

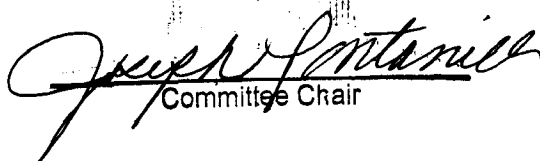
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M I N U T E S
BUDGET AND FINANCE COMMITTEE
COUNCIL CHAMBER, EIGHTH FLOOR
WAILUKU, MAUI, HAWAII
SEPTEMBER 15, 2008

ORIGINAL

REPORTED BY: Tonya McDade
Certified Shorthand Reporter #447
Registered Professional Reporter
Certified Realtime Reporter
Certified Broadcast Captioner

APPROVED:


Committee Chair

1 CONVENE: 1:39 p.m.

2 Councilmember Joseph Pontanilla, Chair
3 Councilmember G. Riki Hokama, Vice-Chair (in
4 1:40 p.m.)
5 Councilmember Michelle Anderson, Member
6 Councilmember Gladys C. Baisa, Member
7 Councilmember Jo Anne Johnson, Member
8 Councilmember Danny A. Mateo, Member
9 Councilmember Michael J. Molina, Member
10 Councilmember Michael P. Victorino, Member

11 EXCUSED: Councilmember Bill Kauakea Medeiros, Member

12 STAFF: Lance Taguchi, Legislative Analyst
13 Michael Geers, Legislative Analyst
14 Yvette Bouthillier, Committee Secretary

15 ADMIN: Frederick Pablo, Budget Director, Office of
16 the Mayor
17 Kalbert L. Young, Director, Department of
18 Finance
19 Carmelito Vila, Manager, Motor Vehicle and
20 Licensing Division, Department of Finance
21 (BF-121)
22 Cheryl K. Okuma, Director, Department of
23 Environmental Management (BF-120)
24 Tracy Takamine, Chief, Solid Waste Division,
25 Department of Environmental Management
 (BF-120)
 Don Medeiros, Director, Department of
 Transportation (BF-119)
 Brian T. Moto, Corporation Counsel, Department
 of the Corporation Counsel

26 OTHERS:

27 ITEM 119: Craig Anderson, The Westin Maui Resort and Spa
28 Sandy Baz, Executive Director, Maui Economic
29 Opportunity, Inc., (MEO)
30 Lyn McNeff, Deputy Director, MEO
31 Others (4)

32 PRESS: Akaku: Maui Community Television, Inc.

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34 CHAIR PONTANILLA: ...(gavel)...Good

1 Afternoon, Members.

2 The Budget and Finance Committee Meeting of
3 September 15, 2008 is now in session. The time is 1:39.

4 The Chair at this time would like to recognize
5 the Members that are present this afternoon. We do have
6 Members Mateo, Member Anderson, Member Baisa, Member
7 Johnson, Member Molina and Member Victorino. Excused at
8 this time are Member Medeiros as well as our Council
9 Chair, Member Hokama.

10 Members, up front, we have a whole bunch of
11 people representing the Administration.

12 First of all, I would like to introduce Brian
13 Moto, our Corporation Counsel; our Budget Director, Fred
14 Pablo; our Finance Director, Mr. Kalbert Young; and the
15 Motor Vehicle Manager, Lito Vila.

16 The Chair would like to recognize the presence
17 of Chairman Hokama at this time.

18 Supporting the Committee this afternoon we do
19 have Lance Taguchi, Michael Geers, as well as Yvette
20 Bouthillier who is our Committee Secretary.

21 Members, we have several items on the agenda
22 this afternoon. But before we go into the agendaed
23 [sic] items, at this time the Chair would like to call
24 on public testimony. The Chair is willing at this time
25 to accept testimony on any of the agendaed [sic] items.

1 For those of you that are testifying, you do
2 have three minutes to testify with a minute to conclude.
3 If you could state your name and the organization that
4 you represent, the Chair would appreciate it.

5 Members, before I call on the testifier, if
6 you could turn off or put your cell phones on the silent
7 mode.

8 Thank you.

9 Members, we do have one person signed up for
10 public testimony on Item BF-119. At this time, the
11 Chair would like to call on Craig Anderson.

12 Mr. Anderson.

13 ...BEGIN PUBLIC TESTIMONY...

14 MR. ANDERSON: Aloha. And good afternoon,
15 everyone.

16 I am Craig Anderson. I am the General Manager
17 of The Westin Maui Resort and Spa. And I am here to
18 testify on the action regarding assistance for our
19 associates who live on Molokai who have just been
20 impacted by this dramatic increase in the rate of the
21 ferry to -- from Molokai.

22 The individuals at our hotel who are impacted
23 are some of our best employees, our long-term associates
24 working in housekeeping. And Lord knows, on Molokai,
25 they have been exposed to a lot of potential hardship

1 these days.

2 But I just wanted to acknowledge and thank the
3 Council for considering this action to assist these
4 employees with that fare increase.

5 And thank DOT as well for -- for finding a
6 creative solution to present to the Council.

7 So thank you very much.

8 CHAIR PONTANILLA: Thank you, Mr. Anderson.

9 Members, any questions for the testifier at
10 this time?

11 Member Johnson, followed by Member Baisa.

12 COUNCILMEMBER JOHNSON: Yes, Craig. Thanks so
13 much for driving from Lahaina. I am sure it costs you
14 as much as it costs me.

15 Anyway, I wanted to check to see, because I
16 know that you have been very supportive of your people
17 on Maui --

18 MR. ANDERSON: Uh-huh.

19 COUNCILMEMBER JOHNSON: -- with bus
20 transportation to and from work. Do you give any type
21 of assistance to the individuals that do commute from
22 Molokai or from Lanai to your property?

23 MR. ANDERSON: Actually, at this time we do
24 not. We did subsidize bus passes up until just
25 recently, as we got a large percentage of our employees

1 to take advantage of the Maui Bus program. But in terms
2 of, you know, being equitable to all associates, you
3 know, we -- we don't do anything special and apart
4 different for that group than we do for any of the
5 others.

6 COUNCILMEMBER JOHNSON: Okay. So are you
7 saying that you no longer subsidize the bus passes?

8 MR. ANDERSON: Correct.

9 COUNCILMEMBER JOHNSON: Okay.

10 MR. ANDERSON: Correct.

11 COUNCILMEMBER JOHNSON: Okay. So everybody is
12 sort of on their own?

13 MR. ANDERSON: Correct. And -- yeah. And I
14 think what we were able to do was to create the
15 awareness and to increase the ridership. When the bus
16 first came out, obviously no one was riding. In the
17 first few months, there were a few associates riding.
18 And I think, as of last month, we had almost 200 people
19 that were riding the bus on a weekly basis. So it's
20 really been a great service to our associates and to the
21 community here. So --

22 COUNCILMEMBER JOHNSON: Okay. You know -- and
23 I guess this would be with regard to the people that do
24 use the bus service. I know that in some of the
25 transportation presentations that have been made before

1 the Planning Commission about subsidizing or trying to
2 keep traffic to a minimum --

3 MR. ANDERSON: Uh-huh.

4 COUNCILMEMBER JOHNSON: -- at least on
5 Honoapiilani Highway, do you believe that when you were
6 providing some type of incentive or some kind of, I
7 guess, subsidy --

8 MR. ANDERSON: Uh-huh.

9 COUNCILMEMBER JOHNSON: -- to the use of that
10 transportation, that that was actually alleviating some
11 of the traffic and some of the congestion?

12 MR. ANDERSON: Well, certainly we believe that
13 the bus service in and of itself has alleviated traffic.
14 And in our efforts to -- to increase the awareness of
15 that, that service, we were actually involved in some
16 discussions with DOT to modify the schedules on some of
17 the routes to better coincide with some of the schedules
18 of the hotels in the Kaanapali area, which they were
19 able to do.

20 We -- we are -- we are now offering the
21 purchase of bus passes through a payroll deduction plan
22 to continue to make it easy for our associates to be
23 involved in the bus program.

24 And as far as I'm aware, we haven't seen any
25 decline at all in any ridership. As a matter of fact, I

1 think it's increased.

2 So it still continues to be a very powerful
3 benefit and service.

4 But, yeah, it does alleviate traffic, to
5 answer your question.

6 COUNCILMEMBER JOHNSON: Yeah. And one final
7 question. Do you believe that by discontinuing the
8 assistance for those transportation programs, that that
9 is something that is directly related to a decline, I
10 guess, in your revenue picture? Or is there --

11 MR. ANDERSON: Yeah. It's -- it's exactly
12 tied to that. That's absolutely the reason why.
13 Between our occupancy decline as well as the average
14 rate decline -- you know, we've had to discount our
15 rooms to offset the price of airfare. It's -- it's been
16 a pretty significant financial impact to not only our
17 hotel, but all the hotels on Maui.

18 COUNCILMEMBER JOHNSON: Okay. Thanks very
19 much, Craig.

20 MR. ANDERSON: Thank you.

21 CHAIR PONTANILLA: Thank you, Member Johnson.
22 Member Baisa.

23 COUNCILMEMBER BAISA: Thank you very much,
24 Chair.

25 And thank you very much for coming.

1 Just a quick question. Approximately how many
2 of your associates come from Molokai?

3 MR. ANDERSON: We have four that ride the --
4 ride the ferry.

5 COUNCILMEMBER BAISA: Thank you very much.
6 That's all I wanted to know. Thank you.

7 MR. ANDERSON: You're welcome.

8 CHAIR PONTANILLA: Thank you.

9 Members, any more questions for the testifier
10 at this time?

11 VICE-CHAIR HOKAMA: Question.

12 CHAIR PONTANILLA: Member Hokama?

13 VICE-CHAIR HOKAMA: Has your company utilized
14 the federal tax benefits of providing the transportation
15 subsidy, and have you filed for those tax credits --

16 MR. ANDERSON: I -- I know our Human
17 Resources --

18 VICE-CHAIR HOKAMA: -- where, as an employer,
19 you get federal tax considerations --

20 MR. ANDERSON: I know --

21 VICE-CHAIR HOKAMA: -- for providing
22 subsidized transportation for employees?

23 MR. ANDERSON: I -- I don't know that if we
24 filed, but I know that our Human Resource Director was
25 looking into it. But I don't know where it stands at

1 this point.

2 But thank you for reminding me of that. And
3 I'll -- and I'll look.

4 So what does that -- is that process? Is it
5 on the --

6 VICE-CHAIR HOKAMA: The Federal Government has
7 made available to employers who assist their employees
8 with transportation costs ability to file for tax
9 credits and tax benefits.

10 MR. ANDERSON: Uh-huh.

11 VICE-CHAIR HOKAMA: We just had that
12 re-confirmed at our July National Conference in Kansas
13 City --

14 MR. ANDERSON: Right.

15 VICE-CHAIR HOKAMA: -- in the committee that I
16 was privileged to chair, which was the Transportation.
17 And we had the Federal Trans -- Transit Administrator
18 there, who re-confirmed --

19 MR. ANDERSON: Right.

20 VICE-CHAIR HOKAMA: -- that employers have
21 that opportunity to file with the Federal Government so
22 that you can continue to reduce the dependency on the
23 State or the local governments to put up their limited
24 financial resources.

25 MR. ANDERSON: Right. Great. Well, thank

1 you. Thank you for making me aware of it.

2 CHAIR PONTANILLA: Thank you.

3 Members, any more questions for the testifier?

4 If not, thank you, Mr. Anderson --

5 MR. ANDERSON: Perfect.

6 CHAIR PONTANILLA: -- for being here this
7 afternoon.

8 MR. ANDERSON: Thank you, Chairman.

9 CHAIR PONTANILLA: Mr. Anderson is the only
10 one that had signed up for public testimony.

11 Is there anyone up in the audience that want
12 to provide public testimony at this time?

13 Seeing none.

14 Moving forward, the Chair would like to close
15 public testimony, if there is no objections.

16 COUNCILMEMBER VICTORINO: No objections.

17 COUNCILMEMBER BAISA: No objections.

18 CHAIR PONTANILLA: Thank you.

19 ...END OF PUBLIC TESTIMONY...

20 ITEM NO. 121: MOTOR VEHICLE DRIVERS' LICENSE; AND
21 AMENDING FY 2009 BUDGET (REVENUES - FEES,
22 RATES, ASSESSMENTS AND TAXES FOR
23 EXAMINATION OF MOTOR VEHICLE OPERATIONS)
24 (C.C. No. 08-205)

25 CHAIR PONTANILLA: Members, we do have three

1 items on the agenda this afternoon. The first item on
2 our agenda is BF-121, Motor Vehicle Drivers' License;
3 and Amending Fiscal Year 2009 Budget (Revenues - Fees,
4 Rates, Assessments and Taxes for Examination of Motor
5 Vehicle Operations).

