

BUDGET, FINANCE, AND ECONOMIC DEVELOPMENT COMMITTEE

Council of the County of Maui

MINUTES

April 17, 2024

Online Only via Teams

CONVENE: 9:10 a.m.

PRESENT: Councilmember Yuki Lei K. Sugimura, Chair (out 3:15 p.m.)
Councilmember Tasha Kama, Vice-Chair
Councilmember Tom Cook, Member
Councilmember Gabe Johnson, Member
Councilmember Alice L. Lee, Member
Councilmember Tamara Paltin, Member
Councilmember Keani N.W. Rawlins-Fernandez, Member
Councilmember Shane M. Sinenci, Member
Councilmember Nohelani U'u-Hodgins, Member

STAFF: James Krueger, Senior Legislative Analyst
Kasie Apo Takayama, Senior Legislative Analyst
Jarret Pascual, Legislative Analyst
Clarissa MacDonald, Legislative Analyst
Carla Nakata, Legislative Attorney
Megan Moniz, Legislative Attorney
Yvette Bouthillier, Senior Committee Secretary
Lenora Dineen, Council Services Assistant Clerk

Additional staff

Executive Assistant for Councilmember Tom Cook:
Stacy Takahashi

Executive Assistants for Councilmember Gabe Johnson:
Kate Griffiths
Axel Beers

Executive Assistants for Councilmember Tasha Kama:
Davideane Kama-Sickels
Evan Dust

Executive Assistant for Councilmember Alice L. Lee:
Michele McLean

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Executive Assistants for Councilmember Tamara Paltin:

Angela Lucero
Christi Keliikoa

Executive Assistants for Councilmember Keani N.W. Rawlins-Fernandez:

Sarah Sexton
Haunani Madela

Executive Assistant for Councilmember Shane M. Sinenci:

Dawn Lono

Executive Assistants for Councilmember Yuki Lei K. Sugimura:

Michele Yoshimura
Jordan Helle

Executive Assistants for Councilmember Nohelani U'u-Hodgins:

Laura McDowell
Susan Clements

Residency Area Office (RAO):

Mavis Oliveira-Medeiros, Council Aide, East Maui Residency Area Office
Roxanne Morita, Council Aide, Lanai Residency Area Office
Bill Snipes, Council Aide, South Maui Residency Area Office
Jade Rojas-Letisi, Council Aide, Makawao-Ha'ikū-Pā'ia Residency Area Office

ADMIN.: Lesley Milner, Acting Budget Director, Office of the Mayor
Maria Zielinski, Acting Director of Finance, Department of Finance
Kristina Toshikiyo, Deputy Corporation Counsel, Department of the Corporation Counsel
Moana Lutey, County Clerk, Office of the County Clerk
Richelle Thomson, Deputy County Clerk, Office of the County Clerk
Joyce Murashige, Clerk, Office of the County Clerk
Marielle Ramos, Elections Administrator, Office of the County Clerk
David Raatz, Jr., Director, Office of Council Services
Richelle Kawasaki, Deputy Director, Office of Council Services
Nicole Kahinu, Senior Accountant, Office of Council Services
Shelly Espeleta, Supervising Legislative Analyst, Office of Council Services
Marlene Rebugio, Support Supervisor, Office of Council Services
Tammy Frias, Supervising Committee Secretary, Office of Council Services
Lance Taguchi, County Auditor, Office of the County Auditor
Camille Sakamoto, Administrative Officer, Office of the County Auditor

OTHERS: Others (20)

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PRESS: *Akakū:* Maui Community Television, Inc.

ITEM 1: PROPOSED FISCAL YEAR 2025 BUDGET FOR THE
COUNTY OF MAUI ((BILL 60 (2024), BILL 61 (2024), BILL 62
(2024), BILL 63 (2024), BILL 64 (2024), BILL 65 (2024), BILL
70 (2024), RESOLUTION 24-66, RESOLUTION 24-67,
RESOLUTION 24-68, and RESOLUTION 24-77)

CHAIR SUGIMURA: . . .*(gavel)*. . . Good morning, everybody. Welcome to the Budget, Finance, Economic Development Committee. Today is April 17th, and it is now 9:10. I am Yuki Lei Sugimura. I'm the Chair of this Committee, and I'd like to welcome all of you. And I want to thank the Members for working so hard. We have been grinding meeting after meeting and appreciate all the extra hours you have been giving to this Committee and the...and the community besides the studying that you do once you get home--I mean, there is, like, around the clock things going on, so appreciate all of you a lot. This meeting is...meeting is being conducted in accordance with the Sunshine Law. And as a reminder for the Councilmembers, when your name is called, if you're not in the Council Chambers, please identify by name who, if anyone, is in the room, vehicle, or workspace with you today. Minors do not need to be identified. Committee Voting Members are Vice-Chair Kama. Good morning.

VICE-CHAIR KAMA: Good morning, Chair, and marhaba to everyone.

CHAIR SUGIMURA: Oh, I have to hear what this word is. Chair Lee?

COUNCILMEMBER LEE: Good morning. Marhaba.

CHAIR SUGIMURA: Marhaba.

COUNCILMEMBER LEE: Marhaba is when you go to Kuwait, and you walk in the Foodland at Kuwait --

CHAIR SUGIMURA: . . .*(laughing)*. . .

COUNCILMEMBER LEE: -- and you see your friends, and you say, marhaba.

CHAIR SUGIMURA: Marhaba. Marhaba to you. Member Paltin will be joining us shortly. Member Johnson, marhaba.

COUNCILMEMBER JOHNSON: Marhaba, Chair, Councilmembers, community members. There's no testifiers at the Lānaʻi District Office, and I'm here and ready to work. Mahalo.

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CHAIR SUGIMURA: Great. Member Rawlins-Fernandez? I guess she'll be joining --

COUNCILMEMBER RAWLINS-FERNANDEZ: Aloha kakahiaka kākou.

CHAIR SUGIMURA: Hello. I can't see you.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aloha kakahiaka kākou. I am at my private residence with my minor who is home from school feeling a little under the weather.

CHAIR SUGIMURA: Oh.

COUNCILMEMBER RAWLINS-FERNANDEZ: There are no testifiers at the Molokai District Office. I'll be right back to restart my computer for my camera.

CHAIR SUGIMURA: Oh, okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: And--oh, I'll need to leave at 9:30 for the Fire Department's Ho'olehua Fire Station apparatus bay and . . .*(inaudible)*. . . blessing. That's at 10:00 today.

CHAIR SUGIMURA: Exciting. Okay. Great. And then we have Member Cook.

COUNCILMEMBER COOK: Aloha, good morning, and marhaba to all.

CHAIR SUGIMURA: Marhaba to you. Member U'u-Hodgins will be joining us, unless if she's online. No? Okay. Member Sinenci.

COUNCILMEMBER SINENCI: Aloha, Chair, and marhaba. Here--no testifiers in Hāna, Chair. Thank you.

CHAIR SUGIMURA: Marhaba to you. So, welcome everybody. And from the Office of the Mayor--is Lesley Milner going to join us, or will she not? Oh, okay. Yeah. Okay. She'll join us eventually, after we're done with our Legislative Branch. Office of Council Services, we have David Raatz, who's our Director; Richelle Kawasaki, Deputy Director; and we do not--well, he'll introduce everybody when they appear because it looks like he brought the entourage, so appreciate...appreciate that. From the Office of the County Clerk, Moana Lutey and Richelle Thomson, Deputy. Office of County Auditor, the one and only, Lance Taguchi, who is ready to go and set up. Department of Corporation Counsel, Kristina Toshikiyo, and Committee Staff. So, thank you very much, Yvette Bouthillier, our Senior Committee Secretary; James Krueger and Kasie Apo Takayama, Senior Legislative Analysts; Jarret Pascual, Clarissa MacDonald, Legislative Analysts; Carla Nakata and Megan...Megan Moniz, Legislative Attorney; and Jean Pokipala, Council Services Assistant Clerk. Please look on

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the last page of the agenda for information on meeting connectivity. And thank you, Members, for attending today's BFED meeting. We have one item on today's agenda. And before we get started, Chair Lee or Member Kama, did you want to say anything about your public hearing last night? Not required.

COUNCILMEMBER LEE: It was nice. Thank you.

CHAIR SUGIMURA: . . .*(laughing)*. . . We ended about 8 o'clock. It was...there was at least, what, thirty something testifiers, and it was an assortment of a lot...of...of different organizations. It was good. All right. So, Members, today we'll continue with deliberations on the Fiscal Year '25 budget, beginning with presentations from the Office of the County Auditor, County Clerk, and Office of Council Services, and we'll do it in that order. We'll then take public testimony and proceed with questions and answers for that...for those offices in that order, the Auditor, County Clerk, and Council Services. And after our review, we will go through Appendix A, Part II, the general budget provisions, and additional legislation. At this time, we would like to invite the County Auditor, Lance Taguchi, to provide a presentation on the Office and...and introduce any personnel joining you today. Are you joining...are you bringing staff with you?

MR. TAGUCHI: No.

CHAIR SUGIMURA: Okay. So, initial letter and responses are number 12 in Granicus, and the Department question letter's in number 67 in Granicus. Thank you. Mr. Taguchi, please do your presentation.

OFFICE OF THE COUNTY COUNCIL
COUNTY AUDITOR PROGRAM

MR. TAGUCHI: Thank you, Chair Sugimura...Sugimura. Aloha and good morning, Councilmembers. Because I realize your Committee is very tight on its schedules, I will provide a brief overview of what the Office of the County Auditor has been doing this past year. Regarding our charter mandated projects for Fiscal Year 2023, they are all completed. The audit of the County's annual comprehensive financial report and the audit of the financial statements of the Department of Water Supply has been completed. The third-party auditors and N&K CPAs have issued an unqualified--or also known as a clean opinion on those two audits. The third is a single audit of Federal financial...Federal financial assistance programs, is known as the single audit. So, basically, that has been issued. They have some findings, and then it'll be transmitted shortly to the Council. Regarding self-initiated projects, as you're aware, we have completed our evaluation of the assessment and collection of the Maui County Transit Accommodations Tax. We presented this report to your Committee a few weeks ago. In addition, for the past year, we have been reviewing COVID emergency procurements for possible audits and examinations. During that review, we observed instances which may

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indicate fraud, waste, and abuse. Given the nature of what we found, we already reported the matter to the appropriate authorities. Since we are no longer actively involved in this matter, we are looking into what internal control features we can report publicly and make meaningful recommendations to improve the procurement process. And finally, due to the Lāhainā wildfires, we have paused some of our self-initiated projects, and we are reevaluating how the Office of the County Auditor can assist our County in its efforts towards recovery. That ends my presentation. It's...I know it's very brief.

CHAIR SUGIMURA: Very good. All right. So, we'll have questions later. And I wonder, do we have Moana and Richelle here? Oh, you do? Okay. So, we'll change out Lance, and then we'll call you back after we do all the...after we hear from OCS, and then get ready for deliberations. Good morning, Moana Lutey and Richelle Thomson. Thank you for being with us. So, Members, Office of County Clerk is in...initial letter is number 10, and then the Department questions and answer is number 69 in Granicus. Thank you very much.

OFFICE OF THE COUNTY COUNCIL
COUNTY CLERK PROGRAM

MS. LUTEY: Thank you, Chair, and good morning, Councilmembers. As you can probably imagine, most of our discussion today is going to be on the elections, and so we're just going to give you an overview. Clearly, Lāhainā is our priority, and our election staff has worked very hard in trying to direct contact all members...or all voters in Lāhainā. To date, they have called approximately 7,000 voters. Not all the numbers work, of course, not everyone answers, but they do leave messages in an attempt to just inform them, first of all, that they can vote for their District if it is their intention to reside back in Lāhainā at some point, and also that we can't, by law, forward ballots. So, if they can just get online and update their information with us, that would be perfect as we come into the election season. And if you don't know it yet, we do actually have a website. So, that's mauicountyvotes.com. You can go in there. We have a lot of information on it. And we did apply for and receive approval to turn it into .gov, but apparently that's very difficult to do so IT for the County has been helping us with that. Our staff has made themselves available at various events in Lāhainā, where we expect a large turnout from voters--or actually anyone, even if they're not registered. We have signed up for a variety of different events. What's upcoming for us is the Lāhainā Senior Fair. Kaunoa apparently is now hosting out at Royal Lāhainā with bingo, which from--their Kaunoa head person told me, is gangbusters.

CHAIR SUGIMURA: . . .*(laughing)*. . .

