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BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

MINUTES

March 27, 2008
Council Chamber, 8th Floor

APPROVED:



Committee Chair

1 Department of Water Supply
 2 Edna Manzano, Water Resources and
 Planning Division Manager
 3 (temporary assigned), Department of
 Water Supply
 4 Joseph Mendonca, Plant Operations
 Division Chief, Plant Operations
 Division, Department of Water
 5 Supply
 6 Traci Fujita Villarosa, First Deputy
 Corporation Counsel, Department of
 the Corporation Counsel

7 OTHERS: Item 1: Others (20)

8 PRESS: Akaku: Maui Community Television, Inc.

9

10
 11 CHAIR PONTANILLA: (Gavel). The Budget and Finance
 12 Committee meeting for March 27th, 2008 is now
 13 in session. The time is 9:04.

14 The Chair of the Committee would like to
 15 introduce the Committee Members that are here
 16 this morning. We do have Member Anderson,
 17 Baisa, Medeiros, as well as Member Victorino.
 18 Good morning.

19 COUNCILMEMBER VICTORINO: Good morning, Chair.

20 CHAIR PONTANILLA: Excused this morning are Members
 21 Mateo, Johnson, Molina, and our Council Chair,
 22 Mr. Hokama. Ms. Johnson will be joining us
 23 later this morning.

24 Supporting the Committee, we do have
 25 Mr. Lance Taguchi, Gayle Revels, as well as

1 Michael Geers, who are Legislative Analysts.
2 Our secretary is Yvette Bouthillier.

3 We do have, up front, Members of the
4 Police Department, as well as the Budget
5 Director, Mr. Pablo, Chief Phillips. And when
6 we go into the Department's Budget Program,
7 I'll have Chief Phillips introduce the Members
8 that are with him.

9 Also with us is our First Deputy, Traci
10 Fujita Villarosa, from the Corporation
11 Counsel.

12 Yvette, do we have anybody signed up for
13 public testimony at this time? None?

14 Is there anyone out there that want to
15 provide public testimony at this time? Seeing
16 none coming up, the Chair, with no objections,
17 would like to close public testimony.

18 COUNCIL MEMBERS: No objections.

19 CHAIR PONTANILLA: Thank you, Members. I hope you
20 had a real fine holiday yesterday, after that
21 meeting on Molokai, which was so emotionally
22 attended. I'd like to thank the Members that
23 went to Molokai on Wednesday to receive the
24 public hearing.

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

1 08-56)

2 CHAIR PONTANILLA: Again, Members, we do have the
3 Police Department with us at this time, but
4 before we go into the Department, I'd like to
5 have Mr. Pablo provide us with some opening
6 comments. Director?

7 MR. PABLO: Thank you, Chair Pontanilla, and good
8 morning, Members, and good morning --

9 COUNCIL MEMBERS: Good morning.

10 MR. PABLO: -- people in the gallery.

11 Right before you, you should have a five
12 page handout which summarizes the expenditures
13 for the Maui Police Department. The first
14 page is an overview of the Program Budget.
15 The programs are all covered out of the
16 General Fund.

17 And there's four programs, as you can
18 see on the first page, which is
19 Administration, Investigative Services
20 Program, Uniformed Patrol Services Program,
21 and a Technical and Support Services Program.

22 The changes from '09 to '08, versus '08,
23 rather, you'll see in the change amount in the
24 third column. And this overview will pretty
25 well tell you it's a trim and focused budget.

1 It's pretty much a flat budget.

2 The increase of 2.8 million over '08 is
3 primarily for salaries. During the past year,
4 there is a SHOPO agreement which provides for
5 6 percent salary increase for the next four
6 years. This took effect in '07 -- I mean,
7 this, this current fiscal year, so you'll see
8 the increases amount to this 2.8 million over
9 the next four pages.

10 The Police Department has one expansion
11 position. This will be under the Technical
12 and Support Services Program, which we'll
13 cover later.

14 And the equipment needs are 1,060,000,
15 and this is primarily for replacement
16 vehicles, which the policemen desperately
17 need. They have a vehicle replacement policy
18 of four years, 40,000 miles, and with the type
19 of driving that they do, they definitely need
20 to replace some vehicles.

21 If you go to page two, it's
22 Administration Program. Again, you'll see
23 it's a pretty flat budget. The major increase
24 in salaries and wages is 130,000, but that's
25 for 24 employees.

1 There are major changes in operations.
2 You'll see changes of plus or minus 5,000 in
3 the middle of the page, and it's primarily for
4 the fuel and electricity costs.

5 And for the equipment, they're asking
6 for two high volume photocopiers.

7 On page three is the Investigative
8 Services Program. Again, if you look in the
9 third column, the change over '08, again, it's
10 a very flat budget, for less than 7 percent
11 over '08. They have an increase in salaries
12 of 423,000, and that covers 89 employees in
13 Investigative Services Program.

14 The big differences, which make up the
15 116,000 increase in operation, is summarized
16 below. Basically you'll see it's necessary
17 items, including medical and safety supplies,
18 janitorial services, repairs, maintenance, and
19 electricity.

20 For the equipment, they're requesting 14
21 vests for the Special Response Team.

22 On page four is the Uniformed Patrol
23 Services Program. Again, if you look in the
24 third column, the major increase is for salary
25 increases, of 1.6 million, and that covers a

1 force of 290.6 employees. So when you divide
2 the increases in salaries versus how many
3 employees there is, it's a very reasonable
4 increase, which reflects the SHOPO increase
5 that was entered into.

6 For the operations, there's a net change
7 over '08 of 59,000. These are pretty small
8 items, as you can see in the middle of the
9 page. Basically, again, it's for the
10 electricity costs of running the different
11 patrol offices.

12 For equipment, at the bottom of the page
13 on page four, you'll see there's 23
14 replacement vehicles, totaling about \$616,000
15 (sic).

16 The last program is the Technical and
17 Support Services Program. Again, going to
18 column three, you can see it's a pretty flat
19 budget for this program. The major increase
20 is in salaries, of \$617,000, and that's for
21 112.8 employees in the, in this program.

22 There was no increase of operations over
23 the last year; definitely flat.

24 And then equipment needs are shown at
25 the bottom of the page, for 199,000, and these

1 are for office equipment, training, and
2 community relations instructor van.

3 As you can see, it's a pretty flat
4 budget, very minimal increases, mostly to
5 reflect the SHOP0 collective bargaining
6 agreement.

7 Chief Phillips is here to answer any of
8 your questions. Deputy Chief Yabuta is here,
9 and also Greg Takahashi is here to answer your
10 questions.

11 And after the program budgets, we can go
12 through the Capital Improvement Projects for
13 fiscal year '09 by the Police Department.
14 There will be two of them.

15 Thank you very much.

16 CHAIR PONTANILLA: Thank you, Director. Members, if
17 you could turn to your Proposed Bill, page
18 number nine, as well as your Program Budget,
19 page 17-1 to 17-35, and the Budget Details,
20 page 15-1 to 15-66.

21 Before we go into the Chief's
22 presentation -- and, Members, in regards to
23 the various programs, the Chief is going to
24 review the various programs with the Committee
25 this morning, and if you can hold back your

1 questions in regards to the Program Budget
2 that is going to be presented this morning, if
3 you could hold back your questions at the
4 time.

5 Are there any questions to Mr. Pablo's
6 opening comments? Seeing none, Chief
7 Phillips, if you could provide the Committee
8 with a general overview of your Department's
9 Program Budget, and if you could introduce the
10 people that are with you this morning.

11 MR. PHILLIPS: Okay. Good morning, Chair, and
12 Members. First of all, thank you for having
13 us. We appreciate the opportunity to provide
14 our budget requests to you this morning.

15 To my right is my business manager, Greg
16 Takahashi, who Fred already introduced, and
17 then Deputy Chief Gary Yabuta. In the
18 audience -- do you want me to introduce
19 everybody, Chair?

20 CHAIR PONTANILLA: If you want to.

21 MR. PHILLIPS: I actually just would highlight that
22 we do have three of our Police Commissioners
23 here, and I wanted to introduce them. The
24 Vice-Chair is Duane Gomes, is here; Leil Koch
25 is here, one of our Board Members; and Keone

1 Ball is here; and thank them for coming.

2 And then the rest of -- I won't go
3 through every name, but is our, basically the
4 rest of our command staff, from the various,
5 the departments -- I mean, divisions.

6 I gave you one handout, and that's just
7 a -- on the first page is the County's
8 mission, goals and objectives, and then the
9 second page would be our main eight goals and
10 objectives that are supported by the goals and
11 objectives of each of the programs that we
12 have.

13 Kind of just to let you know that our,
14 our goals and objectives would support that
15 first bullet, to protect public safety of all
16 people living and visiting in our islands.
17 And probably some peripheral support to some
18 of the other bullets, but that's kind of the
19 main one that our goals and objectives would
20 be toward.

21 And other than that, there's -- Fred
22 kind of covered the budget. Again, it is a
23 pretty basic budget. It's actually a flat
24 budget, other than the collective bargaining
25 increases for last year and this year, this

1 upcoming year. So there's --

2 I guess I can just answer questions. I
3 don't have much more to report on it, because
4 Fred kind of covered the numbers and stuff
5 already.

6 CHAIR PONTANILLA: Thank you, Chief.

7 Members, do you have any questions in
8 regards to the Administration Program this
9 morning? Member Baisa?

10 COUNCILMEMBER BAISA: Yes. Good morning, Chief.

11 MR. PHILLIPS: Good morning.

12 COUNCILMEMBER BAISA: And all of the Indians. It
13 was nice to walk in here today and to see all
14 the uniformed officers. I'd say we feel
15 really safe today. Thank you.

16 MR. PHILLIPS: This is their punishment for all they
17 did during the year that they didn't get
18 caught doing.

19 COUNCILMEMBER BAISA: Oh, okay. Well, they'll have
20 to sit -- I wonder if we can make them sit
21 till 1:00 in the morning like we do.

22 MR. PHILLIPS: That would be nice.

23 COUNCILMEMBER BAISA: Meanwhile, the crooks will
24 have a field day today.

25 But anyway, to get serious, I understand

1 that, you know, this is essentially a flat
2 budget, and I'm not surprised, because this is
3 probably what's going on with most of the
4 Departments at this point in time because of
5 the constraint on revenues, and the need to
6 fund negotiated pay raises, which I think is
7 appropriate.

8 The only question I have, and I think
9 everybody will be interested in the answer, is
10 about the expansion position. Can you please
11 expand on that for us, please?

12 MR. PHILLIPS: Sure, yeah. That one position
13 requested is actually a partial. That is a
14 grant funded position. It's a Federal Cops
15 grant that we received, actually a few years
16 ago, and were able to hire another chemist for
17 our crime lab.

18 And the funding from that grant will run
19 out in December of this year, so we're asking
20 to continue the funding and make that a
21 permanent position. The workload in that area
22 has grown tremendously over the last few
23 years, and then, of course, with that is, of
24 course, the time they spend in court
25 testifying.

1 So it's just one person was overwhelmed
2 in our, in our lab. And so we were able to
3 get that position through the grant, and so
4 we're asking to continue that program, that
5 one position.

6 COUNCILMEMBER BAISA: Thank you very much. You
7 know, Technical and Support Services doesn't
8 do it for those of us that are not involved
9 intimately in the work like you are. We don't
10 know what that person does, and I think, you
11 know, having a person with that background is
12 absolutely essential in today's police work.
13 It's so scientific. It isn't like before.

14 MR. PHILLIPS: Absolutely. We were lucky to find a
15 person that was qualified, and actually very
16 happy working with us, so we want to continue
17 that.

18 COUNCILMEMBER BAISA: And then I'll ask the \$64,000
19 question, which is going to come up anyway.
20 How are we doing in the vacancies?

21 MR. PHILLIPS: Vacancies for -- actually, you know,
22 when I came last year before you, we had 60
23 plus vacancies, and the problem last year is
24 we really didn't have very many job offers, so
25 we kind of had a doom and gloom outlook.

1 But I can tell you this year that
2 currently we have 46 police vacancies. Right
3 now we have 46 job offers out, and we are
4 doing -- thankfully, with the recruitment that
5 we're doing, the advertising and more
6 aggressive recruitment.

7 And then the assistance that Department
8 Personnel Services is giving us has been very
9 successful. We're doing these monthly, one
10 stop shop recruitments. We're getting a lot
11 of job offers in those.

12 Now, of course, that 46, we won't get
13 all of them. Some of them will be weeded out
14 in the background, in psychological and stuff,
15 but we have been hiring people each month as a
16 result of these recruitment drives. So we
17 have a little more optimism this year, that in
18 a year or so we may be a little better off.

19 Of course, the collective bargaining
20 last year, the pay raises, the retention
21 allowance that you guys gave us last year has
22 helped tremendously. We're also doing a
23 hiring bonus, so we've been able to raise up
24 the starting pay, the first year pay over,
25 right around 50,000 for new recruits. So I

1 think that's helped us more than anything in
2 getting more people in the door.

3 And so as far as the police officer
4 position, we're a lot more optimistic than we
5 were last year.

6 An area of real concern, of course, is
7 our dispatchers. That's the lifeline, the
8 communications for our officers. We're, right
9 now, about 50 percent vacant there, and it's
10 been real hard to retain people, so. We have
11 been doing the same type of recruitment for
12 those positions.

13 Right now we have 20 vacancies there.
14 Out of 41 positions, 6 of those are
15 supervisor, though. So of the working
16 dispatchers on the line, we're a little below
17 50 percent, but we have 20 job offers out
18 right now. So, you know, hopefully we'll get
19 some of those on board, get them trained and
20 on line. That's kind of a critical area for
21 us.

22 We do have a request in this budget to
23 ask for that same service and retention
24 allowance for our dispatchers that we gave our
25 uniformed people last year. That is in this

1 budget. It's not, it's not a very large
2 amount. It's only -- I think it's 123,000,
3 but it gives them the same retention bonus
4 that it did to the officers, try and keep them
5 on.

6 And that is, of course, a very, a very
7 difficult and technical position, so it's hard
8 to find people that are qualified and that
9 will come in for the pay that we pay them.
10 So, but we are working on that.

11 That's probably our two biggest areas of
12 vacancies. But, you know, a little more
13 optimistic than last year at this time in both
14 areas, so.

15 COUNCILMEMBER BAISA: Well, that's good news,
16 because, you know, we've always been dealing
17 with this vacancy issue, but I have to commend
18 the efforts that have been given to
19 recruiting. I think all of us are very much
20 aware of your efforts.

21 And, in fact, we were laughing one day,
22 because it was your dispatcher ad that we were
23 giggling about. We said, "Is anybody going to
24 respond to an ad that says, Oh, my baby's
25 dying, what do I do?" You know, it might

1 scare some people away.

2 But your, your efforts have been
3 well-noted, and I encourage you to continue to
4 do that, because, you know, we need you guys
5 fully staffed. You're such an integral and
6 important part of our community.

7 MR. PHILLIPS: Yeah, we want to, we want to make
8 sure that we maintain our, you know, our
9 standards and don't hire the wrong people.
10 That's why, you know, we've worked short all
11 these years. And that's why, you know, 80
12 percent of the agencies around the country are
13 working short.

14 But for dispatchers, it's been real
15 difficult the last couple of years. We've
16 seen, you know, it's getting a little harder
17 to hire. And that job is --

18 COUNCILMEMBER BAISA: Tough.

19 MR. PHILLIPS: -- difficult. I believe on Maui they
20 should be paid higher anyway, because we're
21 the only County that dispatches for police,
22 fire, and medics, where the other Counties
23 have separate dispatchers for all those
24 functions, so. But they get the same pay.

25 So to me, maybe the service and

1 retention allowance kind of helps make up that
2 a little bit, the difference there.

3 COUNCILMEMBER BAISA: That's, that's good. You
4 know, any way that we can attract and keep our
5 police force is really important to the safety
6 of our community. You know, you never realize
7 how much you appreciate the police until you
8 need them and they're there. I know. It's
9 really nice when you call and somebody's there
10 to help.

11 So I, for one, you know, am a great
12 supporter of the Police Department. Thank you
13 very much.

14 MR. PHILLIPS: Thank you.

15 CHAIR PONTANILLA: Thank you, Member Baisa.

16 Member Victorino?

17 COUNCILMEMBER VICTORINO: Thank you, and that's good
18 news, and I'm very happy to hear that, but I
19 guess also I'd like to know, on the other side
20 of the spectrum, retirees, because that's
21 always been one of the real challenges. I
22 understand you guys have done a great job in
23 trying to retain some of the experienced,
24 high-ranking officers, but retirement is
25 coming.

1 So let's say you get 46 in. How many do
2 you anticipate going out this next fiscal
3 year?

4 MR. PHILLIPS: Well, you know, we typically, our
5 attrition rate has pretty much stayed stable
6 over the years. It's usually between 20 and
7 30; not just retirements, but people who move
8 on to something else. We just lost two guys
9 to DLNR and, you know, that happens during the
10 year, where people leave us. We lose more
11 recruits, of course, that wash out than any
12 area.

13 But we do have, we do have people that
14 can retire. Part of, part of that pay package
15 last year, though, there was -- they helped,
16 they tried to help us address the retirement
17 situation statewide, because the other
18 Counties are in the same boat. So we're
19 trying to keep those senior officers, the guys
20 with 25, you know, years, a few years longer.

21 And they did give, they did give people
22 with 25 years of service an extra pay. When
23 they hit 25 years, they get 4 percent extra.

24 So I think with, you know, with the
25 knowledge that they have, this pay raise is

1 coming each year, there's a little more
2 financial incentive for them to stay on rather
3 than retire and get another job and make more
4 money. So we're hoping that it will keep some
5 of them on.

6 I think it has, it did work this past
7 year, because some people that, that I think,
8 you know, would talk to me about retiring have
9 told me they're going to stay on a couple more
10 years because of that extra money that they're
11 making.

12 So I think we're going to have the
13 attrition, you know, no matter what we do.
14 We're going to lose 20 to 30 a year, and we
15 have to just keep recruiting to overcome that,
16 and that's -- you know, but once, once our
17 vacancies are down to 20 or 30, that's more
18 manageable.

19 We can, we can pretty much fill most of
20 the specialized areas, and you can manage 20
21 or 30. It's hard to manage 50 or 60, or close
22 to 70 that we've been managing in the last
23 couple of years, because we have had to cut
24 and work a lot of overtime and stuff like
25 that.

1 COUNCILMEMBER VICTORINO: Well, good, Chief. I'm
2 happy to hear that, that at least that that
3 has been, you know, staved off or at least
4 somewhat lessened.

5 The other question I had really amounts
6 to off-duty police work, you know, that has
7 become more and more important because of
8 requirements by the State and by the County as
9 far as events, projects, construction. I
10 don't care what you call it. A lot of, a lot
11 of demand for off-duty police officers.

12 Do we have, first of all, like Oahu, a
13 certain set limit of hours that they can work
14 in a given year? Because I think that was a
15 big issue in Oahu just recently, in the City
16 and County of Honolulu, that some officers
17 were exceeding and now weren't being allowed
18 to work anymore.

19 Do we have the same, same rules here as
20 they do in the City and County of Honolulu?

21 MR. PHILLIPS: Are you talking about out, the
22 outside employment --

23 COUNCILMEMBER VICTORINO: Right, right.

24 MR. PHILLIPS: -- where they were hired by? I'm not
25 sure what Oahu's policies are, but we do have

1 limits per week that they can work, depending
2 on their shifts and stuff.

3 If they're on vacation or leave, you
4 know, then it's different. But if they're, if
5 they're working and they have their regular
6 shift work during that week, then there is a
7 limit on how much hours of off-duty they can
8 work per week.

9 COUNCILMEMBER VICTORINO: Uh-huh.

10 MR. PHILLIPS: And then, of course, our -- if they
11 have outside employment; some of our officers
12 work security, maybe at the airport or other
13 places, private security, which would be
14 considered outside employment.

15 There, we do place a limit on that as
16 well. And, of course, if in the event of an
17 emergency for us, it has to take priority over
18 those outside employments, so we would
19 actually call them back from there if we had a
20 big emergency or something.

21 But we do allow them to work both the
22 off-duty or outside employment.

23 COUNCILMEMBER VICTORINO: Okay, and I guess the
24 question I had, is there a yearly or annual?

25 Because that's what Oahu, City and

1 County of Honolulu had an annual, and that's
2 what created the problem. If you have a
3 weekly one, I guess that, that will stave it
4 off, but these guys had a yearly, and I don't
5 recall the numbers.

6 MR. PHILLIPS: I don't think we even track it
7 annually. I don't think we have an annual
8 limit.

9 COUNCILMEMBER VICTORINO: Just the weekly.

10 MR. PHILLIPS: Yeah. It depends on the hours
11 they're working and stuff.

12 COUNCILMEMBER VICTORINO: Okay, and the last
13 question I had for you is, on --

14 And I don't know, Mr. Chair. Should we
15 ask about the equipment or should we wait till
16 a later point to ask about equipment?

17 CHAIR PONTANILLA: You can ask about equipment. Let
18 me remind everybody, you know, we're jumping
19 from Administration --

20 UNIDENTIFIED SPEAKER: Right.

21 CHAIR PONTANILLA: -- to Investigative, to
22 Uniformed, and sometimes Technical. If you
23 have any questions on the Administration
24 Program and the particular equipment that is
25 shown, then you can go ahead.

1 COUNCILMEMBER VICTORINO: My questions would be more
2 in the Technical and --

3 CHAIR PONTANI LLA: Oh, okay.

4 COUNCILMEMBER VICTORINO: -- on the --

5 CHAIR PONTANI LLA: If you can hold it off.

6 COUNCILMEMBER VICTORINO: Yeah, so I'll go through
7 the --

8 CHAIR PONTANI LLA: Just breeze through the
9 Administration Program --

10 COUNCILMEMBER VICTORINO: Okay, and then --

11 CHAIR PONTANI LLA: -- first.

12 COUNCILMEMBER VICTORINO: -- whatever else
13 questions, I will bring it up at that time.

14 CHAIR PONTANI LLA: Yeah, thank you.

15 COUNCILMEMBER VICTORINO: Thank you, Mr. Chair.

16 CHAIR PONTANI LLA: Thank you.

17 Member Hokama?

18 VICE-CHAIR HOKAMA: Chief, your forfeiture funds,
19 does it actually lapse? Does it come under
20 lapsing provisions?

21 MR. PHILLIPS: No, it doesn't lapse. It, there's --
22 it's kind of just like no guarantee we're
23 going to get any.

24 VICE-CHAIR HOKAMA: No, but the funds you do
25 receive, there's no requirement that you need

1 to spend it within a --

2 MR. PHILLIPS: No.

3 VICE-CHAIR HOKAMA: -- specific time frame, right?

4 MR. PHILLIPS: No.

5 VICE-CHAIR HOKAMA: You know, for us to appreciate
6 the parameters you need to expend it within,
7 can you give us some, a quick summary of what
8 you can use forfeiture funds for? Because I
9 was wondering if there is other things you
10 might want to get authorization to spend those
11 monies on.

12 MR. PHILLIPS: Okay, the forfeiture funds, it can
13 only be used to supplement our budget, so any,
14 any law enforcement. We can use it for
15 equipment, we can use it for training. We
16 probably could use it for personnel, but we
17 never have, because it's -- you don't know
18 that it's coming in or not.

19 So it's -- but it cannot, it cannot take
20 away from our budget.

21 VICE-CHAIR HOKAMA: So, and again, Chief, you know,
22 I know you have only a certain amount, yeah.
23 It's not a --

24 MR. PHILLIPS: Well, it's very limited. In fact,
25 right now we just were looking at our -- we're

1 probably as low as we've ever been right now
2 in forfeiture funds available to us.

3 So what we have typically used it for --
4 although we have used it over the years for
5 equipment that maybe wasn't in the budget.
6 We've used it to renovate a police station
7 that there wasn't money budgeted for that.

8 But the typical use for us is training
9 and, you know, the travel costs that go along
10 with training. Sometimes bringing training
11 here, to do training for our officers. We've
12 tried to keep -- or employees. Tried to keep
13 a real aggressive training program, which is
14 expensive.

15 You don't have enough money budgeted for
16 the travel and the cost, sometimes the
17 registration fees for all the training
18 sessions that we send people to. So we've
19 typically supplemented that with our
20 forfeiture funds.

21 But we are, right now, at the lowest
22 point that we've ever been, so this, this is
23 going to be a lean year for us. We're
24 probably going to have to look at cutting
25 back.

1 We do get some of the travel and
2 training paid by grants, so anytime it's paid
3 by a grant, it would be easier to send people
4 this year, because the --

5 We have a lot of money that has been
6 seized and is pending forfeiture, but we don't
7 know when, when or if that will happen. So
8 we're kind of a little bit cautious this year
9 about the forfeiture money.

10 MR. YABUTA: You know, Chief, if I can add
11 something.

12 The development of forfeiture funds is a
13 civil remedy to fight crime, to fight the war
14 on drugs, basically. So it's not to supplant.
15 One of the regulations is that it cannot
16 supplant a department's law enforcement's
17 budget.

18 VICE-CHAIR HOKAMA: No, no, I'm not looking at
19 supplant, I'm looking at you using it to
20 expend some of your certain programs, so.

21 You know, hearing the Chief's comments,
22 I'm wondering whether or not, you know, for
23 either your vice division, certain type of
24 specific uses. That would be appropriate,
25 Chief?

1 MR. PHILLIPS: Yeah. Any, any law enforcement
2 expenditure, as long as it's not supplanting.

3 Of course, the problem for us is, you
4 know, in the scheme of things, we don't get
5 very much forfeiture money. There are
6 agencies that get millions. In that case --

7 VICE-CHAIR HOKAMA: Can you explain to us what --
8 you know, my understanding is the County, your
9 Department gets a share of the funds.

10 MR. PHILLIPS: Yeah. Yeah.

11 VICE-CHAIR HOKAMA: So who else shares in this pot
12 of forfeiture money that your officers work in
13 their cases?

14 MR. PHILLIPS: Okay, there's, there's two venues, so
15 to speak, where we can take a forfeiture. One
16 would be through State forfeiture and one
17 would be through Federal forfeiture.

18 And on a Federal forfeiture, just -- it
19 depends on the agencies involved in the case,
20 and how much work they put in. So when you,
21 when you seize an asset, whether it's money or
22 a home or a car, whatever it is, that's going
23 to be taken over by the Federal government.
24 And then there's paperwork has to be filled
25 out by each agency involved in that, in that

1 forfeiture, and then you can request a certain
2 percentage.

3 So if we were the primary agency in a
4 case, and say we seized \$100,000, basically
5 what's available after that forfeiture would
6 be 80,000, because there's a 20 percent that
7 goes for the processing and the costs
8 associated with that forfeiture that would
9 stay with, administrative costs that stay with
10 the Federal. So there may be --

11 VICE-CHAIR HOKAMA: It's in the court process that
12 the whole --

13 MR. PHILLIPS: Yeah, so there may be 80 percent
14 available, so of that 80,000, if we did 50
15 percent of the work in that case, we would get
16 40,000, and the other agencies would divide
17 the other 40,000. That's kind of a basic
18 description of what happens.

19 Under a State forfeiture, it's --
20 they're -- they go through the Attorney
21 General's office, and the State will take 50
22 percent of the forfeiture, put that in a State
23 Fund, State Forfeiture Fund. 25 percent would
24 come back to our agency and 25 percent, I
25 believe, to the Prosecutor's office.

