there that we need to widen and tweak the...the design of it.

VICE-CHAIR HOKAMA: Okay. Will this project in any way have an impact on our...the Council's understanding of what...Hale...Hale Mua project? You know, they were supposed to do this road...area from Piihana, come across Iao and connect toward...the post office, Wailuku Post Office. It's by Wailuku Industrial.

MR. KRUEGER: It will have an impact on their design parameters... 'cause that Imi Kala extension to Kahekili Road goes right through, right over the stream and through an area that we have a...a flood rights. On...right on the Piihana side of the bridge, we...we have flood rights and we...we plan to flood that during a big storm to...to slow the water down and...and to help environmentally. So when they build...do build the road, they'd

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have to come right on the...on the...on the same elevation as it is now so that it...the water can flood the area and then continue, and then rebuild the bridge going across.

VICE-CHAIR HOKAMA: *(Coughs)* Excuse me. This is a big project, gentlemen, a lot of issues that I believe the Committee needs to be fully aware because I anticipate Members getting phone calls next term when this project moves forward.

MR. KRUEGER: I believe we're having a public hearing pretty soon on...

VICE-CHAIR HOKAMA: And if you...if you can let the...the Committee know, then I'm sure we would be happy to share that information too.

MR. ARAKAWA: We can provide some additional information on this project to the Committee too...

VICE-CHAIR HOKAMA: Uh-huh.

MR. ARAKAWA: ...for your...you know, for your review.

VICE-CHAIR HOKAMA: Okay. Thank you, Chairman. Big money, big project.

CHAIR PONTANILLA: Thirty nine million. Thank you, Chairman Hokama. I got a question in regards to Lower Main Street. What portions of Lower Main Street will be paved?

MR. KRUEGER: This will be right in front of St. Anthony's School.

CHAIR PONTANILLA: Oh, thank you. Any repaving in Kahului?

MR. KRUEGER: Um....

CHAIR PONTANILLA: Especially 10th Increment on those cul-de-sacs.

MR. KRUEGER: I believe we are.

MR. ARAKAWA: Mr. Chair. That's included in the Fiscal Year '08 appropriation that we received.

CHAIR PONTANILLA: Okay. Fine. Thank you.

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COUNCILMEMBER MEDEIROS: Mr. Chairman.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: If I could ask a question since I didn't have one at first, but after Member Hokama's questions, I do have. On the Iao Stream project, I know I, you know, walked that stream several times during the inspections. Not all the levees are hardened, right? Some are earthened, just compacted soil?

MR. KRUEGER: Correct.

COUNCILMEMBER MEDEIROS: Okay. So those levees will be hardened?

MR. KRUEGER: Correct.

COUNCILMEMBER MEDEIROS: Okay. Is it because Iao was built first that they didn't do the concrete levees like at Kahoma Stream where the entire channel is all concrete? And there's no problem with erosion at Kahoma. You know why they did Iao the way they did it which would be vulnerable to erosion?

MR. KRUEGER: Well, Kahoma is probably the fastest stream on the island.

COUNCILMEMBER MEDEIROS: Yeah. It is the high...highest velocity.

MR. KRUEGER: Yeah, and it's a straight shot, you know. So the only way they could hold the water is to make the whole thing hard. Iao was sort of curvy in places and they were hoping that...that they wouldn't need to harden it. We don't want to harden streams. So we...we anticipated, you know, the water slowing down on the curves. But what happened was, because we did put the curves in, that's where the erosion occurred.

COUNCILMEMBER MEDEIROS: Right, right. And...and because it's described as "improvements" and not "repairs", why wouldn't the Corps of Engineers provide more funding?

MR. KRUEGER: Well, they don't provide any for our repair work.

COUNCILMEMBER MEDEIROS: Well it says "improvements".

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MR. KRUEGER: Yeah. But for improvements, they provide 75 percent...

COUNCILMEMBER MEDEIROS: Seventy-five percent.

MR. KRUEGER: This is their normal share.

COUNCILMEMBER MEDEIROS: I see. I see. Are you raising the heights of the levees or just hardening them?

MR. KRUEGER: There's a possibility they're raising it, you know, between Sack N Save and Imi Kala, about three feet.

COUNCILMEMBER MEDEIROS: I see. Okay. Thank you, Mr. Krueger. Mahalo, Mr. Chairman.

CHAIR PONTANILLA: Thank you, Member Medeiros. At this time looking at the time, the Chair would like to call for a mid-morning break. We'll reconvene this meeting at 10:45. This meeting is in recess. . . *(gavel)* . .

RECESS: 10:33 a.m.

RECONVENE: 10:50 a.m.

CHAIR PONTANILLA: . . . *(gavel)* . . The Budget and Finance Committee is now reconvened.

Members, you know, we had lot of discussion on the road resurfacing issue and it seems like there's several constraints, you know, the Department are faced with. One is that the ability for companies to get materials here on Maui. Another one is the ability for the sole paving company to do the County jobs as well as the ability of the County to increase funding for repaving. So, you know, these are some of the constraints that we face as a County in trying to address all of our repaving issues. Just a note on the Countywide improvements...Countywide road improvements, this particular area will provide the County, the Public Works Department the ability to be more flexible during road improvements that places bridge repair, road resurfacing and some safety improvements in that one category. And I think we had questions on the speed humps as well as speed tables. So this one line item takes care of all of those things. It provides flexibility to the Department. So with that, at this time, you know...

COUNCILMEMBER MEDEIROS: Mr. Chair.

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CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Yeah. Mahalo, Mr. Chair. I just had one question for the Department. You know, we talked about the potential of using concrete for our roadways. Can you provide this Committee with the cost comparison between asphalt and concrete? That would give us an idea of the difference and...and also the service life comparison between asphalt and concrete.

MR. ARAKAWA: Okay. Sure.

COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman.

CHAIR PONTANILLA: Thank you, Member Medeiros. That's a good request. Noting the time and, you know, noting the Chair's intention, hopefully we can speed it up now that we've killed road resurfacing.

COUNCIL MEMBERS: *(Laughter)*

CHAIR PONTANILLA: At this time, the Chair would like to call on the Director. Okay, Makena.

MR. ARAKAWA: Thank you, Mr. Chair. I'd like to call the Committee's attention to page 27-4. This is the Kihei-Makena District. The project is the Hauoli Street Drainage Improvements. This is to basically do a channel and a culvert under Hauoli Street in the Maalaea area. And we're asking for \$200,000 in County funds for land acquisition. We have a prior appropriation for design and the land acquisition funds are primarily to do land acquisition for an upstream basin.