MS. LUTEY: So, they'll be out there on May 30th. They've been increasing the numbers. The last bingo game, which was yesterday, was eighty participants. They're

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expecting more because they're now partnering with partnering...partnering with MEO. Our election staff will be out at Royal Lāhainā for May 2nd and May 16th, May Day and lei making for Memorial Day. And then we're working with Kaunoa to do an email blast to their 2,000 participants so that they can be advised. We're really focusing on outreach at this point so that we hopefully can cut back on the amount of returned ballots that need to be cured because of various issues related to mailings. We have some popups that we'll be doing in Lāhainā during the election cycle. So, we have purchased additional Hart InterCivic machines. Those are the machines you would use to vote. We can't do the entire election cycle, in...in part because of manpower, but we will be there on Election Day and at least three days in advance. We will also, for the first time ever, be having a ballot box both on Molokai and Lānaʻi. So, we have...we'll be at the Filipino Clubhouse on Lānaʻi, and they have allowed us to bolt in the ballot box so that Lānaʻi residents will have the ability, just like anyone here, to drop off their ballots. And on Molokai, that will be at the Mitchell Pauole Center as well.

MS. THOMSON: And I'll just add a few...a few things about other kind of more general outreach, not Lāhainā specific. Today, later on today, we're going to be attending the Homeless Alliance, and that's a consortium of agencies that serve the houseless population or unsheltered. So, houseless voters that don't have a physical location. So just, you know, obviously a residence address where they can receive mail. We want to reach out to them directly. They can apply, as the same as, you know, any other voter, through a driver's license or the Hawaiʻi State ID application. They can register to vote that way. We're also reaching out to agencies such as Ka Hale A Ke Ola and the Family Life Center to try to do presentations there to make our presence known. Really, we're trying to work through the agencies as much as possible because they obviously have the...the best ability to stay in touch with all kinds of folks. We're also actively recruiting for temporary election workers. We'll be at the Maui High Job Fair. And we've had--just from past experience with workers who are new to the...new to, you know, getting permanent jobs and all. It's a great resume builder. So--and the...the voters do, you know, really enjoy coming in and seeing, as we did last night, very smart young people who want to be participating in, you know, civic engagement. We'll also be attending UH Maui College's open house on the 26th of this month. Another effort that we're strongly promoting is signing up for BallotTrax. BallotTrax is a way that you can enter your email or phone. You can get a voice mail, or text message, or emails. It tells you when your ballot has been sent to you, and it tells you when your ballot has been received. And if there are any issues with it, you can receive those notifications. So, it's a great way to--for voters to track their ballot as it goes through the process. It's also going to be used as part of our cure process for any deficient ballot envelopes such as missing signatures and things like that. You and all other registered voters will start receiving postcard mailers within the next few weeks. Those are a legally mandated process by which we can confirm voters addresses, get their signatures, their updated signatures on file, and also make any changes that

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need to be made. The way that the voters are removed from voter rolls, it takes basically three election cycles. So we reach out to them. If they do not contact us or vote in the next two subsequent general elections, then they would be removed. So, it's not any kind of automatic or abrupt removal at all...at any point. And turn it back over to you.

MS. LUTEY: I got so excited about the Molokai and Lānaʻi ballot boxes, I forgot to tell you that UHMC has also partnered with us and will be allowing us to put a ballot box hopefully out in the back parking lot area so that we can also catch people that are going to the swap meet. We have 24 ballot boxes, and we intend to deploy as many of those as possible. So, I have called Foodland to see if maybe we could put that at Foodland Farms in Lāhainā. I've asked Royal Lāhainā if they will allow it. And one other outreach that we're doing in addition to what Richelle has mentioned is I--we are doing outreach to the prison because if you are not in for a felony or have been discharged, you are eligible to vote. So, we're really looking for the underserved in our community, and in the event that they do want to vote, make that accessible to them.

CHAIR SUGIMURA: Are you done? Oh, very good. Oh, I like that you're doing outreach at MCCC. Okay. Next, can I have OCS, Office of Council Services? Thank you very much, clerks. And we'll see you back here after we have testimony. Thank you. Thank you, Director Raatz and Deputy Director...oh, sorry. Good morning, Member Uʻu-Hodgins. I didn't say good morning to you yet.

COUNCILMEMBER UʻU-HODGINS: Good morning.

CHAIR SUGIMURA: Good morning.

COUNCILMEMBER UʻU-HODGINS: Good morning, everyone.

MR. RAATZ: Good morning, Chair.

CHAIR SUGIMURA: Good morning.

MR. RAATZ: David Raatz --

CHAIR SUGIMURA: So, when you're ready.

OFFICE OF THE COUNTY COUNCIL
COUNCIL SERVICES PROGRAM

MR. RAATZ: -- Director of Council Services. I have Deputy Director of Council Services Richelle Kawasaki with me. Thank you for this opportunity to provide a brief presentation on our budget request for Fiscal Year '25. This is our team that primarily worked to put together this proposal for you. Our Senior Accountant,

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Nicole Kahinu, and the team is here in the gallery if questions come up later; our Supervising Committee Secretary, Tammy Frias; myself; Deputy Director Kawasaki; Support Supervisor Marlene Rebugio; and our Supervising Legislative Analyst Shelly Espeleta. Quick look at our...our organizational chart in OCS. The slide notes that we have a vacancy for a legislative analyst, which we're recruiting for at this time. At the end of the month, we'll also have a vacancy for a committee secretary, so we'll...by that time, we'll have two vacancies. Our budget does include two proposed expansion positions, a communication specialist to work with our existing Hawaiian Language Communication Specialist, and also a part-time Council Services assistant to help our support section. So, you have just a handful of changes from Fiscal Year '24 budget. First, under category A, salaries and wages, we do have a proposed four percent increase for Councilmember office accounts, the two expansion positions I mentioned, and a proposed across-the-board four percent increase for OCS staff salaries. Category B for operations, we'd like to put in fiber internet for Kalana Pakui, and as...as Members are aware, our staff is separated into two offices, physical offices. We have the seventh floor here in Kalana O Maui, and then also the first floor over at Kalana Pakui. And we've had internet connectivity issues there. Second, because we're in election year, we have to prepare for the inauguration on January 2nd, 2025. So, that's a standard request. Looking forward to every odd year when we start a new Council term. We're also requesting an appropriation of \$25,000 for Hawaiian language translation services. This would be contracting out to help our Hawaiian language communication specialists. And just as an aside, I've learned, since we've had this position on our office and started doing translation, that professional translation requires someone to check your work. You can't do it on your own and in a vacuum, especially with 'ōlelo Hawai'i. It...it's a challenging process. And with the County moving to, under the...the new charter, a bilingual government with the Department of 'Ōiwi Resources, we expect to have more need for translation work. And then items 4 and 5 on this slide are our new standard equipment replacements. The Surface Pros, the...the laptops that OCS staff uses, and the monitors for both Council and OCS. And then there's an appropriation for accounting and evaluation services. On the equipment side, we, unfortunately, of course, lost our West Maui residency area office in the August 23 wildfire. So, in lieu of having a new office up and running, we're suggesting a mobile office. And thank you, Chair. That's...that's our overview. Yes. Thank you very much.

CHAIR SUGIMURA: Okay. Very good. So, I see we have testifier...a testifier, possibly. Do we have anybody signed up?

MS. MACDONALD: Chair, we don't have anybody signed up currently.

CHAIR SUGIMURA: Okay.

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MS. MACDONALD: If somebody is down in the Chamber, though, and wants to approach the stand?

CHAIR SUGIMURA: Do we have any testifiers in the Chamber? Okay. It looks like not. Okay.

MS. MACDONALD: If not, Chair, would you like me to do a final call?

CHAIR SUGIMURA: Yes, please.

MS. MACDONALD: If somebody would like to testify in the Chamber, please let Staff know, or on Microsoft Teams, please raise your hand. This is final call. Three, two, one. Chair, it appears that nobody wishes to testify.

CHAIR SUGIMURA: Thank you. Members, with your permission, I'm going to close public testimony. And then, of course, we'll always receive written testimony.

COUNCILMEMBERS: No objections.

. . .CLOSE PUBLIC TESTIMONY

CHAIR SUGIMURA: Thank you. And can we have the Auditor to come back here? And then we'll do the Clerks, and then OCS last. Mr. Taguchi? So, at this time then, we're going to entertain questions from the Members. And I'm going to start with Member Kama, Lee, Paltin, Johnson, Rawlins-Fernandez, Cook, U'u-Hodgins, then Sinenci. And when we get settled, it'll be three minutes for the first round, three minutes for the second. Ready? Okay. Vice-Chair Kama, questions for the Auditor?

**OFFICE OF THE COUNTY COUNCIL
COUNTY AUDITOR PROGRAM**

VICE-CHAIR KAMA: Chair, thank you. I don't have any questions for the Auditor.

CHAIR SUGIMURA: . . .*(laughing)*. . . Okay.

COUNCILMEMBER LEE: No questions.

CHAIR SUGIMURA: Chair Lee? Okay. Chair Lee...so, Member Paltin will be back. Do you have any questions, Member Johnson?

COUNCILMEMBER JOHNSON: Sure, Chair. Thank you. So, for the Auditor, please justify the annual increase in funding for services for the County Auditor Program, particularly the increase of 150,000, or 22.5 percent, for FY 2025.

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That's in page 161 of the Program Budget.

MR. TAGUCHI: Thank you for the question. The increase that you're seeing there is because the contract for Nishihama and Kishida, the external CPAs--they had a fire contract, which was entered into every year. We went out to rebid the . . . (indiscernible). . . audit. There weren't very many bidders. We ended up rehiring or contracting with N&K CPAs. But because of the industry and the lack of employees that CPA firms are facing, their costs are higher. So, the contract for the next five years was significantly higher than the previous five years. And there's annual escalation clauses. In addition, the auditors, like, with the last audit, they faced additional work that they had to do.

COUNCILMEMBER JOHNSON: Um-hum.

MR. TAGUCHI: So, I'll be amending that contract because they're going to require more money because they spent a lot more time to assist the Department of Finance in helping them put together the financial statements. A lot of times, to the extent that they can, they advise the County about new...new requirements. And oftentimes, they're faced with getting information late. And, you know, unfortunately, the Finance Department has challenges with --

COUNCILMEMBER JOHNSON: Yeah.

MR. TAGUCHI: -- getting enough employees. So, I think Council Chair Lee knows because I sent a contract amendment. I'm still negotiating with N&K CPAs about, for the Fiscal 2023 audit, what the increases will be.

COUNCILMEMBER JOHNSON: Okay. Is...is there any chance that any of this work can be done in-house?

MR. TAGUCHI: Thank you for the question. There...there's a possibility. But in order to do this kind of work--I'm a certified public accountant.

COUNCILMEMBER JOHNSON: Um-hum.

MR. TAGUCHI: I could do it. The problem with that is that I'm part of this County. So, when bondholders and the other people look at our financial statements, there's going to be a question in the back of their mind like, okay, he's part of the County.

COUNCILMEMBER JOHNSON: Right. All right.

MR. TAGUCHI: So, it doesn't carry as much meaning as a larger firm.

COUNCILMEMBER JOHNSON: Okay.

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MR. TAGUCHI: And even if I did it, my problem would be . . . *(timer sounds)*. . . I would be competing against the CPA firms with the very people that they're having a hard time finding.

COUNCILMEMBER JOHNSON: Yeah. My time's up, so I'll go to second round. Thank you.

CHAIR SUGIMURA: Thank you very much. Next is Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Aloha, Mr. Taguchi. Mahalo for being with us today. I...I just have one question in regards to the charter amendment that was passed in the last election for the auditor to review charter amendment proposals for the--I can't remember, like, financial impact, I guess. Is your office prepared for that? I...I--we don't...I don't think we have any yet, charter amendment proposals, but--yeah, for...for this budget since it's, you know, done only once a year.

MR. TAGUCHI: Thank you for the question. You know, it's a charter requirement, so we will get it done. It may be taxing because the person that I hired that was a great help in doing the financial analysis of the numerous charter amendments that came forward in the other election, she retired. But I still have auditors that are capable in doing that kind of analysis. Knock on wood, so far, I haven't seen this Council put any charter amendments . . . *(laughing)*. . . for the next election. But whatever the case may be, you know, our office will get it done, whether I need to do it myself or I have another CPA, and I have another financial analyst. If I...I need to, I can try and go and procure another a professional to help me with it, whether it be a CPA firm or sometimes you might have to have, like, an assessor or something like that. But it'll get done. It's just a matter of--hopefully, there's not as many charter amendments as occurred when the Charter Commission was in...was being implementing...when they did the review of the Charter. So, hopefully there won't be too many.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Mr. Taguchi, for that response. Yeah. So, I...I think usually when charter commissions are tasked to, you know, review the Charter every ten years, they develop, like, ten plus proposals, and I think the Council on its own, like, somewhere between, like, four to six or so. I guess we as a Council, maybe, can be mindful of what--you know, if we have any proposals in mind, to maybe--I...I don't know if we would...would you recommend the Councilmembers, like, kind of give you a heads up on what some of our ideas are going to be or wait until those get the votes to get to the ballot? Because I...I . . . *(timer sounds)*. . . would think...I would think the more time you had would be...would be better, but I don't know.