1 So even in Federal forfeitures, if the
2 Prosecutor was involved in us saying, doing
3 the search warrants or whatever, they would
4 get a percentage also.

5 So basically on a, on a State
6 forfeiture, we're going to get 25 percent up
7 front, and then that State forfeiture that
8 goes to the Attorney General's office, we
9 would be able to request funds from them.

10 And say we're going to host a training
11 or something, we may be able to request some
12 funding from them, and they'll approve it or
13 deny it. Some of our requests are approved,
14 they approve the money for us. Some of them
15 are denied, and they won't give it.

16 VICE-CHAIR HOKAMA: Is that structured by State,
17 State law --

18 MR. PHILLIPS: Yes.

19 VICE-CHAIR HOKAMA: Chief?

20 MR. PHILLIPS: Yes. So both are, both are -- one's
21 State law and one's Federal law.

22 VICE-CHAIR HOKAMA: No, I'm just wondering how much
23 work the actual State agency does regarding
24 this State forfeiture funds. I would think
25 your department, our prosecutors, would be the

1 primary agencies to --

2 MR. PHILLIPS: It's still, it's still available to
3 us, though, through their agencies.

4 VICE-CHAIR HOKAMA: Yeah, but for your money to go to
5 an agency --

6 MR. PHILLIPS: Yeah.

7 VICE-CHAIR HOKAMA: -- that had nothing to do with
8 the --

9 MR. PHILLIPS: Yeah, I think actually, though,
10 sometimes we've asked for more than we've
11 actually put in, so.

12 VICE-CHAIR HOKAMA: And you --

13 MR. PHILLIPS: Because other agencies put more in
14 than us. You know, typically Honolulu and
15 stuff put more in.

16 VICE-CHAIR HOKAMA: Yeah, well, we didn't hear that
17 comment.

18 MR. PHILLIPS: So it's not a, it's not a bad process
19 for us.

20 The problem right now, of course, is we
21 have a lot of money that's tied up, waiting
22 for, to be adjudicated, which is a longer
23 process, by the way, than it used to be. The
24 process changed a couple of years ago, and so
25 the forfeitures don't come as quickly as they

1 used to.

2 VICE-CHAIR HOKAMA: So things like retention or
3 equipment, the incentives, those would be
4 inappropriate uses of forfeiture funds, Chief?

5 MR. PHILLIPS: I'm not sure that it's inappropriate.
6 I think you could use it, but I just don't
7 think we have enough funds to do that. We
8 would be -- I mean, it would drain us. If I
9 used even, even for just the dispatchers, our
10 fund would be empty. We'd have nothing left.

11 VICE-CHAIR HOKAMA: Okay.

12 MR. PHILLIPS: So, and it's a, the situation where
13 -- you know, the money doesn't come in
14 regular. You're not sure when it's going to
15 come in.

16 VICE-CHAIR HOKAMA: So, you know, I know you, by
17 law, you notify us of the expenditures of the
18 forfeiture accounts.

19 Is there anyone else you need to notify
20 of the use of those funds? Like if it's
21 Federal forfeiture, do you need to notify
22 Federal agencies that you've utilized funds?

23 MR. PHILLIPS: It is an annual report.

24 We, we don't have to notify you by law,
25 by the way. We kind of just do it as a

1 courtesy.

2 But there is, there is regulations on
3 both that annually we report the spending of,
4 Federally and State.

5 VICE-CHAIR HOKAMA: Okay. Thank you, Chief.

6 Oh, one quick follow-up. You cannot use
7 it on Commission requirements, can you?

8 MR. PHILLIPS: What do you mean?

9 VICE-CHAIR HOKAMA: If the Police Commission, for
10 some reason, wants some type of requirement
11 for the Department, can forfeiture funds
12 assist the Commission to do certain -- you
13 know, if they want to do an efficiency study
14 with you and senior management. Can those
15 funds be used for those type of purposes?

16 MR. PHILLIPS: I would assume so. If it were
17 available.

18 VICE-CHAIR HOKAMA: Right, right. No, I'm just
19 trying to understand the scope that you, that
20 you're required --

21 MR. PHILLIPS: Pretty much anything that's law
22 enforcement related. We can use it for
23 equipment, operational costs. As long as it's
24 a supplement and not supplant.

25 VICE-CHAIR HOKAMA: Right, right. Okay, Chief,

1 thank you.

2 MR. PHILLIPS: You're welcome.

3 CHAIR PONTANILLA: Thank you, Member Hokama.

4 Member Medeiros, questions?

5 COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman.

6 And good morning, Chief Phillips,

7 Chief --

8 MR. PHILLIPS: Good morning.

9 COUNCILMEMBER MEDEIROS: -- Yabuta, and

10 Mr. Takahashi.

11 I just wanted to, since you provided us
12 with the mission and goals for the Department,
13 which are admirable goals, I just wondered,
14 how do you preserve and protect our natural
15 resources?

16 MR. PHILLIPS: I think that actually is the

17 County's, that's under the County's goals.

18 COUNCILMEMBER MEDEIROS: Okay, of the Department.

19 MR. PHILLIPS: Yeah. Our Department ones are on the
20 next page.

21 COUNCILMEMBER MEDEIROS: Okay, and looking at your
22 Department goals and objectives, the second
23 one says, "To repress crime by maximizing
24 patrol activities."

25 How do we maximize patrol activities if

1 there are vacancies in the patrol section?

2 MR. PHILLIPS: Yeah, there, there are vacancies all
3 over the Department, but we haven't cut beats.
4 We still have -- all the beats are filled, and
5 sometimes it's by overtime.

6 COUNCILMEMBER MEDEIROS: Right.

7 MR. PHILLIPS: But we haven't reduced any of the
8 patrol beats. So we -- you know, like in
9 Wailuku, say if we have 11 beats, we haven't
10 cut that back to 9 because of vacancies. We
11 still fill them, but sometimes it's on an
12 overtime basis.

13 COUNCILMEMBER MEDEIROS: Okay, so if we can maximize
14 the patrol activities by filling the vacancies
15 now existing, then that would reduce the cost
16 to the County for overtime.

17 MR. PHILLIPS: Absolutely.

18 COUNCILMEMBER MEDEIROS: Okay. Then going to
19 Administration Program, which we're discussing
20 now, and -- let me see.

21 Before I do that, I just wanted to go to
22 Director Pablo's comments, or his handout to
23 us. And this may come up as we discuss each
24 program, but the, part of the, your first
25 page, was under equipment, and you did mention

1 that there was a four year replacement
2 program.

3 Can you tell me if the program for
4 replacement, and I'm thinking of vehicles, is
5 a lease or purchase program?

6 MR. PHILLIPS: It's purchase program.

7 COUNCILMEMBER MEDEIROS: It's all purchase?

8 MR. PHILLIPS: Yeah.

9 COUNCILMEMBER MEDEIROS: Okay, and the four year is
10 designed so that the vehicles can be turned in
11 with some value that would affect the cost of
12 the new vehicles?

13 MR. PHILLIPS: We get some trade-in, but that value
14 is very minimal.

15 But the four, the four years, it's kind
16 of -- there's a formula that we use. It's
17 either four years, because there's a certain
18 amount of miles, and then the general
19 condition of the car. So there has been times
20 when we've kept a vehicle longer than the four
21 years, if the mileage was low, general
22 condition was good.

23 But typically, with our patrol cars, our
24 marked cars, we, because they're used so much,
25 we see that by that time they have high

1 mileage, usually the maintenance cost is going
2 to be pretty great, and so we've found that
3 that's the best rotation.

4 COUNCILMEMBER MEDEIROS: Okay.

5 MR. PHILLIPS: Some of our unmarked, of course, we
6 keep a lot longer, sometimes seven to ten
7 years.

8 COUNCILMEMBER MEDEIROS: So the disposal program for
9 the vehicles are either you're turning them
10 in, or are they sold on auction?

11 MR. PHILLIPS: It's all trade-ins.

12 COUNCILMEMBER MEDEIROS: All trade-ins?

13 MR. PHILLIPS: Yeah.

14 COUNCILMEMBER MEDEIROS: Okay, so there's no auction
15 sales anymore.

16 MR. PHILLIPS: No, occasionally other County
17 agencies may take some of our cars. Very,
18 very infrequently, but once in a while, if the
19 car's in good condition, it may go to another
20 County agency, but most of the time it's a
21 trade-in.

22 COUNCILMEMBER MEDEIROS: I see. Okay, under your
23 Administration Program, under Operations,
24 Police Administration, you have on the
25 handout, on page two of five, 15-6, gas,

1 diesel, oil, and et cetera.

2 Now, that's the amounts strictly for the
3 Administration only?

4 MR. PHILLIPS: No, that's Department.

5 COUNCILMEMBER MEDEIROS: Department wide?

6 MR. PHILLIPS: I'm sorry, it's the Wailuku station,
7 the Wailuku District.

8 COUNCILMEMBER MEDEIROS: Okay, and so currently the
9 vehicles out of your Wailuku station fill
10 their vehicles from your Wailuku station.

11 MR. PHILLIPS: Yes.

12 COUNCILMEMBER MEDEIROS: So you have a dispensing
13 operation there?

14 MR. PHILLIPS: We do.

15 COUNCILMEMBER MEDEIROS: Okay, and is the purchase
16 of these fuels and lubricants on wholesale?

17 MR. PHILLIPS: Yes.

18 COUNCILMEMBER MEDEIROS: Okay, and do you have to
19 bid for those? I mean, you put out a contract
20 on bid for those?

21 MR. PHILLIPS: Yes.

22 COUNCILMEMBER MEDEIROS: I see, okay. Okay, that's
23 all. Thank you, Chief.

24 MR. PHILLIPS: Thank you.

25 CHAIR PONTANILLA: Thank you, Member Medeiros.

1 Member Anderson, questions?

2 COUNCILMEMBER ANDERSON: Not in this section.

3 CHAIR PONTANILLA: Thank you. Members, any more
4 questions on the Administration Program?

5 Thank you.

6 Seeing none, Chief, if you could go into
7 Investigative Service Program.

8 And, Members, if you have any questions.

9 Member Anderson, questions on the
10 Investigative Program at this time?

11 COUNCILMEMBER ANDERSON: I'm waiting for CIP.

12 CHAIR PONTANILLA: Member Baisa?

13 COUNCILMEMBER BAI SA: No, thank you.

14 CHAIR PONTANILLA: Member Medeiros?

15 COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman. I
16 think I have a couple questions.

17 Under Investigative Services Program, on
18 the handout, there was, on page three of five,
19 item 15-19, electricity. Now, that's
20 electrical costs for, for what?

21 MR. PHILLIPS: That would be for the new morgue
22 building that we're renovating.

23 COUNCILMEMBER MEDEIROS: What building?

24 MR. PHILLIPS: The morgue, County morgue. All,
25 actually all those costs there, the police

1 autopsies, medical, janitorial, repairs and
2 maintenance, R and M, and electricity, that's
3 all for the new morgue.

4 COUNCILMEMBER MEDEIROS: Okay, yeah. I see where
5 they're all new amounts for 2009, and there
6 weren't anything for 2008. So that's all
7 related to the morgue --

8 MR. PHILLIPS: Yes.

9 COUNCILMEMBER MEDEIROS: -- building and services.
10 Okay, on equipment, the ballistic
11 tactical vests-SRT, 14 of them. Can you tell
12 me on these vests, because there's been, you
13 know, many reports nationwide and even in
14 Hawaii, about these vests being purchased by
15 departments that are not the very best in the
16 industry.

17 So can you tell me where these vests
18 rate in the industry of ballistic tactical
19 vests?

20 MR. PHILLIPS: I don't know that we've decided on
21 the -- I think we have to bid.

22 Greg, do you know? On those SRT vests?

23 MR. TAKAHASHI: It goes out to bid. The company
24 that we chose is the highest rated vests.

25 MR. PHILLIPS: The specification, we put our

1 specifications, so we -- I know the material
2 that you're talking about is not in the vests
3 that we buy. Ours are the highest
4 specifications. And then we have to bid it to
5 the purchase.

6 But I think the vests that you're
7 referring to, we don't buy that material.
8 It's not in our specifications.

9 COUNCILMEMBER MEDEIROS: I see. So we're purchasing
10 for the Department vests that are according to
11 the Department specifications.

12 MR. PHILLIPS: Yes.

13 COUNCILMEMBER MEDEIROS: So in your specifications,
14 are you looking for the best protective vests
15 for the officers?

16 MR. PHILLIPS: Absolutely.

17 COUNCILMEMBER MEDEIROS: Okay, and then you put it
18 out for procurement through a bid process.

19 MR. PHILLIPS: Yes.

20 COUNCILMEMBER MEDEIROS: Okay.

21 MR. YABUTA: Excuse me a second, Councilmember.
22 That refers to our SWAT team, our SRT team;
23 not for the general patrol officers. These
24 are highly specialized vests that are used for
25 tactical purposes, so they have a higher

1 threat level. So they're a, they're a
2 different type of vest that are for, from
3 normal issue.

4 COUNCILMEMBER MEDEIROS: I see. Oh, thank you for
5 that information. So the patrol officers or
6 other officers that are not assigned or on
7 duty in the SRT operations, their vest is a
8 different vest.

9 MR. PHILLIPS: It's a different, yeah. It's not a
10 tactical vest.

11 COUNCILMEMBER MEDEIROS: I see.

12 MR. PHILLIPS: Because it's used under the uniform.
13 But that vest --

14 And you'll see that we do have an amount
15 to replace. We replace each year some,
16 because those, we replace them every five
17 years, the vests used by the officers. And
18 mainly, the main reason is the warranty runs
19 out every five years. It doesn't mean the
20 vest won't work.

21 COUNCILMEMBER MEDEIROS: Right.

22 MR. PHILLIPS: But within that five years, you know,
23 the technology usually has gotten a little bit
24 better, maybe they're a little more
25 comfortable. So we want to outfit them with

1 the latest, best vest available. So that's
2 why we rotate them each five years.

3 COUNCILMEMBER MEDEIROS: Okay. Okay, so the vests
4 for the patrol officers or other officers not
5 in the SRT operations, those are purchased
6 under what program?

7 MR. PHILLIPS: Technical Services, out of plans and
8 training budget.

9 COUNCILMEMBER MEDEIROS: Okay, okay. Thank you,
10 Chief.

11 Mahalo, Mr. Chairman.

12 CHAIR PONTANILLA: Thank you, Member Medeiros.

13 Member Hokama?

14 VICE-CHAIR HOKAMA: I'm just pleased the Department
15 has moved toward the, is moving toward
16 operations of our new morgue, County morgue,
17 Chiefs. I'm very happy to hear that.

18 Has the Department settled with the,
19 with the operational plan for the building?
20 Are we going to allow maybe Clinical Labs to
21 use, to continue to use a portion, and that
22 the numbers that are reflected in your budget
23 request is just for our portion and that the
24 tenant or subtenant will have, will take care
25 of their requirements for the building needs?

1 MR. PHILLIPS: Yeah, this is just our requirements.
2 I think they're going to use it. We do have
3 an agreement with them to allow them to
4 continue to use it, I think for a year, but we
5 can address that as that year progresses.

6 But we definitely have some other uses
7 for the building. We haven't developed that
8 plan yet. Of course, our first, our first
9 step will be developing the plan for the
10 morgue, and get that operational. We will be
11 looking at possible other uses for the, for
12 some other areas of the building. That's
13 probably down the road, though.

14 VICE-CHAIR HOKAMA: Chief, can you tell us so we can
15 appreciate the challenges you face, since you
16 are the coroner, right, under the law? So,
17 and then we contract people like Dr. Manoukian
18 as medical examiners.

19 MR. PHILLIPS: Yes, the forensic pathologist that
20 does the, our autopsy work.

21 VICE-CHAIR HOKAMA: So would that come under
22 professional services for what Dr. Manoukian
23 or any other qualified pathologist would
24 provide the Department or the County? How --

25 MR. PHILLIPS: Yes.

1 VICE-CHAIR HOKAMA: -- are we working this out?

2 Through a contractual agreement from the
3 Department to the specific vendor?

4 MR. PHILLIPS: Yeah, it -- yeah, it's per case, so
5 we pay them per case on that.

6 VICE-CHAIR HOKAMA: Okay, okay. And then the lab,
7 the lab work now. I know -- is the lab going
8 to be a, by agreement, a joint sharing and use
9 thing, or is this the lab will be just under
10 your Department's responsibility and charge?
11 Or is this the medical examiner's portion for
12 the lab requirements?

13 MR. PHILLIPS: No, the lab -- well, the morgue will
14 be ours, but we will contract them to come
15 there and provide the service there rather
16 than at the hospital. Right now, we just pay
17 them to do it at the hospital morgue.

18 VICE-CHAIR HOKAMA: Right, right, right.

19 MR. PHILLIPS: We'll be paying them to do it at our
20 morgue from now on.

21 VICE-CHAIR HOKAMA: Okay, so the agreement that,
22 like, for example, Dr. Manoukian would be
23 required, that would be under his company's
24 responsibility and jurisdiction to provide, or
25 is that your Department's responsibility to

1 provide for them to do their, their
2 requirements?

3 MR. PHILLIPS: He, as far as equipment, it would be
4 his or Clinical Lab's equipment. The morgue
5 supplies, however, would be by us.

6 VICE-CHAIR HOKAMA: So the space, providing, making
7 sure that the power and utilities are there
8 for them to utilize, whatever required
9 refrigeration requirements, backup generation.
10 That would be provided by --

11 MR. PHILLIPS: By the County.

12 VICE-CHAIR HOKAMA: -- the Department?

13 MR. PHILLIPS: By the County.

14 VICE-CHAIR HOKAMA: Okay, and real quickly, where
15 are we on -- are we on schedule, Chief?

16 MR. PHILLIPS: I'm supposed to get the keys
17 tomorrow.

18 VICE-CHAIR HOKAMA: Congratulations.

19 MR. PHILLIPS: So then we've already started --
20 well, we'll have a consultant and a panel that
21 will kind of start the design for the
22 renovation of the morgue.

23 VICE-CHAIR HOKAMA: Okay.

24 MR. PHILLIPS: That should be starting shortly.

25 VICE-CHAIR HOKAMA: And we have appropriate funds

1 for you to --

2 MR. PHILLIPS: Yes.

3 VICE-CHAIR HOKAMA: -- do that already? Okay,

4 Chief, thank you.

5 Chairman?

6 MR. PHILLIPS: Thank you.

7 CHAIR PONTANILLA: Thank you, Member Hokama.

8 Member Victorino?

9 COUNCILMEMBER VICTORINO: Yes, thank you, Chair.

10 Again, Chief, thank you for all this
11 information, but I have a question for Deputy
12 Chief Yabuta.

13 Do you know on this vest, is there the
14 same type of warranty, five years, you got to
15 change, or is there something else, or --
16 because this is highly specialized, and these
17 are putting our men and women who do these
18 very, very dangerous situations. These are
19 like hostage, stand down, the whole nine
20 yards, right?

21 Is there a special, how many years this
22 is going to last? Or what is the, you know,
23 for this one, because it is highly technical
24 as far as its usage.

25 MR. YABUTA: Yes. All vests that we know of have a

1 warranty --

2 COUNCILMEMBER VICTORINO: Right.

3 MR. YABUTA: -- date. As you know there, we have
4 more than 14 SRT SWAT members. In fact, I
5 think we're going to expand to 31. So we do
6 it in phases to reduce the amount of burden on
7 the County as far as budgeting. We don't
8 replace them all at one time.

9 So we go -- every year you'll be seeing
10 a budget for, for SRT, special response vests.
11 So we broke it down in three stages, I
12 believe. So every year we add 14, and because
13 we're going to expand to 31 members, you'll
14 see an increase. But this is, this is more
15 appropriate at this time.

16 But they're, they're -- the vests itself
17 have to be more resistant towards a higher
18 caliber of round for more protective, as far
19 as the body of the SWAT team member, so their
20 standards are higher.

21 You can rest assured that we do a lot of
22 research from our, our commander of SRT,
23 Mr. -- Lieutenant Greg Moniz. And rest
24 assured, we get the best vests that we can for
25 our SWAT team members.

1 COUNCILMEMBER VICTORINO: Well, that's always my
2 concern, that, you know, especially when it
3 comes to these highly sensitive situations,
4 that our men and women who are out there have
5 the best protection possible.

6 And sometimes when you go with
7 procurement and costs, sometimes are not
8 really -- I'm not happy with that kind of
9 idea, because I don't want to ever buy
10 something because it's cheaper and puts
11 somebody's life at risk. You know, that, to
12 me, is not something these men and women have
13 to face, you know. We should give them the
14 best that money can buy.

15 As long as I'm assured that's what you
16 guys regularly set up for this type of
17 purchase, and maybe for our regular officers,
18 the same thing, then I'll rest assured that at
19 least these people, when they have to get out
20 to that situation, will have the best
21 protection that can be afforded, so.

22 If you tell me that's what is happening,
23 I'll take your word for it, and I appreciate
24 that, just as long as our men and women are
25 protected.

1 MR. YABUTA: And I want to thank you for your
2 support and all the Council's support on that.

3 The reason why we don't issue this to
4 the general patrol officers, because it's a
5 tactical vest. It's more cumbersome, because
6 there's more protective material inside of
7 them. It's something that our patrol officers
8 wouldn't be able to do their job efficiently
9 if they were to --

10 COUNCILMEMBER VICTORINO: Can't work.

11 MR. YABUTA: -- have something like that. So this
12 is specialized equipment for our tactical
13 team.

14 But again, I appreciate your support.
15 And later on you're going to see our, our
16 budget proposal for the regular issued vests,
17 ballistic vests. I believe we're asking for
18 160. And we do those in stages, too.

19 COUNCILMEMBER VICTORINO: Good.

20 MR. YABUTA: But again, thank you.

21 COUNCILMEMBER VICTORINO: No, I --

22 MR. YABUTA: And also, Chair Hokama, I want to thank
23 you for your support on the morgue. It's
24 finally going to happen.

25 COUNCILMEMBER VICTORINO: Long overdue, yeah?

1 MR. PHILLIPS: These 14 are replacements, by the
2 way. They're not -- and then, of course, we
3 make the specifications, so they have to meet
4 those specifications that ensure that what
5 you're talking about is met on having the best
6 ones.

7 COUNCILMEMBER VICTORINO: Well, again, I go back to
8 the statement, just as long as our men and
9 women are given the best protection.

10 Because they protect our lives, I want
11 to make sure they have the best out there.
12 And everyone in this room feels the same way.
13 And we know they put their lives on the line
14 for us, so we should at least put the money
15 where our mouth is and make sure that they get
16 the best protection.

17 And that's all I was asking, and thank
18 you, Chief, Deputy Chief Yabuta, for your
19 response.

20 Thank you, Mr. Chair.

21 CHAIR PONTANILLA: Thank you, Member Victorino.

22 Members, any more questions on the --

23 COUNCILMEMBER MEDEIROS: Chair?

24 CHAIR PONTANILLA: -- Investigative Services?

25 Member Medeiros?

1 COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman. On
2 our questions, can we go, are we going to the
3 Budget Details also regarding that program?
4 Or are we --

5 CHAIR PONTANILLA: Yeah, you could.

6 COUNCILMEMBER MEDEIROS: Okay, thank you.

7 In the Budget Details, on page 15-53,
8 and I will give you a few moments to locate
9 that, under Investigative Services Program. I
10 want to ask, domestic cannabis eradication.
11 I'm just wondering, when you say domestic, is
12 this stuff grown at home, or this includes
13 stuff grown in the wilderness?

14 MR. PHILLIPS: It's grown here on Maui, or Maui
15 County.

16 COUNCILMEMBER MEDEIROS: So domestic is any kind of
17 cannabis that's grown.

18 MR. PHILLIPS: Yeah, domestic, this is actually a
19 term used by DEA for the grant, the domestic
20 cannabis program.

21 COUNCILMEMBER MEDEIROS: I see, uh-huh.

22 MR. PHILLIPS: But it just basically, what our, what
23 our eradication efforts are, marijuana that's
24 either grown here in Maui County or brought in
25 to Maui County.

1 COUNCILMEMBER MEDEIROS: Okay, the reason I asked
2 about domestic is, you know, because there is
3 that medicinal cannabis where people can grow
4 it at home, even though it's not recognized by
5 the Federal government. So I just thought
6 maybe the term meant that kind of cannabis.

7 MR. PHILLIPS: It really has nothing to do with the
8 medical marijuana issue.

9 COUNCILMEMBER MEDEIROS: Okay, okay. The next one,
10 because I've always, you know, been an
11 advocate for --

12 CHAIR PONTANILLA: Excuse me, Member Medeiros.

13 COUNCILMEMBER MEDEIROS: Yeah.

14 CHAIR PONTANILLA: You're looking at grants right
15 now?

16 COUNCILMEMBER VICTORINO: Yeah.

17 VICE-CHAIR HOKAMA: Yeah, it's grant revenue,
18 Chairman.

19 COUNCILMEMBER MEDEIROS: Okay.

20 CHAIR PONTANILLA: Yeah, we're going to cover grant
21 revenues.

22 COUNCILMEMBER MEDEIROS: Okay, at a later point?

23 CHAIR PONTANILLA: At a later point, yeah.

24 COUNCILMEMBER MEDEIROS: Okay. Thank you,
25 Mr. Chairman.

1 CHAIR PONTANILLA: So any more questions in regards
2 to the Investigative Service Program?

3 VICE-CHAIR HOKAMA: Just one quick question --

4 CHAIR PONTANILLA: Member Hokama.

5 VICE-CHAIR HOKAMA: I appreciate the Department
6 being aware of what's happening down at the
7 Capitol, because there's some interesting
8 legislation being proposed, Chief, and I know
9 you're sending written testimony.

10 So I want to thank you, that your
11 Department has been kept briefed and up to
12 date of what's happening down there, because
13 they have some interesting initiatives that's
14 going to impact how your Department is going
15 to, may be impacted regarding operations,
16 especially with this medical marijuana
17 initiative that they want just Maui County to
18 do.

19 So I just want to say that I appreciate
20 your Department's cognizance and response to
21 those type of requests proposed down there.

22 MR. PHILLIPS: Thank you. Interesting is a polite
23 way of --

24 VICE-CHAIR HOKAMA: Yes, I know, but we're on TV, so
25 I cannot use the other language I wish to use.

1 Thank you.

2 CHAIR PONTANI LLA: Thank you, Member Hokama.

3 Okay, Members, the next program is the
4 Uniformed Patrol Services.

5 Chief, do you have any more comments on
6 this?

7 MR. PHILLIPS: No, other than it is, again,
8 basically a flat budget, just with the
9 increases to salary and wages.

10 CHAIR PONTANI LLA: Thank you.

11 Members, questions? Member Anderson, do
12 you have any questions on this?

13 COUNCILMEMBER ANDERSON: No questions.

14 CHAIR PONTANI LLA: Thank you. Member Baisa?

15 COUNCILMEMBER BAI SA: No.

16 CHAIR PONTANI LLA: Thank you. Member Medeiros?

17 COUNCILMEMBER MEDEIROS: I do. Mahalo,
18 Mr. Chairman.

19 I just want to find out, out of the 46
20 vacancies, which my understanding is that's
21 Department wide?

22 MR. PHILLIPS: Department wide.

23 COUNCILMEMBER MEDEIROS: Okay. How many vacancies
24 are in the patrol services?

25 MR. PHILLIPS: I'd have to respond in -- I'm not

1 sure where all the vacancies are, so I'd have
2 to respond. It's kind of broken up so it's
3 not hitting one particular bureau. So I'd
4 have to look at that.