On page 27-13 this is the Kihei-Makena District Road Resurfacing. Our request, we are requesting \$500,000 in County funds for resurfacing. And a tentative list of roads for the resurfacing in Kihei would be Aliilani Place--this is in north Kihei, off of Kenolio Road--Kaiiau Place and Iliili Road which is in the Kanani Street area in central Kihei. And Ahaaina Way which is also in the north Kihei area.

On page 27-16, this is the proposed Liloa and Piikea Avenue Roundabouts. This is a request that the Kihei Community Association has really championed over the years. The request for Fiscal Year 2009 is

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\$100,000 in land acquisition funds and 2,000...\$2,400,000 in Bond Funds for the construction of a roundabout.

Page 27-19, this is the North-South Collector Road. Here we're asking for \$300,000 in Lapsed Bond Funds to try to do land acquisition along the North-South Collector Road corridor.

And the last project in the Kihei District is on page 27-23. This is entitled South Kihei Road Sidewalks. And this is just to do a short portion of sidewalk. This would be in the Hale Kamaole in the south Kihei area to connect two portions of existing sidewalks on the...on the mauka side of South Kihei Road. For this we're asking for \$250,000 in construction money.

CHAIR PONTANILLA: Thank you. Questions, Member Baisa?

COUNCILMEMBER BAISA: Not at this time. Thank you.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: ...(end of tape 2A - 10:55 a.m.)...then here but with regard to the issue of the roundabout, I know that this has been going round and round, if you will--pun intended--for awhile because there's been some concern on the part of the community. And I know that there was talk of trying to do a temporary installation. So in this tight budget year, that--I believe it's \$2.5 million--are we going to have to wait for a repaving company in order to do this project?

MR. ARAKAWA: Part of it will be repaving. But a lot of it will be the curb work. As you can recall, there are four lanes on the...the mauka portion on the Piikea approach. So the roundabout basically is a one lane in and one lane out. So we'll have to neck that down to one lane before it reaches the roundabout. So that's one of the major cost items with the roundabout is actually trying to do the curb work and the...and the repaving along that...that short stretch. The other approaches are all one lane approaches.

COUNCILMEMBER JOHNSON: Yeah, and...and I would have to defer to Councilmember Anderson 'cause this is in her district, but I think that my concerns just on the surface of, you know, co-mingling it with their resurfacing monies. And then, what is the realistic, I guess, time of completion because it is quite a big project. And because I know that in

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her district we also kind of are looking at the gymnasium and park improvements. And I just wanna--you know what, I'd rather if those things are ready to go--and you'd have to ask Ms. Anderson--but I think if this is something that we're desperately in need of, I would say, "yeah, you know, that's great, wonderful. Go ahead." But I...I'm not sure if that's something that would be a big priority. And I guess that's for the Council to decide but, you know, I understand why you're moving it forward 'cause it's been a long while. But I'm not sure if at this time, Mr. Chair, this is the time to do it given that we're gonna have some--more than likely--substantial delays anyway just on the paving portion of it. Thanks.

CHAIR PONTANILLA: Thank you, Member Johnson. Member Medeiros.

COUNCILMEMBER MEDEIROS: No questions at this time.

CHAIR PONTANILLA: Thank you. Member Molina.

COUNCILMEMBER MOLINA: No questions.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: Just on the North-South Collector Road, Chairman, please. This land acquisition, could you tell us where it is, please, Mr. Krueger?

MR. KRUEGER: There's a portion along the North-South Collector Road between Auhana Street and Keala Street that we don't own yet. And there's another portion near...between Welakahao and Kupuna, I believe. So there's--we own most of it.

VICE-CHAIR HOKAMA: Uh-huh.

MR. KRUEGER: But there's small pieces that we still haven't acquired yet.

VICE-CHAIR HOKAMA: Okay. Okay. Have we had any difficulties in obtaining the County's requirements for those deferred improvements regarding small division projects that have taken along this collector roadway by chance? Are you aware of any difficulties with those deferred improvement agreements?

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MR. YAMASHITA: No. We've been processing bond agreements and the developers that about the North-South Collector--the unimproved sections--we've been negotiating with them and they've been complying to--because normally it's part of the SMA conditions that's...that's been required with.

VICE-CHAIR HOKAMA: Okay. That's...that's good to hear. I appreciate that. Thank you, Chairman.

CHAIR PONTANILLA: Thank you. Just a couple of questions in regards to Liloa and Piikea roundabout. Is there Federal funding available to do the roundabout that's...

MR. YAMASHITA: Yeah. It's currently funded in the STIP for 2010.

CHAIR PONTANILLA: 2010?

MR. YAMASHITA: Yes.

CHAIR PONTANILLA: And the STIP funding is about how much?

MR. YAMASHITA: It's for \$3 million...there's a \$3 million total appropriation of which \$2 million will be Federal funded.

CHAIR PONTANILLA: Oh, oh, okay. So if this project is...and this is, you know, what Member Johnson alluded to in regards to the \$2.4 million in Bond Fund, knowing that the, you know, request for STIP fund for 2010, you know, it's something that we need...*really* need to take a look at the possibility of...doing the construction work in 2010 and utilizing the STIP funds instead of we bonding this particular roundabout. Thank you.

The other question that I had is that--oh, already asked. Member Molina.

COUNCILMEMBER MOLINA: Yeah, thank you, Chairman. I'm sorry I missed my first turn, but it's just something occurred to me with regards to the South Kihei Road sidewalks. It mentions here to...to...confronting Hale Kamaole. This is off South Kihei Road and...and any issues with regards to when the work will be done at night? 'Cause I know, you know, as we know South Kihei Road can get congested certain times of the day. Are we looking at possible night work on this?

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MR. YAMASHITA: Being that it's...it's just to bridge a gap between two existing sidewalks. And the...the distance wasn't--let me see--wasn't that substantial. Yeah, it's only about 370 feet long. And because the sidewalk work is normally off of the roadway system--

COUNCILMEMBER MOLINA: It shouldn't disrupt the...

MR. YAMASHITA: --we don't anticipate, yeah, too much traffic problems in that area.

COUNCILMEMBER MOLINA: Okay. And Hale Kamaole, where is that again? Is that right...

MR. YAMASHITA: Across Kamaole III.

COUNCILMEMBER MOLINA: Kamaole III. Okay. Thank you. Thank you, Chair.

CHAIR PONTANILLA: Thank you, Member Molina. Member Medeiros.

COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman. I...I just wanted to ask a quick question on the roundabout. That design is already completed?

MR. YAMASHITA: No, it's not.

COUNCILMEMBER MEDEIROS: It's not?

MR. YAMASHITA: No.