MR. TAGUCHI: Chair, may I answer the question?

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CHAIR SUGIMURA: Yes. Yes. Sorry.

MR. TAGUCHI: Oh, thank you for the question. And thanks for the heads up, but I...I monitor the Council meetings. I also monitored the Charter Commission. In fact, I actually provide some testimony to the Charter Commission. So, I'm...I'm well aware. And like you said, I try to get a head start on these things. I try to take a look at it. To be honest, sometimes the task is so massive that I just try my best. For example, the watershed, the East Maui Watershed [sic]. It was such a large charter amendment. You know, I...I do the best I can. There's a lot of what-if scenarios in that kind of situation, so you can't really do a--it's difficult to do a financial analysis on something that large, but I...I will try the best I can.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo for your work, Mr. Taguchi. Mahalo, Chair.

CHAIR SUGIMURA: Thank you. Next, we have Member Cook, followed by Member U'u-Hodgins, then Sinenci.

COUNCILMEMBER COOK: Thank you, Chair. And thank you, sir, for being here today and for your work. My question is with the Lāhainā wildfires, the Kula fires, everything that our County is wrestling with, Federal aid, State aid. Two...two...one question. How concerned are you? And the second question is what possibly could the Council do along the way to assist you in getting an accurate audit done at the end?

MR. TAGUCHI: Thank you for the question. Regarding the first...first question, when I look at the County's financial stability, even with the wildfire fire...fire, I believe the County is still financially stable. There was work done a long, long time ago where there was fiscal prudence. We had quite a bit of Carryover/Savings. Naturally, that savings has been...is being used to address the wildfire, but the strength of The County lies in its property. In terms of its assessment, there's quite a bit of value that taxpayers have in their properties. Yes, it will be challenging. Yes, I think as a County, we need to be very concerned about what we expend and how we get the monies. And I think you guys are doing a great job in terms of trying to regulate that. It's always difficult. I mean, this is a once-in-a-100-year event. I don't think anyone can actually plan for these things, and you just got to do the best you can. But County, at the same token, has limited resources. You...you know, it's not endless, so it's going to be a while and it's going to take a while to address it. Regarding the financials and statements and things like that, I think it's important to try and support the Finance Department. The...the vacancies do hurt. But at the same token, it's not easy to find accountants or CPA types. For whatever reason, the younger generation doesn't find being an accountant, or a CPA, or an auditor too exciting. So, the

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amount of people that come out of the colleges, they tend to go into different fields. And it's not uncommon in the industry because even CPA firms, all of the people that I know, the partners, when I ask them how are they doing, they always are short of people, so much so that some of them, they remotely hire people from the mainland to work for them during tax season. That's how difficult it is. I guess it's not a glamorous field.

COUNCILMEMBER COOK: Thank you. That's my questions for now.

CHAIR SUGIMURA: Thank you very much. Member U'u-Hodgins?

COUNCILMEMBER U'U-HODGINS: Good morning. Thank you so much for being with us today. I appreciate your follow-up letter regarding the TAT audit to a comment made in our Chambers. Are you guys going to do a follow up audit on that?

MR. TAGUCHI: Thank you for...for the question. At this point, that--my answer would be, I'm not certain. It's going to depend upon how far the Department advances. It's an unusual situation because of the...I guess, the lack of resources that are in the Department to address this situation. So, I've constantly weighed on whether or not I should be more involved in trying to assist them. But if I assist them, then I can't really do a follow-up audit because I'm not independent of it.

COUNCILMEMBER U'U-HODGINS: Sure.

MR. TAGUCHI: But there are other options. I mean, I could do--get a third-party CPA firm to do the follow-up. I think, you know, considering that--the...the resources of the Finance Department and considering that the people that were actually implementing that are no longer there, I think my office has some historical knowledge about what transpired that would be very helpful to the Division. And at the end of the day, it's important to go and administer it properly so that we can receive the amount of taxes that are due. So, we would be trying to assist to the extent that we can, but it's clearly going to be a two-way street. It depends upon the Department, if they want me to get involved or not. But I think I...I do believe we can be helpful.

COUNCILMEMBER U'U-HODGINS: Me too. Thank you. Thank you, Chair. That's the question I had.

CHAIR SUGIMURA: Thank you. Do we have that letter in Granicus that Member U'u-Hodgins just referenced? Next, we have Member Sinenci.

COUNCILMEMBER SINENCI: Chair, I do see Member Paltin had jumped on.

CHAIR SUGIMURA: Oh.

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COUNCILMEMBER SINENCI: I don't know if...

CHAIR SUGIMURA: Okay. So, after --

COUNCILMEMBER PALTIN: Hi. . . .*(inaudible)*. . .

CHAIR SUGIMURA: Are you ready to ask questions or do you want us to go to Member Sinenci first? It looks like you're walking.

COUNCILMEMBER PALTIN: Oh, I'm just coming back from the doctor. My question would be--when I logged on the first time, I caught the tail end of the procurement discussion from Mr. Taguchi, and I...I just was wondering what that was about.

CHAIR SUGIMURA: Mr. Auditor?

MR. TAGUCHI: Thank you for the question. The statement I made was just something to make the Council aware of what we have been doing for the past year. I don't wish to go further into it. I--if you want to go into it, then I would have to probably request executive session, and I would have to probably confer with Corporation Counsel a little bit because I...I've reported it out. I don't know exactly where the situation is, but I don't want to go too much into it.

COUNCILMEMBER PALTIN: Okay. I would like to know more, but I don't need to go into executive session as part of this budget process. But, you know, before we make any more decisions going forward, I don't want to be kept in the dark about what's going on. Is that a possibility, that we can find out executive session information at another time?

CHAIR SUGIMURA: We can.

MR. TAGUCHI: Thank you for the question. I...you know, I really got to kind of consult, you know, with Corporation Counsel to understand where I'm going with this. I felt comfortable saying what I said in my presentation because I think it gives you--this Council an idea of the work that we've been doing. Oftentimes, we are a small office, so when I do a--something like this, it takes up a lot of the resources, and I have to make choices. So, when I make those choices, I...I have to put a pause on other projects. And that's the reason why I made those statements. But --

COUNCILMEMBER PALTIN: Okay.

MR. TAGUCHI: And so, to try to answer, it's yes.

COUNCILMEMBER PALTIN: I mean, at some time --

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MR. TAGUCHI: But let me think about it.

COUNCILMEMBER PALTIN: Okay. Yeah. At some time, I'd like to know what's going on with things. The other question I had is I know we're still in litigation with a certain former employee, and when that is done, would the three-lot-or-less subdivision be able to be picked back up, that audit, where it left off when all the litigation matters are finished?

MR. TAGUCHI: Thank you for the question. The litigation is still ongoing. I postponed that audit because of the litigation. The litigation has gone all over the place, so I'm not--I'm never quite sure if it really involves the three-lots-or-less subdivision things. What I would like to do, probably at this point in time because it's been so long, I may . . . *(timer sounds)* . . . may just issue a memo saying pretty much what I found and just kind of closing it up in a sense that I don't know because of the length of time if it--I should complete that audit. I'll probably just do a memo for the things that I think that would help the County, both the Administration and the Council, to move forward. But it's a very complicated situation. There are no easy answers. But yes, at some point I'll make that decision. Hopefully, the litigation gets resolved in the next several months.

COUNCILMEMBER PALTIN: Okay. Yeah. Keep us posted. I want to know all the things. Thank you so much.

CHAIR SUGIMURA: Thank you. Member Paltin, are you done with your questions?

COUNCILMEMBER PALTIN: Well, I did hear the buzzer, so I would love to --

CHAIR SUGIMURA: Oh.

COUNCILMEMBER PALTIN: -- respect your process --

CHAIR SUGIMURA: Thank you.

COUNCILMEMBER PALTIN: -- today.

CHAIR SUGIMURA: Member Sinenci.

COUNCILMEMBER SINENCI: Thank you, Chair. And mahalo, Mr. Taguchi, for your report. You mentioned that there was--your office had some findings of fraud, and I was just curious. Is this something that you normally look for? Is it--I mean, I know it can just blow up, but are you just looking for, like, small kind details? Is this a regular thing that the office does? Does it involve the Ethics Board? If you can just expound.

MR. TAGUCHI: Thank you for the question. I just want to clarify that I said that we

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observed instances that may indicate fraud recently. We haven't come to a conclusion. But what our standards say is that when we look into an area, and we find...and we get to a point where there may be fraud, waste, and abuse, then we report it to the appropriate authorities. So, that's what we've done. We haven't...you know, we're...we're not tasked with making a determination, right? Because at the end of the day, there are other entities better equipped to handle that. Regarding whether or not we constantly look for fraud, waste, and abuse, we don't specifically go out and look for it, but nor do we shy away when we see something. So, when we...when we--in the course of our work, when we see something, and we see something that are concerning to us, we take it as far as we can. And at that point, we make a determination. I sit down with my auditor. We talk about it as to whether or not we're going to--I guess, if--from a football term, whether we're going to drop back seven yards and punt it to somebody else --

CHAIR SUGIMURA: . . .*(laughing)*. . .

MR. TAGUCHI: -- or are we going to go forward with it? More often than not, if I'm not certain, I will...I'll refer it to someone else.

COUNCILMEMBER SINENCI: Yeah, because, I mean, you're not...you've already kind of labeled it as, hey, this could be potential fraud. It's not like, oh, okay, this person just made a mistake and...and could be...could be rectified. But what you're saying is, okay, this is potential. We're going to, you know, forward it and look further into it because it could have some impacts down the road?

MR. TAGUCHI: That's correct. You know, we don't take--when we observe something, we don't take it lightly. We...we do the best we can to identify it. We constantly--in our office, we check each other. In other words, if you see something and you say, oh, this is this, I'm going to come back and say, no, it could be something else, because in our office, there's an emphasis on getting it right because what we say matters. And if we--I'm not sure . . .*(timer sounds)*. . . about what we say, then people will discount what we say.

COUNCILMEMBER SINENCI: Thank you. I appreciate your judgement. Thank you, Chair.

CHAIR SUGIMURA: Appreciate that. And welcome, Member Paltin. Oh. Okay. So, I'm...I have a question for you, Mr. Taguchi. So, in your answers to the Council, your letter dated March 28th on page 2, item B, you're talking about how many vacant positions currently exist within your Department, and you said two. And what is the anticipated timeline for filling these vacancies? And you made a statement about--these statements...these positions are exempt from civil service and serve at the pleasure of the County Auditor. And there are 14 months remaining on the County Auditor's term, and that this would impact, I think, you

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filling those positions. But my question is more will you sign up again or put your name in again to be an auditor for the County of Maui?

MR. TAGUCHI: Thank you for the question. Regarding the first question, yes. I have two vacancies. One of my auditors retired from the County. She was very valuable. I hated to see her go, but she felt it was time for her to retire. Filling vacancies in my office is never an easy task. It requires a certain type of person, because our office is so small that there's not...not much of a career path for people. In addition, the people in my office--when we do audits, oftentimes you're going to be speaking, what...what I would say, truth to power. I'm going to be criticizing very powerful people in the County.

CHAIR SUGIMURA: Wait one second. Are we okay?

MR. TAGUCHI: Testing?

CHAIR SUGIMURA: Okay. Okay.

MR. TAGUCHI: Okay. So --

CHAIR SUGIMURA: I think it was Tamara. Okay.

MR. TAGUCHI: So --

CHAIR SUGIMURA: So, we're fine now.