5 COUNCILMEMBER MEDEIROS: Okay. You know, for me,
6 seems like the patrol services section is
7 probably the foundation and backbone of the
8 Department that's out there and, you know,
9 doing the work.

10 So I'd appreciate it if -- Mr. Chairman,
11 can we request a vacancies breakdown for the
12 Department, especially for the patrol services
13 program?

14 CHAIR PONTANILLA: Yes, we can, Member Medeiros.

15 COUNCILMEMBER MEDEIROS: Okay, mahalo for that.

16 And as far as recruits, that's going to
17 be covered under your training program?

18 MR. PHILLIPS: Yes.

19 COUNCILMEMBER MEDEIROS: Okay. I'll wait for that.

20 And the, as far as equipment, it's the
21 same, right? That as far as vehicles, it's a
22 four year replacement program.

23 MR. PHILLIPS: Yes, the --

24 COUNCILMEMBER MEDEIROS: And that's purchased
25 vehicles, not lease.

1 MR. PHILLIPS: Purchased.

2 COUNCILMEMBER MEDEIROS: Okay, okay. Thank you,
3 Chief.

4 Mahalo, Mr. Chairman.

5 CHAIR PONTANILLA: Thank you, Member Medeiros.

6 And, Members, we are requesting the
7 vacancy report from personnel, to provide us
8 that list for all departments.

9 COUNCILMEMBER MEDEIROS: Mr. Chairman, yeah, if,
10 though, we can be sure that there's a
11 breakdown in that vacancies and it's not a
12 Department wide, one number? If we can see
13 where the vacancies are?

14 CHAIR PONTANILLA: Yeah, it's going to be broken
15 down.

16 COUNCILMEMBER MEDEIROS: Okay, thank you.

17 CHAIR PONTANILLA: And the length of the vacancies.

18 COUNCILMEMBER MEDEIROS: Okay.

19 CHAIR PONTANILLA: Member Hokama.

20 VICE-CHAIR HOKAMA: And, Chairman, I support your
21 request of the various standing committees to
22 do their review of the quarterly reports,
23 because in the quarterly reports by
24 departments, they only show expenditures, but
25 it does provide comment of vacancies regarding

1 budget implementation.

2 So I just wish to share that with the
3 Members as another resource document that they
4 may be able to refer to.

5 Regarding, you know, from -- again,
6 Chief, you know, your guess is as good as ours
7 regarding what the fuel price is going to be,
8 and I can appreciate Lanai being an outlying
9 district.

10 So I'm just wondering, has,
11 Mr. Takahashi has any insight to share with us
12 on how he's approached this increase request?
13 Is this something that, you know, you've
14 touched base with maybe Maui Electric, or Maui
15 Oil, or whoever is providing the Department
16 with fuel? Or is Public Works giving you the
17 numbers for it?

18 MR. TAKAHASHI: If you're asking about electricity
19 costs?

20 VICE-CHAIR HOKAMA: Yeah, those fuel costs,
21 electricity costs.

22 MR. TAKAHASHI: No, basically we just see what our
23 past experience was, prior years. Just
24 increased.

25 VICE-CHAIR HOKAMA: Okay. Again, gentlemen, I would

1 just say that I would prefer you be a little
2 bit -- I would rather be a little bit more,
3 what's the word, conservative in the positive
4 sense, that I would rather you ask a little
5 bit more than come back to us later and say we
6 don't have enough money in our fuel accounts,
7 or we're short on our utility accounts.

8 We've got to keep our people on the
9 road, in the communities, in the business
10 districts, so. For me, I have no problem
11 considering appropriate adjustments in fuel
12 and utility requirements for the Department.

13 Thank you, Chairman.

14 CHAIR PONTANILLA: Thank you, Member Hokama.

15 Member Victorino?

16 COUNCILMEMBER VICTORINO: Thank you, Chair.

17 Again, Chief, I know we've covered as
18 far as the vehicles and the equipment, but I
19 notice that we're just doing certain
20 districts. Is this a rotating basis? Is that
21 how you come to -- come with just Wailuku,
22 Lahaina, and Kihei?

23 Or how do you determine the rotation as
24 far as these replacement vehicles are
25 concerned? Beyond the four years, 40,000, and

1 I know you go longer sometimes, but what
2 determines where and when?

3 MR. PHILLIPS: Actually, our motor pool would
4 determine which cars are to be replaced.

5 And just for your info, we try and keep
6 the newer cars in the outlying districts so
7 the -- because they don't have as much
8 opportunity for maintenance. It's
9 unavailable, like Lanai, Molokai, and Hana,
10 so.

11 And it is by the rotation basis. If
12 there's none on here, no request on here,
13 probably means that we made replacements in
14 last year's budget --

15 COUNCILMEMBER VICTORINO: Okay.

16 MR. PHILLIPS: -- for those districts.

17 COUNCILMEMBER VICTORINO: And this 910133 traffic
18 section, you have a patrol car. Is that,
19 what, plain? Is that plain, unmarked?

20 MR. PHILLIPS: Yeah, it's an unmarked.

21 COUNCILMEMBER VICTORINO: Unmarked.

22 MR. PHILLIPS: Yeah.

23 COUNCILMEMBER VICTORINO: Because I saw a
24 separation, so that's why I wanted to be clear
25 that that was an unmarked vehicle --

1 MR. PHILLIPS: Yeah.

2 COUNCILMEMBER VICTORINO: -- for that purpose of
3 traffic and other.

4 MR. PHILLIPS: It's a patrol vehicle, but it doesn't
5 have the full marking on it.

6 COUNCILMEMBER VICTORINO: Okay.

7 MR. PHILLIPS: They have emergency equipment, but
8 not the decals and all that on it.

9 COUNCILMEMBER VICTORINO: Right. Again, the last
10 question, Mr. Chair, and Chief, on the
11 operations part.

12 You know, I see these numbers put in,
13 and I know it's your best estimate, but I was
14 noticing some big differentiations in the
15 amounts.

16 And I bring to example last year, you
17 know, in 2008, you're looking at 7,245 for
18 Hana, and then next year you're projecting 17,
19 which is 134 percent, which I have no question
20 in the increase. Is there an expansion of the
21 area? Is that why the big increase, or
22 what's, what's causing that then?

23 MR. PHILLIPS: Yeah, that's --

24 COUNCILMEMBER VICTORINO: Beyond the regular fuel
25 charges and all that other stuff we all face.

1 MR. PHILLIPS: We have, we have a CIP project to
2 build another cottage, so that will be part of
3 the increase.

4 And the other is that we're increasing,
5 we're putting two radio shelters out in that
6 area, which will require electricity.

7 So that's the difference in the
8 additions, the radio and the additional
9 cottage.

10 COUNCILMEMBER VICTORINO: Which is long overdue for
11 Hana, so I have no quarrel with that. But
12 that explains why the tremendous increase in
13 the, in that district, because the rest were
14 fairly substantial, but that one really stood
15 out.

16 So if that's the reason, then I support
17 it wholeheartedly, because those people there
18 deserve just as good, or if not better,
19 service than we get in Central Maui, because
20 we're more -- you know, everything's out here
21 and nothing much out that side.

22 So if that will help the radio
23 communication and officers who live out there,
24 I'm all for that.

25 So thank you, Chief. I appreciate that

1 expl anati on.

2 MR. PHILLIPS: Thank you.

3 CHAIR PONTANILLA: Thank you, Member --

4 COUNCILMEMBER VICTORINO: Thank you, Chair.

5 CHAIR PONTANILLA: -- Victorino. Member Baisa?

6 COUNCILMEMBER BAI SA: Oh, yeah, just a quick comment

7 I wanted to share.

8 I spoke with Mr. Alec McBarnet of Maui
9 Oil Company at a Cameron Center Board meeting
10 on Tuesday, and he knows we're going through
11 budget and we're talking about it. And he
12 said that if anyone wanted to discuss with
13 him, you know, oil, and where he thinks it's
14 going, and to forecast gasoline costs, that he
15 would be more than happy to be available.

16 So if anybody wants to talk to him or
17 give him a call, I know he'd be happy to help.
18 Because, you know, right now we're just kind
19 of guessing. We don't know. And people like
20 him that are in the industry really have a
21 handle on what, where things are going.

22 CHAIR PONTANILLA: Thank you, Member Baisa.

23 Department, that's a good resource
24 person to ask for help in regards to, you
25 know, figuring out, figuring out your fuel

1 costs. Thank you.

2 Members, any more questions on this
3 program?

4 COUNCILMEMBER MEDEIROS: Chair?

5 CHAIR PONTANILLA: Member Medeiros.

6 COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman.

7 Yeah, Member Victorino brought up, I
8 think about the cottage, the police cottage
9 that's being planned to be built, and I know
10 in my conversation with Chief Yabuta, there
11 was some problems with septic tank, and I was
12 wondering if that has been resolved.

13 MR. YABUTA: I know they're working on it,
14 Councilman, and thank you for your offer of
15 helping in that particular matter. Captain
16 Hudson, who's not here today, he's on top of
17 that, and it's just --

18 I think, I believe, I think we're either
19 going to have to change the existing septic
20 tank and make it a larger one, or consider
21 having an individual septic tank for the
22 cottage, which I don't think that we want to
23 do.

24 But we're still working on that
25 particular matter, but it's working out, it's

1 moving along.

2 COUNCILMEMBER MEDEIROS: Okay.

3 MR. YABUTA: As far as the cottage goes, I think we
4 discussed trying to find a contractor in that
5 particular area is probably the most
6 challenging thing.

7 COUNCILMEMBER MEDEIROS: A further question on that
8 same cottage. Is it on one parcel or is it
9 separate parcels from the existent, existing
10 housing?

11 MR. PHILLIPS: It's on the same parcel.

12 COUNCILMEMBER MEDEIROS: Same parcel.

13 MR. PHILLIPS: Yeah.

14 COUNCILMEMBER MEDEIROS: Okay. Yeah, and maybe just
15 as part of giving you information, and you may
16 already know it, but, you know, septic tank
17 requires minimum 10,000 square feet to install
18 and have the structure on it. So just be
19 aware of that.

20 And as far as the contractor, Chief
21 Yabuta, when I talked to you, you know, he was
22 in Vegas, but he's back. So if you need
23 further information on the contractor that
24 could possibly install the septic tank, I can
25 give you that.

1 MR. YABUTA: Thank you again, and I'll get that from
2 you afterwards, and we'll relay that to
3 Captain Hudson.

4 COUNCILMEMBER MEDEIROS: Okay, thank you.
5 Mahalo, Mr. Chair.

6 CHAIR PONTANI LLA: Thank you, Member Medeiros.

7 Members, the last program is the
8 Technical and Support Services Program.

9 Chief, you got any more comments on
10 that?

11 MR. PHILLIPS: No. I'll just answer --

12 CHAIR PONTANI LLA: Okay, thank you.

13 Members, any questions? Member
14 Anderson? Member Baisa?

15 COUNCILMEMBER BAI SA: No, thank you.

16 CHAIR PONTANI LLA: Thank you. Member Medeiros?

17 COUNCILMEMBER MEDEIROS: Yeah, just one. Thank you,
18 Mr. Chairman.

19 In the salaries and wages, there was a
20 change of \$617,309, which reflected 11.0
21 percent change. And the Budget Director
22 informed us that there was a 6 percent SHOPO
23 salary increase contract in that amount? Is
24 that correct?

25 MR. PHILLIPS: Well, actually the salaries in this

1 area, it would include sworn, and so this is
2 the area that has probably the bulk of our
3 civilian employees.

4 COUNCILMEMBER MEDEIROS: Uh-huh.

5 MR. PHILLIPS: And then you need to remember that
6 it's not the one year, that it's covering last
7 year's salary increase, which in some cases
8 would be up to 10 percent, depending on the
9 years of service.

10 So anywhere from 4 percent to 10 percent
11 from, that we got last July that wasn't -- our
12 last year's budget only had a 3 percent amount
13 for salary adjustments --

14 COUNCILMEMBER MEDEIROS: Right.

15 MR. PHILLIPS: -- based on the collective
16 bargaining, so we didn't come back and put the
17 rest of that into our budget.

18 So this budget is making up the
19 difference from that, plus this upcoming
20 increase July 1st, which would be an
21 additional 6 percent, as well as our request
22 for the service and retention for police and
23 for the dispatcher, and then as well as the
24 civilian pay increases, which I believe is
25 another 4 percent this July.

1 COUNCILMEMBER MEDEIROS: I see. So in the Technical
2 and Support Services Program, you have both
3 officers and civilians included in that
4 program.

5 MR. PHILLIPS: Yes, and in that program, probably
6 has the bulk of our civilian, because it would
7 include our records personnel and our dispatch
8 personnel, where we have the most of our
9 civilian --

10 COUNCILMEMBER MEDEIROS: I see.

11 MR. PHILLIPS: -- workers.

12 COUNCILMEMBER MEDEIROS: So you're in, actually
13 dealing with more than one union contract
14 then --

15 MR. PHILLIPS: Yes.

16 COUNCILMEMBER MEDEIROS: -- in that scenario.

17 MR. PHILLIPS: There's three different union
18 contracts in that bureau.

19 COUNCILMEMBER MEDEIROS: I see. Okay, mahalo,
20 Chief.

21 Mahalo, Mr. Chairman.

22 CHAIR PONTANILLA: Thank you, Member Medeiros.
23 Member Victorino?

24 COUNCILMEMBER VICTORINO: Yes, thank you.

25 I guess the question I have for you,

1 Chief, I see this, this, like -- last year we
2 had professional services under 15-49,
3 500,000, and then it's, like, lapsed. And
4 then 15-48, professional services, for
5 509,000.

6 What does that mean? Because it's kind
7 of like one year we ask for the money, but it
8 doesn't seem to be used, and the next year
9 we're asking for the same amount, or pretty
10 much the same.

11 MR. PHILLIPS: It actually is the same money.

12 COUNCILMEMBER VICTORINO: Yeah.

13 MR. PHILLIPS: It's just last year it was mistakenly
14 put in the communications budget, where it
15 actually is in the radio shop. So we just
16 moved it from communications to the radio
17 shop, where it should be. So it's still, it's
18 still requested, but we removed it from
19 communications.

20 COUNCILMEMBER VICTORINO: Okay, so -- and the reason
21 I'm asking that is because last -- now we
22 have, like, 100 percent savings of, you know,
23 zero, and then this year that particular item
24 shows a \$500,000 increase --

25 MR. PHILLIPS: Yeah, actually -- yeah. Actually

1 it's not an increase. It's just shifting the
2 money from one section to the -- it mistakenly
3 was put in the communications budget last
4 year, but it should have been in the radio
5 shop budget.

6 COUNCILMEMBER VICTORINO: Okay.

7 MR. PHILLIPS: So we're just moving the request so
8 it shows where it should be.

9 COUNCILMEMBER VICTORINO: Okay. I just want to make
10 sure that, you know, that somebody looking at
11 this wouldn't be confused.

12 MR. PHILLIPS: I think actually what happened last
13 year is we initially asked that under a CIP
14 budget, and then the Council, and rightly so,
15 said that it would be more appropriate for
16 professional services.

17 So it moved from a CIP to, was supposed
18 to move to radio shop, but it was mistakenly
19 moved to communications.

20 COUNCILMEMBER VICTORINO: I see.

21 MR. PHILLIPS: So that's -- and now we're just
22 putting it into where it should be.

23 COUNCILMEMBER VICTORINO: Thank you, Chief, for that
24 explanation.

25 And the last question I have, Mr. Chair,

1 to the Chief is under 910166, planning --
2 plans, training, and research.

3 You have body armor, 160, at 160,000.

4 That budget is only for body armor? Is that
5 what that means?

6 MR. PHILLIPS: Yes.

7 COUNCILMEMBER VICTORINO: Okay.

8 MR. PHILLIPS: That's the replacement body armor for
9 the patrol officers.

10 COUNCILMEMBER VICTORINO: Okay. I just wondered,
11 because you had a subchapter with plans,
12 training, and research, and then just body
13 armor, so I wasn't sure if there was other
14 items that were inclusive of that.

15 MR. PHILLIPS: Not in that particular item, no.
16 That's just body armor.

17 COUNCILMEMBER VICTORINO: Okay. Well, thank you,
18 and I, again, I hope the same thing as I said
19 earlier. That this is the best we can get for
20 our money, so that our men and women that are
21 out there in the field, maybe not as highly
22 technical as our tactical force, but still,
23 they're in harm's way at any given moment.
24 You never know what people will do today, so.
25 So long as this is the best we can get,

1 then I'm satisfied with that.

2 MR. PHILLIPS: Thank you.

3 COUNCILMEMBER VICTORINO: Thank you.

4 Thank you, Chair.

5 CHAIR PONTANILLA: Thank you, Member Victorino.

6 Member Hokama, you got any questions?

7 VICE-CHAIR HOKAMA: No. I just was sharing with
8 Chief Yabuta that I appreciate the efforts of
9 this division, especially on Lanai. I think
10 the school resource officer does outstanding
11 job in our community.

12 So I just want to use this opportunity
13 to commend our men and women that provide
14 critical support for our young people,
15 Chairman, you know, whether it be the DARE
16 program. School resource officers, for me,
17 they provide a tremendous amount of positive
18 influence to our young people.

19 And the visibility of our police working
20 with the community. They're not just there
21 during a crime or to harass -- you know, some
22 people say that they harass us.

23 But I see the Department's efforts to
24 have a positive relationship with our
25 communities is, for me, something that I need

1 the Chief to, again, hear about, to come back
2 from the communities and the districts of the
3 County of how this program is working, because
4 I think there may be times when the
5 communication does not flow well.

6 I think senior management needs to know
7 that the people in the operations and in the
8 front lines are doing very, very good work.

9 CHAIR PONTANILLA: Thank you for that comment,
10 Mr. Hokama.

11 Members, any more questions regarding
12 the Technical and Support Services Program?

13 COUNCILMEMBER MEDEIROS: Mr. Chairman?

14 CHAIR PONTANILLA: Member Medeiros.

15 COUNCILMEMBER MEDEIROS: I had one burning question,
16 but it was with the Uniformed Patrol Services.
17 Can I ask that?

18 CHAIR PONTANILLA: Sure.

19 COUNCILMEMBER MEDEIROS: Thank you for your
20 indulgence.

21 Chief, yeah, back to Uniformed Patrol
22 Services Program. It lists, under operations
23 on the handout, the electricity costs for the
24 different districts.

25 And, you know, Hana -- of course, you

1 know, everything is going up in the
2 electricity because of fuel costs. But for
3 Hana, we had Public Works in here, and I asked
4 them about the Hana Civic Center, because
5 that's where the station is located, within
6 that building in Hana. And they have a high
7 cost of electricity, and I was told they pay
8 for their electricity for that building.

9 So what is this electrical cost for?

10 MR. PHILLIPS: Yeah, at the Hana station, it is
11 covered by Public Works. When that building
12 was built --

13 COUNCILMEMBER MEDEIROS: Right.

14 MR. PHILLIPS: -- Public Works was responsible for
15 all the maintenance of that building,
16 including janitorial costs.

17 COUNCILMEMBER MEDEIROS: Right.

18 MR. PHILLIPS: So this, this particular request does
19 not have anything to do with the station
20 itself. It's just the, our anticipation of
21 the new cottage, and then the two radio sites
22 that we placed out in the Hana district; one
23 at Hana Airport, and then in Keanae we have
24 our new radio site. So those will require
25 additional electricity.

1 As far as the station, I think there's
2 only one meter, so it's difficult to divide
3 that up among the three agencies that use the
4 building. But either way, you know, if you
5 place it in our budget, we're happy to cover
6 that, too.

7 COUNCILMEMBER MEDEIROS: No, thank you for that
8 clarification, because I thought this was for
9 the station, which --

10 MR. PHILLIPS: No, that's the district.

11 COUNCILMEMBER MEDEIROS: Yeah, your explanation of
12 where that electrical cost is explains it. So
13 thank you, Chief.

14 Mahalo, Mr. Chairman.

15 CHAIR PONTANILLA: Thank you, Member Medeiros.

16 Members, we just completed the four
17 programs that are in the Police Department.
18 If you do have any more questions, if you
19 could forward those questions to the Chairman,
20 and we will forward it to the Department for
21 answers.

22 Member Anderson?

23 COUNCILMEMBER ANDERSON: Thank you, Chair. I'd just
24 like to follow up on Member Medeiros.

25 You know, on all these electricity

1 costs, are they, you know, really variable
2 or -- for instance, Kihei. You have a 46
3 percent increase. Could you, could you
4 attribute that to, what, since we have a --

5 CHAIR PONTANILLA: Department?

6 COUNCILMEMBER ANDERSON: -- very small substation.

7 MR. PHILLIPS: We're looking at -- we're just basing
8 on the actual cost. Right?

9 UNIDENTIFIED SPEAKER: Yeah, this was just budgeted
10 (inaudible).

11 COUNCILMEMBER ANDERSON: But --

12 MR. PHILLIPS: So it's our -- yeah.

13 COUNCILMEMBER ANDERSON: I mean, that's why it's
14 kind of confusing, Chief, because for Kihei,
15 we've got a 46.7 percent increase on
16 electricity, and Lahaina has only a 23.4
17 percent, so.

18 I'm confused as to why there's such a
19 variable. I can understand for Hana, with
20 that explanation.

21 MR. PHILLIPS: Yeah, you know, I'm not sure, too.
22 You know, it's hard, it's hard to answer that,
23 because we would have to go back and look what
24 was budgeted in the past.

25 And as you probably know, in the past

1 there are times when we've had trouble getting
2 increase in these areas. So we went along for
3 years probably paying more than -- it wasn't,
4 you know --

5 COUNCILMEMBER ANDERSON: Right.

6 MR. PHILLIPS: -- we're taking it somewhere else out
7 of our budget, so.

8 COUNCILMEMBER ANDERSON: Right.

9 MR. PHILLIPS: We try to budget what the actual
10 costs in those areas are. So to compare it
11 somewhere, I can't really compare.

12 COUNCILMEMBER ANDERSON: Right. Okay, just curious.

13 Thank you, Chair.

14 CHAIR PONTANILLA: Thank you, Member Anderson.

15 Members, the Chair is looking at the
16 time. We can take our midmorning break now
17 and return at 10:30. We've gone through the
18 Departments pretty quick. You know, if we
19 keep, keep up our schedule, you know, we can
20 get to the Water Department, hopefully by this
21 afternoon, early this afternoon.

22 So, Members, at this time the Chair
23 would like to call for a 12 minute break. We
24 shall return at 10:30. So this meeting is in
25 recess.

1 RECESS: 10:19 a.m.

2 RECONVENE: 10:37 a.m.

3 CHAIR PONTANILLA: (Gavel). The Budget and Finance
4 Committee meeting is now reconvened. Members,
5 thank you for that short recess.

6 Members, at the rate we're going, we may
7 get through early with the Police Department.
8 Members, do you have any appointments this
9 afternoon, from noon to 1:30?

10 COUNCILMEMBER BAISA: Do we have what?

11 CHAIR PONTANILLA: Any appointments from noon to
12 1:30?

13 COUNCILMEMBER BAISA: What about lunch?

14 COUNCILMEMBER MEDEIROS: Lunch appointment?

15 CHAIR PONTANILLA: No, that's the reason why I'm
16 asking, if you do have a lunch appointment or
17 a meeting during lunch. The intentions of the
18 Chairperson here is that if we get through
19 early, like, say 11:30, that we recess 11:30,
20 and then come back at 1:00.

21 COUNCILMEMBER BAISA: Chair, I can do that.

22 CHAIR PONTANILLA: Okay. Member Anderson, okay.
23 Member Medeiros?

24 COUNCILMEMBER MEDEIROS: Chair, so we're going to
25 take up Water after lunch.

1 CHAIR PONTANI LLA: Yes.

2 COUNCILMEMBER MEDEIROS: Okay. Yeah, I'm good with
3 that.

4 CHAIR PONTANI LLA: Okay. Member Hokama?

5 VICE-CHAIR HOKAMA: Chairman, I'll be here till
6 flight time, about 1:30.

7 CHAIR PONTANI LLA: Thank you.

8 Welcome, Member Johnson.

9 COUNCILMEMBER JOHNSON: Good morning.

10 CHAIR PONTANI LLA: Good morning. We're discussing
11 the possibility of recessing early, at 11:30,
12 and reconvening at 1:00 this afternoon. No
13 problem?

14 Member Victorino, no problem? Thank
15 you.

16 COUNCILMEMBER VICTORINO: Not a problem, Chair.

17 CHAIR PONTANI LLA: Thank you. And again, let me
18 remind you, we'll go with the Water Department
19 up to 3:30 this afternoon, and then we'll
20 adjourn, and then reconvene (sic) West Maui at
21 the Lahaina Civic Center at 6:00.

22 For your information, Members, we do
23 have the Water Department this afternoon, and
24 then we've got the Water Department all day
25 long tomorrow. So, a lot of discussion on

1 that.

2 Okay, Members, the Department receives
3 grants revenue for a bunch of -- from multiple
4 sources. And on page 27 of the Budget Bill,
5 there's a listing of all of the grant revenues
6 that the Police Department received. And
7 starting on page 15-52 on your Budget Details,
8 there are the listing of all the grants that
9 is received, again, by the Department.

10 So, Department, any comments on the
11 grants at this time?

12 MR. PHILLIPS: No, I think it's pretty much the
13 same. I don't recall any new grants that we
14 need to go over. Pretty much the same as in
15 the past.

16 CHAIR PONTANILLA: Thank you.

17 Members, any questions, Member Anderson,
18 regarding grants?

19 COUNCILMEMBER ANDERSON: No, thank you.

20 CHAIR PONTANILLA: Member Baisa?

21 COUNCILMEMBER BAI SA: No, sir.

22 CHAIR PONTANILLA: Member Johnson?

23 COUNCILMEMBER JOHNSON: No.

24 CHAIR PONTANILLA: Member Medeiros?

25 COUNCILMEMBER MEDEIROS: Thank you, Mr. Chairman.

1 And, Department, I think I did start on
2 this, and you did explain the domestic
3 cannabis eradication thing.

4 The next one I want to ask about is
5 electronic exploitation of children, because,
6 you know, I'm an advocate for both education
7 of young children and their welfare.

8 I see where 2009 is zero. Can you --
9 that's on page 15-53 of the grants or revenue
10 section.

11 MR. PHILLIPS: Some of the grants, and I believe
12 this is one that -- the Byrne grant program,
13 through the Department of Justice, have a
14 limit of how long the grant can run. And my
15 guess is that that one is -- I'm not sure, I'd
16 have to look, but is that it's at the end of
17 that period. So it would be up to us to
18 continue that program.

19 COUNCILMEMBER MEDEIROS: Okay. All right.

20 MR. PHILLIPS: It -- there's other explanations that
21 could be, but I would need to go research that
22 as well.

23 COUNCILMEMBER MEDEIROS: Okay, so is it the
24 Department's intention to try and renew or get
25 another grant for that purposes?

1 MR. PHILLIPS: Yeah, if, if that grant is at the end
2 of its cycle, we wouldn't be able to get that
3 grant again through that program. We either
4 look elsewhere or fund it through our budget.