COUNCILMEMBER MEDEIROS: What is the consideration, maybe as a pilot project, to use concrete for the roundabout? Because in Europe, lot of the roundabouts are like cobblestone, they're not the same surface as the roadways. And so being that we're having a hard time get asphalt paving that'll make this even longer backlogged, what is the--would there be a consideration to, because it's not a real big project, to use concrete? And does the County have standards, engineering standards, for use of concrete in roadways yet? We do? Okay. And would the Federal funding allow for concrete?

MR. YAMASHITA: Yes.

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COUNCILMEMBER MEDEIROS: It would?

MR. YAMASHITA: Uh-huh.

COUNCILMEMBER MEDEIROS: Okay. My suggestion would be to consider that as part of the design considerations. Thank you, Mr. Chairman.

CHAIR PONTANILLA: Thank you. Members, any more questions regarding Kihei-Makena? If not, Director...Lahaina.

MR. ARAKAWA: Thank you, Mr. Chair.

CHAIR PONTANILLA: Oh, West Maui.

MR. ARAKAWA: First project in the West Maui District is on page 28-4. This is the Lahaina Town Drainage Improvements. And you might recall we did a Lahaina Town Drainage master plan a few years ago, and this is the...first...one of the implementation projects of that plan. And for 2009, we're asking for \$500,000 in County funds to do the design of the drain line along that Wainee and Luakini Street area which has flooded in the past during fairly large rainstorms.

On 28-5, this is another drainage project, the Lahaina Watershed Flood Control project. And this project I'd like to request a couple changes in the appropriations. It doesn't change the total amount, but just within the various categories. Just wanted to change...the land acquisition amount which you have which is \$1 million and change that to 2.2 million. And the design which is now \$200,000 in bonds, just reduce that...eliminate that. Under construction, \$800,000 in bond, eliminate that. And \$200,000 in bond under construction management, just have that eliminated. So basically, we...we...we need the funding here to do...to complete our land acquisition, is what it is. But the total amount would not change. And basically, this is the project that we are working with the Natural Resource Conservation Service on the flood control which basically would divert flood waters from the mountain away from Lahaina town.

On page 28-19, this is the West Maui District Resurfacing and for Fiscal Year 2009, we're asking for \$300,000 in County money. And the street tentatively scheduled for resurfacing is Kapunakea Street.

And on page 28-20, this is the Front Street ADA Access Improvements. We just need to do some ADA access ramps and sidewalk repairs along

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various portions of Front Street. And for this we're asking for \$100,000 in construction money in Fiscal Year '09.

And on page 28-21, this is the Keawe Street extension. This has been, as you know, held up because the Lahaina Bypass Phase IA, project of the State's, has been delayed because they had found some additional archaeological materials along their alignment. And they need to clear up and resolve those archaeological issues before their project, as well as ours, which links into their bypass can start. And we are projecting that they will resolve their problems hopefully sometime in the latter part of this year. So we wanna, basically, bring back the funding for Keawe Street extension. There's \$2 million in Federal money that is being proposed. And the remaining 1.5 million are funds which were gifted to the County due to an SMA condition from a development.

On page 28-22, this is the Lower Honoapiilani Road Phase IV project. In Fiscal Year 2009, we're asking for \$1 million in land acquisition. As you may recall, this is the project where we've had some issues with abutting landowners. We basically...need...need to buy people's...portions of people's front yards for the road widening for this project. In a real estate market that's going up, we have had some real problems in trying to come to an agreement with the owners. But in a market that tends to be moderating on going down, we are hopeful that we can reach agreement with the owners more readily. At least that's what we are hoping this coming year. So that's the West Maui District.

CHAIR PONTANILLA: Thank you.

MR. ARAKAWA: Any questions?

CHAIR PONTANILLA: Member Baisa, questions?

COUNCILMEMBER BAISA: No questions.

CHAIR PONTANILLA: Thank you. Member Johnson.

COUNCILMEMBER JOHNSON: Where do I start? No. I just...I'm gonna go through this real quickly. The Lahaina Town Drainage Improvements, that's fine. And that's gonna be on the area that is on Wainee and Luakini? Okay, so is that going to disrupt traffic or is that in the area where we already needed to do some of the improvements like we're working on the Shaw Street sidewalk and...

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MR. KRUEGER: Yeah. This was after Shaw, by...by Prison Street is about the middle of it.

COUNCILMEMBER JOHNSON: Okay.

MR. KRUEGER: And it's...it's gonna have a major disruption on Prison Street.

COUNCILMEMBER JOHNSON: Okay.

MR. KRUEGER: A major culvert coming up.

COUNCILMEMBER JOHNSON: So anybody that cuts through on Prison won't be able to cut through anymore?

MR. KRUEGER: Right. Yeah.

COUNCILMEMBER JOHNSON: Okay. So, and what's the timeline on this?

MR. KRUEGER: It'll take a year to do the design and environmental portion of it.

COUNCILMEMBER JOHNSON: Okay. So you're not even going to be starting this, Joe, then until...

MR. KRUEGER: No, this is only design.

COUNCILMEMBER JOHNSON: Okay. All right. That...that...well, and hopefully our paving problems will be improved. Although this is just the drainage, but you'll have to resurface then after you do drainage so--do you do that or are we waiting for Mr. Contractor again?

MR. ARAKAWA: There's...there's a...the master contractor and it's...the paving is usually a subcontractor.

COUNCILMEMBER JOHNSON: Oh. I hope it's not our only contractor. Oh, lord. Anyway, West Maui District Road Resurfacing...you know, Kapunakea Street, that's up in Kelaweia Mauka, is that?

MR. KRUEGER: It's right next to the Cannery.

COUNCILMEMBER MEDEIROS: Right next to the Cannery, by Safeway.

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COUNCILMEMBER JOHNSON: Oh, it's by Safeway there. Okay. And I notice that...the traffic is just horrific on that whole area. So, is it both mauka and makai that you'd be doing?

MR. KRUEGER: Mostly makai, portions of mauka.

COUNCILMEMBER JOHNSON: Okay. I know that's really heavily--you...you couldn't get Safeway to help out with that since 90 percent of the traffic is really because, you know, their exit is right there. It would be nice if they'd make a--I...I love your term--a "donation" for Intrawest. That's just--and...and getting to that one--the money for the Keawe Street extension, is that looking like it's realistically going to move forward any time soon or are we still hung up on our archaeological and cultural review with the State's portion?

MR. KRUEGER: Talking to the State, they're...they're not sure when it's gonna get resolved. But they said they had to go back to the drawing board to do different alternatives for their alignment. And then they had to determine what was there on the ground.