6 This item is to delete the definition of
7 four-year, six-year and two-year drivers' license
8 expiration, delete the \$30 fee for six-year license, and
9 establish a \$40 fee for an eight-year license.

10 At this time the Chair would like to call on
11 the Finance Director for some opening comments.

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

13 Good afternoon, Members.

14 This proposed ordinance revision is to make
15 consistent in the Maui County Code, as well as for the
16 Fiscal Year '09 Budget, and the rates and fees, to make
17 it consistent to a recent change in the State statute by
18 the Hawaii State Legislature. That would be Act 50 for
19 the Legislature that recently concluded. And it is to
20 make the duration for drivers' license to be eight years
21 from -- currently from six years.

22 With me here today is Mr. Lito Vila, the
23 Administrator for the Division of Motor Vehicles and
24 Licensing. And he can provide any technical background
25 or answer any technical questions related to this

1 operations.

2 With that, Mr. Chair, I am available for any
3 questions.

4 CHAIR PONTANILLA: Thank you.

5 Members, any questions for the Department?

6 Member Hokama?

7 VICE-CHAIR HOKAMA: Chairman, thank you very
8 much.

9 Either for Mr. Vila or Director Young, can you
10 tell us what -- what's the driving motivation of the
11 Legislature to increase it to eight years? Is -- is
12 there a problem with -- was there a problem with the
13 six-year duration, as it was made to the Department for
14 its understanding?

15 MR. VILA: Mr. Chair?

16 CHAIR PONTANILLA: Mr. Lito, go ahead.

17 MR. VILA: Thank you.

18 The -- one of the driving forces, I believe,
19 it's tied back to the Real ID Act. At this point the
20 Governor has not decided whether or not the State will
21 be opting in to be Real ID compliant. And --

22 VICE-CHAIR HOKAMA: Mr. Vila, so that we all
23 understand what you're referring to, could you give us
24 some background understanding, please?

25 MR. VILA: Okay. The Real ID Act is -- it's a

1 federal, I guess, policy where it's -- it states that
2 for any identification that is used to transact business
3 or within any federal facilities, i.e., airports, banks,
4 post office, the ID that is accepted by that agency must
5 be compliant to certain items. And along with it is a
6 whole lengthy list that, bottom line, each State that
7 acts -- opts in, in other -- to become a -- Real ID
8 compliant, State have to meet a lot of additional
9 criteria in the issuance of that driver's license. And
10 that is related to Homeland Security.

11 Now, if -- timing-wise -- and, I guess, if by
12 adding the two years to the existing six years, that
13 will help lessen the impact when everybody has to
14 re-enroll and prevent [sic] their documents that are
15 accepted in our business process at the driver licensing
16 office would -- would change substantially from what it
17 is today.

18 Now, the eight-year license will buy us the
19 time, because any license that is issued will not have
20 to re-enroll until its expiration date. And it's
21 targeted into certain segments.

22 And in a nutshell, that's how it's tied into
23 the Real ID Act.

24 At this point, we don't know whether or not
25 the Governor will be opting in on behalf of the State.

1 But if we do, then this bill -- this Act will allow us
2 to act as we do. In reviewing the potential impact to
3 our agency, the driver licensing administrators within
4 the other counties, it is a great impact to re-document
5 everybody. And this would certainly lessen the time.

6 In addition, this would also -- since the
7 processing would change, it probably will increase the
8 transaction time as well as, you know, our costs in
9 issuing the license if we become compliant.

10 VICE-CHAIR HOKAMA: Thank you for that
11 response, Mr. Vila.

12 So two quick follow-up questions.

13 One: Has your division or has the Director,
14 under his management and administration of the
15 Department, been able to determine what this means to
16 the County financially? Are we projecting a reduction
17 of revenues in your division because you foresee a
18 reduction in the overall issuance of licenses since the
19 term is going to be expanded?

20 MR. VILA: By expansion -- expanding the
21 six-year license by another two years, I did a
22 calculation. What I did was I looked at the renewal
23 volume from -- from November on for the next couple of
24 fiscal years. And we will not realize any reduction in
25 revenue until probably six years down the road when

1 these have to re-up.

2 However, what we will miss -- we will lose in
3 additional revenues, because, knowing that in the future
4 we are going to be incurring the additional expenses.
5 And, you know, we probably have to redesign our
6 processes. So I did our fiscal year analysis on the
7 impact, just, I guess, opportunity lost, if we don't
8 take up the revenues.

9 This fiscal year, I am estimating that --
10 well, our reports show that we're gonna have 4,650
11 renewals starting November.

12 That may seem low this year. However, several
13 years ago, we migrated from a four-year license up to a
14 six-year license. We were just ending the tail end of
15 that fifth and sixth year and it starting up again.

16 For Fiscal Year '10, which is next fiscal
17 year, we are gonna lose renewals, about 18,600, or
18 \$185,900 in revenues that would not be collected if we
19 opt to stay at the \$30 -- \$30 rate for six years. And
20 for Fiscal Year '11, it's \$211,670. It's based upon the
21 present license holders that are holding those six years
22 license coming in to renew. So that's the projection in
23 actual numbers. It's not counting any -- anyone that's
24 going over 72, that drops to a two-year license; and the
25 people that are under 25, that will get a lesser term

1 license.

2 VICE-CHAIR HOKAMA: Thank you for doing that
3 projections for the Committee, Mr. Vila. I think it's
4 helpful in helping us reach some decisions on this.

5 And, quickly, I know what you are proposing to
6 the Committee. And hearing your earlier comments about
7 the potential impact of taking additional time to
8 process a license renewal or a new original license
9 request, why \$40, why not \$50, \$100, for the license?

10 And I say that because I consider driving a
11 privilege, not a right.

12 MR. VILA: Yes. Thank you, Mr. Chairman,
13 Mr. Hokama.

14 What I did was, in coming up with additional
15 \$10 increase, in looking at the current fee structure,
16 it is equivalent to \$5 a year. So it made sense. We
17 issue one-year licenses for \$5; two-year licenses for
18 \$10; and six-year for \$30. So it -- a yearly equivalent
19 of \$5 per year. And I merely took the \$5 and multiplied
20 it by eight, come up with a straight proposal.

21 And I believe this Council also mandated the
22 study that was done a couple years ago.

23 And in my recommendation to Mr. Young and the
24 Budget Director that, given these economic times at this
25 point, I could not see raising it up to that and going

1 on purely fee for service that would recoup the Maximus
2 recommend -- recommended cost for the renewal of a
3 license. However, that decision of the fee actually
4 lies within the body that's before us, yeah. It's the
5 Council.

6 VICE-CHAIR HOKAMA: So am I correct that you
7 asking us to raise the fee to \$40, but that it will be a
8 subsidized amount because you are not going to collect
9 the true cost of administering this program?

10 MR. YOUNG: Actually, Mr. Hokama, if I could
11 answer it.

12 The basis for the \$40 is rooted in the fact
13 that when we did the evaluation, as Mr. Vila said, we
14 looked at that particular fee structure as being \$5 per
15 year. We also took into account the fact that there
16 would be this revenue shortfall by stretching out from
17 six to eight years. Without that change, there would be
18 a revenue shortfall in years '07 and '08.

19 The \$10 adjustment is merely to -- not
20 necessarily to address a revenue shortfall -- because
21 all you're doing is you are bulking up revenues earlier,
22 and we're still gonna recognize lesser than expected
23 revenues in year '07 and '08. But we will see increased
24 revenues that were not anticipated in Fiscal Year '09
25 and '10, when it was \$30 versus \$40.

1 However, the Real Act -- the Real ID Act
2 compliance items will likely mean a significant amount
3 more of resources required to -- to process Real ID Act
4 items. It will result in larger or longer processing
5 time. So we would have to reserve -- reserve the
6 opportunity that that rate structure will likely have to
7 increase.

8 This \$40 is based on the Maximus study that
9 was contracted about three years ago.

10 VICE-CHAIR HOKAMA: Uh-huh.

11 MR. YOUNG: And at that time the rate
12 structure -- or the cost to provide that service was
13 actually slightly higher than the \$5.

14 But without the Real ID Act processes in
15 place, we did not believe that there was a basis from
16 which to necessarily increase it other than the fact
17 that the licenses are currently issued at about \$5 per
18 year. So that's the basis of it.

19 If we wanted to step it up, you know, there is
20 sufficient grounds based on the Maximus study. But this
21 was just purely based on moving the statutory
22 requirement from six to eight years.

23 VICE-CHAIR HOKAMA: So this proposed rate is
24 good for, if we pass it, approximately half a year,
25 right?

1 You're only asking us to deal with it in the
2 current year's budget?

3 MR. YOUNG: Effective -- yes, effective
4 November 2008.

5 VICE-CHAIR HOKAMA: Well, thank you,
6 Mr. Director and Mr. Vila.

7 Chairman, thank you.

8 CHAIR PONTANILLA: Thank you.

9 Member Molina?

10 COUNCILMEMBER MOLINA: Thank you, Chair.

11 And good afternoon, gentlemen.

12 Just in terms of rough numbers, how many
13 licenses are issued and how much potential revenue? And
14 would we, I guess, be extracting with the additional, I
15 guess, two years?

16 I don't know if you have any initial numbers
17 offhand to share with us.

18 MR. VILA: I have the renewal volumes, if that
19 will help the -- the Council.

20 In -- let's stick with fiscal year. Fiscal
21 Year '10, there will be 18,594 renewals based upon
22 what -- the database that we currently have. In Fiscal
23 Year '11, we gonna do 21,167. So the revenues
24 respectively -- at the \$30 per year for Fiscal Year '10
25 would be \$557,820. Fiscal Year '11, at the \$30 rate

1 would be 635 dollars -- thousand dollars and ten dollars
2 -- \$635,010.

3 Now, taking it up to \$40, there would be
4 \$743,760 for Fiscal Year '10, and \$846,680 for Fiscal
5 Year '11. So you subtract the two, there was the -- the
6 opportunity or the differences in revenues that I
7 mentioned earlier.

8 COUNCILMEMBER MOLINA: Uh-huh. Thank -- thank
9 you for that information.

10 Thank you, Chair.

11 CHAIR PONTANILLA: Thank you.

12 Members, any more questions for the Department
13 at this time?

14 Member Mateo.

15 COUNCILMEMBER MATEO: Chairman, thank you.

16 So, Mr. Vila, just for clarification purposes,
17 then, can you tell us what it actually costs to actually
18 process one driver's license?

19 MR. VILA: I can -- the professional study
20 that was done on a renewal, Maximus quoted a recovery
21 cost of \$28.

22 COUNCILMEMBER MATEO: Thank you very much.

23 Thank you, Chair.

24 CHAIR PONTANILLA: Thank you.

25 Member Johnson?

1 COUNCILMEMBER JOHNSON: Because some of
2 these -- you know, obviously, if somebody is taking out
3 a driver's license when they are at age 71, and then you
4 add on eight years to that, they would be 79. I -- are
5 there any different requirements?

6 Like I know the eye testing, after you get to
7 be a certain age, was one of the requirements that had
8 to be fulfilled. And I think, if I am not mistaken, you
9 had that requirement be a little bit more stringent as
10 you aged. I am just not sure, though.

11 Is that any kind of a factor that would be
12 taken into consideration with the length of time that
13 these licenses are issued for?

14 MR. VILA: The way the law is written, it's
15 based on - the Hawaii law, it's based on age at the
16 time. Now, however, there is also provisions within the
17 law where the examiner of drivers have reasonable cause
18 or probable cause to evaluate that person's ability to
19 operate that motor vehicle. And we do have a good
20 number of cases where we have to enforce a lesser term
21 of that license.

22 And, thus, if you look at the fee structure,
23 we have a one-year license. Those are the cases where,
24 due to serious medical conditions of that individual,
25 they are not able to maintain the full-term license.

1 And we do monitor that.

2 However, to answer your question, there is --
3 we don't issue or -- the age is really not the trigger,
4 aside from the duration of the license. There are other
5 triggers, such as our observation, the personal
6 disclosure. We have recently amended our application.
7 I am sure you saw that in the paper, where we now
8 have -- with the State Administrative Rules, to really
9 address the persons with medical conditions that may
10 affect their ability to safely operate a motor vehicle.
11 And we have those all in place.

12 COUNCILMEMBER JOHNSON: And I -- I appreciate
13 what you are saying. Many times there will be
14 conditions that would occur.

15 Let's say at the person's age of 71, they
16 would come and they would apply for an eight-year
17 license. What my, I guess, question would be is that
18 when a person comes in at age 71 -- I totally understand
19 that at that time and place, they are going to evaluate
20 their condition and their ability -- or, you know, if
21 they have some illness that may cause potential problems
22 prior to the eight-year period where their license would
23 expire, you would then only issue that license for maybe
24 a one-year period of time.