MR. TAGUCHI: Basically, it's always a challenge. I will be trying to fill that one position that retired. Regarding the second position, whenever there's an opportunity to hire someone that has the knowledge and experience, I want to be able to have the ability to hire them. I compete with, for example, Office of Council Services for legislative analysts. They have some of the knowledge that is necessary to be an auditor in my office. So, in a way, I compete with the Council. I need to be more competitive because of the fact that it's a small office, and the career path for people is not as good as within the Office of the Council Services. Obviously, there's more positions. People can move up the career path. In mine, there are not as many. Regarding the second...and the second part of this is my term expires June 30th, 2025. So, when I go out and I recruit, I appoint people. They have no guarantee that--in terms of how many years they're going to spend, but they will realize that . . . (timer sounds). . . my term expires. So, that's a consideration because they rely on me. My employees, when they determine they want to work for the Office, they really look at me, and can they work with me, and do they agree with the direction I'm heading. And regarding the final question regarding reappointment, I've thought about it for some time now, and I will be seeking reappointment, but it's up to this Council to determine. I...I already have had one reappointment. I don't know what this Council will be

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thinking in terms of if you want to move on and go to a new direction. But for me, personally, I have things that I wanted to complete and accomplish, and I'm...like I said, I'm very concerned about, like, procurement. I want to do some things in procurement to strengthen the procurement process. I wasn't, you know, able to implement all these things yet. But as...as things clear out, I'll be able to start to determine what I can make public, what recommendations I can make, and hopefully that will help the County in terms of future procurements. But I believe that we need to strengthen our procurement process.

CHAIR SUGIMURA: Okay. Are you done?

MR. TAGUCHI: Yes.

CHAIR SUGIMURA: All right. You answered a lot of question in one, so thank you very much. Member--now we'll go to another round of--with...starting off with Member Kama, then go to Chair Lee, Paltin, Johnson, Rawlins-Fernandez.

VICE-CHAIR KAMA: No questions, Chair.

CHAIR SUGIMURA: Okay. Member--Chair Lee?

COUNCILMEMBER LEE: Same. No questions.

CHAIR SUGIMURA: Member Paltin?

COUNCILMEMBER PALTIN: I'm sorry if I missed it before the procurement part of your presentation, but do you have a glimpse of future planned audits that you would do, like subject matters or things like that?

MR. TAGUCHI: Thank you for the question. I...I will be transmitting an audit plan before June 30th of this year. Currently, my current thought about the audit plan, I will be pivoting some of the audits. In other words, I...I--because of the wildfires and all of these things, I...I don't know...I don't feel that--there are other projects that we want to do. One of the projects, as I said, will be looking at procurement. I think I...I need to do something to strengthen the procurement process, make recommendations at least. So, that's one area that I'll be looking into. The other area that I plan on...I...I plan on doing in the next fiscal year is that I've been working on a third-party audit. So, I've been working on an RFP. I postponed it because of the wildfire, but that RFP, which would be started shortly after, in probably July or August, was an assessment on County-owned properties which were purchased through the Open Space Fund.

COUNCILMEMBER PALTIN: Oh, nice. Can I stop you right there? Clarification on the procurement guidelines that you may--possibly working on. Is that specifically related towards, like, emergency times, like COVID, or when we're under

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emergency proclamation and possibly procurement rules have been suspended, would it be guidelines to try and follow if procurement has been suspended?

MR. TAGUCHI: Thank you for the question. We'll be looking at both. There are things that I think can be strengthened during emergency procurements. But you have to understand that during emergency procurements, because the proclamation basically deletes all the State statutes, we're going to procurement. And it's designed so because you've got to respond quickly. I think there are some things that can be done. Regarding regular procurements, I also think there are things that the departments and--can do to increase transparency and have more internal controls over procurement.

COUNCILMEMBER PALTIN: Do you know if the County has all the procurement procedures together in one place, like maybe on a website, or something? Like, if someone just started with the County and they don't know nothing about procurement, is it easy to find out for an employee or from somebody on the outside what the procurement process is in normal times?

MR. TAGUCHI: I believe the...the County follows State procurement law. I think the County has one representative on this group that constantly looks at the procurement, puts them into law.

COUNCILMEMBER PALTIN: Sometimes besides law, there's, like, memos and things like that. Is that--and then when the Administration changes, does that memo from a previous Administration still be the best practice and...and those kind of things? Because, I mean, if folks don't know all the procurement processes and procedures, I would hate to lose a good employee for a mistake that they--we, the County, are not training them on processes to follow.

MR. TAGUCHI: Thank you for the question. The...I believe the County has some administrative rules, and they have some memos in terms of limits and guidelines.

COUNCILMEMBER PALTIN: Is it --

MR. TAGUCHI: I don't if it's --

COUNCILMEMBER PALTIN: -- easily accessible in one place?

MR. TAGUCHI: I...I haven't really looked deeply . . . *(timer sounds)* . . . into whether or not it's all accessible. It probably could be better. But then again, as you know, departments are very busy. They're understaffed. So, it's a priority thing, I think, for them. But we'd be looking at some of that, I think. But more so, I think there are certain things that I think we can recommend that might provide better internal controls.

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COUNCILMEMBER PALTIN: Okay. Thank you. I heard the bell.

CHAIR SUGIMURA: Thank you. Member Johnson, then Member Rawlins-Fernandez, then Cook.

COUNCILMEMBER JOHNSON: Thank you, Chair. My question was already answered. Thank you.

CHAIR SUGIMURA: Very good. Member Rawlins-Fernandez. Oh, look at that time--already it is. Member Cook.

COUNCILMEMBER COOK: Thank you, Chair. My answers...my questions have been answered.

CHAIR SUGIMURA: Thank you. Member U‘u-Hodgins.

COUNCILMEMBER U‘U-HODGINS: Thank you, Chair. Originally, I didn't have any more questions. But if you could please continue your thought on the audit related to--or County-owned properties purchased with Open Space Funds?

MR. TAGUCHI: Thank you for the question. We have a draft proposal, but we still are working on it. But I can read you the title, and it'll give you a good idea. The request for proposal would be for an "Assessment of Lands Purchased with the Open Space, Natural Resources, and Cultural Resources, and Scientific Views Preservation Fund". In general, what we want to look at is how are we maintaining those lands? Is there something we can do to better maintain those lands? Also, there--we might go into an area about--there's certain things that probably should be considered before purchasing these lands. If we can't take care of it, then we should understand the full cost of it, because I--in my other positions, I worked for companies that had vacant land. Just having the land vacant, there was significant cost to keep it because, you know, derelict vehicles, you got people going into it, and then now you have wildfires, right? You got to maintain it. So, all of these considerations should be considered before we move forward and actually purchase lands. And there's this other area that--I don't know if this will go into yet because we're still drafting it--is who's responsible, right? Is Parks? Is Finance? Land management? I mean, do subcontract it out? Nonprofits? Are they doing a good job? So, some of these things we...we wanted to look at, but the specifics, we're still hammering out.

COUNCILMEMBER U‘U-HODGINS: I wonder if we can continue this conversation outside of this. I'd appreciate it.

MR. TAGUCHI: Yes. I'd be more than happy, maybe not in this venue. I know you guys are really --

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COUNCILMEMBER U‘U-HODGINS: Yeah, yeah, yeah.

MR. TAGUCHI: Yeah. But --

COUNCILMEMBER U‘U-HODGINS: Because I have the same questions. And so, as we're dealing with the budget for us moving forward, that's a...that's something I wanted to address.

MR. TAGUCHI: Oh, okay.

COUNCILMEMBER U‘U-HODGINS: So, maybe we can talk about that later.

MR. TAGUCHI: Okay.

COUNCILMEMBER U‘U-HODGINS: Thank you. Thank you, Chair.

CHAIR SUGIMURA: Okay. Great. Member Sinenci?

COUNCILMEMBER SINENCI: Thank you, Chair. I did want to add that we do have the Conservation Committee that helps with the management of...of County-owned lands, as well as--and their work is to create the green print to help with those managements. So, I just wanted to add that. But no further questions, Chair. Thank you.

CHAIR SUGIMURA: Okay. Thank you. So, going back to what Member U‘u-Hodgins was saying about that letter, and it's not in Granicus...

MR. KRUEGER: Chair, can we have some further clarification about what that letter is?

CHAIR SUGIMURA: Oh, okay. Maybe...maybe...

COUNCILMEMBER U‘U-HODGINS: Yeah, shucks. Maybe I shouldn't...well, we all received a letter from the Auditor referencing a conversation we had in this Chambers about TAT and the collection of--and some dispute on how much should have been collected and what was collected. And I believe there was a delta in what people maybe assume what needed to be collected. But maybe--I...I don't have that letter on me right now.

CHAIR SUGIMURA: Okay.

MR. TAGUCHI: Chair, if I can clarify? In the course of your budget review, statements were made regarding the assessment that was performed by my office. I felt it necessary to clarify because I think there's a miscommunication about what our assessments said. I don't think it's clear from some of the statements. So, I

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think subsequent to that, I wrote that letter. And I did not transmit it to BFED. I just gave Members a copy because certain Members were asking me questions about my report. So, I...I...I felt the need to clarify, and I sent that to the Acting Finance Director. Since that time, she called me, so we kind of cleared the air. I--because I didn't understand what was being said by the Director...the State Director of Taxation, and I didn't understand how he could come to these conclusions. So, we've been in a process of...of clearing that. In fact, the Acting Finance Director invited my office or my auditor to a meeting to try and get some of these things resolved. She was open to hearing from my auditor, because my auditor has a wealth of information about all the problems that have existed during the implementation, the early part. I don't think the Finance Department has that information anymore because the person that did the information is no longer with the County. So, I think we got better communication. And my hope is that if you're going to make a statement, you should come talk to my office first so we can make sure that we're talking about the same thing. There's no sense you saying something, we saying something, and we're talking apples and oranges because it gives the public and this Council the wrong impression. You know, it's--I don't want to make it seem like that we're...we're fighting with the Department of Finance. We want to help them, and that's why we have this meeting set up that we'll be attending.

CHAIR SUGIMURA: Okay. So, thank you for explaining that. And now that we have everybody wondering what this is about, can we post that letter in Granicus? We need to get a copy of it, I guess. I need to get it from Auditor.

MR. TAGUCHI: I...I can transmit it. I'll have my office transmit it to BFED.

CHAIR SUGIMURA: Okay. Thank you. Thank you very much. And then I would like to see how your office can assist with the recovery. That was one of the things that you said. Do you have any comments on that? I probably don't have much time.

MR. TAGUCHI: We...we--thank you for the question. We reached out to the Administration. I made...I made clear that our office--you know, these are unprecedented times, so if we can be of assistance, let us know, and I will make a determination of whether or not my office can assist in that manner. It always is a matter of independence, right? Because if I get involved in resolving something, it makes it very difficult for me to go back in and audit it should something happen later. So, we've been in communication. I...I haven't really received any requests yet. This one I just talked to you about regarding the Maui County TAT was the first request that was made for assistance from my office. That being said, you know, many Department personnel knows the people in my office. They...they have some confidence in the confidentiality when he talked to us. So, if it's something that they just want our opinion on and it's nothing that we have to research a lot of, it's just off the top of our head because we have all

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this institutional knowledge, then we'll talk to them on the phone. But if it's going to be something more than that, then I really need to clearly understand the nature of what is being requested. But that...that's how I envision my office helping with the recovery efforts.

CHAIR SUGIMURA: Okay. Very good. So, that is the end of my question. Does anybody else have any more questions for the Auditor? Member--oh, anybody else? Member Johnson? I don't see any more hands. Go ahead.

COUNCILMEMBER JOHNSON: Thank you, Chair. This is just a follow up on your...your statement to Open Space Funds and purchasing lands. I know some of the things you're concerned of--and you mentioned it before--is the fraud, waste, and abuse of some of the...the funds. I...I support using Open Space Funds to purchase, say, wetlands, for example, because it prevents development. If anyone else buys those lands, they're only in it for the profit. We're in it--the government's not in it...the County's not in it for the...the profit or development. I mean, that's kind of the thing that I'm...I...I would support. I don't...I don't know what your concerns are. Is the transparency of it? Because what--can you kind of explain why--what you would do with the audit for Open Space Funds when we're trying to protect wetlands and, you know, keep parks and, you know, open space open? I mean, where's the--I want to--if you can delve into the concerns you have.

MR. TAGUCHI: Thank you for the question. First of all, I fully realize the decision to purchase open space is not a decision for the County Auditor. It is the decision for the Council and Administration. It is very valuable open space, you know, Big Sur in California, in an island where there's only a certain amount of beach...beach front, you know, it's...it's very valuable. But my--what I'm looking into is more how are we maintaining it? Because there's a cost to maintain it, and that cost needs to be kind of, like, understood, I guess. It doesn't do any good if we get a piece of property and it's littered with abandoned vehicles, overgrown. It becomes a liability. Initially, when I first looked at this project, I actually was looking at that...that purchase that was made from Pali to Puamana by Lāhainā because I went camping there a couple times and my friends, they all tell me that, oh, there's, like, abandoned vehicles. There's --

COUNCILMEMBER JOHNSON: Yeah.

MR. TAGUCHI: -- all kinds of stuff happening in there. So, I thought to myself, well, yeah, it would be good to understand how are we...how are we taking care of this?