5 COUNCILMEMBER MEDEIROS: Okay, and so if that money
6 is not available, how would you continue the,
7 you know, the monitoring or the prevention of
8 the electronic exploitation of children?

9 MR. PHILLIPS: Yeah, through our, through our
10 budget.

11 COUNCILMEMBER MEDEIROS: Okay, so your normal
12 operations budget?

13 MR. PHILLIPS: Yes.

14 COUNCILMEMBER MEDEIROS: I see, okay.

15 Next is gang resistance, on the same
16 page, right below the one we just discussed.
17 Gang resistance education and training
18 program, \$1,000. What does it relate to?
19 What do you do in that program?

20 MR. PHILLIPS: Yeah, actually, I think we put money
21 in there just in the event that this grant
22 becomes available again, but right now it's
23 not available. That was a training program
24 for sixth graders, kind of similar to DARE,
25 but it had to do with the gang issues.

1 COUNCILMEMBER MEDEIROS: Okay, and is that in some
2 way related to the program covered under
3 monitoring youth gang response systems?

4 MR. PHILLIPS: No.

5 COUNCILMEMBER MEDEIROS: No? That's separate?

6 MR. PHILLIPS: Separate.

7 COUNCILMEMBER MEDEIROS: Okay.

8 MR. PHILLIPS: That last, the gang resistance issue,
9 that was under the Alcohol, Tobacco, and
10 Firearms, a Federal grant before.

11 COUNCILMEMBER MEDEIROS: Okay.

12 MR. PHILLIPS: But I believe that grant is no longer
13 available.

14 COUNCILMEMBER MEDEIROS: Okay, as far as the -- it's
15 on page 15-54. It says 50,500 for 2009. It's
16 the second item from the bottom of 15-54.

17 So is there money available? Which is
18 an increase of \$500, which is a 1.0 percent
19 increase.

20 MR. PHILLIPS: Yes, that's an Office of Youth
21 Services grant that is run through our
22 juvenile section.

23 COUNCILMEMBER MEDEIROS: Okay, okay. And under --
24 yeah, the reason I asked about the former
25 domestic cannabis eradication, how is that

1 related to the next page, 15-55? On marijuana
2 eradication task force program, under the
3 State Attorney General's office.

4 MR. PHILLIPS: Yeah, that program is a Byrne grant,
5 Department of Justice grant that is run
6 through the Attorney General's office. It's
7 kind of coordinated and run through them, and
8 the money would be distributed by the
9 Governor's Committee on Crime, which reviews
10 the requests for funding on a variety of
11 topics, and then, and then will distribute the
12 money, depending on how much money there is.

13 And that, that grant, the amount of
14 money available in that grant has declined
15 over the years. So it continues to go down
16 each year, but they are still funding our
17 statewide narcotic task force grant and the
18 marijuana eradication grant.

19 COUNCILMEMBER MEDEIROS: Okay, that's good to hear,
20 because the 2009 request is actually an
21 increase.

22 MR. PHILLIPS: Yeah.

23 COUNCILMEMBER MEDEIROS: From 4,000 to 10,000, so a
24 \$6,000 increase. If we get it, that certainly
25 would be good for the program.

1 MR. PHILLIPS: Those grants, by the way, that are
2 the task force grants, have an exception to
3 that 48 month rule, where I told you the other
4 one may have run out, the 48 month.

5 These have been going on since, I think
6 the early eighties, or mid eighties, maybe,
7 since we've had these grants. 1987, '88,
8 somewhere in there is where it started.

9 COUNCILMEMBER MEDEIROS: Okay, thank you, Chief, for
10 that information.

11 Mahalo, Mr. Chairman.

12 CHAIR PONTANILLA: Thank you, Member Medeiros.

13 Member Hokama, questions?

14 VICE-CHAIR HOKAMA: I would just ask one.

15 You know, I notice you have a sizeable
16 reduction in grant revenue projections, and
17 I'm making an assumption, Chief, that a lot of
18 it has to do with the Federal budget and how
19 the President has reduced a lot of domestic
20 dollars for specifically law enforcement, drug
21 intervention programs.

22 Is that a good understanding on the
23 Committee's part?

24 MR. PHILLIPS: Yes, it is. The Justice of
25 Administration grants has been reduced greatly

1 by the current Administration.

2 VICE-CHAIR HOKAMA: Are you confident that the
3 Legislature will provide you with sufficient
4 State resources to maintain the State
5 initiatives that your Department relies on?
6 Or have you been given indications that they
7 are also looking at reducing the financial
8 support?

9 MR. PHILLIPS: I haven't been given any notice that
10 the State is reducing anything.

11 VICE-CHAIR HOKAMA: Okay, thank you, Chief.

12 Thank you, Chairman.

13 CHAIR PONTANILLA: Thank you, Member Hokama.

14 Member Victorino, questions on grants?

15 COUNCILMEMBER VICTORINO: Yeah. The one that I'd
16 like to hone in on is the State E 911 wireless
17 commission. I see a --

18 VICE-CHAIR HOKAMA: Where is it?

19 CHAIR PONTANILLA: Can you direct us to the page?

20 COUNCILMEMBER VICTORINO: Oh, sorry. 15-59, page
21 15-59. I apologize.

22 COUNCILMEMBER MEDEIROS: That's different program.

23 COUNCILMEMBER VICTORINO: Okay, you get them?

24 MR. PHILLIPS: Yes.

25 COUNCILMEMBER VICTORINO: Okay. This budget

1 request, you know, is 286,000 and, you know,
2 you requested 500,000 last year, and then now
3 786,000.

4 This is the upgrade of our communication
5 system? Is that's what this money is all
6 about here? This grant, this grant will help
7 to upgrade our communication system, our
8 emergency 911 system?

9 MR. PHILLIPS: Yes, this funding is from the money
10 that's from the cell phone. There's a,
11 there's a service charge on the cell phone.

12 COUNCILMEMBER VICTORINO: Right.

13 MR. PHILLIPS: So this is what helped us expand
14 our -- the E 911 on the cell phones. Where
15 somebody's calling from a cell phone, we can
16 tell where they're at.

17 COUNCILMEMBER VICTORINO: Uh-huh.

18 MR. PHILLIPS: So that's where that -- so in a
19 sense, yes, it's helping to expand our, our
20 communications capabilities.

21 And in this case, some of the money
22 we're requesting is to help improve our GIS
23 system in our dispatch, so that we have a
24 company that we've hired with this funding to,
25 to do that project.

1 COUNCILMEMBER VICTORINO: Okay, so that, so I
2 understand that that will help us with a cell
3 phone, to hone in on the location of the cell
4 phone.

5 MR. PHILLIPS: Yes.

6 COUNCILMEMBER VICTORINO: Okay, and the last
7 question I have under the technical support
8 area, you know, under the salaries. You know,
9 you have, for 2000 -- again, flat, you know,
10 286,000, and operations of 1,000,000.

11 Those over the -- and I see that all the
12 grant revenue -- that's on 15-60, the next
13 page.

14 MR. PHILLIPS: That's the dispatchers, huh?

15 COUNCILMEMBER VICTORINO: This is all the
16 dispatchers?

17 MR. PHILLIPS: No, it's the --

18 COUNCILMEMBER VICTORINO: What is it?

19 MR. PHILLIPS: -- State. Because we dispatch for
20 medics, we do get a grant from the State that
21 pays for 5 of the positions in the dispatch
22 area.

23 COUNCILMEMBER VICTORINO: Oh, okay, so is this --

24 MR. PHILLIPS: The State pays for 5 of our
25 positions.

1 COUNCILMEMBER VICTORINO: Of the 40 positions that
2 you were talking about earlier today?

3 MR. PHILLIPS: Yes, of the 41, they pay for 5.

4 COUNCILMEMBER VICTORINO: 41. 5 of them are paid
5 for by the State.

6 MR. PHILLIPS: Yes.

7 COUNCILMEMBER VICTORINO: Okay. Well, that's
8 interesting. Thank you. I'm glad to see the
9 State putting in some kind of fair share in
10 that respect. Thank you.

11 Thank you, Chair.

12 CHAIR PONTANILLA: Thank you.

13 Members, any more questions in regards
14 to grants? Member Hokama?

15 VICE-CHAIR HOKAMA: Chairman, just one quick
16 question, since the Chief made some earlier
17 comments.

18 Since our County is the only County
19 that, through your Department, provides
20 communication assistance for emergency medical
21 and fire, I believe, and the other Counties do
22 not, is there a reason why we maintain the
23 system we have versus converting to what the
24 other Counties are doing, Chief?

25 MR. PHILLIPS: No. It would be a burden placed on

1 other agencies, though. I, I guess it could
2 be something that we do here, but --

3 VICE-CHAIR HOKAMA: You prefer to maintain --

4 MR. PHILLIPS: Yeah, I would prefer to maintain.

5 VICE-CHAIR HOKAMA: -- how we are --

6 MR. PHILLIPS: Yeah.

7 VICE-CHAIR HOKAMA: -- currently operating?

8 MR. PHILLIPS: Absolutely, yeah.

9 VICE-CHAIR HOKAMA: Okay, okay. As long as the --

10 MR. PHILLIPS: I just, I just feel they should be
11 paid more. I don't, I don't think their
12 bargaining unit takes a look at that when
13 they, when they go to negotiate for pay
14 raises. They don't differentiate between a
15 Maui dispatcher who's doing police, fire, and
16 medics, and a dispatcher that does just
17 police, just fire, or just medics.

18 VICE-CHAIR HOKAMA: This is an HGEA --

19 MR. PHILLIPS: Yes.

20 VICE-CHAIR HOKAMA: -- contract employee? This is,
21 what, Unit 3?

22 MR. PHILLIPS: 3 and 4.

23 VICE-CHAIR HOKAMA: Unit 3 and 4. Okay, thank you
24 very much.

25 CHAIR PONTANILLA: Thank you, Member Hokama.

1 Members, any more questions with regards
2 to grants? Member Medeiros?

3 COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman. I
4 just wanted to follow up on Council Chair
5 Hokama's question regarding dispatchers.

6 Do you know offhand what's the turnover
7 rate in the dispatchers' section?

8 MR. PHILLIPS: I don't know the, offhand, the
9 turnover.

10 I know that we had classes, not our last
11 class, but the two classes before that, there
12 were four people in each class, and each of
13 them graduated and went through their FT0
14 portion of their training, and were deployed
15 to a shift, and every one of them quit.

16 COUNCILMEMBER MEDEIROS: Oh.

17 MR. PHILLIPS: So we lost eight, eight of our new
18 employees.

19 So there is a high turnover on that job.
20 It's very stressful, and once they, once they
21 hit that radio, and if they're not patient and
22 they don't spend some time there and really
23 learn the job, it can be overwhelming. And so
24 some of them --

25 Of course, the shift work is another

1 issue, that some of them had issues, that they
2 couldn't deal with the shift work. So, but a
3 variety of reasons.

4 But that's kind of what put us behind,
5 is that, that period there where we lost all
6 of our trainees, so that hurt us.

7 COUNCILMEMBER MEDEIROS: And so in your assessment,
8 Chief, do you think there's a combination of
9 things that may cause that? And I'm sure you
10 already mentioned, you know, pay might be one
11 of them.

12 But what about them not actually knowing
13 what the job will entail until they get in
14 front of that monitor and in front of that
15 radio?

16 MR. PHILLIPS: Yeah, I think, you know, we -- I
17 think that our staff does a good job, not only
18 in their recruitment phase, but when we
19 interview them and bring them on board, and
20 then through the training, of letting them
21 know what the job is going to be.

22 But sometimes, you know, the training,
23 and when you're sitting with somebody that's,
24 you know, and you're confident in them, and
25 once that responsibility falls on you to --

1 COUNCILMEMBER MEDEIROS: Uh-huh.

2 MR. PHILLIPS: -- you know, keep the public and our
3 officers safe out there, you know, for some of
4 them it's too much of a burden stress,
5 stress-wise.

6 We have talked to DPS, and we will
7 continue to lobby them to try and help us pay
8 that position what it should be paid. It's
9 changed dramatically over the years. When I
10 was hired, I used -- you know, when you're in
11 receiving desk, you could sit at the console
12 and dispatch, and then you're fine.

13 Now I would be fired in five minutes,
14 because it's a, it's such a technical -- you
15 need -- it's a professional position now, and
16 it's so multitasked that there's very few
17 people that actually qualify to do that job.

18 So I think that the pay has to be
19 brought up to meet the type of person that can
20 do that job.

21 And so, you know, our heart goes out to
22 the dispatchers we have, because they're very,
23 very good at what they do, but it is a tough
24 job.

25 COUNCILMEMBER MEDEIROS: Thank you, Chief. I agree

1 with what you say, but thank you for that
2 information.

3 Mahalo, Mr. Chairman.

4 CHAIR PONTANILLA: Thank you.

5 Members, any more questions in regards
6 to grants, grants revenue? If not, we'll go
7 directly into the Capital Program, on page
8 25-5, Puumahoe Radio Site.

9 Chief?

10 MR. PHILLIPS: We just have two requests for CIPs
11 this year. They both have to do with our
12 radio communications.

13 One is a new radio site up on Ulupalakua
14 Ranch, Puumahoe Radio Site. We're requesting
15 \$1.275 million for that site.

16 It's a, it's an existing site that we
17 actually stumbled across by accident last
18 year. It used to be a Verizon radio, radio
19 site that was set to be demolished last year.
20 Luckily, our Captain Amaral was able to work
21 with the ranch, and so we have exclusive use
22 of this site.

23 It will require us to do some, some
24 renovation, some improvements, put some
25 equipment, electricity, and work, do some work

1 on the road to the facility, but it is
2 actually a prime site that will help with our
3 Kihei, Makena, Wailea area. Where we have
4 some difficulty with our current system in
5 Makena and Wailea, this will take care of
6 that. It can also help us on East Lanai, that
7 side, and the Pali, as well as some of the
8 West Maui area.

9 So it's prime site for now for us, and
10 as well as for the future of our
11 communications system that we will be
12 replacing in the next few years. We do have
13 an agreement, 30 year agreement with the ranch
14 to keep that site.

15 The other project is microwave radio
16 link upgrades. We're looking upgrading a
17 couple of the sites in Haleakala, and to try
18 and increase the capacity of some of the
19 microwave sites here in the Central Maui area.

20 And this will help us, of course, again,
21 help prepare the backbone for a new system in
22 future, as well as help our capacity right now
23 for communications and data. And it will help
24 us, help reduce our reliance on leased lines
25 in the future as well.

1 So those are -- the second one, the
2 microwave radio uplink is a \$516,000 request.

3 CHAIR PONTANILLA: Thank you.

4 Members, we'll take the first CIP
5 project, Puumahoe Radio Site. Members, if you
6 have any questions regarding that.

7 Member Anderson?

8 COUNCILMEMBER ANDERSON: Yeah, Chief. Do you know
9 if there's any permitting required at all? Do
10 they have a conditional permit, or is it not
11 required?

12 MR. PHILLIPS: No permitting that I know of right
13 now.

14 COUNCILMEMBER ANDERSON: It's on ag land, right?

15 MR. PHILLIPS: It's on the ranch property, yes.
16 It's an existing site, but it was vacated by
17 the phone company.

18 COUNCILMEMBER ANDERSON: I know. That's just my
19 concern, because I'm not positive, but if it's
20 ag zoned land, I think they might need a
21 conditional permit. And if they've abandoned
22 it, then it may not be an issue for them, but
23 might be worth checking what the zoning is.

24 MR. PHILLIPS: Yeah, we'll check. I don't believe
25 so, but we'll check into that.

1 COUNCILMEMBER ANDERSON: Okay, thanks. Thanks.

2 CHAIR PONTANILLA: Good point, Member Anderson.

3 Thank you for that question.

4 Member Baisa?

5 COUNCILMEMBER BAI SA: No questions.

6 CHAIR PONTANILLA: Member Johnson?

7 COUNCILMEMBER JOHNSON: No questions.

8 CHAIR PONTANILLA: Member Medeiros?

9 COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman.

10 Yeah, I just want to -- can you give me

11 a more specific location where this site is?

12 MR. PHILLIPS: Actually, I'd rather not give a

13 specific.

14 COUNCILMEMBER MEDEIROS: Oh, okay. Okay, but --

15 MR. PHILLIPS: On any of our sites.

16 COUNCILMEMBER MEDEIROS: -- it's on ranchland.

17 COUNCILMEMBER BAI SA: Please.

18 MR. PHILLIPS: Yes.

19 COUNCILMEMBER MEDEIROS: Okay, and how would this

20 improve communications wrapping around Kaupo,

21 towards Hana area?

22 MR. PHILLIPS: Yeah, it will, it will give us some

23 additional coverage on that side.

24 COUNCILMEMBER MEDEIROS: Okay. Right now, does the

25 Hana district have some blank areas coming out

1 towards Kaupo and Kanai o? Or is it covered
2 by --

3 MR. PHILLIPS: It's pretty much covered. We --

4 COUNCILMEMBER MEDEIROS: By a --

5 MR. PHILLIPS: -- cover from the Big Island side.

6 COUNCILMEMBER MEDEIROS: Right, right. Okay, thank
7 you, Chief.

8 Mahalo, Mr. Chair.

9 CHAIR PONTANILLA: Thank you, Member Medeiros.

10 Member Hokama?

11 VICE-CHAIR HOKAMA: Chairman, you may want to
12 consider a confidential privileged file for
13 Members only, if the information is critical
14 for a decision with the Department, similar to
15 how we treat claims and liabilities, lawsuits.
16 We might want to consider that as an option of
17 providing Members required information to make
18 a decision on the request.

19 Just to this, unless Mr. Takahashi or
20 Captain Amaral has it, do you have a breakdown
21 of how you arrived at this \$1.3 million
22 request?

23 CHAIR PONTANILLA: Department?

24 MR. PHILLIPS: Yeah, we could, we could respond to
25 that in writing if you want, and give you that

1 breakdown.

2 VICE-CHAIR HOKAMA: Yeah, just so we can understand
3 how --

4 MR. PHILLIPS: Yeah.

5 VICE-CHAIR HOKAMA: -- you've arrived at the CIP
6 funding request amount.

7 And again, we are looking at something
8 that is going to last about 20 years, Chief.

9 MR. PHILLIPS: At least 30 years. We have a 30 year
10 agreement.

11 VICE-CHAIR HOKAMA: Okay, okay. What -- again, if
12 in that response, Chief, you would also let us
13 know what would be maybe the continuing
14 requirements for funding, whether it be for
15 maintenance, additional operational
16 requirements. Because I know once we do it,
17 you're going to need to operate and maintain
18 it.

19 MR. PHILLIPS: Right.

20 VICE-CHAIR HOKAMA: And those kind of costs would
21 assist us --

22 MR. PHILLIPS: We'll include that in the response.

23 VICE-CHAIR HOKAMA: Thank you very much.

24 Thank you, Chairman.

25 CHAIR PONTANILLA: Thank you, Member Hokama. Good

1 point on the request made earlier regarding
2 confidentiality.

3 Member Victorino?

4 COUNCILMEMBER VICTORINO: Yeah, thank you, Chair,
5 and really just to say thank you.

6 I think this is long overdue for the
7 whole South and West Maui, and even East Maui,
8 because communications sometimes has been,
9 especially land lines, have been very
10 difficult at best, especially during emergency
11 times when they get all tied up, yeah?

12 MR. PHILLIPS: Yeah, we were actually rather lucky
13 to find this site, and if, if we had to build
14 a site there, which we were looking at --

15 Matter of fact, I think that's what we
16 were looking at as the area where we would,
17 you know, wanted to build a future site out
18 there. It would be substantially more, of
19 course, to build it from ground up. There's a
20 tower and a building and everything already
21 there that we won't have to mess with at all.

22 COUNCILMEMBER VICTORINO: That sounds great then.
23 Sometimes it's better to be lucky than good in
24 that respect. Thank you, Chief, I appreciate
25 it.

1 Thank you, Chair.

2 CHAIR PONTANILLA: Thank you, Member Victorino. I
3 spent some nights up there, too.

4 Members, any more questions on this
5 particular --

6 COUNCILMEMBER MEDEIROS: Chair?

7 CHAIR PONTANILLA: -- CIP project? Member Medeiros?

8 COUNCILMEMBER MEDEIROS: Mahalo, Chair.

9 Yeah, on the microwave radio link
10 upgrades. So the Department will continue to
11 utilize the 800 megahertz?

12 MR. PHILLIPS: Yes.

13 COUNCILMEMBER MEDEIROS: Unlike some of the other
14 Departments that are going to the 900 because
15 of the interference with the cell phone
16 systems?

17 MR. PHILLIPS: Well, we, we have, actually in the
18 process of doing our re-band project where
19 that is, will take us off of the so-called
20 cell phone area, that's part of the project
21 that we're finishing up right now, where we're
22 replacing all of our equipment for that, for
23 that new band. But I'm not sure that it's --

24 COUNCILMEMBER MEDEIROS: Okay, that --

25 MR. PHILLIPS: -- 900. I --

1 COUNCILMEMBER MEDEIROS: Yeah. Well, I think I know
2 in the Department of Public Works, both, that
3 re-banding was considered and going to a
4 different megahertz so that there wouldn't be
5 any interference.

6 But if, you know, your plans are to
7 re-band, that's fine.

8 MR. PHILLIPS: You know, I should, too, comment just
9 on this project. You know, I know that you
10 had mentioned before about electric bill in
11 the Hana station and stuff.

12 COUNCILMEMBER MEDEIROS: Right.

13 MR. PHILLIPS: You know, different, different
14 Departments using it, but I think everybody
15 should realize that the communications system
16 that we're maintaining is not just a Police
17 system; that it's Police, Fire, Public Works,
18 Parks, State, Federal. There's a lot of
19 people that are -- there's 15, 1400 users, and
20 only 600 are police, so.

21 But the entire budget for maintaining
22 the personnel, the CIP costs, that's always
23 come in our budget.

24 COUNCILMEMBER MEDEIROS: I see. Thank you for that
25 information, Chief. That helps us have a

1 better understanding of your budget on that.

2 But going back to the first, on the
3 Countywide facil -- the -- where am I?

4 Anyway, the other one where you're planning to
5 install that new tower or --

6 MR. PHILLIPS: Uh-huh.

7 COUNCILMEMBER MEDEIROS: And a --

8 MR. PHILLIPS: Radio site.

9 COUNCILMEMBER MEDEIROS: Radio site, right. So the
10 negotiations with the property owner has been
11 completed or is in place right now?

12 MR. PHILLIPS: Yes, it's in place.

13 COUNCILMEMBER MEDEIROS: Thank you, Chief.

14 Mahalo, Mr. Chairman.

15 CHAIR PONTANILLA: Thank you.

16 Members, Member Medeiros started on the
17 microwave radio link upgrades. If you have
18 any questions on that? Member Anderson?

19 COUNCILMEMBER ANDERSON: No, thank you.

20 CHAIR PONTANILLA: Member Baisa?

21 COUNCILMEMBER BAI SA: No.

22 CHAIR PONTANILLA: Member Johnson?

23 COUNCILMEMBER JOHNSON: No.

24 CHAIR PONTANILLA: Member Hokama? Member Victorino?

25 COUNCILMEMBER VICTORINO: None at this time. Thank

1 you, Chair.

2 CHAIR PONTANILLA: Thank you.

3 Any more questions, Member Medeiros, on
4 this microwave --

5 COUNCILMEMBER MEDEIROS: No.

6 CHAIR PONTANILLA: -- uplinks?

7 COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman.

8 CHAIR PONTANILLA: Thank you. Members, that
9 concludes the --

10 MR. PHILLIPS: I have just one short --

11 CHAIR PONTANILLA: Oh, go ahead.

12 MR. PHILLIPS: -- comment, too.

13 CHAIR PONTANILLA: Sure.

14 MR. PHILLIPS: I wanted to inform the Council, too,
15 that -- because I know there's been questions
16 over the years about, you know, grant monies
17 and different monies available for our
18 communications.

19 I just did want to let you know that
20 over the years, through the Homeland Security
21 grant for our communications system, that
22 we've received just short of \$3.5 million for
23 the, our systems and upgrades and equipment,
24 and all to do with our communications. That's
25 helped us greatly over the years.

1 CHAIR PONTANILLA: Thank you.

2 COUNCILMEMBER ANDERSON: Chair?

3 COUNCILMEMBER MEDEIROS: Mr. Chairman.

4 CHAIR PONTANILLA: Oh, everybody wants to go.

5 Member Anderson.

6 COUNCILMEMBER ANDERSON: Thank you, Chair. If you
7 would indulge me, please, since we went
8 through this so quickly, and they have such a
9 sparse Capital Improvement Program proposal.
10 And I guess we need to thank you for that,
11 Chief.

12 If I could just ask quickly, regarding
13 the Kihei police station?

14 MR. PHILLIPS: Yes.

15 COUNCILMEMBER ANDERSON: I note that you got 3.8. I
16 think it was last year, wasn't it?

17 MR. PHILLIPS: Yes.

18 COUNCILMEMBER ANDERSON: And then I don't see
19 anything budgeted. I'm assuming the 3.8 all
20 went for site selection, and now you're going
21 through design and all of that.

22 And it's my understanding you have
23 selected a site now, right?

24 MR. PHILLIPS: Yes.

25 COUNCILMEMBER ANDERSON: So it shows here in our --

1 Members, I'm on page 27-1 in the Program
2 Budget.

3 It shows that you have 40,000,000
4 earmarked for the fiscal years 2010 to 2014.
5 So I'm, again, assuming that's bond, that that
6 will go towards the construction of the
7 station.

8 So could you just, for the sake of the
9 residents in Kihei, give us some kind of
10 status, Chief, or what your expectation is?
11 There's a big difference between 2010 and
12 2014, and I know you don't have a crystal
13 ball, but you must have some kind of projected
14 idea on when you're going to move on that
15 station.

16 MR. PHILLIPS: Absolutely.

17 We didn't request the money in this
18 upcoming budget for construction based on our,
19 our schedule of what we're doing with that
20 3.8, which includes as well, as well as the
21 design of the facility that we have to do in
22 Kihei, some land variances, permitting, and
23 change in zoning. And our estimate is that
24 those things would be completed at some point
25 early in '09, up until the spring of '09.

1 So we felt that with that time line that
2 we would be safe in requesting the
3 construction funding for our next budget, and
4 so we didn't request it in this current
5 budget, because we have a lot to do yet with
6 the design and those other issues on the
7 project.

8 So we are looking at a bid process,
9 hopefully sometime around the next budget
10 cycle, where we can budget for -- I mean, bid
11 for the construction of the facility,
12 construction to go on in 2009, 2010.
13 Hopefully sometime in 2010, completion.

14 We're looking at probably about an 18
15 month construction phase, so. We're looking
16 at, you know, two to three years, probably,
17 being in the building, so.

18 COUNCILMEMBER ANDERSON: Thank you. Thank you very
19 much for that. That's very helpful then.

20 MR. PHILLIPS: Thank you.

21 COUNCILMEMBER ANDERSON: So we'll look forward to
22 some budget appropriations next year for South
23 Maui's police station. Thank you.

24 MR. PHILLIPS: Thank you.

25 CHAIR PONTANILLA: Thank you, Member Anderson.

1 Member Hokama?

2 VICE-CHAIR HOKAMA: Chairman, thank you. I just
3 want to ask the Department and our Chief.

4 Have you been participating with the CIP
5 project called County Emergency Management
6 Center?

7 Because one of the components is, of
8 course, Police Department's dispatch
9 operation, so I'm just trying to understand,
10 what is the Police Department's role in this
11 project, if any, and what do you see as being
12 an advantage for your Department as should
13 this Committee forward the consideration.