25 But what I am trying to get at is that for

1 conditions that could be unforeseen, that come up during
2 that period of time. My concern would be for the
3 individual who has that license, it's legitimate, you
4 know, there's no problem with them driving, but -- you
5 know, let's say that they develop sleep apnea or they
6 have had a stroke or some other condition in the
7 meantime. Is there anything which would be verbiage on
8 the license that if their medical health condition were
9 to change so as to render them, you know, unable to
10 continue their license, that you offer them the
11 opportunity to turn in their license?

12 Because I will tell you my -- my -- my
13 husband's situation, his father's situation was such
14 that, you know, it -- it came about rather rapidly, but
15 beyond the age of 71.

16 So my -- my concern is what mechanisms do we
17 have in place to at least alert you or alert the person
18 with the license that, you know, hey, there's an
19 obligation, too, if you have any concern whatsoever
20 about your maintenance of this drivers' license, it
21 doesn't automatically, just because you have it issued
22 for the eight-year period, mean that, you know, there's
23 not going to be some kind of ramification. So is there
24 anything in the law at the State level or in your
25 administrative rules that would actually address that

1 concern?

2 MR. VILA: I -- I hear what you are saying.
3 And I agree. If you are no longer capable of driving,
4 you should turn in your license.

5 We have several mechanisms in place. I
6 receive a good number of calls from family members
7 requesting that the parent's driver license be
8 reevaluated, but they don't want to tell them and they
9 want to leave it up to us. And we are not medical
10 practitioners. Unless we observe at -- something at the
11 time of application or we have reasonable cause to
12 reevaluate that person's ability to operate a motor
13 vehicle, we are unable to do so.

14 Reasonable cause can come from the courts, can
15 come from a family physician, it can come from the
16 police department in a request to reevaluate because
17 they physically observe erratic driving or certain
18 things. And we go through our medical review process,
19 which is rather lengthy.

20 And we're not -- since we're not
21 practitioners, we have the Medical Advisory Board that
22 will submit to us their recommendation on that person's
23 ability.

24 Short of that, we've been accused of, you
25 know, are you practicing medicine? We can only detect

1 what we observe.

2 Now, the driver license application, also,
3 that person -- the applicant is signing under penalty
4 that, what they are putting on there, they are
5 indicating is in fact true.

6 And if you look at that middle portion,
7 there's like five questions that if you answer and -- if
8 you answer, yes, you don't have any medical conditions
9 at this point, we have no reason to believe that you are
10 not telling us the truth, unless we observe certain
11 conditions that we -- would give us reasonable cause to
12 issue a medical report.

13 COUNCILMEMBER JOHNSON: Yeah. And I really
14 appreciate that. I think that, at any given time,
15 anyone, you know, can have some kind of a medical
16 condition that crops up that renders them really perhaps
17 incapable of being, you know, a top 100 percent, you
18 know, driver. Sometimes their vision goes, other times
19 they have conditions where they might have a seizure or
20 something else.

21 So I guess what I am concerned about,
22 though -- overall, though, is that the State, if they
23 have, you know, failed to address this particular issue
24 for anyone being granted a license.

25 As Chair Hokama said, it's a privilege to

1 drive. And, yet, I want to have a reasonable assurance
2 that if I am on the road that I am not going to face a
3 potential collision or some other kind of horrific
4 incident that would damage my loved ones or myself
5 because we just have simply allowed a license to
6 continue for an eight-year period.

7 I -- I am not saying we're doing anything
8 wrong, but I think that the State -- if there's any
9 indication that -- they could even place wording to the
10 effect that -- when a license is issued that they state
11 very clearly it's a privilege, if at any time you fail
12 to notify us that your medical conditions have changed,
13 or you are no longer able to maintain your license, that
14 you are duly obligated to notify either your Department
15 or the State or someone. Because it sort of seems like,
16 well, the only way you may find out is to get in a
17 head-on with this person. And that's not really the way
18 I think most people want to find out that someone is
19 incapable of driving.

20 So has there been any indication -- or are you
21 able to send out some kind of a notice, or issue maybe
22 stronger language than the State, saying that the person
23 should be very prudent and notify you if there is any
24 change in their situation with regard to the issuance of
25 their license?

1 MR. VILA: We -- we can certainly be a lot
2 more strict than what is required by the statutes. If
3 we were able -- if we were to do that, I would -- it
4 would be prudent to request for the proper vertiage
5 [sic] -- verbiage and the terminology of what kind of
6 notice and how binding is that notice going to become to
7 the applicant or the license holder.

8 Because that's really -- in my experience in
9 dealing with people who I've -- who I've taken the
10 license away from, it's a personal thing, a personal
11 mobility that they have issues with. And I do my very
12 best to put them at ease because I am doing that for
13 their safety as well as the safety of the general
14 driving public. But when it comes to themselves, it's
15 rather difficult for them to acknowledge sometimes.

16 And it's really not based on age. I've seen
17 it where there's 20-year-olds, 30-year-old, 40-year-olds
18 that are faced with that condition.

19 So if you wish to do that, we could come up
20 with some handout or, you know, some indication that --
21 you know, to notify us. I don't know how I would make
22 it a requirement where, if they don't, I would suspend
23 the license. And if they don't do that, then would we
24 be -- I do not -- I would be able to execute that
25 properly.

1 COUNCILMEMBER JOHNSON: Yeah. No. And I -- I
2 understand the issue is just the fee right now, today,
3 that we're talking about. So this is something, though,
4 that because it's both the length of the issuance of the
5 license -- and I agree, just as I said, you could have a
6 medical condition at any time. But it's not only just
7 the fee amount, it is the length of time that we are
8 looking at to be in compliance with State law.

9 So I would really love to see some type of --
10 even if it's just a little handout that you hand out to
11 the individual, just alerting them, you know, that these
12 may be things that they want to consider when they're
13 applying for their license. I think it's really
14 prudent.

15 So I don't have any issue with, I guess, the
16 amount of the fee that you are proposing because I feel
17 it's -- it's reasonable at this point in time given what
18 the actual cost is.

19 Thank you, Mr. Chair.

20 CHAIR PONTANILLA: Thank you.

21 Member Anderson.

22 COUNCILMEMBER ANDERSON: Chair, I would direct
23 Members to the Bill for an Act Relating to Motor Vehicle
24 Drivers' License attached to this communication.

25 And on page two, it says that the license

1 shall expire on the first day -- first birthday of the
2 licensee occurring, not less than two years after the
3 date of the issuance of the license, if at that time the
4 licensee is 72 years of age or older.

5 So there's already a provision to check on
6 people that are 72 every two years.

7 There is also a provision -- they changed it
8 from 19 to 24 -- if you are 24 years of age -- I didn't
9 read that. It's part of that same paragraph. That if
10 you are 24 or younger, the license must be every four
11 years.

12 And then there was some qualifying language in
13 this.

14 I am assuming that they are amending existing
15 -- existing statute that they have crossed out, saying
16 that, you know, after the renewal every two years, if
17 the licensee exhibits a physical condition or conditions
18 that the examiner of drivers reasonably believes has
19 impaired the driver's ability, and so on. Or, you know
20 it, gives qualifiers for health reasons. That's all
21 been deleted. And, instead, they inserted, "The
22 examiner of drivers may issue a license for a shorter
23 period if the licensee has a physical condition or
24 conditions that the examiner of drivers reasonably
25 believes may impair the driver's ability to drive."

1 So it seems that the State gives you
2 permission to adjust the length of the license for those
3 reasons.

4 And I would like to ask, Mr. Chairman, we are
5 not only adopting -- or amending the budget to increase,
6 from \$30 to \$40, the license fee, but we are also
7 amending our current chapter in the County Code
8 regarding motor vehicle license -- or drivers' licenses.

9 And you will note that the four-year
10 license -- the definition for four-year license is being
11 deleted, on page two, the six-year license definition is
12 being deleted and the two-year license is being deleted.
13 And then the whole section on expiration, licenses and
14 expiration, 10.80.020 is being deleted. And within that
15 section, it talked about -- actually, it was the very
16 same language that's in the State Statute, talking about
17 a two-year limit for people that are 72 years or older.
18 Excuse me. And then, also, allowing for a flexible
19 period of issuance for licensees who exhibit a physical
20 condition.

21 And, basically, all this language -- obtains a
22 certificate from a licensed physician that the
23 licensee's condition does not impair their ability to
24 drive, is able to correct the physical impairment, or by
25 using a vehicle adapted to overcome the physical

1 impairment. All of those qualifiers seem to be kind of
2 like, I guess, included in this one large qualifier
3 that's in the State Statute.

4 "The examiner of drivers may issue a license
5 for a shorter period if the licensee has a physical
6 condition or conditions that the examiner of drivers
7 reasonably believes may impair the driver's ability to
8 drive."

9 So my question, Mr. Chairman, is, you know,
10 while we're deleting a lot from our County chapter on
11 motor vehicle drivers' license, we are not adding
12 anything. We're not adding in that language that allows
13 your -- your driver -- what is it called -- examiner of
14 drivers to issue for reasonable -- if they reasonably
15 believe there is a condition that may impair the
16 driver's ability. There is nothing in our County Code
17 now that allows them to shorten that period.

18 And I am also wondering if there needs to be
19 any definition in here for an eight-year license since
20 we're taking out the four-year, six-year and two-year
21 license definitions.

22 CHAIR PONTANILLA: Department or Corp Counsel?

23 MR. YOUNG: Mr. Chair, Ms. Anderson, the
24 changes in the Maui County Code, I believe, are to make
25 the Code section consistent with the section in Hawaii

1 Revised Statutes that Act 50 amends. I also believe
2 that the amendment to the Maui County Code is more to
3 give the direction, and the authority will now vest and
4 reference directly the Hawaii Revised Statutes section
5 related to drivers' license.

6 So the definition of a drivers' license in the
7 Code relates -- refers specifically to Section 286-102.
8 And in that Section, 286, it is provided in the Statute
9 for all those other determinations.

10 The parts that are deleted from the Maui
11 County Code, as you pointed out, were the same parts
12 that were deleted out of the Statute. And so that
13 deletion is, again, just to make it, in format,
14 consistent with the Statute.

15 COUNCILMEMBER ANDERSON: Okay. If you're fine
16 with it. I just think there should be some qualifier in
17 there that says the examiner has the right to issue a
18 license for a shorter period.

19 MR. VILA: Yeah. Mr. Chair?

20 COUNCILMEMBER ANDERSON: Excuse me. Not just
21 everybody can go to the Hawaii Revised Statutes. But if
22 you guys are fine with it, I guess I am fine with it.

23 CHAIR PONTANILLA: Mr. Vila, you had a
24 question?

25 MR. VILA: No. I just had an additional

1 comment.

2 All of those, your concern is duly noted.

3 The Hawaii Revised Statutes is enough to give
4 us the authority to evaluate. As a matter of fact, we
5 work with the other counties and the State Disabilities
6 and Communication Access Board where we have just
7 recently modified the administrative rules to provide a
8 lot more detail in what medical conditions we will be on
9 the lookout for that may affect a person's ability to
10 operate a motor vehicle.

11 So that authority and ability to say we have
12 reasonable cause to evaluate this applicant is still
13 true -- there within the present Statutes. And --

14 CHAIR PONTANILLA: Thank you.

15 Members, any more questions?

16 COUNCILMEMBER ANDERSON: I just want to --

17 CHAIR PONTANILLA: Member Anderson?

18 COUNCILMEMBER ANDERSON: You know, I
19 understand that you have the authority based on this.
20 And really, basically, all we're doing is increasing the
21 fund -- the fee. But I just hate to see us diminish
22 what is already in the County Code that is explanatory
23 to people, you know, I mean to the public.

24 Because it's easy for them to look at this and
25 say, well, grandpa has to be renewed in two years

1 because the County Code says it. It's not like, you
2 know, they have a copy of HRS. And this is -- the
3 County Code is very available to people.

4 So that's -- I just hate to see us shorten up
5 the County Code. You know, I understand that it's
6 necessary to make these adjustments, but I would like to
7 see something -- some language that supplants or
8 replaces what we are taking out. When -- you know, all
9 these provisions to qualify somebody for a shorter
10 permit because of health reasons, the very thing you
11 talked about, you know, is that people complain. And if
12 you've got something in the County Code that you can
13 show them that gives you that authority, then I think
14 it's easier on you, too.

15 Thank you, Chairman.

16 CHAIR PONTANILLA: Thank you.

17 Members, any more questions?

18 Thank you.

19 At this time the Chair would like to recommend
20 for passage of the proposed bill on first reading and
21 the filing of County Communication No. 08-205.