COUNCILMEMBER JOHNSON: Yeah. And...and unfortunately, I think that's what we're gonna have all the way along even, you know, to the north and south of where the current alignment is, particularly to the south where you have...Ka...the stream, Kauaula Stream, that was a huge settlement. So this is not over. So the 3.5...the 1.5 which has been put in by Intrawest and the 2 million in Federal monies, are they...are the Federal monies due to lapse any time soon?

MR. KRUEGER: No, they've compensated because...they've compensated for the bypass also, so...

COUNCILMEMBER JOHNSON: Okay, okay. So that's at least standing in line awaiting some kind of disposition.

MR. ARAKAWA: Yeah. This...this is a little bit different from our other projects in the sense that if this project doesn't get done, there's no really, any sense in doing Phase I of the bypass 'cause it has to connect to this.

COUNCILMEMBER JOHNSON: Yeah. No, and I totally understand that. So this is just kind of hanging out there, just waiting. And because this is not any bond money it's, you know, it's just shown as a grant so that won't tie

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up anything. On the, I guess, it would be the Lahaina Watershed Flood Control project, in last year's budget we had, I guess, it was under Bond Fund, 2.2 million. And then I see we have 2.2 million in this year's budget. Is that the same 2.2 million or is this an additional 2.2 million?

MR. KRUEGER: It's an additional.

COUNCILMEMBER JOHNSON: Okay. And so were we able to complete any part of that project in...

MR. KRUEGER: We were able to bid it out and encumber portions of the funding.

COUNCILMEMBER JOHNSON: So you're doing it in phases, then?

MR. KRUEGER: Yes.

COUNCILMEMBER JOHNSON: Okay. And what kind of phasing are we at? Are we up to five phases or four phases?

MR. KRUEGER: Probably five.

COUNCILMEMBER JOHNSON: Five. Yeah, because of the increase in the cost?

MR. KRUEGER: No, it was always planned to be a long project.

COUNCILMEMBER JOHNSON: And then how about the Federal money that we were... 'cause I know that Buddy Nobriga has continuously lobbied the Federal government, but are...are we looking at any--I see that we're looking at \$5.6 million in grant money. That's Federal money?

MR. KRUEGER: That portion will be Federal funds from the NRCS. We also have a phase where we're looking for Federal *highway* funds that's earmarked for this project.

COUNCILMEMBER JOHNSON: And is that encumbered?

MR. KRUEGER: Well, it's earmarked.

COUNCILMEMBER JOHNSON: Earmarked.

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MR. KRUEGER: It's not encumbered yet.

COUNCILMEMBER JOHNSON: Okay.

MR. KRUEGER: But it's like a...almost like a line item on a Federal funding.

COUNCILMEMBER JOHNSON: And is that in one of the earlier phases that, you know, just...

MR. KRUEGER: It's part of one of the earlier phases that we had to cut back on 'cause the bid was way too high than what the funding we had. And this is to make up for that portion that we had to cut back on.

COUNCILMEMBER JOHNSON: So you should be able to tap into that money then in this cycle?

MR. KRUEGER: Possible, yes.

COUNCILMEMBER JOHNSON: Okay. All right. Thank you very much and I know that the \$300,000 is--you know, I mean, it's like every district. But I guess there's just nothing that we can do about it, you know, because any amount of money like Mr. Pontanilla said earlier, I guess, you know, we just are waiting. So any chance that this project would be able at Kapunakea, if it goes forward, any chance that that would be able to happen within the next, I guess be by 2000 and...end of 2009?

MR. KRUEGER: Oh, yeah.

COUNCILMEMBER JOHNSON: Think so?

MR. KRUEGER: Sure. (*Chuckles*)

COUNCILMEMBER JOHNSON: I hope this is being taped, Joe. (*Laughs*) I may hand you with that writing. Now I know why, Mr. Chair, they don't want to put anything in the *Lahaina News* for timelines because they can't really commit to it. I...I understand about the other one too, the Lower Honoapiilani Road improvements. So that's just another one of those hanging out there kind of projects and work on it as you can. How are the repairs, though, in...in...in that one area where we had the flood damage that was done during our storm event? Is that...is that fixed yet? Is it looking like...

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MR. KRUEGER: No, we just...we just had a bid opening last week. And we're in the process of doing a contract--

COUNCILMEMBER JOHNSON: Oh.

MR. KRUEGER: --awarding and doing a contract for it. We actually had to bid it out. I think it was like \$250,000.

COUNCILMEMBER JOHNSON: Yeah. And with...with that being a main, you know, bottleneck in that area now because that's a safety hazard at this point in time, is there any likelihood that that could be moved up in the queue as far as prioritization goes?

MR. KRUEGER: No.

COUNCILMEMBER JOHNSON: No?

MR. KRUEGER: What is...what is happening, though, today FEMA is coming by. They went and they were gonna look at it...because it did occur during that storm that was declared a disaster. We will be eligible for a 75 percent reimbursement from FEMA.

COUNCILMEMBER JOHNSON: Would that move it up at all if we could get it done right away?

MR. KRUEGER: On the STIP?

COUNCILMEMBER JOHNSON: Yes, I guess. Well, you know, actually this project...

MR. KRUEGER: Well, you mean for, for the actual work?

COUNCILMEMBER JOHNSON: For the actual work.

MR. KRUEGER: Oh yeah, the actual work should be done...right away because the paving is a subcontract.

COUNCILMEMBER JOHNSON: Okay. Yeah, but, you know, if it's that same subcontractor--that's what I'm asking you. It's like...

MR. KRUEGER: Oh, the actual work will done...done soon.

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COUNCILMEMBER JOHNSON: Yeah, yeah. And provided that the subcontractor who is probably the only paving contractor on Maui can get around to it. Is that...is that the caveat? Or...

MR. KRUEGER: No, no.

COUNCILMEMBER JOHNSON: Would this be moved forward no matter what?

MR. KRUEGER: They'll get it done. There are one or two small paving contractors that do parking lots--

COUNCILMEMBER JOHNSON: Okay.

MR. KRUEGER: --and they may be able to do this.

COUNCILMEMBER JOHNSON: Okay. I...let's...let's hope so. And maybe we can encourage those small paving contractors to consider expansion of their businesses. But anyway, I...I don't have--that's...that's basically it, Mr. Chair. And the other items that I have would be more requests for repaving in West Maui just like other Members, but at this point in time, I'll just...I guess we'll have to explain to our various communities, "hey, take a number." You know, it's just very difficult when we're depending on somebody or some entity that's outside of our purview. Thank you.

CHAIR PONTANILLA: Thank you, Member Johnson. And I'd just like to request again from the Department, you know, going over all of the road repaving and, you know, improvements that you provide this Committee with the streets that are involved so that, you know, we all can answer to questions that we receive almost like every...

COUNCILMEMBER JOHNSON: Every day.