14 MR. PHILLIPS: We've had some limited, preliminary
15 discussions about that project, which, of
16 course, we would support. We haven't been
17 involved to any detail yet.

18 My understanding was they were looking
19 at a communication Countywide for computer and
20 civil defense and our communication section,
21 which would be in a place that is, you know,
22 protected from the elements and other issues.

23 It really doesn't matter where our
24 communication center is. It can be at a
25 different location. Matter of fact, at one

1 time we were considering it, moving it to,
2 with this new Kihei station. We dropped that
3 because of the cost, but.

4 So, you know, it would benefit us in
5 freeing up some space at our Wailuku police
6 station, where we're kind of overcrowded, and
7 maybe give the dispatchers a little bit of a
8 nicer place to dispatch from that is more
9 protected.

10 And I understand that, I think we're
11 looking at an emergency operation center in
12 that same location, which, of course, would be
13 a good place to have the communication center.

14 VICE-CHAIR HOKAMA: Okay.

15 MR. PHILLIPS: So we do support it, although we
16 haven't had much discussion recently on that.

17 VICE-CHAIR HOKAMA: All right. Well, you know,
18 we --

19 MR. PHILLIPS: And one of our radio shop coordinator
20 is on the Board of that project, I guess.

21 VICE-CHAIR HOKAMA: Good, good. Well, you know, for
22 the next four to five years it's going to be
23 challenging, because this is going to compete
24 with other big CIP projects. This is close to
25 a \$20,000,000 project itself. So I'm being up

1 front with you gentlemen of the challenges
2 this Committee faces with financial
3 requirements.

4 Just so we can have a better
5 understanding then, Chief, you know, through
6 your Homeland Security success efforts to get
7 funding and equipment, I thought, and correct
8 me and educate me, that the mobile command
9 center vehicle that you were able to
10 successfully get for the County of Maui, is
11 that -- does it have enough limitations that
12 this other, I guess alternative method of
13 dispatch and emergency response is also
14 required?

15 I thought we had great capabilities and
16 opportunities with that emergency command
17 center that you were able to get for us.

18 MR. PHILLIPS: It does have great capabilities.

19 Not, it's not complete yet, but it has
20 exceptional communication capabilities.

21 I'm not sure, I'm not sure what you're
22 asking, but --

23 VICE-CHAIR HOKAMA: No, again, I don't have a
24 problem with some duplication and ensuring
25 that we can do what we need to do under

1 emergency and natural disasters.

2 But again, you know, for me, because we
3 are going to face financial difficulty over
4 the next four to five years, I don't need a
5 tertiary or quadruple system of
6 communications, because I don't think we can
7 afford it in the next four to five years, so.

8 You have the system, are going to try
9 and upgrade. We have the mobile command
10 center already that you're outfitting. Then
11 we have this request.

12 So I'm just wondering, how many
13 overlapping duplications or triplications do
14 we need to take care of one requirement of
15 this County?

16 MR. PHILLIPS: I'm not sure there's any real
17 overlapping requirement, because the primary
18 use of the, that command vehicle, is not
19 dispatching. It's not -- I mean, it could if
20 we were shut down.

21 And that's basically what we have to
22 have, is a backup plan. That's a CALEA
23 requirement, but we have to have a backup if,
24 if our center goes down. If there's a fire in
25 the building.

1 VICE-CHAIR HOKAMA: Uh-huh.

2 MR. PHILLIPS: Hurricane knocks it down, whatever it
3 is, we have to have a backup plan. And we do
4 have several backup plans, which is prudent,
5 probably, to be able to have more than one
6 backup.

7 That could function as a backup for a
8 short period of time, but it's not something
9 that you can operate a communications center
10 out of for an extended period.

11 VICE-CHAIR HOKAMA: Uh-huh.

12 MR. PHILLIPS: This is --

13 VICE-CHAIR HOKAMA: This is also not including the
14 microwave radio satellite communications that,
15 you know, your other stations have as another
16 option of communications either. Right,
17 Chief? Because I know Lanai has that
18 microwave radio satellite phones that --

19 MR. PHILLIPS: Yeah, those are, those are, of
20 course, very limited. That would be -- we
21 would use that if the entire system is out,
22 where we would use those satellite phones to
23 communicate.

24 And that is, that is a backup in case
25 we're down completely, at least we have some

1 form of communication. But it wouldn't be
2 where each officer has one or we have
3 communication with -- you know, we'd be, we'd
4 be in trouble, but we'd be able to talk on
5 that.

6 VICE-CHAIR HOKAMA: And again, you know, what we
7 need to know is how the communications are
8 going to go, because if, let's say during a
9 natural disaster, for me, with the last
10 natural disaster we had, the cell phone system
11 got over-inundated with cell phone uses. So,
12 of course, then you impact communications
13 going back and forth to required personnel.

14 And again, I'm just trying to see.
15 Yeah, we can do all these backups, but if the
16 hardware of what we need to have set up, which
17 is the ability to get the call from one place
18 to another, is not sufficient, then that's
19 what we need to know.

20 Like we can build ten buildings all over
21 the County for --

22 MR. PHILLIPS: Yeah, I think, you know, one thing
23 our system does provide for is backup.

24 If, say, say if three sites go down,
25 there's -- the sites can -- our system can

1 still function, because it would revert to
2 other sites. So, so in a sense they back each
3 other up.

4 So, you know, I think we -- you know,
5 you can't say that it's completely foolproof
6 because, you know, you never know how bad the
7 disaster is, but it's unlikely that all of our
8 sites would be taken out and the entire system
9 wouldn't go down.

10 We have talked to phone companies about
11 the possibility of bringing in the Cell on
12 Wheels, which we could use in the event that
13 everything is down, and we do have some
14 agreements with them how quickly they'd be
15 able to bring it to Maui in a natural disaster
16 and things like that.

17 So, I mean, you know, our -- we're
18 always big on communications, because, you
19 know, we have such a big county, and the three
20 different islands, and we have Hana that's
21 remote. And so, you know, it is a big deal
22 for us, and we're going to look at backing it
23 up at every point that we can.

24 And the command vehicle, there's a --
25 you know, it's the type of equipment that, you

1 know, you purchase, and luckily it was grant
2 money, and you have it available, and of
3 course, hope you never use it.

4 VICE-CHAIR HOKAMA: Right, right. And again, Chief,
5 my questions is so that we are fully informed
6 and educated, so we can make the right
7 decisions on this financial request for this
8 budget year. So I appreciate your candid
9 responses.

10 MR. PHILLIPS: This also, these requests are also,
11 you know -- and I think we have to look at the
12 future of our, of our system.

13 And, as you know, we talked about last
14 year that our current radio system is in the
15 latter stages. So we are, and with you guys'
16 support with the funding is, you know, working
17 with the consultant to determine what the next
18 generation of our communication system will
19 be.

20 And, of course, like you guys had
21 mentioned, we want the best communication
22 system that we can.

23 But all of this work that we're doing
24 now, this microwave upgrades, the radio site
25 in Ulupalakua, these things will help with the

1 future site. It's kind of doing the backbone
2 of the site now, where we won't have those
3 costs.

4 You know, when we put in this current
5 site, we had to develop, and with this current
6 system, we had to develop all of our sites.
7 It was very costly.

8 So now, you know, we may not have as
9 many to develop because we're doing this
10 groundwork now, and it will help us move over
11 to the next generation, whatever that is, when
12 that comes.

13 VICE-CHAIR HOKAMA: Thank you, Chief. We appreciate
14 the challenges your Department faces with
15 this.

16 And I can tell you that, I can assure
17 you that this is something all your colleagues
18 and counterparts across the nation is facing.
19 You know, we're dealing with this with
20 transportation, we're dealing with this with
21 enforcement and emergency response nationwide,
22 about the need to upgrade to the next
23 generation of communication, so.

24 We thank you for your comments this
25 morning.

1 Thank you, Chairman.

2 CHAIR PONTANILLA: Thank you, Member Hokama.

3 Members, any more questions? Member
4 Medeiros?

5 COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman.

6 Yeah, I just want to touch on the same items
7 Council Chair Hokama talked about.

8 And first, the Homeland Security funds.

9 Yeah, I, too, congratulate you in securing as
10 much of those funds that were available, but I
11 want to ask, are these funds, like, renewable?

12 Is there a potential for continuing the
13 funding, or is it a onetime funding?

14 MR. PHILLIPS: The Homeland Security?

15 COUNCILMEMBER MEDEIROS: Yes.

16 MR. PHILLIPS: Typically there's a, there's funding
17 that comes out each year.

18 So these things are not something that
19 we would request the same money, but -- and
20 sometimes the grant has different parameters.
21 Some years it will tell us you cannot buy any
22 vehicles with it, and then maybe the next year
23 they'll say, you know, you can buy. So that's
24 why we went with, one year with the command
25 vehicle and stuff. So different parameters.

1 But there's other funding that we've
2 used Homeland Security for as well in, you
3 know, protect, personal protection equipment
4 for our officers, and there's some, been some
5 training funds available.

6 So it is different funding, and we have
7 to apply for it each year.

8 COUNCILMEMBER MEDEIROS: I see.

9 MR. PHILLIPS: And that's kind of coordinated
10 through the State Civil Defense.

11 COUNCILMEMBER MEDEIROS: Okay. Yeah, I think it's
12 admirable that the Department looks for other
13 funding to supplement, you know, County
14 funding and whatever funding that you receive.

15 My second question on the communication
16 sites is that you have, you know, expressed
17 how important communications is to the
18 Department. And I wanted to ask that at these
19 sites --

20 And you referred to, you know, natural
21 calamities happening, storms that may knock
22 out your communication systems, and you have
23 some backup systems. But are all these
24 systems dependent on electrical power?

25 MR. PHILLIPS: They are, and we do have generator

1 backup at each site.

2 COUNCILMEMBER MEDEIROS: Okay, so you have auxiliary
3 electricity --

4 MR. PHILLIPS: Yes.

5 COUNCILMEMBER MEDEIROS: -- generation systems?

6 MR. PHILLIPS: Yes.

7 COUNCILMEMBER MEDEIROS: Okay, thank you, Chief.

8 Mahalo, Mr. Chairman.

9 CHAIR PONTANILLA: Thank you.

10 Any more questions, Members? If not,
11 the Chair would like to thank Chief
12 Phillips --

13 MR. PHILLIPS: Thank you.

14 CHAIR PONTANILLA: -- Mr. Takahashi, as well as
15 Chief Yabuta for being here this morning in
16 regards to the Department's budget. And the
17 Chair would like to also recognize the men and
18 women of the Department that are here this
19 morning supporting the Department's requests
20 for the upcoming Fiscal Year 2009 budget.

21 So with that, Members, we'll recess till
22 1:00, when we'll take up the Water Department.
23 This meeting is in recess.

24 RECESS: 11:20 a.m.

25 RECONVENE: 1:05 p.m.

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

3 Members, you're all aware that we need
4 to go to West Maui tonight. You know, we've
5 been having Members coming down with the flu,
6 and hopefully you take care of your health.
7 Tonight we're going to have bare quorum, and
8 sometime this afternoon we're going to have
9 bare quorum.

10 So we'll go as far as we can on the
11 Program Budget, and then we'll adjourn this
12 meeting and reconvene (sic) West Maui tonight
13 at 6:00 p.m.

14 Again, to remind all of you, tomorrow
15 will be strictly the Water Department in these
16 Chambers, and continuing on our review.

17 So with that, I'd like to -- and,
18 Members, if you can turn to the proposed bill,
19 page 11 and 12, as well as the Program Budget,
20 21-1, -1 to 21-25. And on the Budget Details,
21 it begins from 19-1 to 19-42.

22 So at this time I'd like to call on the
23 Budget Director to provide us with some
24 comments.

25 MR. PABLO: Thank you, Chair Pontanilla, and good

1 afternoon, Members.

2 Right before you, you should have a nine
3 page summary of the Water Supply, of the
4 Department of Water Supply.

5 Again, as we did for the Public Works
6 and the Police Department, I've prepared an
7 executive summary, which is a one page summary
8 of all the information you need to know to
9 guide you through these discussions.

10 On page one of this nine page summary is
11 the overview of the Department of Water
12 Supply.

13 What I would like to point out is the
14 Department of Water Supply is an enterprise
15 fund, which means it has to operate like a
16 business and break even, with the revenues
17 equaling expenses.

18 In the County, we have two enterprise
19 funds. The other enterprise fund is a golf
20 fund, which we'll be covering when we deal
21 with the Parks and Recreations Department.
22 Excuse me.

23 There are seven programs in the
24 Department of Water Supply, and you have them
25 listed there. There's the Administration

1 Program.

2 The second line is Department wide
3 expenses, but that is not a program. This is
4 the Department's share of the Countywide
5 expenses, which were described by Kalbert
6 Young on Monday.

7 After the Finance Department determines
8 the Countywide expenses, it is allocated among
9 the special revenue funds and enterprise fund.
10 As you can see, in the third column, it is a
11 quite substantial amount that's being charged
12 to the Water Supply fund.

13 When we go to that page, you'll see
14 primarily it's for the OPEB, which we
15 discussed on Monday. These are the unfunded,
16 actuarial accrued liabilities, which we dealt
17 with this last year, and which we are
18 beginning to fund on an annual basis.

19 The third line is the second Water
20 Supply Program, Fiscal /Customer Service
21 Program. You can see the net change in the
22 third column really isn't that much.

23 Then we have the Engineering Program,
24 Water Resources and Planning Program, Water
25 Treatment Plant Operations Program, Field

1 Operations Program, and a Plant Operations
2 Program.

3 And again, if you look at the change
4 from '09 versus '08, there's a quite
5 substantial amount in the third column, for
6 2.5 million. But when we get to that program,
7 we'll find that essentially this is for the
8 electricity costs.

9 So the total change for the Water Supply
10 from '09 versus '08 is about 6.9 million, with
11 two of the categories, the Department wide
12 Expenses and Plant Operations, accounting for
13 pretty much that \$7,000,000 change.

14 There are no expansion positions being
15 requested by the Department, and there's 1.1
16 million in equipment, as summarized below for
17 each of the programs.

18 Now, if you go to the second page, this
19 is the Administration Program. And as I did
20 with the Police Department, I'll go briefly
21 through the main categories, which you refer
22 to as A account, B account, and C account.
23 And later on the Director, Jeff Eng, and Holly
24 Perdido will be answering your questions on
25 the details.

1 Salaries and wages increase, 18,000, and
2 this is for 8 employees.

3 The Operations increased 24,000, and you
4 can see the two major items below are for
5 electricity and a safety program.

6 And the Administration Program is asking
7 for 257,000 in equipment, and those three
8 items are listed below. And Jeff Eng and
9 Holly Perdido will be able to answer your
10 questions later on what is covered under that.

11 The Department wide expenses is on the
12 next page. I'll go through this very fast.
13 As I said, this was covered by Jeff -- Kalbert
14 Young on Monday.

15 The two big items there are for debt
16 service. You'll see there's a new debt
17 service for about \$745,000, pretty much at the
18 bottom of that page.

19 And then you'll also see the Other Post
20 Employment Benefits. This is the amount that
21 we have funded this year, and what part of
22 that is being allocated to the Water Supply
23 Department.

24 Page three is their Fiscal/Customer
25 Service. Again, an increase of 59,000 for 31

1 employees. No expansion positions.

2 An increase in operations of about
3 163,000. And that's essentially made up of
4 four items listed in the middle of the page,
5 the largest item being a stores inventory
6 expense.

7 Then this program is requesting 36,000
8 in equipment, as shown on the bottom half of
9 that page.

10 The next program is the Engineering
11 Program. Again, their salary increase is to
12 reflect the collective bargaining agreement of
13 about 31,000. This covers 26 employees. No
14 expansion position is being requested.

15 They had a net decrease in their
16 operations versus last year of about 11,000,
17 and that's for a decrease in computer
18 services.

19 This program is requesting these
20 equipment listed below, totaling about 76,000.

21 The next program is Water Resources and
22 Planning Program. Again, there's a salary
23 increase in the account for about 39,000, for
24 12 employees. No expansion position is being
25 requested.

1 They had a net change in operations of
2 about 36,000, and that's essentially from two
3 items, professional services for planning and
4 screen monitoring.

5 There's equipment of \$16,000 being
6 requested.

7 On your next page is your Water
8 Treatment and Plant Operations Program. Here
9 the increase in salaries over last year is
10 180,000. This is for 27 employees. Again, no
11 expansion position is being requested.

12 The operations account increased 554,000
13 over last year, and you can see that it's
14 comprised of four major items; chemical and
15 filter supplies, fuel, electricity, and water.
16 And this program is requesting \$159,000 in
17 equipment, which are listed below.

18 In the Field Operations Program, on your
19 next page, again, we have salaries and wage
20 increases because of the collective bargaining
21 agreement. That's 416,000 increase for 78
22 employees. No expansion positions.

23 The operations actually decreased over
24 the past year, and there are the reasons for
25 the decrease. A major change was the decrease

1 in the meter replacement expenses.

2 In the equipment category, this program
3 is requesting 461,000 for those items shown on
4 the bottom half of that page.

5 The last program is Plant Operations
6 Program, and this is probably one that
7 accounts for the greatest increase in
8 operation expenses for the Department.

9 And we have salary and wages for 157,000
10 increase, covering 35 employees. Again, the
11 Department is not requesting any expansion
12 positions.

13 The operations, you can see the
14 electricity cost has gone up from 11.0 million
15 to 13.5 million, and this is essentially why
16 there's an increase in operations.

17 And this program has a request for
18 \$157,000 in equipment.

19 If you have any questions on these
20 programs and their operations, Director Jeff
21 Eng is here, and also Holly Perdidó, their
22 Fiscal Officer. Thank you.

23 CHAIR PONTANILLA: Thank you, Mr. Pablo, for that
24 quick overview.

25 Members, do you have any questions

1 regarding what was just presented by the
2 Budget Director as far as overview? As, like
3 the Police Department, we're going to go
4 program by program. So any burning questions
5 for the Director at this time?

6 If not, I'd like to call on Mr. Eng for
7 some brief comments, if you have any.

8 MR. ENG: Thank you, Mr. Chair. Thank you, Director
9 Pablo.

10 Basically, this is a fairly conservative
11 budget. You know, as I might have mentioned
12 in other Committee, before other Committees,
13 this is basically keeping, allowing us to
14 continue basic operations.

15 A big portion of the increase, again, is
16 electricity, and that amounts to, in relative
17 percentage terms for rate increase, probably
18 about 6 percent of our rate increase.

19 We are continuing to fund for capital
20 replacement in the order of a little over
21 \$3,000,000 this year.

22 So as Director Pablo indicated, it's
23 pretty straightforward. You know, there were
24 the labor cost increases and the various
25 Department wide overhead increases that we're

1 facing, too.

2 But I have my program managers here this
3 afternoon, and if you have any questions for
4 us, please feel free to ask us.

5 CHAIR PONTANILLA: Thank you, Director Eng.

6 Members, if you can turn to your
7 Administration Program, we'll start off with
8 Member Anderson, the expert on the Water
9 Committee. Member Anderson?

10 COUNCILMEMBER ANDERSON: Gee, you could have given
11 me a warning.

12 You know, you said that electricity is 6
13 percent of the rate increase. Do you know
14 what the -- what are we calling it? The
15 unfunded or soon to be funded retirement --

16 MR. ENG: Yes, I believe that was about --

17 COUNCILMEMBER ANDERSON: -- cost is?

18 MR. ENG: -- 2, 2.5 percent --

19 COUNCILMEMBER ANDERSON: 2.5?

20 MR. ENG: -- of the increase, and that's why we made
21 that last minute adjustment recently.

22 COUNCILMEMBER ANDERSON: Okay. You know, Mr. Chair,
23 I really don't have any questions on the
24 Administration Program other than that.

25 CHAIR PONTANILLA: Thank you. Member Baisa?

1 COUNCILMEMBER BAISA: One very quick question, and
2 that is on the Administration Director's
3 office. There's money budgeted for a safety
4 program. Can you tell us a little bit about
5 what you're going to do with that?

6 CHAIR PONTANILLA: Director?

7 MR. ENG: Thank you. As you can see, the increase
8 was for \$15,000 for fiscal year '09, and
9 previously it had been 45,000, now 60,000.

10 And that 15,000 increase is really a
11 transfer of the prior, the safety program that
12 we have, from Field Operations to the
13 Administration Program. So we have all the
14 money into one, to one department, one
15 program.

16 The reason we did this is last year we
17 did finally hire a safety officer, so we kept
18 all the monies available for the program all
19 in one place. And the safety officer is part
20 of our Administration staff, so we felt it was
21 appropriate just to park all the funds in one
22 place.

23 COUNCILMEMBER BAISA: Thank you very much. That
24 makes sense. And one last question, and I
25 don't think I have anything more here.

1 You know, we've been talking in the
2 Water Resources Committee about the idea of a
3 training officer or a training manager,
4 whatever you want to call them. Is that
5 included in here anywhere, or would that be an
6 addition?

7 MR. ENG: No, we don't have anything included for a
8 training officer this year. In fact, we are
9 evaluating the Department's needs.

10 My personal view is that because of the
11 diversity of our Department, you know, we
12 would like to train, not just from what was
13 pointed out in the recent optimization study
14 by the EPA, and that would be our water
15 treatment plant operators, but throughout the
16 Department.

17 I mean, there could be training in field
18 operations. Oh, training everywhere, you
19 know. So to basically hire one person to have
20 such a diverse background to do that?

21 And we maybe need to look outside for
22 more specific areas of expertise and bring
23 them in as needed. You know, we are looking
24 at, for instance, making sure that our
25 operators become certified.

1 COUNCILMEMBER BAISA: Right.

2 MR. ENG: And over these years, you know, we had
3 relied on the State Department of Health that
4 funded programs. Now we're finding is that
5 they're lacking funds.

6 So we do realize we have to step up to
7 the plate, too, you know, and so that's what
8 we're evaluating right now, exactly what our
9 training needs will be.

10 COUNCILMEMBER BAISA: Thank you very much, and I'm
11 glad that, you know, it's being worked on,
12 because apparently it seems like something
13 that at some point you will need to fund --

14 MR. ENG: Yes.

15 COUNCILMEMBER BAISA: -- and we'll have to help.
16 Thank you.

17 MR. ENG: Thank you.

18 CHAIR PONTANILLA: Thank you, Member Baisa.

19 Member Johnson, questions?

20 COUNCILMEMBER JOHNSON: This would only just be
21 about some of the things that have been taking
22 place most recently in the news media, about
23 the designation of certain waters.

24 And because I know that Administration
25 has been involved in a great many of the

1 hearings, are you able to still conduct all
2 your ordinary functions and still manage with
3 the staff that you have in Administration?

4 MR. ENG: Yes, and this is related to the contested
5 case hearing and the designation --

6 COUNCILMEMBER JOHNSON: Uh-huh, yes.

7 MR. ENG: -- of Na Wai Eha. Yeah, right now that
8 does not affect our staffing levels or our
9 responsibilities.

10 Again, because all of those issues are
11 currently still before the State Water
12 Commission, as far as a decision on the
13 contested case hearing in the industry and
14 flow standards, you know, that could be some
15 time until we hear of anything.

16 Most likely we, it will be maybe toward
17 the end of this calendar year. And even then,
18 you know, there could be a party that would
19 appeal the decision of the Commission, so it
20 could end up in eventually the State Supreme
21 Court.

22 Regarding the designation, while the
23 Commission has voted to go forward with it,
24 they haven't really formally published their,
25 their notice. When that notice comes out, and

1 I did check with the Commission last week,
2 should be shortly, then current users have an
3 opportunity, a one year opportunity to apply
4 for the existing use, and also they would take
5 applications for any future use, too.

6 But again, both of those matters don't
7 impact us currently.

8 COUNCILMEMBER JOHNSON: Okay, and the only reason I
9 ask is because I know that usually the first
10 people, even if it's not the proper party,
11 that get asked the questions about what does
12 this mean or how does this affect me, what are
13 my rights, are the people that are in the
14 front lines. Those are usually your
15 Administrative staff.

16 So that's why I'm just a little bit
17 concerned, if it is having any kind of impact
18 at all, and, you know, just creating some, I
19 guess response kind of need that at least
20 until we get through this that, you know, that
21 you're able to still function without having
22 people to just, you know, simply put aside
23 some of their work to, I guess, answer some of
24 the questions.

25 MR. ENG: Well, if a lot of questions come up, you

1 know, my staff would probably direct them to
2 me, because I'm probably closest to the Water
3 Commission.

4 But I think the Commission also realizes
5 they need to do a little bit better extra
6 effort in communicating and informing the
7 public, particularly during this designation.
8 And that's what they assured the parties
9 recently, so.

10 COUNCILMEMBER JOHNSON: Yeah, and I know sometimes
11 the State doesn't always take those monetary
12 needs to do publications and everything into
13 account when they take certain actions, so it
14 always falls on the County.

15 But I just wanted to make sure that your
16 staff wasn't unduly burdened, and that you do
17 have sufficient personnel to carry out all of
18 your regular tasks.

19 MR. ENG: We'll be all right, thank you.

20 COUNCILMEMBER JOHNSON: Thank you.

21 CHAIR PONTANILLA: Thank you, Member Johnson.

22 Member Medeiros?

23 COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman.

24 We're going over the Administration part?

25 CHAIR PONTANILLA: Yes.

1 COUNCILMEMBER MEDEIROS: Okay, program?

2 Yeah, I just want to ask a general
3 question, which Member Johnson was talking
4 about already, but in the Finance Director's
5 quarterly report as of December 31st, 2007, it
6 showed 29 vacancies, and I'm wondering how
7 you're doing with filling those vacancies.

8 And then I'll ask you specific questions
9 to the vacancies in particular programs, when
10 that, those programs come up, but I just
11 generally wanted to know how you're doing with
12 your vacancies.

13 MR. ENG: Well, I believe you have in your
14 binders -- they don't have? Okay, well,
15 Director Pablo had prepared for me a vacancy
16 list recently, as of February 13th.

17 COUNCILMEMBER MEDEIROS: Okay.

18 MR. ENG: Which is really only about a month and a
19 half ago. And even updating it this morning,
20 you know, we found that there are significant
21 changes, and actually in the right direction.
22 There are something like, you know, eight
23 positions filled, you know, versus four new
24 ones added.

25 So I think we're going in the right

1 direction. You know, we're recruiting as
2 needed. I think it looks more favorable than
3 perhaps a year ago, when we were really
4 struggling for staff. We are, have been
5 finding over the recent several months,
6 particularly in the engineering division, more
7 of an interest from applicants.

8 So this is -- and, but unfortunately, at
9 a certain time maybe work will be slowing
10 down, but we'll see, you know. But I'm always
11 hopeful, and I'm hoping that we can fully
12 staff the Department.

13 COUNCILMEMBER MEDEIROS: Okay, that's good to hear.
14 And, yeah, I think, you know, as the
15 construction and other industries start to
16 slow down, you may receive more applicants for
17 positions compared to before.