22 COUNCILMEMBER VICTORINO: So move.

23 COUNCILMEMBER MOLINA: Second.

24 CHAIR PONTANILLA: Moved by Member Victorino,
25 seconded by Member Molina.

1 Members, more discussion?
2 VICE-CHAIR HOKAMA: With reservations,
3 Chairman.
4 CHAIR PONTANILLA: Thank you.
5 All in favor of the motion please say "aye."
6 (A chorus of ayes.)
7 CHAIR PONTANILLA: Any opposed?
8 (Silence.)
9 CHAIR PONTANILLA: Seeing none.
10 Eight ayes; one excused, Member Medeiros.
11 Motion is carried.
12 MR. TAGUCHI: Chair Pontanilla?
13 CHAIR PONTANILLA: Mr. Taguchi.
14 MR. TAGUCHI: The passage was for both
15 proposed bills?
16 CHAIR PONTANILLA: Yes.
17 VOTE: AYES: Councilmember Anderson, Baisa,
18 Johnson, Mateo, Molina, Victorino,
19 Vice-Chair Hokama, and Chair
20 Pontanilla.
21 NOES: None.
22 ABSTAIN: None.
23 ABSENT: None.
24 EXC.: Councilmember Medeiros.
25 MOTION CARRIED.

1 ACTION: FIRST READING of proposed bills; and
2 FILING of communication.

3 CHAIR PONTANILLA: Okay, Members, with your
4 permission, the Chair would . . . if there's no
5 substantive changes to the bill to incorporate any
6 pending legislation.

7 COUNCILMEMBER VICTORINO: No objection.

8 COUNCILMEMBER BAISA: No objections.

9 ITEM NO. 119: AMENDING THE FY 2009 BUDGET (DEPARTMENT
10 OF TRANSPORTATION) (C.C. No. 08-119)

11 CHAIR PONTANILLA: Okay. The next item on the
12 agenda is BF-119, amending the Fiscal Year 2009 Budget
13 on Department of Transportation.

14 The purpose of the bill is to provide funding
15 to support Molokai residents who commute to work on the
16 Molokai ferry.

17 The ferry operator has increased fares
18 by \$10 per round trip to offset fuel price increases.
19 The Administration proposed to grant additional monies
20 to MEO, Inc., to administer this program.

21 Members, I will be asking the Director of
22 Transportation to explain the program and review the
23 revenue and expenditure budget. After my review of the
24 proposed budget proposed to the Committee, I have some
25 specific concerns about the computation of the support

1 services amount of \$130,000, and the remaining balance
2 of \$44,760.

3 At this time the Chair would like to recognize
4 the Transportation Director, Mr. Medeiros.

5 Do you have any comments?

6 MR. MEDEIROS: Yes. Thank you, Budget Chair
7 Pontanilla.

8 And with me this afternoon, I am asking the
9 Executive Director for Maui Economic Opportunity, Sandy
10 Baz, to join me as we go through this. And Sandy can
11 get a little more detail -- give a little more detail on
12 the actual program.

13 Thank you, Members, and particularly you,
14 Budget Chair Pontanilla, for expediting this request.

15 I also want to thank Molokai Councilmember
16 Mateo for his assistance in support of this project.

17 In late May, Sea Link, also known as "the
18 Molokai ferry," advised their passengers of the need to
19 raise fares due to escalating costs of fuel. Then in
20 early June, letters and a petition requesting support
21 from the County were received by Council Members and the
22 Mayor.

23 Mayor Tavares, wanting to assist, searched for
24 ways to respond, found a temporary solution to provide
25 some relief for the dedicated commuters on the Molokai

1 ferry via a -- our current fiscal year ordinance with
2 Maui Economic Opportunity.

3 In a nutshell, what happened was the Governor
4 released \$182,000 to Maui Economic
5 Opportunity for dialysis transportation.
6 In the current fiscal year's budget,
7 we have another \$182,000 for the same program.
8 So MEO advised us of this and says,
9 we really don't need the other \$182,000, which was very
10 timely based on what was going on,
11 on Molokai, and particularly with the commuters.

12 So, in essence, today, what we're -- we're
13 attempting to do is to -- with your approval,
14 is to take \$182,000 from our current ordinance
15 that's listed under Dialysis Transportation, under
16 Index Code 917702. And we would like to move
17 that money and increase -- so we would decrease that amount
18 to zero. Then we would take that money to --
19 if approved, and put it into Index Code
20 917734, which would increase that index code by
21 \$182,000. This were to go into the current MEO
22 transportation grant that they have through our
23 Department with the County of Maui.
24 We would then -- in discussions with Corporation
25 Counsel, we would then add a -- an amendment

1 to the current grant agreement and add
2 a new exhibit for this program and for the operation of
3 this program.

4 Keep in mind that MEO's grant is a
5 reimbursement grant. So if the funding is
6 not used, MEO would not draw it down.
7 So that whatever the funding that's left
8 unused by the commuters on the Molokai ferry
9 would then show in the Department's budget as carryover
10 savings for the fiscal year.

11 At this time, I would like to ask Sandy Baz to
12 give a little detail on the program and how it would be
13 operated and some of the checks and balances that they
14 have built into this program.

15 Thank you.

16 CHAIR PONTANILLA: Thank you.

17 Mr. Baz?

18 MR. BAZ: Thank you, Mr. Chair and Committee
19 Members.

20 For the record, my name is Sandy Baz. I am
21 Executive Director for Maui Economic Opportunity.
22 And like Don mentioned, I am here today to
23 provide a little bit more information on a program to assist
24 the Molokai to Maui ferry commuters.

25 We were approached by Mr. Medeiros a little

1 while ago to discuss, you know, this issue
2 of the ferry rate increase and how
3 we might be able to assist those that are
4 commuting, like he said, very dedicated, back
5 and forth from Molokai to Maui to work.

6 And, you know, because this is a -- a
7 emergency program, support program, we felt
8 like that we could -- if we could
9 do a program that was with minimal costs to it
10 would be the best benefit for the residents
11 and for the County.

12 We approached David Jung -- Jung -- of Sea
13 Link Hawaii. He is the proprietor of
14 Sea Link Hawaii, Inc., the ferry company.
15 And they have a Molokai to Maui ferry
16 commuter program in existence. A program
17 that has been in existence for 23 years, since 1986.
18 This program has been able to assist quite a few
19 commuters over the years.

20 And, basically, he has a very stringent
21 application process that he works with the employers to
22 verify that the people on the -- that are commuting,
23 that are eligible for this commuter ferry passes are
24 working, that they are working at least four days a week
25 and that they are being transported.

1 So as our diligence in operating a program
2 that would assist those that are commuting, we would be
3 working with Sea Link Hawaii in, first of all, verifying
4 that the individuals are -- that are riding are being
5 employed. And that would be through their
6 Application process and verification from the
7 employer. Then we would get a biweekly
8 tally sheet with those -- you know, basically,
9 a -- not an itinerary, but, you know, a roster
10 that shows who rode and what days they rode, to
11 make sure that those people are riding. And then we
12 would reimburse him the \$10 per rider that was increased
13 as of June 1st.

14 So that's the -- the base of the program. We
15 tried to make it as simple as possible. So payments
16 would be coming from MEO to Sea Link Hawaii as a
17 reimbursement of that \$10 that they -- increased since
18 June 1st.

19 That's --

20 CHAIR PONTANILLA: Thank you.

21 MR. BAZ: -- basically it.

22 CHAIR PONTANILLA: Thank you.

23 As stated earlier, you know, on the revenue
24 and expenditure budget, the sheet that you provided this
25 Committee, in doing the calculation, when you look at 52

1 transaction times \$10 subsidy, the total cost
2 of the subsidy is \$52,000, and what is
3 being requested is \$130,000. So my question
4 would be the \$78,000 that -- you know,
5 in addition, that is on that particular item,
6 you know, what -- what would happen to the \$78,000?

7 MR. MEDEIROS: If the money is not used, it
8 just goes back into the General Fund as carryover
9 savings at the end of the year.

10 When we did this calculation, we were trying
11 to get some idea of what it -- you know, what might
12 happen. Ideally, wouldn't it be great if the amount of
13 people went from -- see -- the Molokai ferry mentioned
14 to MEO that there were 25. In my discussions with
15 Councilmember Mateo, he had 33. So there were -- there
16 was some -- there was some unknown factor here. And so
17 we just looked at it and said, well, if -- if we ran 50
18 people five days a week for 52 weeks, you know, it would
19 come out to that amount.

20 Ideally, if more people would choose to use
21 Sea Link Molokai ferry to come to work, it would be far
22 beneficial to those folks.

23 The other piece of it that's probably more
24 important, that Mayor Tavares really focused in on was
25 the other piece, that if people choose not to continue

1 to ride the ferry because the cost is so high, then what
2 happens to the ferry. And that is a vital link to
3 Molokai. I know that air flights are rather low on
4 Molokai.

5 I was surprised a few weeks ago when I went to
6 Lanai for the blessing of the Manele Harbor, and that 80
7 percent of the people that went to Lanai went on the
8 ferry. I can only assume, I don't have the figures, but
9 that -- that's -- probably some percentage holds true
10 for Sea Link as well, getting people to and from
11 Molokai.

12 CHAIR PONTANILLA: So the remaining balance,
13 then, would be considered as carryover savings?

14 MR. MEDEIROS: That is correct, whatever is
15 unused.

16 CHAIR PONTANILLA: Thank you.

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

19 Member Mateo?

20 COUNCILMEMBER MATEO: Chairman, thank you very
21 much.

22 First of all, I would like to -- to thank
23 Mr. Medeiros for the process that has taken us to this
24 particular point.

25 Secondly is, the reality is, five months ago,

1 when we were talking about this particular program, we
2 were talking about 33 Molokai people who were commuting
3 back and forth.

4 What is not seen here, or what is not included
5 here, are those Molokaians who go in on a Monday and
6 come home on a Friday. Because if you haven't been on
7 that boat five days a week, or four days a week, it is a
8 major ordeal. So those numbers are not included.

9 So what we are getting here, you know, one, is
10 we -- we've already lost people because, you know, why
11 go work. If they increasing it \$10 a day, that's an
12 additional \$100 a week -- every two weeks for them. And
13 they're making -- you know, at the hotels, they are not
14 making \$20 an hour, they are making just a little over
15 minimum wage.

16 So the reality is Sea Link went to the State
17 and asked for assistance. And the State turned them
18 down because the State does not provide support to
19 private enterprise.

20 Excuse me. I don't know what the Superferry
21 is.

22 But this particular boat is on the verge of
23 shutting down. And we need to assist because this is a
24 primary means of transportation to Molokai.

25 And, yes, it does provide opportunities of

1 employment.

2 So, you know, I was really grateful that we
3 had the opportunity -- and MEO did have the opportunity
4 of relinquishing some of the monies to assist us.

5 I also know that Lanai also is experiencing
6 similar difficulties because of the same considerations
7 of oil. And I don't know what Lanai's numbers are in
8 terms of numbers who commute to Maui to work. But
9 perhaps we can take a look at, how do you say it,
10 killing two birds -- well, I don't want to say killing.
11 Hitting two birds with one stone. You know, by being
12 able to take a look at both Molokai and Lanai and
13 looking at how to assist both commuter services.
14 Because, you know, we -- we on this island, we look at
15 transportation and we say, great, we provide public
16 transportation, we have a bus service. But, folks, we
17 are an island state, and the seaways are also our
18 highways. And we need to take a look at the reality of
19 providing some support services in addressing the sea
20 component and the sea routes to the neighbor islands.
21 That's the reality of an island state. And this is a
22 reality that this County has not looked at. And, you
23 know, aside from the bad economic times right now,
24 perhaps, you know, if you look at the linings, perhaps
25 this is opportunity for this County to take a look at

1 how to best service the -- the outlying communities like
2 Lanai and Molokai. Because airfare is extremely
3 difficult. It's 200 -- almost \$200 just to get to
4 Molokai. And to get to Lanai you got to -- you gotta
5 camp at the Oahu Airport just so you can catch another
6 flight to get to Lanai. So these -- we need to take a
7 look at reality, and we need to take a look at those
8 systems that do provide the services for us.

9 And, yes, you know, we're caught in difficult
10 times because of the uncertainty of oil. But we cannot,
11 we cannot let the Expedition go away, we cannot let the
12 Maui Princess go away, because these are vital links to
13 our communities. And, yes, we need to use them for
14 transportation to and from work.

15 Like the City and County of Honolulu, who runs
16 not one, but two boats from one part of Oahu to -- to --
17 to central Oahu. That's the reality and that's the
18 times we're in right now.

19 And I think this is the beginning of us taking
20 a look at how to best serve those constituents that live
21 on outer islands that do not have the luxury of jumping
22 in a car or jumping in a bus and being driven to their
23 workplace.

24 Thank you, Mr. Chair.

25 CHAIR PONTANILLA: Thank you, Mr. Mateo.

1 Members, any more questions?

2 Member Hokama?

3 VICE-CHAIR HOKAMA: Chairman, thank you.

4 And I thank my colleague from Molokai for
5 sharing his thoughts with us this afternoon. I
6 appreciate it greatly.

7 I had originally felt very irritated when this
8 proposal was brought to my attention, because I tend to
9 be disappointed in the narrow perspective of proposals.
10 I had hoped it would be, taking what Mr. Mateo said, a
11 greater county-wide concern, especially for sister
12 islands of this County.