CHAIR PONTANILLA: ...every week. It's not daily yet. Week. Member Medeiros. Oh, Member Johnson.

COUNCILMEMBER JOHNSON: I just have one final question. And this is something that I get ten requests for. And I just wanna put it on the record so that nothing is changed in the mean time. Hui F Road, I get more complaints about Hui F Road than any single roadway in West Maui. Is it--because when we did our research and I believe Chair Hokama and also Councilmember Kane did some research and it is owned still by Maui

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Land and Pine because it was never officially turned over to a homeowner's association. Is that still where that's at and we can't do a thing about it?

MR. KRUEGER: That's a private road--

COUNCILMEMBER JOHNSON: Yes.

MR. KRUEGER: --as far as we're concerned.

MR. ARAKAWA: I...I believe the Hui Road F was a partition road. And I think it was partitioned by the court way back in the 1930s. Subsequent to that, I know there was a...I think a...

COUNCILMEMBER JOHNSON: It was a court case.

MR. ARAKAWA: There was a--Maui Land and Pine sought title, quiet title action on a portion of the road, so they have title on a portion of the road. But at no time did any portion of road...Hui Road F get dedicated to the County.

COUNCILMEMBER JOHNSON. Yeah. And all we have is an easement--is that correct?--to get in to service some of our drainage areas?

MR. ARAKAWA: I'm not aware of any easement. But if...if--we can check our records on that. But to my knowledge, we have no jurisdiction over Hui Road F.

COUNCILMEMBER JOHNSON: Yeah. And...and that's why that has to be communicated to the individuals in our community. But I believe there is a small, little easement on the lower part of that road where we get back in to service some of our drainage. But that's all we have. We...and it just runs along the side of the road. So anyway, if you could even put something in the *Lahaina News* or, you know, communicate with the individuals in the community to let them know that they either need to form an association and adopt the road to bring it up to County standards and then try and get it dedicated, or they need to deal with Maui Land and Pine. Thank you.

CHAIR PONTANILLA: Thank you, Member Johnson. Member Medeiros.

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COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman. On page 28-4 which is your Lahaina Town Drainage Improvements and you did indicate that this was the Wainee-Luakini area that floods periodically. And I'm sure your engineers know about it. But what contributes to that flooding of that area is the Pioneer Mill drainage sump which is above that area. And also the basin next to the swimming pool, when that floods it goes under the road, through the highway's drainage and it floods that whole flat area plain, and that's what floods the houses there. And the drainage there is inadequate. It's a really small drainage. So I just wanted to let you know that part of the distribution to the flooding is from mauka area that comes across and then under the road.

The...on 28-5, the Lahaina Watershed Flood Control, this is the new flood control for the area of Kauaula area? That is...that is the location of that one? Okay.

And then finally on 28-20, so you...you're doing some improvements or construction to comply or meet the requirements of the ADA. And it says on Front Street. Yeah, I know on Front Street there's many really narrow sidewalks. And what's...what makes it even narrower, is that the utilities poles are embedded in the sidewalk. So how will you meet that challenge to widen it to the required width with the utility poles there?

MR. YAMASHITA: Okay. For...for this project here, there was a complaint registered with the Federal Highways Administration, and that prompted our...review of a specific area on Front Street. So this \$100,000 is...is just for an isolated area for which this complaint was lodged in. So we do have future plans to...to assess the situation of current sidewalks on Front Street as far as accessibility and that is also programmed in the six year plan.

COUNCILMEMBER MEDEIROS: Okay. And then the area that you're targeting is what area of Front Street?

MR. YAMASHITA: It's towards the Shaw Street side of...

COUNCILMEMBER MEDEIROS: Oh, down in that...

MR. YAMASHITA: Yeah. Yeah.

COUNCILMEMBER MEDEIROS: I see. Okay, thank you, Department. Mahalo, Mr. Chairman.

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CHAIR PONTANILLA: Thank you, Member Medeiros. Member Molina.

COUNCILMEMBER MOLINA: Thank you, Chairman. Question is just related to the Lahaina Watershed Flood Control project. The...where is the outlet for the water runoff currently, I guess, designed for?

MR. KRUEGER: It's about 2,000 feet south of Kauaula Stream.

COUNCILMEMBER MOLINA: Okay. And then impacts to the reef, I guess, with this proposed, I guess, outlet--

MR. KRUEGER Oh, yeah.

COUNCILMEMBER MOLINA: --impacts to the reef would be minimized?

MR. KRUEGER: Well, yeah, we did a full environmental impact assessment of the area.

COUNCILMEMBER MOLINA: Does the public still have that opportunity to give input or is that--

MR. KRUEGER: Oh, yeah. They had several...public hearings.

COUNCILMEMBER MOLINA: Okay. And then as far as any traffic issues? Not...none at this point?

MR. KRUEGER: Well, there's a major impact when we're doing construction.

COUNCILMEMBER MOLINA: Yeah.

MR. KRUEGER: But we will provide a detour road to...you know, mitigate the impact.

COUNCILMEMBER MOLINA: And this will...this will impact what...what...what roads in particular?

MR. KRUEGER: The highway?

COUNCILMEMBER MOLINA: This...Honoapiilani...

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MR. KRUEGER: We have to cross the highway with a new outlet. So we will shut down the road at that time to put in the new outlet. But when we do that, we will provide a detour road so that they don't have to stop or go down to one lane.

COUNCILMEMBER MOLINA: Yeah. It's already bad enough as it is already, yeah? Okay, thank you. Thank you, Chair.

CHAIR PONTANILLA: Thank you, Member Molina. Member Hokama.

VICE-CHAIR HOKAMA: Chairman, thank you. Just quickly so I can understand the...the situation with the Front Street ADA access, gentlemen. If you could help me, is there an issue since your...your request is to have funds to reconstruct ADA access ramps and sidewalks? Is there an issue with the...the current design or...or what is the issue with meeting the compliance issue or the ADA requirements, please?

MR. YAMASHITA: Okay, this is mainly to install. The location that was pointed out...(end of tape 2B - 11:27 a.m.)...

Councilmember Medeiros, not Shaw Street--it's the other side, it's Kapunakea--on that end, yes.

COUNCILMEMBER MEDEIROS: Yeah.

MR. YAMASHITA: But...but anyway, in these locations that were pointed out, we don't have any wheelchair accessibility ramps.

VICE-CHAIR HOKAMA: Okay.

MR. YAMASHITA: Yeah.

VICE-CHAIR HOKAMA: Okay. I...I appreciate your folks' efforts to have us in full compliance. I'm...I'm done, thank you.