COUNCILMEMBER JOHNSON: Okay.

MR. TAGUCHI: And that's what prompted my initial look into it. But during the course of the year, because of the Lāhainā wildfires, I paused that because, you know,

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the wildfire--clearly, people were concerned about all of the areas, and I felt that it would be looked at in the course of addressing the wildfires. But yeah, just to make clear, I'm not going to do any kind of judgment as to whether or not --

COUNCILMEMBER JOHNSON: Okay.

MR. TAGUCHI: -- we should buy a piece of property.

COUNCILMEMBER JOHNSON: All right. I just...I just wanted to remind you and the Members that we...you know, we wrote a resolution last year to kind of do that, to protect the wetlands by purchasing them. You know, that's--then the follow up is--I hear where you're coming from is, you know, well, let's take care of that land. And I totally support that. That would be on this Council and the . . . *(timer sounds)*. . . Administration to put funds in to take care of those lands. I agree, we don't want to turn it to...to a dump. That totally goes against that. What --

MR. TAGUCHI: Um-hum.

COUNCILMEMBER JOHNSON: -- we're trying to do is protect the lands from developing, making sure that the wetlands are doing their...their job...job. So, my time's up, but I...I just want to let everybody know that we did propose that, you know --

MR. TAGUCHI: Um-hum.

COUNCILMEMBER JOHNSON: -- resolution last year. Thank you, Chair.

CHAIR SUGIMURA: Thank you very much. Anybody else? Member Cook.

COUNCILMEMBER COOK: Thank you, Chair. Sort of following up on that, would the audit...would...would the part of the result of the audit be identifying the potential responsibilities and liabilities of purchasing the property and identifying the various means of stewardship that may be available to mitigate those? And when you're saying the cost, pointing out or striving to ensure that those costs are integrated into the purchase of the property?

MR. TAGUCHI: Thank you for the question. I...I think that to a certain extent, the cost is. And I know the Council and Administration in their discussions will...will talk about how valuable the property is, and whether or not to purchase it, and whether or not we have the resources to purchase it. But I think there's, like --

COUNCILMEMBER COOK: Okay.

MR. TAGUCHI: What I hope to accomplish by this is to see if I can make recommendations on how to better maintain, whether there should be a land

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management division looking after it, rather than assigning it to different departments that don't have the resources to take care of it. What came to mind when--I've been around a while. I remember the purchase of the area by Jaws. Then it became such a problem area because all the derelict vehicles, people started living in the area. Then I...I remember the...the Council and Administration--the Council gave funds and Administration tried to put up fencing, things like that. So, I think looking at a broader picture, this--there's a question in my mind as to whether or not the County can take care of it or whether it should be outsourced, right? As you know from watching your...your meetings, there's a severe shortage of security personnel in the Parks Department. So, at some point in time, somebody is going to make--kind of think about whether or not we should outsource that because they can't find enough Parks officers. So, I'm not quite sure what the answer is yet. That's part of the reason for doing this. It'll be done by a third party. I would be...I would be overseeing the project. But the project may require assessors, and security, and other people as well, other professionals. But it will be up to the person that proposes on it to grab these types of individuals to get their concerns addressed--yeah--and come up with a coherent report. It's just a tool to help people in their efforts to resolve a problem.

CHAIR SUGIMURA: Okay. Are you done? Okay. Anybody else have questions for the Auditor? Oh, Member Paltin.

COUNCILMEMBER PALTIN: Thank you, Chair. I just have one last question. I'll follow up on the answer that he provided us in writing to my overall question, number 1, on OCA-2. And it was saying that they need to be independent from the Executive and Legislative Branch. So, they need to have like a little bit of cash, which I...I support. I just wanted to know, like, do you think if it's an audit on the Council, we wouldn't give you additional money; or if it's an audit on the Mayor, the Mayor wouldn't give you additional money; or if you were doing an audit on the Administration side, the Council wouldn't give you extra money; or you were doing an audit on the Council side, the Administration wouldn't give you extra money, and that's why you want to have that? Or you just don't even want to ask, and that'll be audit--like, neutral, independent?

MR. TAGUCHI: Thank you for the question.

COUNCILMEMBER PALTIN: Are you really thankful?

MR. TAGUCHI: That was a long question, but --

COUNCILMEMBER PALTIN: ...*(laughing)*...

MR. TAGUCHI: I...I think it's a correct question. Yeah. Part of that explanation is that.

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COUNCILMEMBER PALTIN: You don't even want to ask?

MR. TAGUCHI: Right. If I'm auditing the Administration on a sensitive area and I need more money to hire professionals, will the Mayor identify Carryover/Savings to allow me to get that money? I...I would hope so. I don't know. If I'm auditing the Council's accounts, will you give me money to audit those accounts? I hope so, but I wouldn't know for sure.

COUNCILMEMBER PALTIN: You wouldn't ask the Mayor for extra money to audit the Council or the Council for extra money to audit the Mayor, you don't even want to go there because we might be, like, in cahoots or something?

MR. TAGUCHI: That's--for me to get money, that's the process. I got to have both on a budget amendment --

COUNCILMEMBER PALTIN: Oh, yeah.

MR. TAGUCHI: Yeah. The Mayor in the sense of certifying funds, and the Council. So, part of my budget, I try to anticipate some of those needs. If I need an attorney because something came up, if I need an engineer, I want to be able to do it. Keep in mind, I won't spend that money unless I really need to. And as you see, I haven't spent it. A lot of--that's the reason why there's a lot of Carryover in my Department, but it's designed that way. Also, finally, keep in mind that I'm part of the Legislative Branch. So, from a Council perspective, you...you have a similar problem, right? Because if the Mayor doesn't identify Carryover/Savings, you can't amend your budgets to add to it. But there is a possibility that because I'm part of the Legislative Branch, you could do a budget amendment within the Council to transfer money to OCS or to . . . *(inaudible)*. . . . *(timer sounds)*. . . That's the reason.

COUNCILMEMBER PALTIN: Thanks...thanks for clarifying that. We're...we're not in cahoots with the Administration, but I...I support you.

CHAIR SUGIMURA: Okay. Very good. Anybody else have any questions? And if not, we're going to be done with the Auditor. And then, thank you very much, Mr. Taguchi.

COUNCILMEMBER COOK: Thank you.

COUNCILMEMBER U'U-HODGINS: Thank you.

MR. TAGUCHI: Thank you.

CHAIR SUGIMURA: And thank you for being so thoughtful and, I would say, honest. And at this time, I'm going to call for a recess. And when we go for recess...when

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we're in recess, I'm going to join...I have a NACo meeting that I want to listen to. And Vice Chair, when we come back from break, can you take the meeting until I get back? The NACo meeting start--ends at 11:00. So, at this time then, we're going to take a break, and we'll come back at...you will come back at 10:35. Is that all right? Okay. . . .(gavel). . .

RECESS: 10:23 a.m.

RECONVENE: 10:37 a.m.

VICE-CHAIR KAMA: . . .(gavel). . . The BFED Committee will now reconvene. It is 10:37 a.m., and I am Tasha Kama, Vice Chair of the BFED Committee. So, Members, this morning, we're going to...we have before us the Office of the County Clerk. We will have three rounds of questions. Three minutes for round 1, three minutes for round 2, and if we have to go into a third round, it is two minutes, and therefore. And we're going to begin our discussion--I mean, our presentation--our discussion with Chair Lee first. Chair Lee, questions for our --

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COUNCILMEMBER LEE: Thank you, Chair. I have no questions.

VICE-CHAIR KAMA: Thank you. Member Paltin?

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, clerks. I would say they did an excellent job of answering my written questions. I only have one follow-up, on the one where it was replacing ten laptops with CPUs. Ten out of how many total? Because it was a percentage question.

MS. LUTEY: Oh, thank you. I'm sorry that that wasn't clear. We're just getting ten new--we're not doing any replacements.

COUNCILMEMBER PALTIN: Oh, not replacements?

MS. LUTEY: No.

COUNCILMEMBER PALTIN: Just ten?

MS. LUTEY: Yes.

COUNCILMEMBER PALTIN: And does that satisfy for all of the employees that would need a CPU? They're getting...

MS. LUTEY: Yeah. That should be sufficient for --

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COUNCILMEMBER PALTIN: Nobody else needs a CPU?

MS. LUTEY: Nope. We're good.

COUNCILMEMBER PALTIN: Oh, okay. And then I saw the one about replacing Chamber equipment, like microphones and stuff like that. Is some of our stuff not that good or something?

MS. LUTEY: Thank you for the question. We've had some issues with some of the mics, and we've talked to the person that does some of the repairs. He came once. He hasn't come back, but we're hoping to just make sure everything's working well. We would like to have two on each desk of this type because our handhelds for some reason either run out of juice or just don't pick up our voices as well.

COUNCILMEMBER PALTIN: And then I just was wondering, you know, like, say, at the end of the year, there's extra money or whatever. I noticed some people have nicer seats than other people or, like, the mats that we roll on, mine is all cracked up. And it's not a thing that needs to be replaced, but if at the end of the year, instead of letting it go back to the General Fund, maybe we could fix up just some manini things, but they're not priority? Like, eventually they'll have to get replaced because there's little pieces of plastic all over the place. But wondering about those instances.

MS. LUTEY: Yeah. Sure. We could definitely look at that. I mean, the chair that I was sitting in yesterday, I kept sinking. So, you know, it started off about here, and then I was almost under the desk. So, we're aware of needing to replace those, and so we'll just take a look at the budget and see what we can do about that.

COUNCILMEMBER PALTIN: Okay. No plans for the tapestry or anything?

MS. LUTEY: No. We are not touching the tapestry. . . .*(laughing)*. . .

COUNCILMEMBER PALTIN: Just checking. Okay. I think that concludes my questions.

MS. LUTEY: Thank you. . . .*(laughing)*. . .

VICE-CHAIR KAMA: Thank you. Member Johnson?

COUNCILMEMBER JOHNSON: Thank you, Chair. Thank you all for joining us today. I know you're super busy. So, on page 143 of the Program Budget, please detail the proposed contracted service totaling \$746,950, which is a 34.4 percent increase, and justify the need for funding.

MS. LUTEY: Thank you for the question, Member Johnson. I think that we put this in

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our response. Let me find it. I know you didn't have a lot of time to look over all of these with your schedule and the fact that we got it to just a few days ago. Is it this one? Oh, here we go. Thank you. So, we're requesting the increase in services, and we broke it down on page 5 of our memo to you in OCC-2. What we're asking for is \$25,000 for the repository hosting, maintenance, and upgrades; \$45,000 for maintenance, service, and parts for Agilis. And I know somebody asked about--I think it was Member U'u-Hodgins about Agilis. We do, even on nonelection years, have service and parts replaced for the Agilis because--if you haven't seen it, it's that blue dinosaur in our office. We just need to make sure that the belts and everything are running, because we're not running it, like some of the mainland voting service centers, year-round. So, that's part of where that cost is. Then we also are asking for \$20,000 for the charter flights to Molokai and Lānaʻi for the...both the primary and general elections for the ballots. But this is also how we're going to get the ballot boxes to both facilities on Lānaʻi and Molokai. And then the \$101,000 to pay workers for delivery and collection teams, and also our voter service centers on Maui, Molokai and Lānaʻi. And I think one of the things that's made this somewhat confusing this year for the Council is that in the past, the State would front the costs and then come to the County for reimbursement, but this year, they're not fronting. So, we will pay up front, and then for all of the eligible expenses, they reimburse us for fifty percent.

COUNCILMEMBER JOHNSON: So, in...in the Budget Details, it says, you know, for \$120,000 for professional services as previously paid by the State Office of Elections. So --

MS. LUTEY: Um-hum.

COUNCILMEMBER JOHNSON: -- what happened with it? Like, why is it changing now?

MS. LUTEY: I'm not sure on the history of why. I'm assuming some of it's a financial issue for them. But it's really...it's just we're flipping the scenario and--right? So, we'll get reimbursed, it's just . . . *(timer sounds)*. . . this time, we're fronting. at this time.

COUNCILMEMBER JOHNSON: Okay. All right. Thank you.

MS. LUTEY: You're welcome.

COUNCILMEMBER JOHNSON: . . . *(inaudible)*. . . Thank you, Chair.

VICE-CHAIR KAMA: You're welcome. Member Rawlins-Fernandez? Oh, she's at her meeting, right? That's right. Okay. Member Cook, are you ready for questions or do you want us to go on to--you're passing? Okay. Let's go to Member

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U‘u-Hodgins, please.