13 And while we know there are greater big
14 picture questions regarding the sister islands, whether
15 it be Molokai-specific issues or Lanai-specific issues,
16 or if Mr. Medeiros was here -- even East Maui,
17 Hana-specific issues. I will state, Mr. Chairman, that
18 while we may not have been very newsworthy to the media,
19 while we may not present the big impact that Maui Island
20 or Oahu faces when a major employer, whether it be the
21 Aloha Airlines issue, the Superferry issue, the ATA
22 issue, have, on front page, news stories.

23 For Lanai, you know, we basically have one
24 major employer. And we are going through our own
25 difficult times. And my understanding for Lanai is that

1 we have about, approximately, 40 people that ride our
2 Expedition transportation mode as a way of getting to
3 and from work and residence.

4 So regarding this consideration today, it was
5 my hope to bring up -- and I thank Mr. Mateo for
6 speaking in the greater picture -- that while Molokai
7 does have its issues, I've -- I will state for the
8 record, Lanai has our issues -- our own issues, also,
9 regarding transportation and costs. So why aren't we
10 part of the proposed consideration?

11 Why is it such a narrow focus?

12 We don't make the papers enough, so it's not
13 politically payoff enough that you gonna have enough
14 benefit from a news story?

15 That's not good enough for me, Mr. Chairman.

16 And our people have been very patient,
17 understanding. They've supported me in doing it my way.
18 But I think this is the time that I will speak up and
19 say that I think this proposal needs to be expanded, if
20 it moves forward.

21 I have no issues of trying to support our
22 Molokai friends and colleagues there, but I will say
23 don't forget Lanai. We have the same issues. We have
24 to deal with the increase of Expeditions' PUC
25 consideration of rate increases, also.

1 I can tell you I am just so proud of our
2 community back there. They support the rate increase,
3 because they want the option to continue to be present
4 as another mode of transportation. And Expeditions has
5 been very good to Lanaians with their increase of fleet,
6 increase of capacity, their support of our seniors and
7 our youth to travel to Maui Island and back home. So I
8 will state that.

9 But I think one of my recommendations,
10 Chairman, is that we need to make the employers file for
11 that federal benefit so that we can reduce the need that
12 we pay from our pot to be able to increase either the
13 length of time we can provide some type of support or
14 increase the amount of people that can participate from
15 the County support.

16 I think part of legislation should be we
17 require the employers to go after that federal tax
18 benefit. It's there, and I think we need to make it
19 part of the requirements of this legislation.

20 I've had a chance to talk to Mr. Medeiros.
21 And he had some familiarity with this -- that federal
22 benefit. And I -- and I am hoping that he will help us
23 find a way of making that part of the solution to this
24 proposal.

25 But at this afternoon, Mr. Chairman, I am

1 hoping that the Committee will grant my request to
2 expand the consideration, if possible. And if
3 Mr. Medeiros needs some time to try and work out the
4 calculations, and if Mr. Baz find ways of how we going
5 to be able to do the reimbursement to also include
6 Lanai.

7 And, again, Mr. Chairman, since I am speaking
8 about fairness, if it comes, portions of this island,
9 also, that could benefit or qualify from this
10 consideration, then I have no problem of even expanding
11 it in parts of this island.

12 We are one county made up of three major
13 sister islands. So we are one family. And I am hoping
14 that, if not at this meeting, we can move it forward at
15 the very next meeting, because I would like to see this
16 move forward. But I would like to have it be a big
17 picture, comprehensive approach, in a narrow
18 perspective.

19 Thank you.

20 CHAIR PONTANILLA: Thank you, Mr. Hokama.
21 Point well taken.

22 Question from the Chair, though.

23 You say 40 employees that commute from Lanai
24 to Maui?

25 VICE-CHAIR HOKAMA: That was my understanding

1 from the community a couple weeks ago when I made them
2 aware that we were being presented with a consideration
3 for Molokai.

4 And, again, you know, Mr. Medeiros was with me
5 when we were able to celebrate the newly-constructed
6 improvements at Manele Small Boat Harbor where
7 Expeditions uses as the base for Lanai operations. So
8 the facility is there, the operator's there. The
9 community supports the rate increase before the PUC,
10 knowing that we want to maintain this major
11 transportation link.

12 We all know we have major air transportation
13 issues on that island. I wish I had daily flights like
14 Mr. Mateo, but there is no direct flights from Maui to
15 Lanai or Lanai to Maui. It is a difficult mode of
16 transportation here. And so for me, maintaining and
17 supporting this sea option is a critical priority for
18 me, Mr. Chairman.

19 And my understanding from the community, it's
20 about 40 employees that commute regularly on
21 Expeditions.

22 CHAIR PONTANILLA: Thank you.

23 I don't know. In regards to the rate
24 increase, has that been approved by the Public
25 Utilities --

1 VICE-CHAIR HOKAMA: Not at this time -- to my
2 understanding, it has not been approved yet, but we have
3 -- but the community has turned in supportive testimony.
4 And I mention it to the PUC commissioners, Chairman
5 Calibuso, that I am also supportive. What they're also
6 asking, as I understand it, \$5 increase per -- per --
7 per way or -- so round trip would be \$10.

8 But again, they've held the rates very, very
9 long at the existing rate structure. And, again, they
10 have been an excellent supporter of the Lanai community.
11 And now Lanai community wants to support its service
12 provider.

13 Thank you.

14 CHAIR PONTANILLA: Thank you.

15 I agree with you that the Expedition has been
16 very generous.

17 Member Mateo, followed by Member Johnson.

18 COUNCILMEMBER MATEO: Yeah. Chairman, I will
19 yield to Member Johnson.

20 CHAIR PONTANILLA: Thank you.

21 Member Johnson?

22 COUNCILMEMBER JOHNSON: Yes. With regard to
23 the issue that was raised with one of the testifiers
24 about employers being able to apply for money to
25 subsidize transportation for their employees, has this

1 been one of the areas that we, as a County, have made a
2 concerted effort to make employers aware that these
3 options are available to help us during these really
4 tough times financially, so that, you know, if all the
5 money is not coming out of our pocket, at least it's
6 coming out of the available funds at the federal level?

7 MR. MEDEIROS: Yes, we have. We've talked
8 about it over the years. And as we've -- as the numbers
9 have grown over this last six months or so, we mentioned
10 it again. And I think that's why, when you had the
11 manager, he says they were sort of looking at it.
12 Because the numbers have changed. They have
13 significantly increased in the amount of people that are
14 using it. And -- and the way the federal -- federal
15 subsidy works, you know, it's up to 65,000 -- \$65 for a
16 pass. And ours are only \$45.

17 COUNCILMEMBER JOHNSON: Uh-huh.

18 MR. MEDEIROS: So they are well within that
19 range. And ultimately, you would deduct it from your
20 income tax for that. So people are becoming more aware
21 of that. We keep -- we keep advising them of it.

22 COUNCILMEMBER JOHNSON: Yeah. And I think
23 that, you know, my concern is that -- and I have no
24 problem wanting to subsidize, you know, transportation,
25 assisting people to get to their jobs. But then one

1 could say, well, air transportation, because sometimes
2 that -- the schedule for the ferries are not really
3 accommodating to the individuals that want to get to the
4 island. And some people just don't travel well on sea.
5 So I guess we could say the same thing about people that
6 need to get to and from Molokai for their work. What do
7 we do about them? Because look at what's happened to
8 the airfares.

9 So I -- I really have a concern, though, where
10 if there is an avenue where we could free up some of the
11 dollars -- like, let's say, for example, Mr. Anderson
12 was helped through this process to access the funds or
13 whatever, so that they could then provide bus
14 transportation for their employees, by buying the bus
15 passes or whatever, then wouldn't that, I guess, in
16 terms of, I guess, dollars coming from whichever pot,
17 instead of it's always falling on the County of Maui. I
18 think that we all have to partner together. Because,
19 you know, I realize business is down, but, by the same
20 token, the burden should not be immediately shifted to
21 all the taxpayers when certain representations are made
22 during planning processes that we are doing this and we
23 are assisting our employees and we're providing
24 transportation. So you kind of understand where I'm
25 going, that the burden should not all be on the

1 taxpayers to offset some of these costs.

2 So do you have any comment about, you know,
3 just doing a little hand-holding? Or, you know, is that
4 not feasible?

5 MR. MEDEIROS: I understand -- I understand
6 what you're saying. And a lot of what we're attempting
7 to do is what has been discussed prior, and it's the
8 getting cars off the road with the idea of the cost of
9 building highways and the more highways you build, the
10 more cars you have. And to actually cut down on some of
11 the ozone layer and these various things that -- that
12 automobiles contribute to it. And so mass
13 transportation is generally accepted around the world as
14 a means to move people efficiently and inexpensively.

15 And, you know, I think we could make an
16 argument in any direction. I think that the fact of the
17 matter is that we're unique in that we are a tri-isle
18 county. Yes, we're unique that we're an island state
19 and people have to fly here. But from a County
20 perspective, these are our taxpayers that are using
21 these services, particularly the commuter. And
22 specifically the commuter service are -- all our folks
23 are doing it, are using it, whether they are going to
24 Lanai, Molokai, or jumping on a bus to West or South
25 Maui. It's not like we are subsidizing somebody else or

1 tourists for this service.

2 COUNCILMEMBER JOHNSON: Yeah. And -- and I --
3 I don't have a problem with the whole concept of
4 assisting during times of difficulty, because I know it
5 is a struggle for everyone. But I guess what I am
6 trying to say is that if we're going to look at the
7 ferry and whatever increase is there, that is, I guess,
8 a cost that would ordinarily be borne by the individual,
9 now we are going to pick up that difference.

10 If the entire -- let's say, a monthly pass was
11 -- I don't even know what a monthly pass is, but let's
12 say it's \$300. Maybe that's low. But if you buy that
13 pass, and if it's purchased by the employer to assist
14 the employees to get to and from work, because they need
15 their workforce, then if there is an avenue available
16 for them to subsidize not just the increase, but the
17 whole amount, what my question is, why are they not
18 doing it? What are we failing to do or what is there
19 that is an impediment to them utilizing that money that
20 is out there waiting for, you know, use? And why are we
21 now faced -- granted, the monies have become available
22 from dialysis, but why are we, I guess, being asked to
23 do what the employer right now may be able to do without
24 any subsidy from the County?

25 Do you understand what I am saying?

1 MR. MEDEIROS: Yes, I hear what you're saying.

2 And there are some hotels that were providing
3 a portion of it. And there are some hotels who were
4 paying for it all. And my understanding is that with
5 the downturn in the economy, the hotels are having a
6 tough time of it. And there are some things that they
7 can no longer pick up the costs for.

8 I -- I'm looking at it from the standpoint of
9 -- of what I said earlier and what we're looking at in
10 this whole Maui bus transportation option that we're
11 providing for the community. And that -- that's where
12 I'm coming from, that we've set this bus on a road, on a
13 route that we are following.

14 At some point, if we are going to change that
15 route, you know, we need to -- we need to discuss it at
16 appropriate time. I don't know if now is appropriate
17 time.

18 The concern that we had as an administration,
19 with the Molokai ferry, was all of the issues that were
20 arising, or, I should say, landing all at once.

21 There is, as we looked at it -- you know,
22 there appears to be enough money in this, if we're
23 talking about doing some subsidy for Lanai as well. If
24 we're gonna do -- try to be even about the whole thing
25 and the \$10 is the fee that we're using, then it -- it

1 looks to me, based on Chair Hokama's, you know, rough
2 stats that we have enough money to do both.

3 Frankly, I was focusing in on the need at
4 hand. And it -- we had this discussion. And what we
5 were trying to -- what I was trying to do is to get this
6 moved out as fast as possible, because this started in
7 June. So I wanted to stop the bleeding. And it's --
8 this is now September, you know.

9 So at this juncture, I don't see a problem
10 with it. And we -- we have a finite amount of money.
11 And if we run out of the money, it stops, unless this
12 body says differently.

13 But we could work -- although Molokai has a
14 very specific program, I know that Bill will be more
15 than happy to work with us to help the Lanai community
16 as well. It's just, you know, they're that kind of
17 people.

18 I don't really see a problem with it at this
19 point other than somebody making a motion and putting
20 that in there, and then we will move it in that
21 direction.

22 COUNCILMEMBER JOHNSON: Yeah. I -- I'm not
23 saying that we have a problem, but I am just curious as
24 to if there have been these options which were alluded
25 to by Council Chair Hokama with regard to the subsidy.

1 Obviously, any help that we can give is going to be
2 appreciated. The \$10 difference, yeah, that's
3 appreciated. But what I am looking at is if the base
4 fare is also a problem right now for the employees to
5 even manage because other costs have gone so far, you
6 know, up, their food, you know, other things once they
7 are on Lanai or Molokai -- what I am looking at is
8 something meaningful. And if we can cooperate with the
9 employers to provide substantial relief, then that's
10 what, I guess, my direction would be. So that if there
11 is any way that we can relieve -- relieve even the base
12 cost. If the employers -- if it's not available to them
13 through federal funding for reimbursement, that's
14 another matter. But I -- you kind of understand where I
15 am going?