CHAIR PONTANILLA: Thank you. Chair has one question. In regards to the State project to expand the number of lanes on H'Piilani from Lahainaluna Road to Aholo Road, I note there's that culvert that crosses near the swimming pool to handle flooding or water from the mountain to the ocean. Do you know of the State plans in regards to if they...or if they have any improvement plans for that particular area for drainage?

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MR. KRUEGER: In talking to the State engineer on that project regarding drainage, they're indicating they're gonna be installing drywells.

CHAIR PONTANILLA: Drywells?

MR. KRUEGER: Correct.

CHAIR PONTANILLA: Comments on drywells in that area? *(Chuckles)* Knowing it's...

MR. KRUEGER: There's a high water table in that area.

CHAIR PONTANILLA: I know. *(Chuckles)* No comments on that?

MR. KRUEGER: No comment.

CHAIR PONTANILLA: Thank you. Maybe something that you folks can follow up with the, I guess, the Department of Transportation, State of Hawaii, in regards to drywells. Members, any more questions for that area? Member Medeiros.

COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman. Just one. You know, Mr. Krueger, you said you guys installing a new outlet for that watershed project. Is that south of the Puamana Channel?

MR. KRUEGER: Correct.

COUNCILMEMBER MEDEIROS: Okay. So the Puamana Channel was not gonna be used to connect to, as far as outlets?

MR. KRUEGER: It'll be one of the outlets.

COUNCILMEMBER MEDEIROS: Oh, it will.

MR. KRUEGER: Right, will. But we're gonna have--we'll keep the flow low going through Puamana.

COUNCILMEMBER MEDEIROS: Okay.

MR. KRUEGER: Initial flows will be going towards the new outlet.

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COUNCILMEMBER MEDEIROS: I see. Okay, thank you, Mr. Krueger. Mahalo, Chair.

CHAIR PONTANILLA: Thank you. Director Arakawa, Lanai.

MR. ARAKAWA: Thank you, Mr. Chair. I have one item on Lanai. This is the District Roadway Resurfacing. And this is on page 29-12. We are requesting \$200,000 for road resurfacing and the roads tentatively scheduled for work are 10th Street and Houston Street in Lanai City.

CHAIR PONTANILLA: Thank you. I'll start with Member Hokama this time.

VICE-CHAIR HOKAMA: 9th, 10th. And...you know, for Lanai it's quite easy. We are...the old town was...was smartly planned. It's alphabetical in one way and numerical in the other. So it's...it's like a map grid.

But, gentlemen, you know, this is my understanding of the Lanai situation. You know, when you put your RFPs out, material, ask for quotes go to Castle & Cooke, Lanai 'cause they provide a lot of the support for...for companies that wish to do paving on the island. And I am aware that, although they do not bid anymore on our projects, they do have a paver--not the size of maybe the...the entities here on...the entity on Maui has, but they have a paver. What we lack on the island is a, I guess, a certified or...or a...an appropriate operator for the paver on the island.

So I'm hoping you would see if there's a way we can re-work the Lanai contracts because, my understanding is, material is not an issue. Again, I'm not...sure of the total capacity of the current paver equipment on the island. But my understanding, there is an operational paver on the island. And, you know, they need an operator. So I was wondering between you and Water Supply who do roadwork, if you do have an employee that can operate, maybe this can be an alternative means of how to address resurfacing on Lanai. Because it is not a question of getting equip--well, maybe it is, or maybe not. Again, I don't know the capacity, ability of the current equipment on Lanai. But I'm aware there is a paver on the island under Castle & Cooke's jurisdiction. So I would ask if you would at least see if there's an opportunity there for us to do resurfacing with the resources available on the island.

My only other thing--and again, I believe it's under Public Works--is it a road...well, I guess it could be part of the road. I would like you--it was brought up at our Budget meeting last week in front of the Members by

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our school principal, Mr. Meyers--that between the existing school, the Elementary School and the Lanai Gym, which the County operates and maintains, is a community parking lot that was built and constructed by Castle & Cooke. There is an open drainage ditch that runs through that--and maybe Director Arakawa might be able to recall since it was part of the Lanai City Drainage master plan works...work study--after the major storms we've had recently in the last three to six months, the school is concerned of the erosion of that open dirt ditch. And they're requesting that it if...if it is under the County's jurisdiction, that we consider a culvert, "covered culvert", I believe, was the phrase and term that they used. I'm not sure if that was the appropriate--but it's a couple of issues. One, because of the erosion. It is a highly foot traffic area for our students, our parents, and our faculty members.

So if possible, I would like to avoid a potential litigation issue in the future. If it is not ours, then I would ask you to assist me in how...do we then take care of the issue. Do we need to negotiate with the company, Castle & Cooke? Or, if this is under the State of Hawaii's property and jurisdiction, then I need to know that so I can contact the appropriate legislators for consideration of support in this manner.

But I...I just wish to bring it forward to you and make you aware of the situation and ask for your participation in resolution of this request. Thank you, Chairman.

CHAIR PONTANILLA: Thank you, Mr. Hokama. Member Molina.

COUNCILMEMBER MOLINA: No questions.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman. Yeah, I...I just wanted to add to Council Chair Hokama's description of that area. And that, you know, I...I brought up the recommendation if it is under County jurisdiction, we had a similar open ditch like that along Kapunakea in Lahaina. And we box covered the thing in concrete so that it was, there's no opening anymore. And it was, you know, a solid surface because when it was an open ditch we did have cars going there because there was not barricade along the road to prevent vehicles from going into that ditch. So I think that's a consideration that would kinda make a permanent remedy of...of the situation there. Okay, thank you.

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CHAIR PONTANILLA: Thank you. Member Johnson.

COUNCILMEMBER JOHNSON: No.

CHAIR PONTANILLA: Member Baisa. Thank you. Molokai, Director.

MR. ARAKAWA: Okay, Mr. Chair. On Molokai, I want to direct your attention to page 30-4. This is the Molokai Baseyard. You might recall that in previous fiscal years, we asked for land acquisition monies and design monies. In Fiscal Year 2009, we're asking for \$2 million in bond money to do the construction. And this is to do a new Highways Division Molokai Baseyard within the Molokai Industrial Park.

CHAIR PONTANILLA: Thank you. Member...

MR. ARAKAWA: And one more.

CHAIR PONTANILLA: Oh, sorry.

MR. ARAKAWA: This is the District Resurfacing on Molokai. This is on page 30-10. And for this we are asking for \$200,000 in County money. And the street tentatively scheduled for resurfacing is Seaside Place.

CHAIR PONTANILLA: Thank you. Member Hokama, question?

VICE-CHAIR HOKAMA: Are you starting with me, Mr. Chairman? I...I wasn't quite sure if you're starting with me or Ms. Baisa.