18 So as of your February report, how many
19 total vacancies you show?

20 MR. ENG: If you can just give me one quick second,
21 please.

22 COUNCILMEMBER MEDEIROS: Okay. And maybe while
23 you're looking at that, because there's a, you
24 know, a significant increase in the
25 electricity costs, which is -- you know, we

1 understand why. I just wanted to ask.

2 Are there any considerations or plans on
3 how we can reduce electricity costs by other
4 means of energy or electric, electricity
5 production methods for the Department?

6 MR. ENG: Okay, Member Medeiros, if I may first --

7 COUNCILMEMBER MEDEIROS: Yeah.

8 MR. ENG: -- address your first question.

9 The February 13th report still had 29
10 vacancies, but since then we've netted about 4
11 fewer.

12 And in regarding energy, you know, right
13 now, in the immediate horizon, there are no
14 opportunities for alternative energy to run
15 our Department. We are still stuck with using
16 Maui Electric. And if you look overall in the
17 community, I don't see anything in the
18 immediate future that will immediately impact
19 our energy costs, unfortunately.

20 I think a lot of the plans for
21 alternative energy are really down the road
22 some ways. Again, there's a lot of talk and
23 obviously a lot of hope, but to see these
24 projects come to fruition, I think will still
25 take a number of years.

1 COUNCILMEMBER MEDEIROS: I see. Okay, thank you,
2 Director Eng.

3 Mahalo, Mr. Chairman.

4 CHAIR PONTANILLA: Thank you, Member Medeiros.

5 Director, are you still pumping on
6 non-peak hours as far as Maui Electric is
7 concerned?

8 MR. ENG: You know, it depends. We do have a few
9 particular contracts. I think that we do take
10 advantage of the off-peak. But just the
11 nature of our system and facilities, you know,
12 some of them, we have to be, have to be
13 pumping, you know --

14 CHAIR PONTANILLA: At all hours.

15 MR. ENG: At all times, yes.

16 CHAIR PONTANILLA: Okay, thank you.

17 Member Hokama?

18 VICE-CHAIR HOKAMA: Can you give us some
19 understanding of this billing system request,
20 please, Director?

21 MR. ENG: Chair Hokama, if I may pass this on to
22 Holly Perdi do to address.

23 MS. PERDIDO: Good afternoon. The billing system,
24 we're working with MIS. I don't know if
25 they've come before you yet.

1 VICE-CHAIR HOKAMA: No. I'm looking forward to
2 that.

3 MS. PERDIDO: We're working with MIS to possibly go
4 out on our own for a billing system. We've
5 already put out an RFP. We're looking at the
6 amount. You know, three different vendors
7 we've been looking at.

8 We are kind of are in a situation where
9 what's going to work best for the Water
10 Department. I know that County, or the MIS
11 would like to consolidate us all and get us
12 onto a billing system, you know, that can be
13 operated by the County, but right now we're
14 still with Honolulu Board of Water.

15 And actually, they are also looking for
16 a billing system. And they're supposed to get
17 back to me, but they were going to go out for
18 an RFP. So no matter what, we're going to
19 have to change our billing system, whether we
20 stay with Honolulu or go in-house with the
21 County.

22 VICE-CHAIR HOKAMA: Do, with the current system, we
23 have areas that you would like to improve on?
24 And if there are, what areas can you tell us
25 this afternoon?

1 MS. PERDIDO: Well, the current system with Honolulu
2 is very old. I mean, it's -- they've -- it
3 took them a while.

4 It's a self, or they developed the
5 system themselves, so it doesn't have all the
6 reporting capabilities we would like. We
7 would like to get more information, and it's
8 very hard to get the information from Honolulu
9 sometimes. Other than that, you know, they get
10 our bills out.

11 So far we've done a few improvements
12 with the revenue collector that we've
13 connected up with the County, and we have it
14 posting through the billing system, and our
15 meters, everything goes through the billing
16 system.

17 But there, I think the main item is the
18 reporting, that we would like to be able to
19 get more information and have the access to
20 make our own reports and get what we want out
21 of it.

22 VICE-CHAIR HOKAMA: So on this system, when you say
23 acquisition, that would be for a new vendor
24 that has specific software that you're looking
25 for, Ms. Perdi do?

1 MS. PERDIDO: Correct. We would, as Jacob will tell
2 you when he's up here, we're going to use a
3 current hardware that the County has, but it
4 would just be for a software system. And
5 we're looking at with Refuse and Landfill and
6 Water and Sewer, is the four entities working
7 on this system.

8 VICE-CHAIR HOKAMA: Okay, so sewer -- wastewater is
9 working closely with your Department
10 because -- I know for the, for the residents'
11 bills, sewer is based on part of the water
12 readings that your people would provide for
13 data. They would calculate our rates and
14 fees, and then, you know, have it all on the
15 billing.

16 So you, your agency is going to be
17 responsible for the whole billing, including
18 the sewer portion? Or how do you folks
19 envision this to be operational?

20 MS. PERDIDO: Okay, currently, right now we're
21 handling all the sewer billings, except
22 there's a few, I think, from Kaanapali that
23 they manually do.

24 The rest, the Water Department handles
25 all the billings, as well as collection for

1 the Sewer Department. That's why their staff,
2 they don't have to have all the staff that we
3 do to be able to do all the items. So we do
4 all that.

5 And I -- we're also thinking of, in the
6 future, that we'll continue to keep sewer and
7 water bills together, and continue to do
8 their, their billing and, you know, readings
9 and all that that we currently do.

10 VICE-CHAIR HOKAMA: Okay. So you have already done
11 your preliminary due diligence and whittled
12 down the amount of qualified vendors that can
13 provide the type of software and service that
14 the Department requires?

15 MS. PERDIDO: Yes.

16 VICE-CHAIR HOKAMA: Was this part of, or part of
17 this appropriation will take care and help
18 provide you the financial resources to do this
19 due diligence requirements?

20 MS. PERDIDO: No. We've already went through,
21 coming up -- it's been many months that we've
22 been working on this, and we've come down to,
23 with the top three vendors, you know, that
24 we've looked at, and they've come in and done
25 demos.

1 So basically this would be the funding
2 to go forward and purchase the software that
3 we would need.

4 VICE-CHAIR HOKAMA: Okay.

5 MS. PERDIDO: A portion of it.

6 VICE-CHAIR HOKAMA: I have my issues of how it's
7 working out. You know, we went through a,
8 when we went through a phone change system ten
9 years ago, we had -- you were here, Holly, so
10 you know the problems we had just to change
11 phone systems for the County. Then we did HR
12 payroll.

13 Okay, and then now, I mean, we all are
14 aware of what MIS has gone through with this
15 new system, and with the e-mails and
16 firewalls, and this whole ball of wax. So,
17 you know, you have to appreciate that my
18 confidence level is very low right now in us
19 doing certain things.

20 So 250 buys us, besides that, makes you
21 up and running and fully operational? No?

22 MS. PERDIDO: No, definitely not. It depends on
23 which system.

24 I think the vendors who came out with
25 the -- you know, responded to the RFP, and I'm

1 going by remembering, they're from 300,000 all
2 the way up to, I want to say 1.9 million, for
3 software systems. So Jacob, I know, when MIS
4 comes up, they'll go into this more.

5 But I think what we need to look at for
6 the Water Department is what's going to work
7 best, you know, for us.

8 VICE-CHAIR HOKAMA: Yes.

9 MS. PERDIDO: We don't want to be without bills
10 going out. We need to keep operational.

11 No matter what, we're going to have to
12 stay with Honolulu, and they're going to pick
13 a new system, but they'll be the ones who are
14 going to -- you know, they're well,
15 well-versed in it. They know what to do. And
16 so we have that to keep on going with.

17 And I just spoke to the guy who's in
18 charge of that, and they're actually going
19 before their -- I think it must be Board, to
20 get their budget approved, and it's like 5,
21 over 5,000,000 for them.

22 VICE-CHAIR HOKAMA: Okay. So this Committee has a
23 good understanding, Ms. Perdidó, how far into
24 operations?

25 You know, are you looking at the whole

1 ball of wax as in regards to billing, from the
2 time that the Department's employee goes and
3 gets the reading off the meter and the type of
4 equipment they utilize to record that data, to
5 come back and then eventually have that
6 transferred to an appropriate collection
7 center, and then the whole ball of wax? Or
8 are you just looking at billing?

9 What's the scope of this project?

10 MS. PERDIDO: Yeah, it would just be the billing,
11 because we already have the connect software
12 that gets the meter reader, the meter reads
13 that connect into the system.

14 And there would be components that, you
15 know, we would need, but we're looking at
16 mainly the billing system.

17 VICE-CHAIR HOKAMA: Okay, and so we get a good
18 understanding, rough, round number, how many
19 accounts does the County have regarding our
20 water users?

21 MS. PERDIDO: Water users, we're at about --

22 VICE-CHAIR HOKAMA: 60,000 accounts?

23 MS. PERDIDO: Well, water is about 35,000.

24 VICE-CHAIR HOKAMA: 35,000 accounts for water?

25 MS. PERDIDO: Yeah. A little over, I think it's

1 over 35 now.

2 VICE-CHAIR HOKAMA: Okay. Thank you very much for
3 your responses. Thank you.

4 CHAIR PONTANILLA: Thank you, Chairman.

5 Just a fast question on the system.

6 Will the system allow for establishment of new
7 classes of water users?

8 MR. ENG: Mr. Chair, that's part of the objective in
9 selecting a new program, is, you know, how
10 much information can we get from it and how we
11 can utilize it to our advantage in
12 identifying, classifying customers better.

13 And besides billing, there will be a lot
14 more customer information available, we
15 expect, in a new database, so we can extract
16 and sort in any which way we choose to. So
17 that's really the advantages I see. Not only
18 just having smooth and accurate billing, but
19 also how we can utilize that Department wide
20 for whatever information we need.

21 It could be even, you know, maintenance
22 information on the meters, when it was last
23 replaced, what kind of problems we might have.
24 So I have a lot of hope that it will be a real
25 useful tool for the Department.

1 CHAIR PONTANILLA: Thank you for sharing that
2 information to us, you know, the capabilities
3 of this system; not only doing water bills,
4 but probably keeping inventory information and
5 the like.

6 Mr. Victorino, do you have any
7 questions?

8 COUNCILMEMBER VICTORINO: Yeah. You know, I was
9 looking through the 19.15 -- I mean, 19-5, I
10 should say, under the operations of the Water
11 Administration Program.

12 One thing caught my eye was the fact
13 that, again, under 6022, gasoline, diesel, and
14 oil, you still remain flat from last year,
15 2008 to 2009. And again, with all the rest of
16 the costs going up, again, even though this
17 may be inconsequential, I look at all the
18 other ones, and you guys basically kept to the
19 same.

20 Important -- you know, I expect prices
21 to rise. I just don't want to see you guys
22 come back, even if it's for small amounts.

23 Do you have any idea why you're not, not
24 increasing those? Because in all the other,
25 all the other Departments, you kept it flat.

1 MR. ENG: In regard to this specific line item.

2 COUNCILMEMBER VICTORINO: Yeah.

3 MR. ENG: Again, you're just making reference to the
4 Administration Program.

5 COUNCILMEMBER VICTORINO: But I looked all beyond
6 that. But yeah, let's say we just stay with
7 the Administration for right now.

8 MR. ENG: But if you look at our other divisions,
9 you will see substantial increases in things
10 like that.

11 COUNCILMEMBER VICTORINO: Okay. The other question
12 I had as far as your Department was concerned
13 was -- and this here, we have on your -- the
14 utilization of the billing system, these two,
15 the acquisition and installation.

16 So if we decide to go old, we stay with
17 Oahu, it would be just following their
18 program. Is that right, Ms. Perdido?

19 MS. PERDIDO: Yes, that is correct.

20 COUNCILMEMBER VICTORINO: Okay, and so we wouldn't
21 have any installation. We just -- not even
22 acquisition, actually. We're just dovetailing
23 with whatever system they come up with, should
24 we stay with them, with this new system that
25 they're looking at.

1 MS. PERDIDO: Correct. I just don't know if our
2 costs will go up yet, you know. Once they get
3 a new system, if they're going to charge us
4 more.

5 But, yeah, we would just be with them,
6 and they would handle the conversion and
7 everything.

8 COUNCILMEMBER VICTORINO: And real quickly, have you
9 looked at the program and to see if, what
10 we've been talking about as far as
11 ascertaining information, would that be more
12 compatible if we were to stay with that new
13 system Oahu is looking at?

14 MS. PERDIDO: They have no idea which system they're
15 going to go with.

16 COUNCILMEMBER VICTORINO: Oh.

17 MS. PERDIDO: They haven't even done their RFP yet.

18 COUNCILMEMBER VICTORINO: Okay, so it's all a moot
19 point at this time. Okay.

20 Okay, thank you, Mr. Chair.

21 CHAIR PONTANILLA: Thank you, Member Victorino.

22 Member Anderson?

23 COUNCILMEMBER ANDERSON: Thank you, Chair. I just
24 want to follow up on that.

25 So it is your preference, Ms. Perdidó,

1 or Director Eng, that you guys stick with your
2 own system, stick with the program to find
3 your own system.

4 MR. ENG: You know, we still haven't made that
5 decision yet. I think, again, Ms. Perdidó
6 indicated they just had demonstrations by the
7 three vendors the County is looking at, and I
8 don't believe there's been a decision made.
9 But clearly, we would want a system that
10 benefits us.

11 COUNCILMEMBER ANDERSON: Right.

12 MR. ENG: And again, as she indicated, we don't know
13 what Honolulu will be doing either. So it's
14 still pretty much up in the air.

15 COUNCILMEMBER ANDERSON: And how much do we pay
16 Honolulu to do our billing?

17 MS. PERDIDO: I think I have budgeted in my computer
18 services about \$90,000.

19 COUNCILMEMBER ANDERSON: Every year?

20 MS. PERDIDO: Yes.

21 COUNCILMEMBER ANDERSON: And so that's in here
22 already still.

23 MS. PERDIDO: Yes.

24 COUNCILMEMBER ANDERSON: So we could take 90,000 off
25 the 250 if we --

1 MS. PERDIDO: I wouldn't think so, because we're
2 going to have to stay on a system -- it takes
3 quite a while for conversion.

4 I think water -- if their plan, MIS's
5 plan is they would do refuse and landfill
6 first, and water would be the last component,
7 and it would take quite a while. I don't
8 think it would fall within -- maybe next year,
9 we're looking at, you know, for the
10 implementation for water.

11 COUNCILMEMBER ANDERSON: Yeah. No, but that's what
12 I meant. Eventually we would have a soft -- a
13 cost savings, so that the 250 would be reduced
14 really, by what we're not spending to pay
15 Honolulu.

16 One other question I have is for your
17 Board costs, 19-5, 6246. That's flat, 30,000.

18 I'm just wondering. Is that enough
19 money to pay for verbatim Board minutes?
20 Because I noticed the Board minutes went from
21 verbatim to summary minutes. And now that the
22 Board is handling appeals, I believe it's
23 required that they have verbatim minutes.

24 So has that been taken into
25 consideration in this funding?

1 MR. ENG: Yeah, I don't think at the time this was
2 developed, you know, we had that in mind.
3 Excuse me.

4 We do know that, like on many of the
5 Board meetings, because of appeals, we may do
6 that extra effort and hire someone to take
7 minutes. Recently we had a little issue, but
8 -- our recorder went out, you know, but there
9 is going to be a backup now, and everything is
10 proceeding all right.

11 I think it's going to be depending on
12 the type of matter being brought up before the
13 Board, whether we hire, you know, a court
14 reporter to provide the minutes. I think most
15 of the time we probably, for most meetings,
16 can get by with our Board Secretary.

17 COUNCILMEMBER ANDERSON: So you don't think there
18 needs to be any adjustment here for that?

19 MR. ENG: No, I think we'll be all right with this.

20 COUNCILMEMBER ANDERSON: Okay, thank you, Director
21 Eng.

22 MR. ENG: Thank you.

23 COUNCILMEMBER ANDERSON: Thank you, Chair.

24 CHAIR PONTANILLA: Thank you.

25 Members, any more questions in regard to

1 the Administration Program? Member Medeiros.

2 COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chair, for my
3 second opportunity here. Just -- and I think
4 maybe the Budget Director did cover this.

5 But, I mean, Department wide, the change
6 in your budget summary is about 30 -- 73
7 percent. Is that, the significant part of
8 that increase is energy? And the amount I'm
9 looking at on the, it's on 19-3 of Details.

10 Well, actually I'm looking at the
11 equipment.

12 MR. ENG: Equipment.

13 COUNCILMEMBER MEDEIROS: Yeah. What kind of
14 equipment does that cover, an increase of
15 492,000?

16 MR. ENG: Member Medeiros, as we walk through the
17 various programs, you know, we can, if you
18 choose to --

19 COUNCILMEMBER MEDEIROS: Oh, okay.

20 MR. ENG: -- review the specific equipments.

21 COUNCILMEMBER MEDEIROS: Okay. Then let me move to
22 19-5, also in Details. Under sub object code
23 6132, professional services, from '07 to '08,
24 it went up 129,000.

25 What, basically, what services are that?

1 Are those consultants?

2 MR. ENG: Primarily consultants. We're looking at a
3 couple of, couple types of consultants.

4 COUNCILMEMBER MEDEIROS: Okay.

5 MR. ENG: One is, we have some money funded for
6 additional rate study, particularly if the, if
7 the Water Resources Committee and the Council
8 would like to have us develop additional
9 classes of customers, and we can have some
10 professional assistance in doing that.

11 The other thing that we're considering
12 that might be useful is, is having some money
13 for a PR firm, to help us in our
14 communications with the community.

15 COUNCILMEMBER MEDEIROS: Okay, thank you, Director,
16 for that information.

17 Mahalo, Mr. Chairman.

18 CHAIR PONTANILLA: Thank you. Members, any more
19 questions on the Administration Program?

20 If not, Director, if you can go into
21 Departmental Expenses.

22 MR. ENG: If you turn to three, page three of your
23 nine page.

24 CHAIR PONTANILLA: Yes. Okay.

25 MR. ENG: Basically, you can see at the top, the

1 overhead charges are, primarily are various
2 types of employment benefits. I believe some
3 of these overhead charges are insurance
4 related.

5 But I'll turn this over to Ms. Perdidó.

6 MS. PERDIDO: Okay, the overhead charges is what the
7 County charges us based on a study they do.
8 And basically it's to cover, for instance,
9 Corp Counsel, all the different, MIS,
10 everybody who helps the Department.

11 The rest are all the Social Security,
12 health fund, retirement, retirees, is what the
13 County charges our portion of it.

14 Debt service is pretty much
15 self-explanatory.

16 And then OPEB is the last item, which I
17 think was discussed earlier.

18 CHAIR PONTANILLA: More questions? Member Anderson,
19 questions to that?

20 COUNCILMEMBER ANDERSON: No, thank you.

21 CHAIR PONTANILLA: Member Baisa?

22 COUNCILMEMBER BAI SA: No, thank you.

23 CHAIR PONTANILLA: Member Johnson? Member Medeiros?

24 COUNCILMEMBER MEDEIROS: None at this time.

25 CHAIR PONTANILLA: Member Victorino?

1 COUNCILMEMBER VICTORINO: Yeah, a quick question on
2 the 19.9.

3 Is that -- you know, on the debt
4 service, 19.9, the very last one, principal
5 from 2003, that's a refund from the general
6 obligation refund, bonds? Is that what that
7 430,000 return is?

8 MS. PERDIDO: No. Basically that's been paid off
9 already, so in '09 there's no debt service for
10 that.

11 COUNCILMEMBER VICTORINO: Okay, so that part has
12 been paid off. That's why it's showing up as
13 zero.

14 MS. PERDIDO: Correct.

15 COUNCILMEMBER VICTORINO: Okay, okay. That was my
16 only, curious on that one. Thank you.

17 CHAIR PONTANILLA: Thank you, Member Victorino.

18 And, Members, remember, last year we
19 didn't have an opportunity to review something
20 like this, Department wide expenses.

21 UNIDENTIFIED SPEAKER: Yes.

22 CHAIR PONTANILLA: And this is what the Department
23 pays out as their share in regards to being
24 under the County of Maui. Thank you.

25 Members, any more questions? If not, we

1 go to Fiscal/ Customer Service. Mr. Eng?

2 Questions, Members, Member Anderson, on
3 that?

4 COUNCILMEMBER ANDERSON: I'll yield, Chair, thank
5 you.

6 CHAIR PONTANILLA: Thank you. Member Baisa?

7 COUNCILMEMBER BAI SA: Thank you. Quick question.

8 19-12, Stores Inventory Expense. Not
9 too long ago, we approved a budget amendment
10 to help buy inventory materials, which ran
11 short. Is that what this is, and is it
12 enough?

13 UNIDENTIFIED SPEAKER: Yes.

14 MS. PERDIDO: Yes, you're correct, that is what this
15 is, and yes, we do anticipate this being
16 enough with what we had to come to Council
17 with, you know, for next fiscal year.

18 COUNCILMEMBER BAI SA: Just wanted to make sure you
19 have enough money. Thank you.

20 MS. PERDIDO: Thank you.

21 COUNCILMEMBER BAI SA: Thank you, Chair.

22 CHAIR PONTANILLA: Thank you, Member Baisa.

23 Member Johnson?

24 COUNCILMEMBER JOHNSON: No.

25 CHAIR PONTANILLA: Member Medeiros?

1 COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman.

2 Yeah, I just have a question.

3 You know, on your Budget Details, 19-12.

4 I think that's what we're on, right? That

5 program? Sub object code 6022.

6 Your gasoline and stuff, you purchased

7 that from the County base yard? I mean, you

8 fill up at the County base yard or at your own

9 base yard? The Highways base yard or your

10 base yard?

11 MS. PERDIDO: The Fiscal Division fills up at our

12 own base yard.

13 COUNCILMEMBER MEDEIROS: Oh, okay. So you have fuel

14 dispensing at your base yard?

15 MS. PERDIDO: Yes, we do.

16 COUNCILMEMBER MEDEIROS: Okay. Okay, that --

17 Mahalo, Mr. Chairman.

18 CHAIR PONTANILLA: Thank you. Member Victorino?

19 COUNCILMEMBER VICTORINO: On the same subject

20 matter, but on the Water Meter Inventory, is

21 this the start of that replacement for the

22 units that were breaking down that -- I forgot

23 the name of that system we were using and

24 there were lots of problems.

25 Is this part of that, or this is just a

1 normal inventory you're going to keep, keep as
2 far as backup is concerned?

3 MS. PERDIDO: No, it is not part of that program
4 that we started. That's completing, probably
5 in the next couple of months.

6 COUNCILMEMBER VICTORINO: Okay.

7 MS. PERDIDO: So the replacement of the
8 transponders --

9 COUNCILMEMBER VICTORINO: Transponders, thank you.

10 MS. PERDIDO: -- is now complete. This is basically
11 for all new or meters that do not function
12 anymore, you know, that we have to replace.
13 So it's either for new or just the ones that
14 are broke, you know, stopped meters.

15 COUNCILMEMBER VICTORINO: Okay. So the transponder
16 change-over has, or is almost completed.

17 MS. PERDIDO: Correct. We should be, we're hoping
18 by May everything will be totally completed,
19 but it will probably wrap up next month.

20 COUNCILMEMBER VICTORINO: Okay, good. And then the
21 last question, you know on the contract
22 services, 19-12, on the contractual services?
23 Why the big increase, and what is that
24 covering?

25 MS. PERDIDO: Okay, the increase for the contract

1 services will be for having a lockbox. I'm
2 hoping to try to establish it this year.

3 A lockbox is -- all the payments that
4 come in, right now are hand processed. And I
5 know the Treasury Division has expressed, you
6 know, if we could get them processed faster,
7 you know, by a lockbox system, because right
8 now it's manually done at the Department.

9 COUNCILMEMBER VICTORINO: So you think that
10 automation will help speed up the billing -- I
11 mean, the payment process?

12 MS. PERDIDO: Well, it should help get the money in
13 the bank faster.

14 COUNCILMEMBER VICTORINO: Oh, okay. Well, that's
15 always important. Okay, thank you.

16 Thank you, Mr. Chair.

17 CHAIR PONTANILLA: Thank you, Member Victorino.

18 Members, any more questions in regards
19 to Fiscal/ Customer Service Program?

20 COUNCILMEMBER MEDEIROS: Chair?

21 CHAIR PONTANILLA: Member Medeiros?

22 COUNCILMEMBER MEDEIROS: Thank you.

23 Just one on your Fiscal Division
24 vacancies. Those two vacancies have been
25 filled, the Clerk 3 and the Pre-Audit Clerk 1?

1 It says currently filled by emergency hire.

2 Is that still currently true?

3 MS. PERDIDO: Yes and no. We have actually three
4 vacancies right now. On the list, a cashier
5 has been filled already. Currently, we have
6 three vacancies.

7 One has been, will be filled finally
8 April 14th, one of the Pre-Audits. And then
9 we have a, still the Clerk 3, we have a
10 temporary hire in, and a Pre-Audit Clerk, the
11 other one, we have a temporary hire in.

12 We do have lists. We're trying to get
13 interviews and trying to get, get those filled
14 also.

15 COUNCILMEMBER MEDEIROS: So you do have lists from
16 DPS already?

17 MS. PERDIDO: Yes, we do.

18 COUNCILMEMBER MEDEIROS: Okay, thank you.

19 Mahalo, Mr. Chair.

20 CHAIR PONTANILLA: Thank you, Member Medeiros.

21 Members, any more questions? If not, we
22 go into the Engineering Program.

23 Any more comments, Mr. Eng? If not,
24 we'll go to Q and A.

25 Okay, Members, any questions in regards

1 to the Engineering Program? Member Anderson?

2 COUNCILMEMBER ANDERSON: Thank you, Chair.

3 How many engineers are we short right
4 now, or positions unfilled, do you know?

5 COUNCILMEMBER MEDEIROS: Chair, maybe I can lend
6 some information. As of the December 31st
7 report, eight in that division, Engineering.

8 CHAIR PONTANILLA: That's the second quarter?

9 COUNCILMEMBER MEDEIROS: That was the December
10 31st --

11 CHAIR PONTANILLA: Yeah.

12 COUNCILMEMBER MEDEIROS: -- 2007.

13 CHAIR PONTANILLA: Yeah, okay.

14 MR. ENG: Yeah, that may include all the positions
15 in that division. Right now I see, currently,
16 three engineering positions that are vacant.

17 COUNCILMEMBER ANDERSON: And that's out of 13 in
18 this division? I'm just counting up the civil
19 engineers, Director.

20 MR. ENG: Okay, let's see what we have here.

21 COUNCILMEMBER ANDERSON: You know, my question is
22 more -- really, the numbers aren't that
23 important.

24 What I want to know is how are you doing
25 with Engineering staff. Have you, you know,

1 are you still suffering a great loss, or have
2 you filled in some positions? I know we had
3 somebody retire, and I know we have quite a
4 few people that are going to be retiring.

5 So if you could just give us an idea,
6 Director, on the status of your Engineering
7 staff, that would be helpful.

8 MR. ENG: Member Anderson, things look better again
9 now than a year ago.

10 We are, we have had a couple of new
11 hires. Some of these are at the lower levels,
12 so they require a little bit more training,
13 but that's fine. You know, we're trying to
14 train in-house, develop in-house. We felt at
15 the time hiring at the lower levels is where
16 we were able to track new employees.