16 MR. MEDEIROS: Maybe if I could --

17 CHAIR PONTANILLA: Excuse me.

18 MR. MEDEIROS: Yeah. I'm sorry.

19 CHAIR PONTANILLA: Yeah, before you go into
20 this lengthy debate that's going back and forth, I got a
21 question.

22 As far as employers here on Maui, they have
23 workers on different islands, are they aware of a grant
24 that they can apply for, for transportation, like Member
25 Hokama has indicated? And how do we -- how do we

1 communicate that to employers?

2 MR. MEDEIROS: What the Federal Government
3 offers is commuter -- is -- is assistance with commuter
4 transportation. And the way that works is you -- you --
5 they allot a maximum of \$65 a month. You -- you apply
6 for it as an individual via your income taxes. So
7 you're -- you're probably getting a third of it -- of it
8 back.

9 And that's how it would work with a -- with a
10 business. If they -- if they paid 100 percent of their
11 employees, they would have to do it based on their
12 income taxes and they would be given a portion, some
13 sort of a portion of that. It's not huge until the
14 numbers get there.

15 So being that we have been constantly growing,
16 this -- it's -- and it's only been within the last six,
17 seven months that this ridership has got to go. So I
18 think we just need to give this baby a little more time
19 to start the walking phase.

20 CHAIR PONTANILLA: Thank you.

21 COUNCILMEMBER JOHNSON: Yeah. And thank you
22 for making that point, because that's basically what I
23 was asking about, what is the level of understanding and
24 what are the subsidies. So I think that anything we can
25 do to make the employers, who are also facing these

1 crunches, if they are still providing -- and I believe
2 there are some employers in West Maui that I am aware of
3 that are still providing these benefits.

4 MR. MEDEIROS: Yes.

5 COUNCILMEMBER JOHNSON: If they are not taking
6 advantage of it, they should be.

7 MR. MEDEIROS: Yeah.

8 COUNCILMEMBER JOHNSON: So anything we can do
9 to help. And even the base rates for these individuals,
10 not just the increase.

11 These people are really, you know -- well,
12 everybody is getting jammed, you know. And after today,
13 I'm sure we're going to hear more horror stories.

14 Thank you, Mr. Chair.

15 CHAIR PONTANILLA: Thank you.

16 Member Baisa?

17 COUNCILMEMBER BAISA: Thank you, Chair.

18 I have been listening to the debate. And, you
19 know, it's a debate that we have every time that we
20 decide to do any kind of subsidy for any group. There
21 is always the discussion of is it fair and who is
22 getting and who is not getting and why are we doing it.

23 For me, it's been kind of really difficult to
24 watch what is happening on Molokai. It's just like it
25 started with a trickle and it turned into a storm of

1 events that have hit that island one after the other.
2 And the people there are suffering.

3 And I think it's very fortuitous that MEO had
4 applied for both a State grant and a County grant. And,
5 of course, this is very good planning because sometimes
6 you get lucky and you get both, and sometimes you get
7 none, and sometimes you get one and not the other. So
8 it's fortuitous that, you know, this money is coming
9 from the State now, so it frees up this additional
10 money. And then, of course, the discussion about what
11 to do with it.

12 I am looking at the budget that was a part of
13 what was submitted. And it appears that there may be
14 about \$45,000 which will not be expended on the proposed
15 program. And I think that would give an opportunity to
16 also plan to do something for Lanai.

17 The good part about Lanai is that the fares
18 are less than they are to Molokai. And I'm very much
19 aware of it because, recently, I tried to take a trip to
20 Molokai on the ferry, and they quoted me \$136.80. And I
21 can ride on the -- on the Expedition on a senior rate
22 for like, I think, \$20 or \$25, or something. I mean,
23 the Lanai ferry, thank goodness, has not really jumped
24 their rates. But they are going to.

25 And so maybe we can stretch this, you know,

1 almost \$50,000 to help the folks on Lanai, too.
2 Although, the adult fares, the regular adult fares --
3 and I don't know about commuter fares -- but a regular
4 adult fare is \$50. So I think there's room to work on
5 both things. And I think we should try to work on both
6 things, in fairness. And I have no problem with it.

7 But, for now, I'm very interested in
8 supporting this program for Molokai.

9 CHAIR PONTANILLA: Thank you.

10 Mr. Mateo?

11 COUNCILMEMBER MATEO: Chairman, thank you.

12 And I guess -- you know, I guess I need to
13 clarify that, five and-a-half months ago, this whole
14 issue started out of my office. And it started from me,
15 not the Administration, because I was receiving the
16 considerations, the petitions, the letters, the phone
17 calls and everything, both from my community and
18 concerns from the Maui hotels as well as the ferry boat.
19 So, you know, my consideration was to take a look at how
20 and what I could do to find additional funds to take
21 care of meeting our community's needs. That was why
22 this whole thing was based on Molokai, because I had not
23 considered looking or considering or understanding the
24 problems that Lanai was also experiencing, because I
25 don't know their numbers.

1 So this is why this whole summation is based
2 on taking care of the Molokai commuter.

3 So I just need to have that understood because
4 nothing -- it was never intended to just go after
5 funding just for one particular source and think that we
6 are going to satisfy the needs. So, yes, there's room
7 for expansions. I believe that we have enough available
8 to assist both communities.

9 And, you know, I don't know what it takes in
10 terms of the kind of required paperwork to do the
11 adjustments, so make it inclusive of both Molokai and
12 Lanai. But whatever -- you know, whatever it takes, I
13 think I'd like, really, to see it expedited so we can.

14 It's been months already since June that the
15 initial problem had arisen for us. And I would like it
16 to be resolved as soon as possible.

17 And to kind of respond to some of Ms. --
18 Ms. Johnson's concern about, you know, air versus boat
19 and availability and making funds available, one has to
20 understand that this ongoing process for the Molokai
21 Princess is over a 20-year process. And when it
22 initially began, we were getting -- we were getting
23 subsidies from the State. And in addition to State
24 subsidies, the local employers on Maui also paid a
25 segment of what the employee had to pay, and the

1 employee also contributed. There were adequate funds.

2 The Molokai Princess, since 1999, has been
3 charging our Molokai commuters \$15 round trip a day.
4 That is to help our economics on our community, to help
5 our people to secure employment. So something like
6 this, to me, was something that I felt was way overdue,
7 something I had to do to help our community. And the
8 funds had become available. And I am not ashamed to say
9 I went after it with a passion. And I will continue to
10 do it because that was the right thing to do.

11 So now that we know we have funds available,
12 let us work together and try to see how Lanai and
13 Molokai's needs can be joined. Because this is a
14 resource that, you know, we can take care of both needs
15 of both communities.

16 Thank you, Chairman.

17 CHAIR PONTANILLA: Thank you, Mr. Mateo.

18 Mr. Molina?

19 COUNCILMEMBER MOLINA: Yeah. Thank you,
20 Chairman.

21 Good afternoon, Mr. Medeiros and Mr. Baz.

22 Just so we get a -- all of us get a full
23 understanding of this, this -- the target group for this
24 benefit or subsidy will be hotel workers, or is it just
25 anybody who is working full-time on Maui County?

1 MR. MEDEIROS: It would be a commuter, a
2 regular commuter, a person --

3 COUNCILMEMBER MOLINA: Any industry -- they
4 can work in any industry?

5 MR. MEDEIROS: Yeah, it doesn't matter.

6 COUNCILMEMBER MOLINA: Okay. That was my
7 initial question. So -- and this will be someone who
8 wants to work full-time here on Maui or just a
9 part-time --

10 MR. MEDEIROS: A -- a commuter is a person
11 that would travel every day. In the case of Sea Link,
12 it's a person that travels a minimum of four days a
13 week.

14 COUNCILMEMBER MOLINA: Uh-huh. Okay. You
15 know, Mr. Mateo mentioned the hotel industry. So you --
16 they were brought to the table in discussions with you
17 as well? Because they would seem to be the largest, I
18 guess, or have the most people commuting here. What
19 involvement did they have with the County on this?

20 MR. MEDEIROS: For this proposal?

21 COUNCILMEMBER MOLINA: Uh-huh.

22 MR. MEDEIROS: Just the letters that we
23 received from several of the hotel managers and -- and a
24 petition that we got from the folks, and then the
25 discussion with Member Mateo.

1 COUNCILMEMBER MOLINA: Uh-huh. But no
2 representation from the higher-ups in, say, the Hawaii
3 Visitor's Bureau, Hawaii Tourism Authority?

4 MR. MEDEIROS: No.

5 COUNCILMEMBER MOLINA: Okay. Because I would
6 like to see more involvement from that sector as well
7 because, you know, as you said, there's only a finite
8 amount of money here. We don't know how long it's going
9 to last. But being that we subsidize, for example, the
10 Hawaii Visitor's Bureau, I would hope that, in the
11 future, they get a little bit more involved because the
12 visitor industry is -- along with even the construction
13 industry, are two of the biggest employers in our County
14 or throughout the State. So, however, you know, we
15 don't know how long this economic crisis will last, but
16 I would like to see, you know, those folks as well as
17 maybe even people from the construction industry get
18 involved in providing some additional support for our
19 folks from Molokai and Lanai.

20 Thank you.

21 CHAIR PONTANILLA: Thank you.

22 The Chair is gonna take a mid-afternoon
23 recess. And during the recess, I'll confer with
24 Transportation Department.

25 Just for your information, Members, I'd just

1 like to thank Mr. Anderson for sending a letter to me in
2 regards to transportation needs for the workers on
3 Molokai. He had a concern. And, you know, with that
4 letter I forwarded to the Department of Transportation.

5 The Chair is gonna call for a ten-minute
6 recess, and we'll return at 3:20. This meeting is in
7 recess. ...(gavel)...

8 RECESS: 3:08 p.m.

9 RECONVENE: 3:23 p.m.

10 CHAIR PONTANILLA: ...(gavel)...The Budget and
11 Finance Committee meeting is now reconvened.

12 Members, thank you for that afternoon break.

13 I know we had a lot of discussion in regards
14 to this particular item. Members, any more questions
15 for the Department at this time, before the Chair makes
16 his recommendation?

17 COUNCILMEMBER BAISA: Recommendation.

18 CHAIR PONTANILLA: You guys so anxious.

19 The -- the Chair's recommendation is for the
20 passage of the proposed bill, "A Bill for an Ordinance
21 Amending the Fiscal Year 2009 Budget for the County of
22 Maui as it Pertains to the Department of
23 Transportation," on first reading, and the filing of the
24 County Communication No. 08-191.

25 COUNCILMEMBER VICTORINO: So move.

1 COUNCILMEMBER ANDERSON: Second.

2 CHAIR PONTANILLA: Moved by Member Victorino,
3 second by Member Anderson.

4 Members, any more discussion?

5 VICE-CHAIR HOKAMA: Chairman.

6 CHAIR PONTANILLA: Member Hokama, followed by
7 Member Anderson.

8 VICE-CHAIR HOKAMA: Chairman, I would ask that
9 you direct your staff, whether it be prior to first
10 reading -- I would be more comfortable with a proviso of
11 the specific details like -- and direction of
12 expenditure.

13 This County will not have this type of benefit
14 next budget year. If anybody can read the market, we
15 are going into a strong bear position. And the County
16 won't have the luxury of all of this discretionary
17 spending.

18 And I would also request a proviso to direct
19 that any employer whose employees participate in this go
20 and file for that federal support. It's already
21 budgeted and provided for at the federal level.

22 If the private sector cannot utilize the tools
23 available to them, don't expect the County to do all of
24 the financial support. I expect the employers to do
25 their fair share.

1 And I think, whether it be Mr. Moto or
2 Mr. Medeiros, for some of the employers, they better
3 check their conditions of approval regarding mitigation
4 of impacts to the community. Because this may be one of
5 the areas that as employers and as the beneficiary of
6 the developer are required to mitigate those unforeseen
7 requirements. And I think this is one of the areas.

8 So whether the Planning Commission review it
9 through SMA approvals or conditions of zoning, I want to
10 make sure that our taxpayers are protected from
11 unnecessary expenses that they bear the brunt of the
12 burden to pay for.

13 Thank you, Chairman.

14 CHAIR PONTANILLA: Thank you.

15 Member Anderson, followed by Member Mateo.

16 COUNCILMEMBER ANDERSON: Thank you,

17 Mr. Chairman.

18 I am happy to support this request. I do
19 agree with Chair Hokama that we -- we need to have
20 employers looking for federal subsidies. We should be
21 utilizing any federal dollars that we can possibly get.
22 I am sure there are going to be lots of competition out
23 there in the coming months and years, unfortunately, for
24 any kind of additional money that localities can bring
25 in.