COUNCILMEMBER BAISA: Go ahead.

CHAIR PONTANILLA: I'm sorry. *(Laughs)*

VICE-CHAIR HOKAMA: I'm sorry. *(Laughs)*

CHAIR PONTANILLA: I'm changing the order right now.

COUNCILMEMBER BAISA: He's giving me a break.

VICE-CHAIR HOKAMA: Thank you. Well, obviously, I know Mr. Mateo has very critical issues he...he needs to deal with today and so on behalf I would just say, I...I would...I appreciate the Department's efforts to get the baseyard project moving forward. Oh, I'm...I'm glad Mr. Mateo was

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paying attention so...since Mr. Mateo is here, Chairman, I'll just say I am in support of the Department's request to get the baseyard moving toward construction so that our Department can provide the services and programs to the island of Molokai. And I would be happy to yield to Mr. Mateo.

CHAIR PONTANILLA: Thank you. At this time, the Chair would like to recognize Member Mateo.

COUNCILMEMBER MATEO: Chairman, thank you very much. And, Chairman, thank you very much for excusing me out of today's meeting as well. Mr...Mr. Arakawa, just to follow up on the items that you just referenced. The Molokai Baseyard with the projected cost of \$2 million, do we have any bid that's...that's we're assured of that the amount will not be exceeded? Or what is the...what is the value of this 2 million?

MR. KRUEGER: That's an estimated value. We don't have a bid amount yet and we're currently in the design stage.

COUNCILMEMBER MATEO: Okay. My only inquiry is because we are fighting a clock. We need to get out of our existing site by 2009 which is not that far away. And because it's been consistent that for a lot of construction projects, the cost on Molokai has greatly exceeded, you know, the projected cost. I'm just worried that if we're talking \$3 million now, whether we still would be able to move forward with this project. Are we?

MR. KRUEGER: We can at least put portions of it enough to move from the old site to the new site, if we have to.

COUNCILMEMBER MATEO: Okay. So we're, at this point, we're kinda confident that with \$2 million would be able to complete at least the Phase I of the relocation of...of our baseyard?

MR. KRUEGER: Correct.

COUNCILMEMBER MATEO: Okay. Then...then, Mr. Chairman, I thank you for the opportunity. I have absolutely no problems with this initial first phase. I am really excited that we're kinda meeting the deadline because we're right at the edge already with us needing to get out of this property in...and...and turn it over to the State of Hawaii. So this is good movement and it's been well-planned. The purchase of the property occurred during the last fiscal year through the support of the Members.

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And this is just the next step in getting our facility built. So thank you very much, gentlemen. Thank you, Mr. Chair.

CHAIR PONTANILLA: Thank you, Member Mateo. And thank you for being here. Member Baisa.

COUNCILMEMBER BAISA: Thank you, Mr. Chair. No questions, but happy to support Member Mateo's priority.

CHAIR PONTANILLA: Thank you. Member Johnson.

COUNCILMEMBER JOHNSON: No questions.

CHAIR PONTANILLA: Member Molina.

COUNCILMEMBER MOLINA: Yeah, just one question. What were the State's other plans, I guess, for this site? If you know offhand.

MR. ARAKAWA: That's a good question. They have abutting State property, you know, that...that office building. I believe there's a library there. I believe they're gonna extend the civic center into this...this area of the current baseyard. I don't know how urgent their plans are, but that was the original thought that the State was to expand the civic center into what is currently our baseyard.

COUNCILMEMBER MOLINA: Okay, thank you. Thank you, Chair.

CHAIR PONTANILLA: Thank you, Member Molina. Member Medeiros.

COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman. Yeah, I just wanna comment that the, you know, I support Member Mateo's baseyard for the Public Works Facilities because I know when I was working Public Works-Highways and my counterpart on Molokai was Steven Arce, he constantly requested a baseyard. He...he was like an orphan on his own island, you know. He didn't have a place to go sometimes. So, yeah, I...I think this is a really important part of the budget to allow Molokai to have, finally, you know, a decent baseyard. So I certainly would like to just comment to support that. Mahalo, Mr. Chairman.

CHAIR PONTANILLA: Thank you. You know, having been the Public Works/Environmental Management Committee chair at that time, you know, the Department, myself, as well as Mr. Mateo, kinda really worked

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hard in trying to make this thing reality, so it's coming up. Thank you very much. Director, Countywide.

MR. ARAKAWA: I'll try to go over these rather quickly. Page 31-4, is Countywide Drainage Improvements. We're asking for \$100,000 in design, \$150,000 in construction money to do various drainage improvements that may come up during the '09 Budget year.

On page 31-6, Countywide Facility Building Improvements. We're asking for \$100,000 in design, \$400,000 in construction. These are for improvements to this campus, the Kalana O Maui, Old Courthouse, and Kalana Pakui buildings.

31-12 is Countywide Bikeway program. We are asking for \$15,000 in design, \$85,000 in construction. This is basically incremental construction of and/or design of bicycle paths along County roads or greenways.

31-13, Countywide Bridge Repair and Maintenance. We're asking for \$50,000 in design, \$250,000 in construction. And this is design...to design and construct, repair to various bridges in Maui County.

31-14 is Countywide Road Resurfacing. We're asking for \$50,000 in design, \$967,000 in construction. And this is for the Countywide Road Resurfacing program. Funds to be used for design and/or construction in various districts of the County.

And 31-15, Countywide Safety Improvements, \$50,000 in design, \$450,000 in construction. These are for various improvements, striping, guardrails, signs, shoulder widening, realignment, street lights, traffic signals and sidewalk reconstruction.

And 31-16 is the Countywide Speed Hump Program. And we're requesting \$500,000 in construction money to implement our County Speed Hump Program.

CHAIR PONTANILLA: Thank you. Member Hokama, questions?

VICE-CHAIR HOKAMA: Let...let me start on 31-6, Chairman, which is the building improvements. Gentlemen, I can recall not in the distant past assisting in appropriating big money for replacing our elevators. And I see here that you are asking for some funds to...for elevator upgrade. Can you tell us what is the problem we're having now and has the warranty

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expired whereby the manufacturer or contractor is no longer providing the upgrade or service that you folks are intending to consider?

MR. YAMASHITA: No, actually the whole system was upgraded. We replaced the cabs and also the...controller. This is just some minor work that may need to be done with more upgrades on the software and...but, yeah, aside from that there's, you know, there's nothing much to...more to do for the elevator. There may be some security issues that we need to deal with but...but the bigger issue would be like for the A/C system in this building. We...we're trying to upgrade it...the controllers from digital to pneumatic. And...

VICE-CHAIR HOKAMA: Mr. Yamashita, if you can help us understand. I mean, you work with these terms on a daily basis so you know--

MR. YAMASHITA: Yeah...