17 So it's worked out fine. We are, we
18 think we're observing that with the change of,
19 you know, the amount of work out there in the
20 private sector, that we may have more interest
21 of employees joining the County.

22 You know, it's a constant evaluation.
23 If you look at our Department, that division,
24 they're as busy as ever. You know, plans keep
25 on coming in.

1 So it's hard to gauge. We're getting
2 more bodies, we're trying to bring them up to
3 speed, to make them very productive. We think
4 we have really good talent. You know, it's
5 just now, still catch-up mode when it comes to
6 all the work that we have. Hopefully we will
7 be able to, you know, fill more vacancies this
8 coming year, and eventually, you know, we'll
9 have a full working force there.

10 But in talking to my staff, you know,
11 over the years it's always been a real busy
12 division. You know, when times are good or
13 bad out there in the economy, they're swamped.
14 So I'm just fortunate that we are seeing some
15 interest from people on the outside.

16 COUNCILMEMBER ANDERSON: Yeah, I'm grateful for
17 that, too. The engineers' offices are kind of
18 a nightmare to walk through.

19 MR. ENG: They are.

20 COUNCILMEMBER ANDERSON: I feel sorry for them.

21 So you think we're on the upswing on
22 that.

23 MR. ENG: Yes, I do.

24 COUNCILMEMBER ANDERSON: That's good news.

25 Okay, Chair, that's, that's it for now.

1 Thank you.

2 CHAIR PONTANILLA: Thank you, Member Anderson.

3 Fast question. You know the engineering
4 student interim program that you have, I don't
5 know if you guys kept track, but how many of
6 those student, students come back to the
7 County to work for the County?

8 MS. PERDIDO: I'm not sure if Herb wants to help us,
9 but I think one of the students has come back.
10 We do have one that has returned to the
11 County.

12 CHAIR PONTANILLA: Hallelujah. Thank you.

13 Members, any more questions in regards
14 to this particular program? Member Medeiros?

15 COUNCILMEMBER MEDEIROS: Yeah. We're still on
16 Engineering, right? Okay.

17 Your equipment, you have a new SUV
18 requested. Just asking you, is your
19 equipment, do you have a replacement program
20 for your equipment? Vehicles? It's whenever
21 it falls apart?

22 MR. ENG: Yeah, we really don't have a, yeah, formal
23 replacement program. And this particular
24 vehicle is for our inspectors that are out in
25 the field full-time.

1 COUNCILMEMBER MEDEIROS: Okay, and do you normally
2 lease or purchase?

3 MR. ENG: We purchase.

4 COUNCILMEMBER MEDEIROS: You do purchase, okay. So
5 your old vehicles are disposed by trade-in, or
6 you --

7 MR. ENG: Some of them are so bad, it's just by
8 auction.

9 COUNCILMEMBER MEDEIROS: Oh.

10 MR. ENG: We had one recently to take care of some
11 of our old vehicles in the base yard. You
12 know, usually we run them to the ground, so,
13 you know, there's not much. They're salvage
14 value, basically.

15 COUNCILMEMBER MEDEIROS: Okay. Finally, in your
16 Engineering Division, in your personnel, you
17 have two halftime civil engineers. Are those
18 positions still in place?

19 MR. ENG: Actually, we're changing them. We're
20 going to go back and create a one full-time.

21 We did that halftime again about a year
22 ago, when we couldn't get any interest for our
23 vacancies, but now our thinking is that, you
24 know, again, it's most beneficial having a
25 full-time employee, so we are reverting back

1 to that --

2 COUNCILMEMBER MEDEIROS: One full?

3 MR. ENG: One full-time, yes.

4 COUNCILMEMBER MEDEIROS: Okay, thank you, Director
5 Eng.

6 Mahalo, Mr. Chairman.

7 CHAIR PONTANILLA: Thank you, Member Medeiros.

8 Members, any more questions?

9 One final question from me. Have you
10 hired any, or can we hire retired Water
11 Department engineers that recently retired
12 from the Department?

13 MR. ENG: Well, certainly if a retiree was
14 interested in joining us, we would certainly,
15 you know, interview them, and hopefully we
16 would hire them, so. Yeah, we're open to, to
17 whoever is out there, who's interested in
18 working for the Department.

19 CHAIR PONTANILLA: Thank you.

20 Members, if there's no more questions on
21 the Engineering Program, we'll move ahead to
22 the Water Resources and Planning Program.

23 Questions, Members? Member Victorino,
24 do you have any question?

25 COUNCILMEMBER VICTORINO: Yeah, thank you, Chair.

1 Again, I go, your guys' professional
2 services. Again, that's the same thing that's
3 happening with the other divisions as far as
4 consultants? Again, a 46 percent increase, so
5 I just was curious if that's -- is that for
6 the planning area?

7 MR. ENG: Member Victorino, if I may call up Edna
8 Manzano of our -- she's a planner of our
9 division.

10 COUNCILMEMBER VICTORINO: Yes --

11 MR. ENG: She probably can respond to that better.

12 CHAIR PONTANILLA: Thank you.

13 MR. ENG: May I, Mr. Chair?

14 CHAIR PONTANILLA: Edna, if you can come down,
15 please?

16 MR. ENG: Okay, thank you, Edna.

17 MS. MANZANO: Good afternoon. That \$100, \$100,000
18 increase is for our West Maui, the study for
19 our West Maui availability.

20 COUNCILMEMBER VICTORINO: Okay. So that's the study
21 for the, that we had done for the essential?

22 MS. MANZANO: Yes.

23 COUNCILMEMBER VICTORINO: Now we'll be doing that
24 for West Maui.

25 MS. MANZANO: Uh-huh, that's right.

1 COUNCILMEMBER VICTORINO: Okay, okay. And then the
2 stream monitoring, I see a sizeable decrease,
3 and considering what we've just gone through
4 with the contested case hearing, I would think
5 monitoring in streams would be more than ever
6 important. But is there a rationale for that
7 change?

8 MS. MANZANO: Actually, I don't know what happened
9 to that, but I was thinking maybe it was the,
10 it was paid on the first part or first year.
11 It's a 3.5 year project, so.

12 MR. ENG: Yes, Member Victorino. My understanding
13 is that this was a -- USGS is doing this
14 study.

15 COUNCILMEMBER VICTORINO: Right.

16 MR. ENG: This is Na Wai Eha, in fact. And they're
17 completing the contract, so that's why it's
18 less than the previous year. This is the
19 balance of the contract.

20 COUNCILMEMBER VICTORINO: Okay, okay. So in other
21 words, it's just a carry forward from the year
22 before, that 200 and some thousand that we
23 gave you guys two years ago, something like
24 that.

25 MR. ENG: Uh-huh.

1 COUNCILMEMBER VICTORINO: Okay, okay.

2 And the last thing again, going back to
3 your details sheet, when I go. Again, you
4 said, you know, you look at sizeable increases
5 again as far as fuel costs is concerned? And
6 again, I see another level, and as we go on,
7 I've been looking at this real carefully,
8 because we all anticipate fuel costs to go up
9 in the next year.

10 But under 6022 on page 19-21, again, you
11 guys are flat. I guess you know something we
12 don't, but again, smaller numbers as they may
13 up, they all start adding up, and I don't want
14 you guys to have to come back to us for
15 additional monies that you haven't planned
16 well.

17 But that was just a question I had on
18 that one. It's inconsequential, but again,
19 flat. You said there would be increases --

20 MR. ENG: Okay.

21 COUNCILMEMBER VICTORINO: -- and I see flat again.

22 MR. ENG: Member Victorino, actually there is a
23 significant increase in gasoline for 6022. So
24 we're doing what you're --

25 COUNCILMEMBER VICTORINO: Oh, I'm sorry.

1 MR. ENG: -- asking us to do.

2 COUNCILMEMBER VICTORINO: I'm sorry. I scratched
3 off -- sorry, I scratched off the next one,
4 was 6,000, 6,000, and that was 630. I'm
5 sorry, 6030. I apologize. I highlighted the
6 wrong one. I apologize there. Thank you,
7 Mr. Eng.

8 MR. ENG: Thank you.

9 CHAIR PONTANILLA: Thank you, Mr. Victorino.

10 Member Medeiros, questions?

11 COUNCILMEMBER MEDEIROS: No question -- wait, maybe
12 one. Is -- I'm trying to find where I
13 highlighted. Your -- oh, yeah.

14 In Budget Details, page 19-21, under sub
15 object code 6278, which is under other costs,
16 what does your conservation program consist
17 of?

18 MR. ENG: I'll let Ms. Manzano.

19 MS. MANZANO: We have our leak detection program.
20 We have advertising in newspaper and radio.
21 And we were thinking of having this rebate for
22 toilet, toilet rebate.

23 COUNCILMEMBER MEDEIROS: Okay, so in 2008, there was
24 an appropriation of 260,000, which you're
25 requesting the same amount. Do you know what

1 was expended in 2008?

2 MS. PERDIDO: I guess I can answer that for her. I
3 know they've pretty much spent most of it. I
4 know they have -- I don't have the exact
5 amount with us, but I'm pretty sure they're
6 spending most of their budget for 2008. It's
7 not complete yet, but they anticipate spending
8 all of it.

9 COUNCILMEMBER MEDEIROS: So does this conservation
10 program, besides advertising and education
11 programs, include buying items that would
12 conserve water for the consumer?

13 Such as your tests for leaks and so
14 forth. Is that provided to the community, to
15 the consumer without charge?

16 MS. MANZANO: Yeah. What we do is we participate in
17 community, per our community events. We give
18 away low flow fixtures, like the kitchen
19 aerators, bathroom aerator, house nozzle, and
20 give them information materials, too.

21 COUNCILMEMBER MEDEIROS: And that's purchased under
22 this sub object code.

23 MS. MANZANO: Conservation.

24 COUNCILMEMBER MEDEIROS: Okay, thank you.

25 Mahalo, Mr. Chairman.

1 CHAIR PONTANILLA: Thank you, Member Medeiros.

2 Member Johnson?

3 COUNCILMEMBER JOHNSON: Is this in the area where

4 Mr. Michel's items would occur? Is this the

5 area, or would that be in Field Operations?

6 MR. ENG: Is this Mr. Hans Michel?

7 COUNCILMEMBER JOHNSON: Yes.

8 MR. ENG: That would be in our CIP.

9 COUNCILMEMBER JOHNSON: Oh, it's under CIP.

10 MR. ENG: Uh-huh.

11 COUNCILMEMBER JOHNSON: Okay. Just checking.

12 MR. ENG: Okay.

13 COUNCILMEMBER JOHNSON: Thank you.

14 CHAIR PONTANILLA: Thank you, Member Johnson.

15 Member Baisa?

16 COUNCILMEMBER BAI SA: No questions.

17 CHAIR PONTANILLA: Thank you. Member Anderson?

18 COUNCILMEMBER ANDERSON: Could I just have an

19 explanation, a further explanation on the

20 professional services for West Maui?

21 Availability, isn't that what you said? I'm

22 not clear on what.

23 MS. MANZANO: For West Maui. This one is the study

24 on the availability of groundwater in West

25 Maui, that head and shoulders model. And

1 numerical model, (inaudible) and optimization
2 of distribution of withdrawals, under USGS.

3 COUNCILMEMBER ANDERSON: Okay, thanks. That clears
4 it up.

5 Thank you, Chair.

6 MR. ENG: Yeah, Member Anderson, we're hoping we're
7 going to get the same kind of product, like
8 USGS has done for the West Maui head and
9 shoulders.

10 COUNCILMEMBER ANDERSON: Right.

11 CHAIR PONTANILLA: Good.

12 COUNCILMEMBER ANDERSON: Good, thank you.

13 CHAIR PONTANILLA: Yeah, take care of the whole West
14 Maui mountains.

15 Members, any more questions in regard to
16 Water Resources and Planning Program? Thank
17 you.

18 Then we'll go into Water Treatment Plant
19 Operations Program. Members, any questions?
20 Member Anderson?

21 COUNCILMEMBER ANDERSON: Thank you, Chair.

22 Under electricity, Director, you've
23 got -- yeah, you've got a lot.

24 CHAIR PONTANILLA: Big bucks.

25 COUNCILMEMBER ANDERSON: But what you show for '08

1 is 2.2, and I'm just wondering -- and it shows
2 that as fiscal '08 budget amount. And then,
3 of course, you're increasing it by another
4 200,000 for '09.

5 But I'm wondering, is that amount that
6 was budgeted the actual? Because I remember,
7 didn't you come down for some supplemental
8 budget requests having to do with electrical
9 costs? In fact, substantial requests?

10 And so was this the actual spent in '08
11 fiscal year? So far?

12 MR. ENG: The 2.2 million?

13 COUNCILMEMBER ANDERSON: Yeah.

14 MR. ENG: No, that's just the budgeted amount.

15 COUNCILMEMBER ANDERSON: Yeah. Because I'm
16 concerned that we should be looking at what
17 we've really been spending, because we --

18 You know, if we're budgeting '09 based
19 on what '08 cost us, is 200,000 really going
20 to be enough. I mean, I think it would be
21 interesting to look at the budget supplemental
22 requests that we got for electricity costs.
23 Does anybody know?

24 MR. ENG: Member Anderson, yeah, Ms. Perdi do does
25 recall, there was a supplemental request for

1 '07, but it was related to plant operations,
2 not water treatment plants. And plant
3 operations entails our wells, pumps, booster
4 pumps. They're our biggest electricity costs,
5 as you will see shortly.

6 COUNCILMEMBER ANDERSON: Right. Not water treatment
7 plant operations.

8 MR. ENG: Yeah, that's right.

9 COUNCILMEMBER ANDERSON: So that, that is a pretty
10 firm figure then.

11 MR. ENG: Yes.

12 COUNCILMEMBER ANDERSON: Okay, thank you.

13 CHAIR PONTANILLA: Thank you. Member Baisa, got any
14 questions to this?

15 COUNCILMEMBER BAI SA: No.

16 CHAIR PONTANILLA: Member Johnson?

17 COUNCILMEMBER JOHNSON: No.

18 CHAIR PONTANILLA: Member Medeiros?

19 COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman.

20 On the Budget Details, page 19-26, sub
21 object code 6010. Chemical and other filters,
22 supplies, is that part of your water treatment
23 operations, or different?

24 MR. ENG: No, it definitely is part of water
25 treatment. It could be flocculants, it could

1 be chlorine.

2 COUNCILMEMBER MEDEIROS: So for the water treatment
3 plants?

4 MR. ENG: Yes, uh-huh.

5 COUNCILMEMBER MEDEIROS: Okay. Okay. And then
6 right below that, 6015, diesel? Are those for
7 your generators for the pumps?

8 MR. ENG: Yes, they are.

9 COUNCILMEMBER MEDEIROS: Okay, and, you know,
10 diesel, diesel is now higher in cost than
11 gasoline, but you're flat. Do you think
12 you're good on that?

13 MR. ENG: You know, again, when we were developing
14 these numbers, it's been some months ago, and
15 I saw the news, as you did last night, you
16 know, so it was pretty shocking when I heard,
17 when I heard that, too.

18 You know, this is our best effort at the
19 time we were developing these numbers, and
20 obviously they're changing every day. So
21 we're hoping this will hold true, though.

22 COUNCILMEMBER MEDEIROS: So I'm sure you looked at
23 your expended amount for the previous year or
24 so in guiding you to your requested amount for
25 the new budget time.

1 MR. ENG: Uh-huh.

2 COUNCILMEMBER MEDEIROS: Is there any forecasts of
3 reports that you look at in order to project
4 your future costs, say for the year you're
5 requesting now? Do you go by anything except
6 just what you expended the previous year?

7 MR. ENG: You know, in the recent years, you know,
8 particularly when it comes to electricity and
9 fuel costs, it's really hard to project right
10 now. There's no regular pattern of increases.
11 Those probably are the most difficult expenses
12 to budget, are fuel or electricity related.

13 So, you know, I'd hate to say we're
14 guessing, but, you know, you know, your guess
15 would be as good as mine, really, when it
16 comes to this right now. You know, you could
17 almost put in any number and you might be
18 right.

19 COUNCILMEMBER MEDEIROS: And this diesel, you, you
20 purchase -- I mean, you dispense from where?
21 You go to a bulk fuel company, or you have it
22 on your own base yard?

23 MR. ENG: I believe this diesel is delivered to the
24 plant, if I'm correct.

25 COUNCILMEMBER MEDEIROS: Okay, okay.

1 MR. ENG: Yeah.

2 COUNCILMEMBER MEDEIROS: And then below that, 6022,
3 gasoline, diesel, and oil, you went up
4 substantially, which is, you know, a good
5 projection, and that's why I was wondering.
6 You went up really good on gasoline.

7 And that diesel you're talking about in
8 6022, those are for diesel vehicles and
9 trucks?

10 MR. ENG: Yes.

11 COUNCILMEMBER MEDEIROS: Okay, and then finally, on
12 6051, safety supplies? I notice, even in
13 another program, that it either was flat or
14 went down, and I'm wondering from 2007, where
15 it's almost 20,000. Then it goes down to
16 7,000.

17 Now, the safety supplies that would come
18 under this are what kind of safety supplies?
19 Are these personnel supplies?

20 MR. ENG: Yeah, more related to the employee safety
21 supplies.

22 COUNCILMEMBER MEDEIROS: Right, the --

23 MR. ENG: Again, we do have some under my
24 Administrative budget, because we have an
25 officer who is doing a lot of bulk ordering of

1 safety supplies.

2 But, like in the plants, there might be
3 some unique, special safety equipment they do
4 need, so we do want to give them the ability
5 to order specifically for their needs, too.

6 COUNCILMEMBER MEDEIROS: Okay, so you feel
7 comfortable with the amount?

8 MR. ENG: Yes.

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

11 CHAIR PONTANILLA: Thank you, Member Medeiros.
12 Member Victorino?

13 COUNCILMEMBER VICTORINO: No, Mr. Chair, nothing at
14 this time.

15 CHAIR PONTANILLA: Thank you.

16 I know that this question is stupid, but
17 under water, you have an increase of \$125,000.
18 Can you explain water?

19 MR. ENG: We thought you'd ask that question.

20 Basically, at our surface water treatment
21 plants, we do have agreements to purchase raw,
22 untreated water. So we have agreements with
23 EMI, you know, Maui Land & Pine, Wailuku Water
24 Company. So this is raw water costs.

25 CHAIR PONTANILLA: Thank you.

1 Member Anderson?

2 COUNCILMEMBER ANDERSON: Does that mean the cost has
3 gone up or that we're getting more water?

4 MR. ENG: The costs really haven't gone up. You
5 know, the rates have been the same, so could
6 be like, you know, we are processing more
7 water.

8 COUNCILMEMBER ANDERSON: And would that be
9 Upcountry, or where?

10 MR. ENG: Let's see. Where would costs have gone
11 up? (Conferring with others).

12 Let me ask my Program Manager, Paul
13 Seitz.

14 COUNCILMEMBER ANDERSON: I think it would be
15 interesting for people to know. That's a 20
16 percent increase. That means 20 percent more
17 water somewhere.

18 MR. ENG: Thanks, Paul.

19 MR. SEITZ: Yes, good afternoon. We did have one
20 increase just recently. The water that we
21 purchased from Maui Land & Pineapple for the
22 Mahinahina treatment facility went from 5
23 cents per 1,000 to 12.5 cents per 1,000.

24 COUNCILMEMBER ANDERSON: Dare I ask how come? So
25 it's the same amount of water. It's just

1 costing us more than twice. Is there any kind
2 of contract we have with them, or --

3 MR. SEITZ: Yes, that's the contract.

4 MR. ENG: Yes, we have an agreement, and that
5 agreement, I believe, reads that they can
6 increase -- is it annually? Or we could
7 periodically negotiate. But this had not been
8 increased since -- what year, seventies?

9 MR. SEITZ: It was before, well before I came in
10 '94, so it's been a long time.

11 MR. ENG: It's been really 20 plus years without
12 adjustment. That is the original rate we were
13 paying, so.

14 COUNCILMEMBER ANDERSON: Okay. Well, that, that
15 makes more sense then.

16 MR. ENG: Yeah.

17 COUNCILMEMBER ANDERSON: And the water is coming
18 from?

19 MR. ENG: That's from the Honolulu Ditch.

20 COUNCILMEMBER ANDERSON: And we're still getting the
21 same amount of water, Mr. Seitz?

22 MR. SEITZ: Yes, we are right now.

23 COUNCILMEMBER ANDERSON: Okay. Thank you. Thank
24 you.

25 CHAIR PONTANILLA: Thank you.

1 Members, any more questions in regards
2 to Water Treatment Plant Operations Program?
3 Member Medeiros?

4 COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman. Just
5 one.

6 Under the handout, on page seven of
7 nine, under equipment, the security system for
8 15,000, what kind of security system is this
9 and where is it for? What does it protect?

10 MR. SEITZ: What that system is for is the
11 Mahinahina water treatment facility in West
12 Maui .

13 COUNCILMEMBER MEDEIROS: Uh-huh.

14 MR. SEITZ: It's cameras on the gates with
15 recorders.

16 COUNCILMEMBER MEDEIROS: Okay, and you -- and this
17 kind of system, is that the only place it
18 exists?

19 MR. SEITZ: No. We have one at the Lahaina
20 treatment facility also, and eventually we
21 would like to get them at all of the plants.

22 COUNCILMEMBER MEDEIROS: And because it's in West
23 Maui , have you had more vandalism or illegal
24 entry in that area requiring this?

25 MR. SEITZ: No, but West Maui is pretty isolated.

1 It's out in the middle of the pineapple
2 fields. You know, it's remote.

3 COUNCILMEMBER MEDEIROS: So you're just trying to
4 monitor who's --

5 MR. SEITZ: Yeah.

6 COUNCILMEMBER MEDEIROS: -- hanging around the area
7 trying to get in and out.

8 MR. SEITZ: Correct.

9 COUNCILMEMBER MEDEIROS: Okay, thank you for that
10 information.

11 Mahalo, Mr. Chairman.

12 CHAIR PONTANILLA: Thank you, Member Medeiros.

13 Members, any more questions? Seeing
14 none, we'll go to Field Operations Program.

15 Member Victorino?

16 COUNCILMEMBER VICTORINO: Yes, Chair. Now, I made
17 sure I double-checked my lines so that I
18 wasn't off this time.

19 But I look at diesel and I look at
20 gasoline for 2008 and 2009. Now, this is the
21 crux of our operation, right? These are the
22 guys that are out there every day, doing all
23 the repairs, monitoring, rehabilitation and
24 all that.

25 Again, you've really kept everything

1 flat, right? At 104 and 185 respectively. Is
2 there a reason why?

3 Because, again, you increase some
4 places, but then where the field operations,
5 which is our biggest bulk, our biggest chunk
6 of it, it's flat. So -- and again, I'm afraid
7 that will be one of the areas that we could be
8 coming back and you guys be coming back for
9 additional funds.

10 So is there a logic behind that one?

11 CHAIR PONTANILLA: Department?

12 MR. ENG: Thank you, Member Victorino. You know, I
13 really don't know exactly how that number was
14 developed. Again, if you look at that middle
15 column, that is a budgeted amount.

16 COUNCILMEMBER VICTORINO: Right.

17 MR. ENG: So clearly it looks like we're budgeting
18 for '09 the same amount we budgeted for '08.

19 But if you look at the first column,
20 that's really an actual of '07, so that will
21 give you maybe a better indication of what the
22 projected '09 costs would be.

23 Again, at the time we do the budgets, we
24 do look at a certain amount of actuals to
25 date, which isn't shown here. So it's hard

1 for me to really say at this time where that
2 number came from. It could have showed that
3 the actuals weren't that high, so why should
4 we budget more than in, than we did in '08?

5 I mean, that's the only explanation I
6 can give at this time.

7 COUNCILMEMBER VICTORINO: Yeah, okay, and I guess
8 that's, you know, you know, I guess that is
9 the best you can say, and I'm not trying to
10 knock that.

11 But if I just go to gasoline in '07, the
12 actual's 156, almost 157,000, and so -- and
13 you know what gas prices in '07 versus today
14 is.

15 MR. ENG: Right.

16 COUNCILMEMBER VICTORINO: And diesel and everything
17 else.

18 So obviously, I understand what you're
19 saying, but, you know, despite the comments
20 made by others, I believe that sometimes
21 you're under, you're selling yourself short
22 here, and then you have challenges.

23 MR. ENG: Uh-huh.

24 COUNCILMEMBER VICTORINO: And then you come back and
25 then people ask, why didn't they see that

1 coming.

2 I know you can't see everything. I
3 would be the first to admit that. But these
4 are some of the things that, to me, you can
5 see, because the trend has been strictly
6 upward.

7 MR. ENG: Right.

8 COUNCILMEMBER VICTORINO: You know. I mean, this is
9 not like rocket scientists when it comes to
10 some of these things. But I understand,
11 you're doing the best case scenario at the
12 time you put this budget together.

13 But when I see it flat where others you
14 showed me that you've increased, I'm, like,
15 just questioning.

16 Especially, again, I go back to field
17 operations. That is the single biggest group
18 of workers. They're the one out there the
19 most. They don't want to have to go out there
20 into the remote areas and do all these repairs
21 and all the things they got to do. So I don't
22 want to sell them short.

23 The other thing I saw here is that
24 you're requesting, like dump trucks and, you
25 know, things of that nature, a water truck,

1 water tanker truck, 2,000. Can you explain
2 what those things, those particular items are
3 for?

4 MR. ENG: Yes, I can.

5 Excuse me, Mr. Chair. May I invite
6 Mr. Bobby Vida up, our Field Operations --

7 COUNCILMEMBER VICTORINO: I was hoping you would.

8 MR. ENG: -- Program manager? Thank you.

9 COUNCILMEMBER VICTORINO: Thank you.

10 MR. VIDA: Good afternoon.

11 COUNCILMEMBER VICTORINO: Good afternoon, Mr. Vida.

12 MR. VIDA: Okay, Mike, the dump truck is going to
13 replace a 1978 dump truck on Molokai.

14 COUNCILMEMBER VICTORINO: Okay.

15 MR. VIDA: One of the tilt bed trailers goes with
16 the replacement of that truck.

17 COUNCILMEMBER VICTORINO: Okay.

18 MR. VIDA: And then we bought a secondhand truck
19 from Public Works, so we need another trailer
20 for that.

21 COUNCILMEMBER VICTORINO: Okay.

22 MR. VIDA: The water tanker will be a 2,000 gallon
23 tanker assigned to Central for in-house
24 projects or emergency water hauls.

25 COUNCILMEMBER VICTORINO: Okay. Thank you,

1 Mr. Vida. I told you I wouldn't make it that
2 difficult. Just simple questions. Thank you,
3 Mr. Vida.

4 Thank you, Chair.

5 CHAIR PONTANILLA: Thank you, Member Victorino.

6 Mr. Eng, this morning we had the Police
7 Department with us, and I think Member Baisa
8 had indicated that Alec McBarnet could provide
9 some help in regards to projections on fuel
10 costs. So, you know, you may, you know, call
11 on Mr. McBarnet to help your Department in
12 trying to get some fuel projections for the
13 future.

14 MR. ENG: Yeah, I think that's a very good idea.

15 Thank you.

16 CHAIR PONTANILLA: Thank you.

17 COUNCILMEMBER BAI SA: Mr. Chair?

18 CHAIR PONTANILLA: Member Baisa?

19 COUNCILMEMBER BAI SA: Yeah. I had a conversation
20 with him the other day at a Cameron Center
21 Board meeting, and he was aware that we were
22 in Budget. And I was asking him, how can we
23 project, you know, because we're sitting here
24 just picking figures out of the air.