1 But, you know, we subsidize -- as a County, we
2 subsidize the bus system right now to a large extent.
3 And the purpose of that system is to assist working
4 commuters. So I think it's only fair that we extend
5 that same kind of subsidy and assistance to the workers
6 on Molokai who are coming to Maui to work.

7 And I, for one, have to give, you know, all
8 kinds of credit and admiration for someone who is
9 willing to get up and be at a ferry at 5:00 a.m. in the
10 morning, for an hour and-a-half trip on the ocean, to
11 work a full day, and then do the same thing to get home.
12 I mean, that is what I call a dedicated worker. And I
13 certainly think anything we can do to help keep those
14 people on Molokai employed that we should extend that --
15 that help.

16 Thank you.

17 CHAIR PONTANILLA: Thank you, Member Anderson.
18 Member Mateo.

19 COUNCILMEMBER MATEO: Chairman, thank you.

20 And just a question whether the Chair
21 considered the inclusion of Lanai as well and whether a
22 proviso had been considered?

23 CHAIR PONTANILLA: The monies that are
24 available for both Molokai and Lanai. But I would like
25 to ask Mr. Moto for his opinion, the way the bill is

1 written, that the dollar amount could be utilized
2 for either/or, or both islands.

3 MR. MOTO: Mr. Chairman, good afternoon.

4 The way the budget is already drafted, given
5 the categories, the grant categories to Maui Economic
6 Opportunity, they are written rather broadly. And so
7 the bill as it is currently written would allow the
8 Department of Transportation to develop grant programs
9 to MEO for the Lanai and Molokai ferry services.

10 And I would also add that, I guess
11 traditionally, the other kinds of transportation service
12 programs that are funded under these -- the -- for
13 approximately four and-a-half million dollars where the
14 grants are not individually specified.

15 Having said that, however you wish, the
16 Committee could break out these programs with greater
17 specificity if you wanted.

18 CHAIR PONTANILLA: Thank you.

19 COUNCILMEMBER MATEO: Okay. Perhaps,
20 Chairman --I will gladly support the Chairman's
21 recommendation at this point. However, do I believe
22 that I will be working with Mr. Hokama to see and
23 discuss the potential of proviso at a later date, so we
24 -- we're assured that we -- we are attempting to provide
25 the most service to both rural communities.

1 VICE-CHAIR HOKAMA: Islands, yeah.

2 COUNCILMEMBER MATEO: Thank you, Chairman.

3 CHAIR PONTANILLA: Thank you.

4 In that case, you know -- well, what you just
5 explained, it's going to be difficult if you put a
6 dollar amount, just a proviso for either/or, or both
7 islands.

8 Member Molina.

9 COUNCILMEMBER MOLINA: Thank you Mr. Chairman.

10 I would like to request from, I guess,
11 Mr. Medeiros and the Department, if they could provide
12 us a -- a status report, assuming this passes. And just
13 so the Committee -- or Council can be updated with
14 the --

15 CHAIR PONTANILLA: Status?

16 COUNCILMEMBER MOLINA: Yeah, as far as the
17 monies expended, how much is left, so on and so forth.

18 VICE-CHAIR HOKAMA: A monthly report.

19 CHAIR PONTANILLA: Monthly report?

20 VICE-CHAIR HOKAMA: Quarterly.

21 CHAIR PONTANILLA: Quarterly report.

22 VICE-CHAIR HOKAMA: Quarterly.

23 CHAIR PONTANILLA: Okay, fine.

24 The other question that I have -- this is for
25 Mr. Moto -- can we proviso an employer to do what has

1 been requested by Member Hokama?

2 MR. MOTO: You know, Mr. Chairman, I am not
3 familiar enough with the workings of that tax credit
4 program, if in fact it is a tax credit, to know exactly
5 -- I -- I'm not sure in my mind who -- who applies for
6 that credit, whether it's an employer or whether it's an
7 individual who is incurring commuting expenses.

8 So I am really at a disadvantage. I can't
9 answer the details of that question.

10 CHAIR PONTANILLA: Mr. Hokama, can you provide
11 us with information?

12 VICE-CHAIR HOKAMA: In my conversation with
13 the Administrator from FTA, Federal Transit Authority,
14 the Administrator mentioned that it is an employer
15 benefit that they provide to their employees. So the
16 employer would file for the federal support,
17 Mr. Chairman. Unless Mr. Medeiros knows of another
18 variation to that, that was my understanding from the
19 Administrator.

20 CHAIR PONTANILLA: Mr. Medeiros?

21 MR. MEDEIROS: It applies to the employee,
22 too, if they wish. It all depends who is paying the
23 bill, who is paying for the commuter service.

24 CHAIR PONTANILLA: Okay. Thank you.

25 So employers and employees are very aware

1 of -- Mr. Medeiros, are they very aware of this program?
2 Or do we need to communicate with --

3 MR. MEDEIROS: We --

4 CHAIR PONTANILLA: -- employers and employees?

5 MR. MEDEIROS: We have been communicating it
6 to the employers. And I think they're -- you know,
7 they're starting to look at that now that there are some
8 -- the numbers have increased significantly.

9 And it's -- and a part of the -- it's -- it's
10 to their benefit to help to retain good employees. It
11 costs a lot to train somebody.

12 And I will be more than happy to include that
13 sort of information on our County website. We could
14 include that sort of thing. And I will be glad to do
15 it.

16 CHAIR PONTANILLA: Thank you.

17 Members, any more discussion?

18 MR. TAGUCHI: Chairman Pontanilla?

19 CHAIR PONTANILLA: Member Johnson before
20 Mr. Taguchi.

21 COUNCILMEMBER JOHNSON: All I wanted to do was
22 to, I guess, chime in with what Chair Hokama had
23 mentioned. I would hope that before this comes -- you
24 know, assuming that it passes out today, that when it
25 comes before the first reading of the Council that we

1 would have an opportunity to check with Planning.
2 Because there are Special Management Area requirements
3 for -- I am not saying all, but some of the recent ones,
4 where there's zero impact on the transportation, and
5 representations and conditions were added in that
6 assumed that these transportation needs were going to be
7 provided by the employers. I mean, that's a part of
8 their application. So I think it's important for us to
9 know, and at least have the assurance, that they are
10 holding up their end of the bargain if we are willing to
11 hold up ours.

12 So I -- I just think it really bears further
13 checking. And I would hope that information from
14 Planning, at least on, you know, some of the hotel
15 properties would be made available.

16 Thank you.

17 CHAIR PONTANILLA: Thank you.

18 Mr. Taguchi?

19 MR. TAGUCHI: Member Pontanilla -- Chair
20 Pontanilla, Staff just wants to reconfirm that the
21 motion on the floor is to pass the proposed bill as is,
22 and, subsequently, after it passes out and moves on to
23 the full Council, there will be, I guess, proposed
24 revisions to the bill on the floor of the Council?

25 CHAIR PONTANILLA: That's my understanding, a

1 proposed amendment to the bill in regards to the proviso
2 that Mr. Mateo had indicated.

3 MR. TAGUCHI: Thank you.

4 CHAIR PONTANILLA: Member Hokama?

5 VICE-CHAIR HOKAMA: Chair, and quickly for
6 second and final opportunity to speak on the motion,
7 that was my intention, for clarification to the staff,
8 that you would take the Committee's comments as part of
9 the Chair's recommendation when it reaches Council,
10 that, as the Chairman of this Committee, you would be
11 willing to support those revisions or additions to the
12 legislation for consideration by the full Council body.

13 But, finally, Mr. Chairman, I would just like
14 to say for the record at this time I thank my colleague,
15 Mr. Mateo of Molokai, for his doggedness in being a
16 continued strong advocate, primarily, first, his
17 priority, his home district of Molokai, but, also, for
18 the other residents of the County that are able to
19 benefit from this type of consideration.

20 So I just say to Mr. Mateo, from those of us
21 on Lanai, we thank you very much for your advocacy.

22 CHAIR PONTANILLA: Thank you.

23 Any more discussion, Members?

24 COUNCILMEMBER ANDERSON: Just one comment.

25 CHAIR PONTANILLA: Member Anderson.

1 COUNCILMEMBER ANDERSON: If I could.
2 You know, I'd like to also thank the -- the
3 working commuters that are willing to come from Molokai
4 four days a week. Because, you know, it's because of
5 them that the rest of us have the service of the ferry,
6 because they are the bread and butter that keeps that
7 ferry alive. And, you know, the rest of us can take
8 advantage of it when we want to go for a pleasurable
9 trip. So just thank you to all of you that -- that use
10 that ferry on a regular basis and are so seaworthy that
11 you can manage it, so -- you know, I just think it's
12 incredible that people are willing to do that. So thank
13 you.

14 CHAIR PONTANILLA: Thank you.

15 Mr. Victorino?

16 COUNCILMEMBER VICTORINO: Thank you,
17 Mr. Chair.

18 And there's another segment and a huge segment
19 of our community that uses these forms of transportation
20 which we've not discussed, and that's our youth.
21 Because, you know, the MIL right now has a budget that
22 equals the entire ILH and OIA budget for transportation.
23 Many of you don't understand it. We spend more money in
24 just regular season travel than the ILH and the OIA put
25 together. Two small schools spend more money, and

1 including the rest of the MIL, to play
2 interscholastically, academically, and other scholastic
3 events for which these two forms of transportation are
4 the only affordable way of moving people. The only
5 affordable way to move people.

6 So without these forms of transportation, not
7 only would workers be displaced, our youngsters would be
8 eliminated from participating in many activities, both
9 scholastically, athletically, and otherwise.

10 And when I say youths, I am talking Little
11 League, I am talking Pop Warner, I am inclusive of
12 everything. Because if you watch, that's where the kids
13 travel through, because they can't afford airline
14 tickets.

15 So we -- we can say what we want here, but
16 these communities deserve all the help we can.

17 And I hope the employers will -- are listening
18 today, including Mr. Anderson who can pass the word on
19 to the rest of the industry, that whatever credits,
20 subsidies, whatever you guys can get, help yourself help
21 us to continue helping these communities. Because if
22 they get cut off, our kupunas, all of this, pau, that's
23 it.

24 Do you think we could have a Senior Day and
25 bring all the seniors from Lanai and Molokai via air?

1 First of all, you are not going to have as many seats.
2 And, secondly, it would be cost-prohibitive.

3 So I want to thank those two industries, both
4 the Molokai Princess and the Lanai -- I mean,
5 Expedition, Lahaina Expedition, for all their continued
6 support.

7 And Expeditions even expanded to go into
8 Maalaea now. And you're keenly aware of it because you
9 just recently -- you and a couple Members used it out of
10 Maalaea.

11 So I think we've got a good thing here. We've
12 got to put all our effort and support, and I hope the
13 private sector puts their efforts and support, behind of
14 it. Because we lose -- they lose good people, we lose a
15 form of transportation and we further isolate our fellow
16 communities that should not, will not and cannot be
17 eliminated -- cannot be isolated from us.

18 Thank you, Mr. Chair.

19 CHAIR PONTANILLA: Thank you.

20 Members, any more discussion?

21 Member Johnson?

22 COUNCILMEMBER JOHNSON: And this is not a
23 comment, but I just have one question for clarification.

24 If someone has a commuter ticket and maybe
25 they are having to go for medical -- medical purposes,

1 on a regular basis, they would also be eligible for this
2 if they're not an employee?

3 MR. MEDEIROS: Huh-uh.

4 COUNCILMEMBER JOHNSON: So, in other words, if
5 somebody is going back and forth for medical reasons and
6 they have a commuter ticket, they would be eligible?

7 MR. MEDEIROS: According to Sea Link, if they
8 are going to be picking up a pass, a commuter pass,
9 that's going to -- that they're going to be riding the
10 ferry four days a -- a minimum of four days a week,
11 yeah.

12 COUNCILMEMBER JOHNSON: Okay.

13 MR. MEDEIROS: I mean, maybe the person is
14 coming in for radiation.

15 COUNCILMEMBER JOHNSON: Yeah. Yeah. I just
16 wanted to make sure because --

17 MR. MEDEIROS: Yes.

18 COUNCILMEMBER JOHNSON: -- we're talking about
19 employees and other things. But I --

20 MR. MEDEIROS: Generally, that's what it is.

21 COUNCILMEMBER JOHNSON: Yeah. Okay. Thank
22 you very much.

23 CHAIR PONTANILLA: Thank you.

24 Any more discussion?

25 If not, the Chair would just like to recognize

1 Mr. Anderson for dogging us in regards to the employees
2 that work at his hotel. Thank you for the
3 communication.

4 All in favor of the motion please say "aye."
5 (A chorus of ayes.)

6 CHAIR PONTANILLA: Any opposed?
7 (Silence.)

8 CHAIR PONTANILLA: Seeing none.

9 Motion is carried with eight ayes; and one
10 excused, Mr. Medeiros.

11 Thank you very much.

12 VOTE: AYES: Councilmember Anderson, Baisa,
13 Johnson, Mateo, Molina, Victorino,
14 Vice-Chair Hokama, and Chair
15 Pontanilla.