COUNCILMEMBER U‘U-HODGINS: Thank you, Chair. Thank you guys for being with us. I really have no further questions other than to thank you guys for working with MCCC in doing that outreach. I really do think that's important for people who are in those moments to realize that they are still a valuable member of our society, so I really appreciate that. Thank you.

MS. LUTEY: Thank you.

VICE-CHAIR KAMA: Thank you. Member Sinenci?

COUNCILMEMBER SINENCI: Thank you, Chair. And mahalo for your presentation. You mentioned about West Maui and getting ready for the election. So, will the Civic Center still be the place for in-person voting?

MS. LUTEY: Yes. Thank you for the question, Member Sinenci. Yes, we have asked for the Civic Center, so we will install a ballot box there. And we will also have probably about three days of voter in-person, and then of course, Election Day.

COUNCILMEMBER SINENCI: Oh, okay. And then the--are you requiring extra resources for West Maui?

MS. LUTEY: Thank you for the question. Not--people wise, yes. We really need to get people in. But as we discussed back at our confirmation or appointment hearings here in...in Council, people seem to have disappeared. So, we're having some difficulty recruiting, but we do...we can use Employer's Options. So, we'll have to bulk up in order to facilitate these voter service centers.

COUNCILMEMBER SINENCI: Okay. And then will we still have an in-person in...in Hāna?

MS. LUTEY: Thank you. Yes, we do intend to come out to Hāna, as we have in the past, give you a ballot-box drop site as usual, but also come out and do--I'm not sure exactly how many days. That's something I'll discuss with Marielle, and then we can let you know. But our...our hope is really to get as much public use as possible out of this because in the past, my understanding is the in-person has only resulted in less than...less than ten people on each of the days that we've shown up. So, in terms of resources, that's not extremely helpful for us, but we're hoping that if we're out there just letting everyone know, you can let your community know, whatever works best for notifications. And I'll just give you a really short example. On Molokai, they put a banner up on electrical wires, it looks like. Very scary. I don't know who does it. But that's their method of notifying their community of events going on. So, if there's something that Hāna does, typically in a certain location, we're happy to work with you to let your

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community know so that we have a good turnout.

COUNCILMEMBER SINENCI: Yeah. We have a spot right by the old Hasegawa Store.

MS. LUTEY: Great.

COUNCILMEMBER SINENCI: And then in anticipation, I know at the last election we had some security issues. Are you upping security or--I mean, preparing for, you know--it being also a presidential election, do you anticipate additional security at...at some spots where we saw it last time?

MS. LUTEY: Thank you for the question. So, we've met with the FBI and Homeland Security's Fusion Center and MPD--FBI a couple of times so far because they are expressing concerns with us over security, in large part because of the presidential aspect of this election. Our intention currently is not to have security necessarily at all of our voter service centers. . . .*(timer sounds)*. . . But that said, what we're...what we're asking MPD for is to assign officers specifically to us that would be in plain clothes, but are aware of election laws that we can train them on them because it is a very different area of law, and have them available to us. The FBI and the Fusion Center let us know as it gets closer, along with some of the other clerks, of course, of what the hot topics are, what issues they might be seeing, streaming, typically, and social media. And so, to that extent, if we need additional security at that point, we'll address it. Ultimately, our goal is, of course, to have all of our...our voters safe and our staff.

COUNCILMEMBER SINENCI: Yes.

MS. LUTEY: Yeah.

COUNCILMEMBER SINENCI: Definitely. Thank you. Thank you, Chair.

MS. LUTEY: Thank you.

VICE-CHAIR KAMA: Thank you, Mr. Sinenci. Okay. Mr. Cook.

COUNCILMEMBER COOK: Thank you, Chair. Thank you all for being here and for your service. And I feel for you. You talk about a moving deck and changes. My...my questions are is there any--there's so many people who have moved to the mainland, and they haven't necessarily changed citizenship. They still may...they...they would be American--I mean Hawaiian citizens, and they would still be eligible to vote. So, is it--but you can't forward--can you mail ballots to Las Vegas if you have a current address?

MS. LUTEY: Yeah. Thank you, Member Cook. Yes. So, part of our outreach with the cards that Richelle discussed with you earlier this morning is us figuring out

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where people are based on what comes back to us through the Postal Service Center. And we've been trying to do as much outreach as...outreach as possible because if you still intend to come back to Lāhainā, then that would still be your voting area, and you would just sign up for a seasonal ballot or an absentee ballot. And on that application, it asks if you want primary, general, or both, and then we can send you that ballot. It just can't be forwarded.

COUNCILMEMBER COOK: Possibly an outreach...outreach to Las Vegas to Hawaiian civic groups to spread the word?

MS. LUTEY: That's a great idea. We hadn't thought about that, but yeah, that is something that we'll try to do. The State did do direct mailers--I don't know if I had mentioned that, I don't think so--last fall in an attempt to get all of the voters from District 14, which is the entire Lāhainā side. And we got about--well, almost 1,100 returns on that with updates. I think at the time, there was a lot of movement going on, and so maybe people have now settled a bit more. And so, to the extent that we can reach out to them, I think that's a great idea. I'll see what we can do.

COUNCILMEMBER COOK: Thank you. And my final question--and this may have been answered already--is P.O. boxes. How do P.O. boxes work? You don't send ballots to P.O. boxes, is that correct?

MS. LUTEY: We do.

COUNCILMEMBER COOK: You do?

MS. LUTEY: Yeah.

COUNCILMEMBER COOK: Okay.

MS. LUTEY: We do send to P.O. boxes.

COUNCILMEMBER COOK: Okay. So, that--I was wondering for condominiums and places, like, how would people do that? So, I was just mistaken. Thank you for that clarity.

MS. LUTEY: Yeah. You're welcome.

COUNCILMEMBER COOK: That's all my questions. Thank you.

VICE-CHAIR KAMA: Members, round 2. Member Paltin.

COUNCILMEMBER PALTIN: Thank you. I just had a question based off Member Sinenci's question. I thought in the past--was there, like a law change? Because

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I thought you couldn't open a voting place for just one day.

MS. LUTEY: Thank you for the question. We...we can. So, there's a proclamation that gets issued by the State Office of Elections, and in that, we list all of the dates, and times, and the locations that we'll be at for voter service centers, but also for the drop boxes. That will publish--do you know when that is--in May. I don't know exactly the date, but I can get that to you. So, that's what we've been working off of. So, the list that I provided all of you on where the drop boxes will be in our responses, that's what will be included in that proclamation, along with dates and times.

COUNCILMEMBER PALTIN: So --

MS. LUTEY: And the service centers.

COUNCILMEMBER PALTIN: When you said Lāhainā Civic would be open Election Day, could people go to Lāhainā Civic and register to vote then and there, and then vote?

MS. LUTEY: Yes. Thank you for the question. Yes, we can register at any of our voter service centers, even on the day of election if...if that's when you make it into us, to register and vote.

COUNCILMEMBER PALTIN: So, Lāhainā is going to be a voter service center.

MS. LUTEY: Yes.

COUNCILMEMBER PALTIN: Fourteen days?

MS. LUTEY: We are going to be there for an...a smaller amount of time. Right now, our thought was to do three days in advance of Election Day and Election Day.

COUNCILMEMBER PALTIN: And...and wasn't there a law that you had to be 14 days before? Did that change?

MS. THOMSON: My understanding is that the law didn't change, but it does allow some flexibility on the--the Clerk can make certain decisions if areas or resources require that.

COUNCILMEMBER PALTIN: Oh, because we had that big fire, now we require it? So, last election, apparently people thought they could go to the voter service center, and, like, when they were standing in line in Kahului, somebody was going through the line and saying, why don't you just go to Lāhainā Civic? So, maybe we should get that information out ahead of time because people that did that last election are going to be like, that's what you said last election and that's not

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true. So, just indicate that that's a difference because of whatever reason. And this year, you can go and register and vote on Election Day or the three days before at Lāhainā Civic because of the hardship of the fire or whatever.

MS. LUTEY: Yeah. Thank you that...that's a great a recommendation. That is something...that's part of what we've been trying to work in with going to Royal Lāhainā and working with Kaunoa and so forth, just because I know, like, my aunties, right, they want to vote in their hometown. They don't want to be driving to this side. But since we're on that topic, one of the things that we've been trying to figure out is actually putting real, live time waits for each of our voter service centers for Election Day, just to hopefully--so that we don't end up with, you know, people baking in the sun for hours . . . *(timer sounds)*. . . when there are days when we have nothing or times we have no one.

COUNCILMEMBER PALTIN: Yeah, yeah. I mean, there's, like, that old dog, new tricks thing. Some people don't want to go to the new, and then the new people don't want to be stuck in the old so it's trying to accommodate that --

MS. LUTEY: Yeah.

COUNCILMEMBER PALTIN: -- spread of folks' desires. Thank you.

VICE-CHAIR KAMA: Member Johnson? Round 3, Member Johnson?

COUNCILMEMBER JOHNSON: Thank you, Chair. My question was answered.

VICE-CHAIR KAMA: Okay. Any other need--oh, Member Cook.

COUNCILMEMBER COOK: Thank you. Regarding the cards that are sent out, those are to update voter signatures, as well as to validate...have an opportunity to validate addresses? Is that correct?

MS. LUTEY: So, there...there are three rounds of cards. The yellow is first, blue second, and white. And each serves a different purpose. But--so, the...the yellow gives you information such as, you know, what the dates of the election are, you know, what House District you're in, that...that kind of thing. It also gives you the opportunity to update--it gives you the resources, you know, go to the State website, go to our office, do it by mail, et cetera. We also--the next stage works with US Post Office. You know when you put in a change of address with the USPS? So, those records are used to reach out to voters who have changed their address through the post office, but not through our office. And that focuses on--correct me if I'm wrong--but within Maui County. Movement within the County. The...the last one, the white cards can be sent to those people who have moved around but have left either the County or the island...the...the State. So, they can correct--so, you mentioned people who may have relocated temporarily

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to Las Vegas. They may...they may get through those rounds and ultimately receive a white card that would allow them to still say that they do intend to return to Lāhainā as their permanent residence, but they're receiving their mail and may be up in the mainland for, you know, a period of time. So, through...through that cycle, we're trying to catch as many people as we can and update their records.

COUNCILMEMBER COOK: Thank you for the clarification. That's all.

VICE-CHAIR KAMA: Thank you. Member U'u-Hodgins? Member Sinenci? Chair Lee? Member Paltin? Back--okay. So, there's no need for a round 3. Okay. Very good. So, I want to just--do you have any last-minute comments you'd like to make, Ms. Lutey?

MS. LUTEY: Oh, thank you, Chair.

VICE-CHAIR KAMA: Thank you.

MS. LUTEY: The only comment I would make is, first, thank you for your support and for giving us the opportunity to present. But to the extent that you have contact with your communities and so forth, or if there are events that you think would be worthwhile for our election staff to...to go to and help with registration and making sure that we have as many people registered as possible and updated, we'd really appreciate that outreach to our office. Email, you've got my cell phone, any of those. You can always call Marielle as well, or Jojo. And to the extent you haven't pulled your papers or filed them, the deadline is June 4th, so Jojo will be following up with you soon. . . .(laughing). . . Yeah. Yeah. And you don't have to make an appointment, it's just easier for us to--if you do so that we don't have any overlap. But thank you.

VICE-CHAIR KAMA: Well, thank you very much for being here, our County Clerk's Office. And we certainly do appreciate all that you do for us, and we're very grateful that you're here today. Thank you. And so, the next office is the Office of Council Services. So...okay. Look at that. Look at that. So, Members, as previously, we'll always have three rounds of questions. Three minutes for the first round, three minutes for the second round, and two minutes for the last round. And if other rounds are necessary, we could do that too. So, we're going to begin with--wait, let me get...let me get my notes. We'll begin with Chair Lee.

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COUNCILMEMBER LEE: Thank you. I have no questions.

VICE-CHAIR KAMA: Okay. Member Paltin?

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COUNCILMEMBER PALTIN: I don't have anything.

VICE-CHAIR KAMA: Member Johnson?

COUNCILMEMBER JOHNSON: Thank you, Chair.

VICE-CHAIR KAMA: Yes.

COUNCILMEMBER JOHNSON: I have some questions about the salaries increases.
Across the board, was it four percent? Is that correct?

MR. RAATZ: Thank you, Chair. If I may?

VICE-CHAIR KAMA: Yes.

MR. RAATZ: Yes, Councilmember Johnson.

VICE-CHAIR KAMA: Thank you.

MR. RAATZ: That's correct.