25 And, you know, he's very, very close to

1 it, because he's done it with his dad for his
2 whole life. And he said if anybody were to
3 call him, he would be very happy to offer
4 assistance, because he knows the markets, the
5 projections, where the oil comes from, and
6 whatever.

7 So you might want to spend some time
8 with him.

9 MR. ENG: I'll do that, thank you.

10 COUNCILMEMBER BAISA: He's at Maui Oil Company.

11 MR. ENG: Yeah, I know Mr. McBarnet. Thanks.

12 CHAIR PONTANILLA: Thank you. Maybe, Budget
13 Director, you can have all of the Department
14 heads that do have large fleets maybe sit down
15 with Mr. McBarnet and go over some of these
16 future projections.

17 COUNCILMEMBER BAISA: I'm just, I'm just concerned
18 that, you know, we don't know how to budget,
19 and all we need is to be sitting here six
20 months from now and having consumed our
21 budget. Best we plan.

22 MR. ENG: Right, thanks.

23 CHAIR PONTANILLA: Thank you.

24 Member Medeiros?

25 COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman.

1 And, yeah, I would go immediately to the
2 vacancies in field operations. And as of
3 December 31st, eight vacancies, and, you know,
4 that may have changed since now.

5 And that's -- well, you don't have the
6 book I have, but two of them are in, two
7 positions are in Hana. And I was just
8 wondering, what are the -- the positions in
9 Hana were Pipe Fitter 2 and Equipment Operator
10 3.

11 MR. VIDA: I believe the positions in Hana would be
12 the supervisor and the working foreman.

13 COUNCILMEMBER MEDEIROS: Okay, so the other two were
14 filled already?

15 MR. VIDA: No. Both positions in Hana is still
16 vacant.

17 COUNCILMEMBER MEDEIROS: Okay, the two you just
18 mentioned?

19 MR. VIDA: Right.

20 COUNCILMEMBER MEDEIROS: But the two in our
21 Director's, the Finance Director's report,
22 lists Pipe Fitter 2 and Equipment Operator 3.
23 So those may have been filled already?

24 MR. VIDA: We just had the performance tests on the
25 EO-3s --

1 COUNCILMEMBER MEDEIROS: Oh, okay.

2 MR. VIDA: -- last week, so we took them off the
3 list.

4 COUNCILMEMBER MEDEIROS: Okay. Okay. Thank you for
5 that. Because I think as, you know, was
6 mentioned before, the operations, with the
7 field operations is, you know, the kind of
8 backbone of the Water Department, and I just
9 want to be sure we're trying to fill the
10 positions as quickly as we can as far as
11 vacancies. I know it's difficult sometimes to
12 do that.

13 My other question is, in the Budget
14 Details, 19-32, page 19-32, under sub object
15 code 6047, which is under Materials and
16 Supplies, kind of top half of the page. And
17 6047 is road patching materials.

18 I know the Department uses a cold mix to
19 patch any kind of excavations they make during
20 repairs. How, how is the Department doing in
21 purchasing cold mix? Is it as difficult as
22 we're having with hot mix? Or is cold mix
23 more available from the vendor than we're
24 finding asphalt hot mix to be available?

25 MR. VIDA: On Maui, the cold mix is available.

1 COUNCILMEMBER MEDEIROS: Okay, so you're able to get
2 it pretty easily?

3 MR. VIDA: On Molokai we have a problem.

4 COUNCILMEMBER MEDEIROS: I see. For cold mix?

5 MR. VIDA: Right.

6 COUNCILMEMBER MEDEIROS: Okay. All right. Okay,
7 thank you, Department. Mahalo.

8 CHAIR PONTANILLA: Thank you, Member Medeiros.

9 Member Johnson?

10 COUNCILMEMBER JOHNSON: Yes. For your freight and
11 hauling, what are those items for? Is it just
12 for when you truck in equipment or truck in
13 something?

14 MR. VIDA: Normally when we ship equipment back and
15 forth to Molokai for projects.

16 COUNCILMEMBER JOHNSON: Oh, okay, okay. That's what
17 it's for. Is that really enough to cover it
18 now?

19 MR. VIDA: If I have this replacement, I won't have
20 to ship equipment down to Molokai.

21 COUNCILMEMBER JOHNSON: Yeah, so, so -- but I mean,
22 this is enough, the increase from 5 to
23 \$10,000?

24 MR. VIDA: I think so.

25 COUNCILMEMBER JOHNSON: I hope so. Molokai always

1 seems to get kind of left out sometimes.

2 And you don't do anything on Lanai

3 because that's private water system operated?

4 MR. VIDA: Right.

5 COUNCILMEMBER JOHNSON: Okay. With regard to your
6 meter replacement -- and I'm sorry, you know,
7 if I get distracted and this has already been
8 asked.

9 But with meter replacement, that is in
10 regard to what meter replacement? Is it just
11 when the meters wear out and we have to put
12 new ones in?

13 MR. VIDA: Right, and new installations.

14 COUNCILMEMBER JOHNSON: Okay, and then why is there
15 any amount there for meter replacement if the
16 people are paying for it when they put it in?
17 Or they don't?

18 MS. PERDIDO: They pay for the, you know, with the
19 water replacement, our water system
20 development fee. That's how they pay for it,
21 and then that goes into that fund where we --
22 they don't pay for the meters from that fund.

23 COUNCILMEMBER JOHNSON: Okay, and so this is just
24 money that's already been paid in to the
25 system and you're just getting it back out, is

1 that correct?

2 MS. PERDIDO: No, because the water system
3 development fund is for storage and
4 transmission. That's where that fund is, and
5 it's for CIP mainly. So this is money that he
6 would need to replace or do any repair work.

7 With our program that's going in now,
8 the transponder replacement program, that's
9 why we decreased it. We shouldn't have as
10 much replacement in the future.

11 COUNCILMEMBER JOHNSON: Okay, and the transponders,
12 though, is to just send back information with
13 readings? Is that correct?

14 MS. PERDIDO: These transponders are what collects
15 the readings --

16 COUNCILMEMBER JOHNSON: The data?

17 MS. PERDIDO: -- from the meters. Correct.

18 COUNCILMEMBER JOHNSON: Okay, and so that you just
19 would be able, almost like, you know, to wave
20 a wand, and then you would be able to get the
21 data back, or you wouldn't have to send out
22 meter readers anymore?

23 MS. PERDIDO: No, we still would. We would send
24 them out with laptops, computers that would be
25 able to collect the information.

1 Right now they use Radixes as well as
2 the laptops. But with the new, but with the
3 system complete, they should just be able to
4 use laptops, so it should be much quicker.

5 COUNCILMEMBER JOHNSON: And so this is actually an
6 upgrade of the equipment? Or is it just
7 because meters are wearing out and it's just
8 part of normal operations?

9 MS. PERDIDO: The transponders wore -- our previous
10 transponders had worn out already.

11 COUNCILMEMBER JOHNSON: Uh-huh.

12 MS. PERDIDO: They were past their ten year life.

13 COUNCILMEMBER JOHNSON: Okay.

14 MS. PERDIDO: So we had to do something. We had to
15 replace them, and the new system we've
16 replaced it with is what we're doing now.

17 COUNCILMEMBER JOHNSON: Okay, and this is an
18 enterprise fund, so you're not asking for any
19 additional money?

20 MS. PERDIDO: Correct.

21 COUNCILMEMBER JOHNSON: From the General Fund?

22 Okay, and I think, I think that was --
23 let's see. I think somebody already asked
24 about electricity.

25 I guess that's about it, you know. I

1 hope you can manage on that much. It's pretty
2 lean.

3 CHAIR PONTANILLA: Thank you, Member Johnson.

4 Member Baisa?

5 COUNCILMEMBER BAI SA: No, except I echo Member
6 Johnson's hope. Everybody's really settling
7 for a very tight budget, so we're all going to
8 have to, you know, be careful. Thank you.

9 CHAIR PONTANILLA: Thank you. Member Anderson?

10 COUNCILMEMBER ANDERSON: Take a deep breath.

11 CHAIR PONTANILLA: Thank you. They call it lean and
12 mean.

13 COUNCILMEMBER BAI SA: No, lean and nice.

14 CHAIR PONTANILLA: Now we come to the big
15 electricity costs. Members, Plant Operations
16 Program.

17 Member Victorino, do you have any
18 questions?

19 COUNCILMEMBER VICTORINO: Okay. Let's start with --

20 CHAIR PONTANILLA: This is on 9, -9?

21 COUNCILMEMBER VICTORINO: Yeah, and on details,
22 19-37, right? Okay.

23 A couple quick questions. Again, I see
24 in electricity you've made, made your
25 adjustments in that one, so I'm okay in that

1 area. And small adjustments with oil and all
2 the other things that you guys need.

3 I saw that here in the laboratory
4 services; that's just for our laboratory right
5 here. This is not to sending, outsourcing to
6 the State Department of Health and all that,
7 right?

8 MR. ENG: This is mostly our lab costs. Or we do
9 send some samples out to private labs. But
10 anything the State Department of Health would
11 do for us, if they do something for us, would
12 generally be free of charge.

13 COUNCILMEMBER VICTORINO: Okay. Now, on the Scada
14 servers, these are replacements or new Scada
15 servers?

16 MR. ENG: You know, again, if I may, Mr. Chair,
17 invite my --

18 CHAIR PONTANILLA: Go ahead.

19 MR. ENG: -- program manager, Joe Mendonca, up here
20 to the table, please?

21 COUNCILMEMBER VICTORINO: I should, I should prepare
22 you for that already. I'm sorry.

23 MR. MENDONCA: Good afternoon.

24 COUNCILMEMBER VICTORINO: Good afternoon, Joe.

25 MR. MENDONCA: Hi, how's it going?

1 COUNCILMEMBER VICTORINO: All righty. You heard my
2 question. You know on these Scada servers,
3 are these replacements or new ones coming into
4 the system?

5 MR. MENDONCA: They're replacements.

6 COUNCILMEMBER VICTORINO: Replacements.

7 MR. MENDONCA: Yeah.

8 COUNCILMEMBER VICTORINO: Okay. And then the other
9 part was on the vehicle, the all-terrain that
10 you have here. This is basically for
11 transporting equipment and manpower between
12 the plants? Is that what that is basically
13 for?

14 MR. MENDONCA: No, that's for the water treatment
15 lab.

16 COUNCILMEMBER VICTORINO: For the treatment lab.
17 For them to go out and collect samples and all
18 that?

19 MR. MENDONCA: Right.

20 COUNCILMEMBER VICTORINO: Okay.

21 MR. MENDONCA: That replaces an old Jeep.

22 COUNCILMEMBER VICTORINO: An old Jeep that I saw
23 that was ready to fall apart.

24 MR. MENDONCA: It's possible.

25 COUNCILMEMBER VICTORINO: It's possible, okay.

1 Okay, and I guess that would be my, my
2 biggest questions. Again, you've covered all
3 the other areas, and thank you very much. I
4 appreciate it.

5 Thank you, Chair.

6 CHAIR PONTANILLA: Thank you, Member Victorino.

7 Member Medeiros?

8 COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman.

9 Yeah, on your handout, on nine of nine,
10 page nine of nine. Yeah, everybody's been,
11 you know, concerned about the electricity
12 cost, and you show it there. And so that's
13 the same cost as reflected in details 19-37
14 page, under utilities? Sub object code 6120.

15 MR. MENDONCA: That's correct.

16 COUNCILMEMBER MEDEIROS: That's the same, yeah?

17 MR. MENDONCA: Yeah.

18 COUNCILMEMBER MEDEIROS: Amount, okay.

19 That's all I have. Thank you,
20 Department.

21 Mahalo, Mr. Chairman.

22 CHAIR PONTANILLA: Thank you. Member Johnson?

23 COUNCILMEMBER JOHNSON: No.

24 CHAIR PONTANILLA: Member Baisa?

25 COUNCILMEMBER BAI SA: No questions, Chair. Thank

1 you.

2 CHAIR PONTANILLA: Member Anderson?

3 COUNCILMEMBER ANDERSON: I'm going to ask a
4 question, and I hate to even say it. Fecal
5 chloroform (sic) waterbath. Yuck. But does
6 that have --

7 COUNCILMEMBER JOHNSON: Fecal coli form.

8 COUNCILMEMBER ANDERSON: What did I say?

9 COUNCILMEMBER BAI SA: Chloroform.

10 COUNCILMEMBER JOHNSON: Chloroform.

11 COUNCILMEMBER ANDERSON: Well, same thing.

12 Coli form. I think fecal's the operative word.

13 UNIDENTIFIED SPEAKER: Right.

14 COUNCILMEMBER ANDERSON: Fecal waterbath. And it
15 says analysis performance. Is this a way that
16 you're going to improve some kind of analysis?
17 And maybe you could tell us just a little
18 about that.

19 MR. MENDONCA: Yeah, it's a, basically a waterbath,
20 you know, that we build our media, and the
21 media is cooled in that bath. It's tempered,
22 and it's --

23 And why we do that is because of the
24 method that we use, specifies that we need to
25 go through these steps, and that's, that's

1 what. And our latest certification required
2 us to have it.

3 COUNCILMEMBER ANDERSON: I see, and it's something
4 we haven't had in the past?

5 MR. MENDONCA: We've had it, but we haven't been
6 using it, but now, since we are adhering to
7 our new standards, we're going to be using it.

8 COUNCILMEMBER ANDERSON: Wonderful. And I think
9 that's important, because, you know, we use so
10 much ditch water that is exposed to animals
11 and such.

12 And so are there any other upgrades? I
13 see there's a \$20,000 increase in laboratory
14 services, but does that have anything to do
15 with increasing any kind of water quality
16 testing procedures?

17 MR. MENDONCA: It wouldn't increase any. It would
18 just, we would just -- that's just an increase
19 in cost, because we outsource a lot.

20 COUNCILMEMBER ANDERSON: I see.

21 MR. MENDONCA: Yeah.

22 COUNCILMEMBER ANDERSON: Okay. Thank you, Chair.

23 CHAIR PONTANILLA: Thank you.

24 Members, any more questions? Member
25 Medeiros?

1 COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman.

2 Just, again, you know, just trying to
3 review your vacancies in plant operations.

4 One, two, three four -- you have six
5 vacancies, according to the December 31st
6 Finance Director's quarterly report, and
7 because this seems to be some of the personnel
8 that tests the samples to make sure our water
9 is meeting, you know, certain standards, what
10 is the current status of the Water
11 Microbiologists and the Lab Tech 1?

12 MR. MENDONCA: Yes, we have, I think three vacancies
13 in the lab. I think there's two
14 microbiologists, one lab tech. And as we
15 speak, we're actually interviewing people at
16 our --

17 COUNCILMEMBER MEDEIROS: Okay.

18 MR. MENDONCA: -- Laboratory. We were interviewing.
19 We had three applicants for the Microbiologist
20 1.

21 COUNCILMEMBER MEDEIROS: Okay, that's good to hear,
22 because according to this, that position is
23 currently being filled through TA, temporary
24 assignment, but where did that temporary
25 assignment guy come from? Was he a lab tech?

1 MR. MENDONCA: I think currently, right now, that is
2 not true.

3 COUNCILMEMBER MEDEIROS: Okay, so you --

4 MR. MENDONCA: At the one point, it was true.

5 COUNCILMEMBER MEDEIROS: Oh, I see.

6 MR. MENDONCA: We hired an emergency hire.

7 COUNCILMEMBER MEDEIROS: Oh, emergency hire.

8 MR. MENDONCA: Right.

9 COUNCILMEMBER MEDEIROS: Okay. All right, thank you
10 for that information.

11 Mahalo, Mr. Chairman.

12 CHAIR PONTANILLA: Thank you.

13 Members, any more questions regarding
14 this particular program? Member Anderson?

15 COUNCILMEMBER ANDERSON: Thank you, Chair. If I
16 could, just on 19-38. We still have listed --
17 oh, wait a minute. That's not it. 19-40.

18 We still have listed from '07 the
19 \$250,000 that was appropriated towards the
20 acceleration of our Water Use and Development
21 Plan, and I was hoping that we could get just
22 an update on the expenditure.

23 If Holly might know where we're at with
24 that? How long that money has been contracted
25 out, and how is it being, I guess expended.

1 Is it like in, in phases, or -- just so we can
2 get some idea on the status of the Water Use
3 and Development Plan.

4 And I know the consultant has come and
5 given us a brief update in the Water
6 Committee, and we'll probably have him come
7 and give us an even, you know, lengthier
8 update.

9 But just on the financial end of it,
10 where do we stand, do you know?

11 MR. ENG: I think we'll have to get back to this
12 Committee with the financial expenditures to
13 date on that. We don't have anything handy.

14 COUNCILMEMBER ANDERSON: Right.

15 MR. ENG: But we'll provide that to this Committee.

16 COUNCILMEMBER ANDERSON: Okay, thank you, Director.

17 Thank you, Chair.

18 MR. ENG: Thank you.

19 CHAIR PONTANILLA: Thank you.

20 Members, any more questions regarding
21 this particular program? Any questions on the
22 program itself?

23 If not, the Chair objective for this
24 afternoon with the Water Department was to
25 complete all of the operations of the

1 Department and take up CIP tomorrow. I
2 understand that we do have Member Johnson that
3 do have, need to leave at about 3:00, and I'd
4 like her to be here when we review the Capital
5 Improvement Projects.

6 Member Anderson?

7 COUNCILMEMBER ANDERSON: Yeah, I, I'm hearing you
8 winding down here, which is good, but I -- we
9 didn't go over the grant revenue.

10 CHAIR PONTANILLA: Grant revenue.

11 COUNCILMEMBER ANDERSON: 19-41 in the Detail Budget?

12 CHAIR PONTANILLA: Okay.

13 COUNCILMEMBER ANDERSON: And I'm just wondering if
14 we can do that, and that would, you know,
15 close us out here. Is that okay, Chair?

16 CHAIR PONTANILLA: Yeah.

17 Department?

18 MR. ENG: Thank you, Mr. Chair. I wasn't really
19 prepared to speak on these today, but I can do
20 my best.

21 COUNCILMEMBER ANDERSON: Well, maybe I could just
22 ask the question I have. No necessary to go
23 through all of it.

24 CHAIR PONTANILLA: Yeah. Go ahead.

25 COUNCILMEMBER ANDERSON: Because I really only have

1 two questions. No, looks like the only real
2 two that are funded.

3 The Upcountry Maui Lead project?

4 MR. ENG: Yes.

5 COUNCILMEMBER ANDERSON: The \$200,000 request, could
6 you tell us about that, and how it's going to
7 be used? And under what -- is that coming
8 from EPA, or is that an extension of what
9 we've already done Upcountry?

10 Tell us something about it, Director.

11 MR. ENG: Yeah, as I understand it, it is a
12 continuation of the EPA funding. There was an
13 opportunity to get some more money, and I'm
14 not certain how it is going to be expended at
15 this date.

16 As you know, we are looking at organic
17 carbon removal Upcountry, and currently we
18 have a consultant working on that to give us
19 some recommendations on what type of
20 technology.

21 They're, right now, exploring
22 everything; granular activated carbon, an
23 exchange, maybe different kinds of flocculants
24 used in our normal treatment process.
25 Whatever, they're going over several different

1 types of potential technologies to consider.
2 And so currently, we are having that program
3 in place.

4 I thought that some of this, this
5 funding would be going toward that program,
6 the consultant studies. I can confirm that
7 for you.

8 We still know that as we do choose a
9 technology that we have, we have applied for
10 money with the State Revolving Fund for the
11 construction of that organic carbon removal
12 facility.

13 I think you might recall sometime last
14 year up in Pukalani, the State came out and
15 gave us a pretty high priority standing on
16 that request, so we're pretty pleased with
17 that.

18 COUNCILMEMBER ANDERSON: Still, we didn't get
19 funded.

20 MR. ENG: You know, we weren't ready actually,
21 because we had to get --

22 COUNCILMEMBER ANDERSON: Oh, yeah.

23 MR. ENG: -- the study done first --

24 COUNCILMEMBER ANDERSON: Right.

25 MR. ENG: -- and determine the technology.

1 COUNCILMEMBER ANDERSON: I understand that. So this
2 is EPA funding, this 200,000.

3 MR. ENG: Yes.

4 COUNCILMEMBER ANDERSON: Okay, and that's already
5 been approved? Do you know?

6 MR. ENG: I don't know if this is still pending.
7 Many times on these, these type of grant
8 revenue programs, they are pending.

9 And such as other that we have here,
10 such as the money towards the Upcountry raw
11 water storage facility. We know that, like
12 the 3.75 million from the State, it's still
13 pending. It's pretty much in everyone's minds
14 there at the Legislature.

15 COUNCILMEMBER ANDERSON: Have you been tracking that
16 as of late?

17 MR. ENG: The Mayor's office has.

18 COUNCILMEMBER ANDERSON: Because, you know, I, I
19 just heard that it's still going, but they've
20 broken it down, like to smaller reservoirs.
21 And I don't know if it's all --

22 MR. ENG: I haven't heard that, but, you know, even
23 if they do break it down, that might not be
24 too bad of a way to go, rather than one big
25 300 million gallon. We may want to consider

1 phasing it in, for many reasons.

2 You know, we can look at potentially
3 smaller sites; that might be easier to
4 acquire, and it would be less costly in
5 phases, too. You know, because if we went
6 with the full 300 million gallon reservoir, we
7 don't know what that could cost. It could be
8 on the order of \$100 million.

9 But maybe if we phased it and got
10 smaller reservoirs, maybe that might be more
11 feasible as far as funding.

12 COUNCILMEMBER ANDERSON: And so could, if I could
13 just get back. I wasn't finished before we
14 moved on to the water storage.

15 The \$200,000 request to EPA, that's
16 specifically to finish the design for the
17 carbon reducing --

18 MR. ENG: Yeah, or continuing with the research and
19 studies in selecting the proper technology.
20 And even as a --

21 You know, there will be some pilot
22 testing, various types of studies required
23 before we make our final selection on the type
24 of organic carbon removal technology.

25 COUNCILMEMBER ANDERSON: I'm happy to hear that,

1 Director, that you're not just relying on a
2 report that was done some time ago, that I
3 won't mention. It's nice to see that you're
4 pushing the envelope to find the best possible
5 solution for the Upcountry carbon removal.

6 And one other question, Chair, if I may.

7 At the very bottom, Director, you've got
8 a \$200,000 grant request to the State DOH
9 for source water protection. Could you just
10 give us a brief explanation of that?

11 MR. ENG: Well, part of this is related to the
12 State's wellhead protection program, and, you
13 know, we are looking at a well siting program
14 in the County of Maui also. So to continue in
15 that, those programs that we're looking at and
16 working on.

17 COUNCILMEMBER ANDERSON: And so that money would be
18 used in-house?

19 MR. ENG: Yes.

20 COUNCILMEMBER ANDERSON: Okay. Okay, thank you very
21 much.

22 MR. ENG: Thank you.

23 COUNCILMEMBER ANDERSON: Thank you, Chair.

24 CHAIR PONTANILLA: Thank you, Member Anderson.

25 So as far as the grants request for

1 2009, these are all pending approval by
2 various entities, the State and the Federal?

3 MR. ENG: Yes.

4 CHAIR PONTANILLA: Thank you.

5 Any more question? Member Medeiros?

6 COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman.

7 Yeah, I wanted to ask and, you know, my
8 colleague Baisa is here that, you know,
9 represents Upcountry, too, but I know my
10 colleague Molina would have wanted to ask this
11 regarding his district of Makawao, Hai ku, and
12 Pai a.

13 But on the State of Hawaii, for
14 Upcountry raw water storage development, would
15 that serve that entire area?

16 MR. ENG: It could serve a significant -- I mean,
17 again, our, our Upcountry water systems are
18 interconnected.

19 COUNCILMEMBER MEDEIROS: Okay.

20 MR. ENG: So we can move water around, but we would
21 prefer to keep it at the same elevation as the
22 source or below, so we can drop it.

23 This particular large raw water storage
24 is a really nice elevation. It's at the
25 Pi i holo system, Lower Kula.

1 I guess if you just look at our three
2 Upcountry systems, excluding Hai ku, Pi i holo,
3 that particular Lower Kula system has our
4 highest demand of the Makawao, Lower Kula, and
5 Upper Kula system.

6 It also is a nice location and elevation
7 to serve the farmers in Lower Kula, too,
8 because, as you might understand, the dual
9 line that they're planning for Upper Kula was
10 never intended to serve Lower Kula farmers.
11 And from what I can observe, you know, most of
12 the agriculture is in the Lower Kula area.

13 So that's really the benefit of this
14 particular site that we're looking at. It can
15 serve domestic needs and our highest demands
16 Upcountry, as well as the farmers.

17 COUNCILMEMBER MEDEIROS: So as far as the
18 Department's plans for additional storage of
19 raw water, say for the, kind of the Hai ku,
20 Paia, and even going towards the East Maui
21 area, what are the plans for that, for
22 additional storage?

23 Because I'm assuming, even though you
24 said the systems are not interconnected, is
25 the water taken from the East Maui water and

1 then pumped Upcountry to the Haiku area and
2 going east?

3 MR. ENG: Well, right now the Haiku area is just
4 served normally by two wells.

5 COUNCILMEMBER MEDEIROS: Oh, okay.

6 MR. ENG: And not by the surface water from the
7 other systems.

8 Again, though, if one of their wells go
9 down, we can bring water down from our Pookela
10 tank and serve Haiku, and we've done that in
11 the past.

12 Did that answer your question?

13 COUNCILMEMBER MEDEIROS: Yeah, yeah, that does.

14 And then let me finally ask, what are
15 the plans for the USDA NRCS grant, the
16 \$7,500,000?

17 MR. ENG: Okay, that is, that is planned for that
18 same large Upcountry raw water storage.

19 COUNCILMEMBER MEDEIROS: Oh.

20 MR. ENG: So we are hoping that the Federal
21 participation will be 7.5 million.

22 COUNCILMEMBER MEDEIROS: Okay.

23 MR. ENG: So again, it's a total of \$15,000,000 for
24 this project, for design and planning. Half
25 would be Fed. The remaining half would be

1 shared between the County and the State.

2 COUNCILMEMBER MEDEIROS: I see. Okay, thank you,
3 Director.

4 Mahalo, Mr. Chairman.

5 CHAIR PONTANILLA: Thank you, Member Medeiros.

6 Members, any more questions? If not, if
7 you do have any questions, if you can submit
8 it to the Chair, and then we'll submit it to
9 the Department for response.

10 With that, Members, the Chair is going
11 to adjourn the meeting, and we'll meet in
12 Lahaina this evening at 6:00 p.m. This
13 meeting is now adjourned. (Gavel).

14 ACTION: DEFER: Pending further discussion.

15 ADJOURN: 2:50 p.m.

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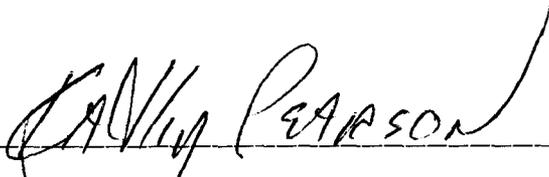
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)
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DATED: April 30, 2008



Kathy Pearson, CSR No. 313
Notary Public, State of Hawaii

My commission expires:
July 12, 2010