VICE-CHAIR HOKAMA: --'cause we just are get...getting used to going from analog to digital with TV. So now you're talking about digital to mechanical, so can you help us out?

MR. YAMASHITA: Yeah. The pneumatic is the...the automatic system where it doesn't rely too much on manual adjustments or...

VICE-CHAIR HOKAMA: And...and the renovations to floor plans, can you explain to us what...what...what that comprises, please?

MR. YAMASHITA: Basically it...it would cover, like, movements from...for divisions or departments from floor to floor. And we've used it to...to construct additional walls or office spaces and electrical--not...not maintenance or repair issue but--to...to include more work that's required of the...the new office locations.

VICE-CHAIR HOKAMA: Okay. It is my desire, gentlemen, that this would be things regarding the changing of floor plans would be as part of the coordination that the Mayor has...is...going...is allowed the Council to participate...the County Clerk's Office and the Office of Council Services with a brand new space utilization study. Obviously, from what I have been updated with, is that even within departments there's great discrepancy in square footage whether you are in the senior management category or you're in the technical component or you're in the support components. It's interesting how wide the spread of variances between

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departments. And one of the things that I'm hoping that the Mayor is interested in is how we're gonna move forward and bring some standardization so that one director wouldn't have 1,200 square feet and then one director would have 300 square feet.

You know, there needs to be some standardizations and it is something that I can tell you the Council will take great interest because we have been asking for space ourselves for ten years. And for whatever reasons...we have yet to be addressed. But I appreciate Mayor Tavares' efforts to get us involved more actively. And I would say, Members, there's ways to proviso the budget so that we may take care of our needs first before Administration's. So we should consider that approach in the budgetary requirements. Thank you, Chairman.

CHAIR PONTANILLA: Thank you. Good point. Member Molina.

COUNCILMEMBER MOLINA: Thank you, Chairman. Can...can you give us little bit more details on the security improvements, what you're looking at specifically?

MR. YAMASHITA: Um...

COUNCILMEMBER MOLINA: And I'm glad you're looking at improving that in this...especially in this day and age that we live in.

MR. YAMASHITA: Yeah, basically security issues are being handled by D.J. Schwind of the Mayor's Office. So we...we just acknowledge that in the description. However, we don't have any details as far as what's being proposed. But I...I know that that area downstairs on the ground floor where the rubbish bins are, they...they wanted to secure that area also. And...and that's part of the plan to...to do a hard cover up of that area downstairs to secure it. But other than that, I really don't know the details of any other proposals out there.

COUNCILMEMBER MOLINA: Okay. Thank you. Mr. Chairman, I guess maybe through Staff if we could request from, I guess, Mr. Schwind, I guess a detailed synopsis of what the security improvements will be all about, if that is possible. I would like to make that request.

CHAIR PONTANILLA: Yeah, we'll send a letter out to Mr. Schwind.

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

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CHAIR PONTANILLA: Thank you, Member Molina. Member Medeiros.

COUNCILMEMBER MEDEIROS: No questions, Mr. Chairman.

CHAIR PONTANILLA: Thank you. Member Johnson.

COUNCILMEMBER JOHNSON: No questions.

CHAIR PONTANILLA: Thank you. Members, any more questions in regards to Countywide? Seeing none, Members, thank you very much for your review of the Public Works Department. Director, do you have any closing comments?

MR. ARAKAWA: No. Thank you for the Committee's hard work on the matter and we'll be available through the budget process should the Committee have additional questions.

CHAIR PONTANILLA: Thank you. Budget Director, comments?

MR. PABLO: Thank you, Chair. I don't have any comments. We...we had the CIPs for...for the first Department today, which is Public Works. We'll be looking forward to...the Water Supply will be coming here on Thursday. Thank you.

CHAIR PONTANILLA: Thank you. Again, I'd like to thank the Department for your review of your program budget as well as your capital improvements. Members, if you have any more questions, if you can forward it to the Committee Chair, we'll definitely forward it to the Department for answers. Mr. Medeiros.

COUNCILMEMBER MEDEIROS: Yeah. Mahalo, Mr. Chair. Just a quick question that I just noticed in my notes. For the Department, because we're discussing the significant increase in paying our electrical bills for street lights, my question is that when a developer--I'm assuming the developer is responsible to make part of their development the installation of street lights. Once that's done, then they're clear of any other...obligations as far as street lights?

MR. YAMASHITA: That's correct. Once the road gets dedicated over to the County, the County assumes responsibility for the bills that's incurred by the...you know, to the electrical costs associated with the lights.

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COUNCILMEMBER MEDEIROS: So as street lights, does Maui Electric get involved with replacement of the bulbs or...or that's totally County?

MR. YAMASHITA: Maui Electric maintains the lights.

COUNCILMEMBER MEDEIROS: They do maintain the lights.

MR. YAMASHITA: Yeah.

COUNCILMEMBER MEDEIROS: We just pay the bills?

MR. YAMASHITA: That is correct.

COUNCILMEMBER MEDEIROS: Okay. Thank you. Mahalo, Mr. Chair.

CHAIR PONTANILLA: Thank you, Member Medeiros. Member Hokama.

VICE-CHAIR HOKAMA: Chairman, this...this would be a question for...for you. On Thursday, upon convening the Committee, is it your intention to move straight into Water or are you planning to take Department of Police?

CHAIR PONTANILLA: Department of Police.

VICE-CHAIR HOKAMA: Okay. Thank you, Chairman.

CHAIR PONTANILLA: Thank you. Members, with that, the Chair would like, again, to thank the...the Department for being here,...the Director for being here as well as our First Deputy, along with Staff.

Tonight we do have a meeting at Mitchell Pauole Center on Molokai at 7:00. And our next meeting on Thursday at 9:00 we'll receive the budget request from the Police Department along with...Chief Phillips. And then following that would be the Department of Water Supply. And the Water Supply would be on Thursday afternoon sometime and going into Friday.

So with that, Members, if there's any announcements that you wanna make at this time? If not, the Budget and Finance Committee meeting for this, March 25 is now adjourned. . . .(gavel). . .

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ACTION: DEFER pending further discussion.

ADJOURN: 11:53 a.m.

APPROVED:



JOSEPH PONTANILLA, Chair
Budget and Finance Committee

bf:min:080325

Transcribed by: Reinetta Kutz

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CERTIFICATE

I, Reinette Kutz, hereby certify that the foregoing represents to the best of my ability, a true and correct transcript of the proceedings. I further certify that I am not in any way concerned with the cause.

DATED this 16th day of April 2008, in Wailuku, Hawaii.


Reinette L. Kutz