COUNCILMEMBER LEE: So, I...I looked at some...some of the salaries. I'll just say it's a little top-heavy. I see 11 positions with six...making six figures and four full-time positions making less than--well, not...not even close to that. Not--and that's my concern, is that we see four percent rates across--I...you know, I...I...I guess my question to you, Mr. Raatz, is where is the merit in a four percent raise across the board? Don't you think raises should be based off of merit, and...and that is the system we should go? I understand that some of the folks do need a four-percent raise just to make ends meet, whereas some of the top-heavy figures, maybe they don't need.

MR. RAATZ: Thank you, Chair. If I may? Great questions, Councilmember Johnson. Thank you very much. The merit pay issue, that's something that arose early in my tenure with OCS. Our former Director Ken Fukuoka addressed this body when a question arose at that time, and he pointed out in...in the government context, particularly in the legislative context and the type of work that we do, determining merit is really difficult to do it in an objective way. I mean, we...we take seriously performance evaluation. We...we do annual performance evaluations for every single employee. And we now do monthly check-ins, where each employee has to talk to a supervisor for a half-an-hour block every month just to have feedback both ways, from staff to management and management to staff. So--and we...we're really high on professional development and education. So, there's obviously skills that are important to be developed. Expertise, that's important with this job. But to actually base pay on merit, we haven't found a

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way to do that. And we've...we've looked at other jurisdictions. We've consulted in particular with the...the central Council staffs in the other three counties in the State of Hawai'i. None of them have anything that I would call a merit-based pay system. It's something we'd be happy to study. We...we would need to assign staff to research or maybe ask the Auditor for help or contract it out, but it's a...it's a great point. I...I understand the concept behind it. We...and we have looked at it. The Office has in particular for many years, and we just...we don't have a solution to that right now. Thank you.

VICE-CHAIR KAMA: Thank --

COUNCILMEMBER JOHNSON: So, for my office, you know, I'm...I'm pretty active. I try . . . *(timer sounds)*. . . to write legislation...I'll wait for a second round because I just started that question.

VICE-CHAIR KAMA: Thank you, Mr. Johnson. So, let's continue with Member Cook.

COUNCILMEMBER COOK: Thank you, Chair. How is the OCS staff feeling about the transition...transition to Teams in general? And I'm just curious how the--if you can give us an update.

MR. RAATZ: Thank you, Councilmember, Cook. That's...that's another excellent question. I would say our...our staff, by and large, does believe Teams is a good system. We...we've--as the Councilmembers know and the public has seen, we've had some technical glitches as we've transitioned from the BlueJeans video conference system, which the Council had a lot of success with, but unfortunately, that program no longer exists. So, we looked at Teams, we looked at Zoom. Those were probably the two most--the highest ranked systems that we looked at. We have an outside consultant for IT in addition to our own IT staff. The IT folks are united in...in believing that...that Teams is a better system. There's better security, there's more functionality with other programs that we use. But we are taking a hard look at Zoom in...in particular because of requests from Councilmembers and the technical glitches that have come up. So, that...that's an ongoing issue. Thank you, Councilmember.

COUNCILMEMBER COOK: Thank you. I don't really have any problem with it. Well, I have a problem with a lot of software, so I'm not going to highlight Teams. But just one thing that occurred with us...with me today, it was just a link, an Outlook calendar that took me to --

VICE-CHAIR KAMA: Oh, thank you.

MR. RAATZ: -- a different page, to a web page. And then we--the Outlook on the Team's calendar took me to Teams. So, that--we worked through that really quickly. And I just want to--it seems like there's a few little glitches like that that once we

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get past them, it'll be pretty seamless. So, I was just...I also have heard the continuity of Teams with all of the other software makes a lot of sense. That was my only question. Thank you.

VICE-CHAIR KAMA: Excuse me, Councilmember. We're going to take a one-minute recess just to switch out again. So, if you could just hold on a second. So, we're going to be in recess for one minute, until 11:06. . . .*(gavel)*. . .

RECESS: 11:05 a.m.

RECONVENE: 11:06 a.m.

CHAIR SUGIMURA: . . .*(gavel)*. . . Thank you, everybody, for doing that recess. But thank you very much, Vice-Chair Kama, for doing the meeting while I did my NACo meeting. Appreciate all of you. So, I guess we're at--Member U'u-Hodgins is--took a little break--or excused for a little while, and now we're at Member Sinenci.

COUNCILMEMBER SINENCI: Thank you, Chair. I just had one question about the...the West Maui trailer office for Councilmember. And I know there was some questions about proper fire suppression measures for the trailer. Can you speak to any updates?

MR. RAATZ: Thank you, Chair. Thank you, Councilmember Sinenci. We don't have an update on that issue. We are kind of doing our due diligence at this point. It's still kind of an aspirational matter at this point because we obviously don't have funding in the current fiscal year, and we're waiting this body's decision for Fiscal Year '25. And we're...we haven't done anything towards procuring the...the trailer that we have in mind or anything like that yet. So, we're...we appreciate the...the concern being raised, but we...we don't have an update on that point at this time. Thank you, Chair.

COUNCILMEMBER SINENCI: But--thank you. And then but we can still go ahead and move forward with...with the project?

MR. RAATZ: Yes. We'll be able to take into account those concerns if...if the body decides to move forward. Thank you.

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

CHAIR SUGIMURA: Thank you very much. So, we'll go through another round of questions, three minutes each, start off with Chair Lee. And I just want all the Members to know that after you're done with OCS and your deliberations, I'm just going to go over the different bills they have before us without doing any votes, but then you can ask them your questions while they're here. So, just--that'll be the next phase of this. So, round 2 for Chair Lee. Three minutes.

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COUNCILMEMBER LEE: No questions.

CHAIR SUGIMURA: No questions? Member Kama.

VICE-CHAIR KAMA: No questions, Chair.

CHAIR SUGIMURA: Member Paltin.

COUNCILMEMBER PALTIN: I was wondering, in the budget for District office, Wi-Fi's or the preparation of a possible mobile office for West Maui if we're including Starlink. I don't know about the other districts, but, you know, sometimes the reception is spotty. I seen Member Sugimura busted hers out for the Upcountry budget hearing. And, you know, on our...on the day of our eight-month anniversary, the Upper West Side had no internet, or Verizon, or anything, Spectrum. And nobody in the County seemed to know that, you know? So, it's like--that's a very real trauma for folks, that we won't be able to call or use the internet, and then maybe they'll send out evacuation text messages and we don't know. And so, you know, just having access...another access point--like, if...if we are residency area offices, if the community knows that there is Wi-Fi available there for just, you know, emergencies, that would be a good thing. And I was wondering, you know, maybe it would be in place of Spectrum service or something like that because for Upper West Side--I'm not sure about the other rural areas--how often Spectrum service is lost. In my whole time of utilizing the Starlink, all you need is power and a direct line of sight to the atmosphere. So, I just was wondering the thoughts on that.

MR. RAATZ: Thank you, Chair. Thank you, Councilmember. So, our...our support section handles our business and technical operations. They've advised us that Starlink isn't used right now by any County agency. We would be more than happy to look at it. Internet connectivity is critical for...for all the reasons you mentioned. And of course, this body seems to be committed to having meetings by video conference and with the Residency Area Offices. I think there's an assumption Councilmembers should have very reliable Wi-Fi connection from those Residency Area Offices. So, we're...we're certainly open to that suggestion. We haven't budgeted for it. It's not in our proposal, so I don't know if that would necessitate a budget increase. But --

COUNCILMEMBER PALTIN: When we went over the Department of Ag, it's in their budget to acquire a Starlink for the Kula Ag Park trailer. So, it would be, I guess, following that trend. And the Department of Fire was talking about possibly doing it for the lifeguards because now that they have software, in some locations, it takes like two hours. Like, they'll log in information, come back from lunch, and it's still uploading. So, I think it's...it's becoming more of a thing, possibly. But yeah. . . .(timer sounds). . . Thank you.

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CHAIR SUGIMURA: Thank you. That's a really good point. Very handy to have that available. All right. So, next we have Member Johnson. And I see Member Rawlins-Fernandez traveling back to our meeting, so she can probably join in. . . .(laughing). . . Okay. Member Johnson.

COUNCILMEMBER JOHNSON: Okay. Thank you, Chair. It was--going...going back to my original question. So, my senior team with these proposed OCS salaries are making about \$20,000 to \$30,000 less than OCS salaries. My team does a lot of this legislative work themselves and have had to train some of our OCS staff. How do we...how do you...how do we propose to close this gap? You know, I still need funds for travel. My office workload is...is a lot. We need four people, at least. And some of our offices...some offices only employ three folks in...in their...in in their offices. So, can distribute...can we distribute the salaries different? I...I...I'm really concerned about this, that it's hard to keep good people and--you know? So, can you speak on that, Mr. Raatz?

MR. RAATZ: Thank you, Chair. Thank you, Councilmember Johnson. So, as the body's aware, retention is a big issue for all County agencies, of course. We're very fortunate with the Council support. We're in a good position with our staffing. As I mentioned earlier, we only have a couple of vacancies, and we want to make sure we stay that way. So, we...we need to be competitive with our salaries. In terms of the comparison of executive assistants to Councilmember salaries with...with OCS salaries, we've never really evaluated that. And you raise a great point that EAs do invaluable work, some of them are--at the Councilmember's choice work very closely with Committee Staff on Committee work. They all have different roles, and that's the Councilmember's prerogative. We're open to any ideas. You know, it's really within the Council's control. That's--the salary structure is set by ordinance under the Charter. So, the Council sets the salary structure, and then by resolution, you appoint staff in OCS at particular points in the salary structure. So, you have the discretion. We make recommendations on all of those. And likewise for the Councilmember's Office budget...budgeting, it's a matter of appropriations in the fiscal year budget. And we're...we're trying to have rough parity. That's why our proposal has four percent increase for both OCS and Councilmembers' Offices. But we...we're open to working with the Council on figuring out a way to close the gap, as Councilmember Johnson mentioned, but we don't have a particular solution at this time. Thank you.

COUNCILMEMBER JOHNSON: So, sometimes we'll work on a bill and...and we have to...we have to help OCS with the bill. And when you look at the pay, the OCS is making more than some of my folks on my team. And that's...that's the parity. That's the merit that I'm...I speak of, and that's--I...I heard what you said, you don't have any suggestions. You know, I...I think our, you know...our--the Councilmembers' salaries need to be raised, but that's a different story altogether because, I mean, we all know what we--and it's public... . . .(timer sounds). . .

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public knowledge for that. But I--it's--I mean, I saw what O'ahu, and I saw the fight that went off on that, and I'm not ready for that fight to--this year. I got plenty on my plate dealing with the fires and everything. But my time's up. And I just wanted to hear...you know, hear you guys speak on that, because that's the thing that I want to...I want to...I want to make...make it so it's a little bit closer because it's...it's--the...the gap is getting wider and wider. And eventually, you know, it's going to--we're going to have...we're going to have retention problems, you know? Thank you. Thank you, Chair.

CHAIR SUGIMURA: Thank you. Next, Member Rawlins-Fernandez. Can you hear us?

COUNCILMEMBER RAWLINS-FERNANDEZ: Aloha.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. I'm on Molokai traveling back on Kamehameha V Highway in our Community Outreach Specialist Zhantell Lindo's vehicle. But I'm not driving. I am not alone in my...in this vehicle. I have our Community Outreach Specialist Zhantell Lindo, Haunani Madela, and Keomailani Hirata with me. Okay. I...I just have, like, one question to follow up on, and I spoke with the OCS leadership team about this last month or before budget started. And it's...and I know Member Cook had asked about Teams and other, you know, potential online platforms we could use. And so, I...I didn't see it in the budget, in the proposed budget. We had talked about, you know, maybe not having as many licenses, because I know the cost of Zoom was one of the concerns, and the other concern was technical assistance. . . .*(inaudible)*. . . just cannot measure up to BlueJeans. And while we've gotten a little adjusted to its shortfalls, I...I think that Zoom would still be better. So, I guess my question is, would OCS be...be willing to have some Zoom licenses for...for Staff to use? And...and I also know because of our meeting that the...the preference is for there to be consistency for all Committees. But I don't want to keep using Teams. I...I would rather at least try with Zoom, and then see if that would be better. And if other Councilmembers like it too, then...then we can transition next year. But yeah. So, okay. I'll stop talking.

CHAIR SUGIMURA: Go ahead.

MR. RAATZ: Thank you, Chair. And thank you, Councilmember Rawlins-Fernandez. I appreciate you having ongoing dialog with our staff about this. We do have, in both the...the Fiscal Year '24 Enacted Budget and the proposed Fiscal Year '25 Budget, a \$13,000 appropriation for Zoom licenses. We're not exactly sure if that would--how far that would go. As you mentioned, Councilmember, there's been some adjustments in...in their licensing fees. But we certainly do have the ability to try Zoom, at least on a test run and with a certain number of licenses. And...and if we're given that direction, we're happy to...to do so. Thank you.