16 NOES: None.

17 ABSTAIN: None.

18 ABSENT: None.

19 EXC.: Councilmember Medeiros.

20 MOTION CARRIED.

21 ACTION: FIRST READING of proposed bill; and
22 FILING of communication.

23 ITEM NO. 120: AMENDING THE FY 2009 BUDGET (DEPARTMENT
24 OF ENVIRONMENTAL MANAGEMENT)
25 (C.C. No. 08-204)

1 CHAIR PONTANILLA: Okay. Members, the last
2 item, BF-120, amending the Fiscal Year 2009 Budget,
3 Department of Environmental Management, regarding a
4 proposed bill to recognize additional carryover savings
5 in the Solid Waste Management Fund of \$475,000 to
6 provide funds for the Molokai Solid Waste Facility.

7 I was going to call on the Department, but I'm
8 not seeing -- they are outside?

9 Joining us are Director Okuma, and the Solid
10 Waste Chief, Mr. Takamine.

11 At this time, Director.

12 MS. OKUMA: Thank you.

13 Good afternoon, Committee Chair, Committee
14 Members.

15 We're here before you today to request a
16 budget amendment. And this involves a Molokai Capital
17 Improvement Project which is tied to our metals -- our
18 interim plan for metals removal there at the landfill.

19 This Council had approved this amount of
20 monies as being operating funds. However, we are
21 informed that this is a capital improvement project and
22 so the funding should really be CIP. And so our
23 request, basically, is to amend the budget to approve
24 this funding because it is a CIP project.

25 But perhaps as a matter of background, we had

1 recently received the State Department of Health
2 approval for permission to be able to accept scrap metal
3 at the landfill. We couldn't accept it after Schnitzer
4 had basically cleaned up the landfill last year. And in
5 order for us to accept it, it was required that
6 Department of Health approve our plan.

7 So what we do have is an interim plan with
8 about 38 conditions. Some are conditions that have been
9 attached to this permission. And part of that involves
10 this particular CIP project, which is, basically, the
11 required concrete slab as required by Department of
12 Health for environmental purposes.

13 We are also in the process of preparing and
14 submitting a permanent plan. And we are to get that to
15 Department of Health within 180 days. I believe that
16 takes us to the end of the year.

17 So we are in that process as well to,
18 basically, put together our permanent plan for approval
19 by Department of Health. And then that will be part of
20 the overall operating permit for this particular
21 landfill.

22 CHAIR PONTANILLA: Thank you.

23 Members, any questions for the Department at
24 this time?

25 Member Mateo?

1 COUNCILMEMBER MATEO: Chairman, thank you.

2 Madam Director, the 180 days in developing
3 your permanent plan, is that permanent plan inclusive of
4 our community's ability to have our commercial people
5 drop their vehicles and tires, et cetera, at our
6 landfill?

7 MS. OKUMA: We have been in discussions on
8 that particular point. And because our first objective
9 was to address what was being brought in by residential
10 and because of our concerns that we needed to get any
11 kind of permission, permission from Department of
12 Health, for any kind of acceptance -- in this case
13 residential -- we were not dealing at that particular
14 time with commercial.

15 But we are in discussions within the
16 Department and the Division right now and we would hope
17 that, by the end of this fiscal year, we will have
18 enough experience, information and data in order to
19 address the commercial.

20 I don't know how far we will get by the end of
21 the year on the commercial. However, to the extent
22 possible, Council Member, we are looking at having some
23 way to address the commercial by the end of this fiscal
24 year.

25 COUNCILMEMBER MATEO: By the end of this

1 fiscal year, Madam Director, I do not know what our
2 community is going to do in being able to discard their
3 rates -- their waste. And at this point I don't -- I
4 haven't heard from the County in terms of what kind of
5 assistance.

6 I have been told by your director that it is
7 not the County's responsibility, but when an island
8 community has just one landfill, no vendors to provide
9 the removal of waste, then I don't know -- I don't know
10 what we doing. Because this is our only means of
11 expediting it out of our community.

12 And the terminology of your permanent plan
13 scares me because your plan is not inclusive because it
14 had not addressed our community's need.

15 MS. OKUMA: Well, part of -- part of the
16 difficulty is -- and I can appreciate your comment,
17 Council Member.

18 Again, I want to emphasize that we are
19 considering this particular issue as far as commercial.
20 But part of the discussion mayor -- that we need to
21 have, I believe, is a matter of policy. It has to do
22 with the question of how much do the -- do the payers,
23 the taxpayers, subsidize, for example, what is needed
24 for us to be able to address the commercial. Do we, for
25 example, need to be looking at rates for commercial

1 acceptance, you know, this kind of thing.

2 We don't have an answer to that right now at
3 this point. I think it's something we need to consider
4 and think about in terms of our various options. Also,
5 in terms how do we deal with the commercial to accept?

6 Right now, we are dealing with the
7 residential. And a lot is coming in. And bear in mind
8 that part of this is we are limited by the Department of
9 Health in terms of the number of vehicles we can accept
10 at any one time or have onsite at any one time, the
11 number of propane tanks that we can have onsite at any
12 one time, and the number of appliances. So we cannot
13 just open the doors and accept everything.

14 And we have to be able to work with the
15 contractor to -- so that the contractor is moving and
16 shipping these materials off. Because we can't just be
17 stockpiling beyond the numbers that Department of Health
18 has limited us to.

19 So there's a number of things that we do have
20 to consider. It's going to come at some cost, how is
21 that going to be addressed. And we may have -- we may
22 be coming back to the Council during this budget session
23 to discuss that very thing. So we do have to think
24 about that.

25 So that's -- this is why I say by the end of

1 this fiscal year is -- is the target to be able to
2 address this. And I am sure that this Council will need
3 to think about some things as well, because there will
4 be a cost attached to it. It will cost us something in
5 order to be able to do that activity.

6 COUNCILMEMBER MATEO: I understand the concept
7 of the additional costs. I just hope there was a
8 concept of a -- of a tangible plan to help in
9 recognizing the need for -- for the removal. And you
10 and I are going to go around in a circle, so I am not
11 even going to, you know, waste your time and waste my
12 time, other than -- because we've had this discussion
13 over and over and again. And the pad that is -- the
14 \$400,000 that is being requested to do the slab, to do
15 the breakdown of the vehicles, et cetera, is fine and
16 dandy, but it's not going to help our additional
17 problems. And it's going -- and it can in fact help to
18 create additional problems that include health problems.

19 Because I don't know where we're going to put
20 these tires, I don't know where we're going to store
21 these things, other than on the side of the road. And
22 at this point we don't even have a vendor to take away
23 the derelict vehicles that could end up on the side of
24 the road.

25 So, Mr. Chairman, I thank you very much for

1 the opportunity.

2 This problem is not being addressed for our
3 community. And I stand here very irritated with the
4 Department.

5 Thank you, Mr. Chairman.

6 CHAIR PONTANILLA: Thank you.

7 Members, any more question for the Department?

8 Member Hokama.

9 VICE-CHAIR HOKAMA: Chairman, just for
10 Mr. Pablo.

11 My understanding, Mr. Pablo, is that this is a
12 Special Fund reallocation, so this is Solid Waste
13 Management money. It is being put from operations to a
14 capital improvement project. This is no way for this
15 Committee to view this as a General Fund support. Is
16 that correct?

17 CHAIR PONTANILLA: Budget Director?

18 MR. PABLO: No. This is a Solid Waste
19 activity, so it would have to come from the Solid Waste
20 Fund.

21 VICE-CHAIR HOKAMA: Okay.

22 CHAIR PONTANILLA: Chairman Hokama.

23 VICE-CHAIR HOKAMA: So thank you for that
24 confirmation, Mr. Pablo.

25 Chairman, thank you so much.

1 CHAIR PONTANILLA: Thank you.

2 Members, any more questions for the
3 Department?

4 Seeing none.

5 Chair would like to make his recommendation.

6 COUNCILMEMBER VICTORINO: Recommendation.

7 CHAIR PONTANILLA: Thank you.

8 The Chair's recommendation is for passage of
9 the proposed bill, A Bill for an Ordinance Amending the
10 Fiscal Year 2009 Budget for the County of Maui as it
11 Pertains to Estimated Revenues, Department of
12 Environmental Management, Molokai Community Plan Area,
13 Total Capital Improvement Project Appropriations, and
14 Total Appropriations, Operating and Capital Improvement
15 Projects, and, also, to -- to file the County
16 Communication No. 08-204.

17 COUNCILMEMBER VICTORINO: So moved.

18 COUNCILMEMBER MATEO: Second.

19 CHAIR PONTANILLA: Thank you.

20 Any more discussion, Members?

21 COUNCILMEMBER VICTORINO: Mr. Chair?

22 CHAIR PONTANILLA: Member Victorino?

23 COUNCILMEMBER VICTORINO: I share the same
24 concerns Councilmember Mateo. And I think Ms. Okuma
25 understands. We've talked about this, also. And I

1 think it's unfair that an island like Molokai be stuck
2 with this problem. And so I hope there's some resolve
3 in the very near future.

4 I will -- I'll go with your reser -- I'll go
5 with your recommendation, but with reservations because
6 I think Molokai, right now, is not being treated fairly
7 in this area. And I hope some -- some major changes can
8 be forthcoming in the near future.

9 Thank you, Mr. Chair.

10 CHAIR PONTANILLA: Thank you.

11 Member Mateo?

12 COUNCILMEMBER MATEO: Chairman, I am
13 supporting this item because this is the -- this is in
14 order for -- this is a compliance issue for us at this
15 particular point in time. I believe that this
16 compliance issue is one that -- way overdue. As a
17 matter of fact, the Chairman is also aware of the --
18 this landfill's left-hand turn that has been not
19 completed for about a decade, and now it's getting
20 worked on and almost completed. So this is all part of
21 compliance.

22 And my only problem is in how long it's taking
23 us to be able to address the issues. And there's always
24 the -- there's always the consideration of it's gonna
25 cost us. Well, we're a small island community of 7,500

1 neighbors. And we -- and we are a part of the greater
2 County. And sometimes you have to overlook the fact
3 that 7,500 people cannot become our own county. Not
4 yet, anyhow. So -- unfortunately.

5 I'll support this project, Mr. Chairman. I
6 thank you for moving this -- moving this forward to --
7 to our attention. And at least we'll now be in
8 compliance with the Department of Health's requirements.

9 Thank you, Mr. Chair.

10 CHAIR PONTANILLA: Thank you.

11 Any more discussion, Members?

12 If not, all in favor of the motion please say
13 "aye."

14 (A chorus of ayes.)

15 CHAIR PONTANILLA: Any nays?

16 (Silence.)

17 CHAIR PONTANILLA: Seeing none.

18 Motion is carried with eight ayes; one
19 excused, Member Medeiros.

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1 VOTE: AYES: Councilmember Anderson, Baisa,
2 Johnson, Mateo, Molina, Victorino,
3 Vice-Chair Hokama, and Chair
4 Pontanilla.

5 NOES: None.

6 ABSTAIN: None.

7 ABSENT: None.

8 EXC.: Councilmember Medeiros.

9 MOTION CARRIED.

10 ACTION: FIRST READING of proposed bill; and
11 FILING of communication.

12 CHAIR PONTANILLA: And, Members, the Chair
13 would like to request your permission to make
14 nonsubstantive changes to the bill to incorporate any
15 pending legislation.

16 COUNCIL MEMBERS: No objections.

17 CHAIR PONTANILLA: Thank you.

18 Members, this conclude our agenda for this
19 afternoon. It was pretty long for three items, a lot of
20 discussion.

21 Is there any announcements that you wanna
22 make?

23 If not, the Budget and Finance Committee
24 meeting of September 15 is now adjourned. ...(gavel)...

25 ADJOURN: 3:53 p.m.

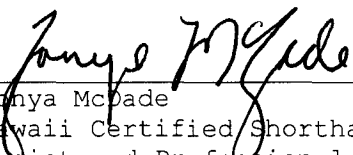
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CERTIFICATE

I, TONYA MCDADE, a Court Reporter of the State of Hawaii, do hereby certify that the electronically-recorded proceedings contained herein were taken by me in machine shorthand and thereafter was reduced to print by means of computer-aided transcription; that the foregoing represents, to the best of my ability, a true and accurate transcript of the electronically-recorded proceedings had in the foregoing matter.

I further certify that I am not an attorney for any of the parties hereto, nor in any way concerned with the cause.

DATED this 16 day of October, 2008.



Tonya McDade
Hawaii Certified Shorthand Reporter #447
Registered Professional Reporter
Certified Realtime Reporter
Certified Broadcast Reporter