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COUNCILMEMBER RAWLINS-FERNANDEZ: Wonderful.

CHAIR SUGIMURA: . . .*(laughing)*. . .

COUNCILMEMBER RAWLINS-FERNANDEZ: That was the right answer. Great. Okay. That was my only question. Mahalo, Chair.

CHAIR SUGIMURA: . . .*(laughing)*. . . Just have to find out how much it costs, huh? All right. Next, we have Member Cook, then Member Sinenci after that.

COUNCILMEMBER COOK: Thank you, Chair. My budget question for the Department. I'm curious why the \$250,000 for the replacement for the West Maui Center office is in our budget. I'm...I'm a total advocate and I want to happen sooner than later. But isn't that part of the disaster relief budget? And if we could put it in our budget, and...and push it through, and get reimbursed, and it's faster, I'm super supportive. But I'm just curious about that. Has there been a discussion with the Administration about the funding for that office?

MR. RAATZ: Thank you, Chair. And thank you, Councilmember Cook. We've been in discussions with the Office of Recovery about this proposal, so they're aware of...of our intent and they're...they're helping us. We haven't had, I don't believe--or at least I haven't been involved in any discussions with Mr. Nishita, for instance, on whether the appropriation should be in their budget. I--that's an interesting suggestion and the way you've posed it makes sense, but we've been assuming it would be the responsibility for the Legislative Branch, and therefore in the OCS budget. Thank you.

COUNCILMEMBER COOK: Okay. Well, I think it needs to happen sooner than later, and the quickest path forward, I would be an advocate of. Thank you.

CHAIR SUGIMURA: Thank you. Member Sinenci. You don't have any more questions? So, you know, on...on that subject, Director, yesterday, when Managing Director was here, he did talk about an office and including for Tamara. And then Tamara had a discussion about the challenges of permitting. And what was your conclusion on that? I mean, I--we didn't talk about this, reimburse for the...the trailer.

COUNCILMEMBER PALTIN: I believe Mr. Nishita was going to reach out to the Hub and see if they could assist because they were stuck with the water requirements like the rest of West Maui.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: And some of Central. And Upcountry.

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CHAIR SUGIMURA: . . .*(laughing)*. . . How about the island or the County? But--so, basically then, the trailer is a goal, and then all of this other challenges will have to get worked out. But reimbursement is a whole another discussion, I think. Would that be a FEMA question? As an Office of Recovery disaster impact.

MR. RAATZ: Thank you, Chair. We're not sure, but we're glad to have the idea. And we will definitely research the reimbursement possibility. Thanks.

COUNCILMEMBER PALTIN: Would we have to follow the ADA to, huh, because it's a public office, so people have to be able to get up there? Like, build one ramp to the trailer or something? . . .*(timer sounds)*. . .

CHAIR SUGIMURA: I think--yeah. Go ahead.

MR. RAATZ: Thank you, Councilmember. I would think so. That's another good point. Thank you very much.

CHAIR SUGIMURA: Yeah. And Starlink, ADA...does it have restrooms in it? Is it that kind of trailer?

COUNCILMEMBER PALTIN: If...if we are allowed to go above of the Lāhainā Civic--I mean, it's not ideal, but that they have restrooms there.

CHAIR SUGIMURA: Also, how do we start that process, Director? Did my bell go off? The buzzer go off? Sorry. It did? Okay. Sorry about that. Okay. Round...round 2. Final round. Questions, Members? Chair Lee? Not anymore, right? Member Kama is not there. Member Paltin, do you want to continue on that conversation?

COUNCILMEMBER PALTIN: Sure, I guess. So, I know that Nāpili Noho is a little bit struggling with the permitting process, and when they had met with Ms. Taomoto, Ms. Taomoto informed them, do not build me an office because it's not allowed. And so, then if we're doing something totally separate from the Hub and they need to go through their permitting process, should we do our own separate permitting process to place a trailer in the EO lot above the Civic? I guess maybe near to a fire hydrant, but I don't want to impede their operations. But if we're not really a part of that because Ms. Taomoto won't let them, then should we do it somewhat separately? And then if it's just a mobile trailer, do we have to be 170 feet from a fire extinguisher as well, or would there be other space that we should try to apply for, closer to a restroom or something? If...if--I mean, I don't--we were in talks with All Hands and Hearts, and they were proposing to build office space and have a space for me there. But if we're not allowed to do that and we're going to pursue this trailer issue, is there a need to me...for me or the trailer to be tied to the Hub location, or just anywhere on the Civic complex or gravel area? There is a trailer for DHHL FEMA workers. I don't know if they

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went through a permit process or what--how that is, but if they can do it, can we do something similar, like maybe put our trailer next to their trailer or something? Because they didn't work with the Hub and like that. So, I guess, you know, as we're learning more of what's going on with the Hub and the permitting and whatnot, I don't see DHHL's trailer near to a fire hydrant. And so, you know, maybe that's why they want to do the permitting process to stop us, but it--I don't know how long FEMA's going to be there, if we just take over their trailer or how that works out. But just came to mind because I learned over the weekend that Nāpili Noho was held up with the fire hydrant issue. And then, you know, going to the other meeting--oh, my goodness, it was just last night--and...and glancing at DHHL's trailer, they don't seem to have run into the similar types of problems. I don't know if it's because it's the Federal government and we're just the OCS, but if it's good for the goose, it's good for the gander, right?

MR. RAATZ: Thank you, Chair. Thank you, Councilmember Paltin. I appreciate you getting all these questions and ideas on the record. That's very helpful to us. I don't know if the DHHL situation has something to do with the fact that they're not subject to County permitting requirements to the same degree as a County agency may be, but we will...we'll follow up on that.

COUNCILMEMBER PALTIN: Yeah, it's...it's not a DHHL trailer, it's a FEMA trailer on County land or EO land that's specifically for DHHL because of the historic distrust between Hawaiians and the American Government to have, like, a private place for them to get specialized help. It's not exclusively for that, but that was the intention. So, it's... . . .*(timer sounds)*. . . it wouldn't be an exemption under DHHL. So, if it's good for them, it could be good for us.

CHAIR SUGIMURA: Okay. Well, it sounds like we should hire a planner to help us. . . .*(laughing)*. . . I know a really good one. Okay. Member Johnson.

COUNCILMEMBER JOHNSON: Thank you, Chair. My questions have been answered.

CHAIR SUGIMURA: Okay. Member Rawlins-Fernandez? Maybe that was her.

COUNCILMEMBER RAWLINS-FERNANDEZ: No further questions. Also, for the record, I am now at my private residence alone in...in the room. That's --

CHAIR SUGIMURA: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- where I am in the house. But yeah, no further questions. Mahalo.

CHAIR SUGIMURA: Okay. Thank you. Member Cook.

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COUNCILMEMBER COOK: No further questions. Thank you.

CHAIR SUGIMURA: Okay. Member Sinenci, no further questions. Okay. So, that takes us to the round 3, and it sounds like we're all done with questions. But I--it sounds like we need to really explore this purchasing of the office or the trailer, the 200 something thousand dollars or--before we make that move. So, will you have some kind of recommendation that you would like to make on that, or what would be your next step, Director?

MR. RAATZ: Thank you, Chair. I...I think really for us to advance this project, we would need this body to approve the requested appropriation or something similar to it at least. That would give us direction. And this is obviously a novel endeavor for our office, and we've seen just from the...the questions and comments today, it's going to be complicated.

CHAIR SUGIMURA: Um-hum.

MR. RAATZ: But we will work with Office of Recovery, as I mentioned. Everyone else in the Administration is willing to help us. As we mentioned in one of our written replies, the West Maui Councilmember will necessarily play an active role. So, it's going to take a team effort, and we--I think you're right, we'll need a project manager or planner of some sort to really take a lead on this project to make it effective. Thank you.

CHAIR SUGIMURA: Yeah. Okay. Oh, Member Sinenci?

COUNCILMEMBER SINENCI: Thank you. Just a follow-up for Mr. Raatz. So, I mean, should you have to pivot at some point, if you have to, does the wording trailer oppose--would you be able to if the wording is specific to a trailer?

MR. RAATZ: Interesting question. Thank you, Chair, and thank you, Councilmember Sinenci. That might be a legislative drafting question for the Committee Staff that I...I am not prepared at the moment to offer a definitive answer on. But I appreciate you thinking along those lines.

COUNCILMEMBER SINENCI: Okay.

MR. RAATZ: Thank you.

COUNCILMEMBER SINENCI: Thank you.

CHAIR SUGIMURA: Yeah. Good point. All...all could make a difference, right? All right. So, Members, it sounds like we're at the end of the questions. And OCS has some bills, resolutions for us to consider. And we can either--because they're here, I wanted to take them last and...and they can answer your questions

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regarding the bills and reso. But if you would like...and you would like to look at it first, then you want to take an early lunch, and then come back, and then talk about the--ask them questions? Anybody have--oh. So, there's Bill 65. There's also the resos about the OCS Staff increases. And yeah. And then after, I'm also going to be taking up the budget provisions...general budget provisions, as well as the revolving funds later. So, that's going to be kind of our day. But as far as OCS related, you...you...you want them to come back after lunch and then we can ask Director questions that you may have, or are you guys ready for questions? Come back? I see Member Sinenci nodding his head. Chair Lee?

COUNCILMEMBER LEE: I have a meeting at 1 o'clock. From 1 to 1:30.

CHAIR SUGIMURA: Okay. Okay. So, you want to take a lunch now, and then--oh, how are we going to do this? We got to come back at 1:30 then. Come back at 1:30?

COUNCILMEMBER PALTIN: Chair?

CHAIR SUGIMURA: Yes?

COUNCILMEMBER PALTIN: Can you tell us the number of Bill 65 in Granicus?

CHAIR SUGIMURA: Oh, okay. Wait. I have it here. Hang on. Do you have it, James?

MR. KRUEGER: Yes, Chair. Bill 65 is number 42 on Granicus. Also, the legislation is also posted. It's in the hyperlinks on the agenda.

CHAIR SUGIMURA: Um-hum.

COUNCILMEMBER PALTIN: Oh, okay. I had a question.

CHAIR SUGIMURA: Okay. Go ahead.

COUNCILMEMBER PALTIN: So, I...I have a PAF in to possibly post this Friday for it to be agendized for next Friday. Is it okay to speak about the idea generally if it's legislation this afternoon, even if it's not posted because we're having a discussion on legislation? I mean, obviously we wouldn't be passing it or anything --

CHAIR SUGIMURA: Right.

COUNCILMEMBER PALTIN: -- but just bring up the idea?

CHAIR SUGIMURA: So, that's what I was planning on doing, and the items that are already posted in Granicus. So, James, what is...what is your read on that, Mr. Sunshine?

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COUNCILMEMBER PALTIN: David, you mean?

MR. KRUEGER: I--you know --

CHAIR SUGIMURA: . . .*(inaudible)*. . .

MR. KRUEGER: Staff, we'd like to defer to our --

CHAIR SUGIMURA: Oh, oh. Sorry, James.

MR. KRUEGER: -- illustrious leader, Mr. Raatz.

CHAIR SUGIMURA: Sorry. . . .*(laughing)*. . . Sorry.

MR. RAATZ: Thank you, Chair. I think the BFED-1 item is...is broad enough that probably anything that you can tie into the Fiscal Year 2025 budget is...is okay for discussion.

CHAIR SUGIMURA: Okay.

MR. RAATZ: Thank you.

CHAIR SUGIMURA: Okay. So, it's fine. I'm sorry about that David. I'm so used to talking to James and Kasie. . . .*(laughing)*. . . And we have the master here. All right. Does that answer your question? So, we can talk about it.

COUNCILMEMBER PALTIN: Yeah, yeah. You want a preview?

CHAIR SUGIMURA: No.

COUNCILMEMBER PALTIN: Okay. Just checking.

CHAIR SUGIMURA: . . .*(laughing)*. . . Only because we're going to take it up. So, at this time Members, it's 11:33. I'm going to break for lunch and come back at 1:30 so we can accommodate Chair Lee's meeting schedule. Any objections? Pretty early. You guys are fine? All right. So, this meeting is in recess. And David, can you come back after? Yeah. Thanks. . . .*(gavel)*. . .

RECESS: 11:34 a.m.

RECONVENE: 1:38 p.m.

CHAIR SUGIMURA: . . .*(gavel)*. . . Welcome back, everybody. Hope you had a nice lunch, and we are now ready to dig in of a different nature, right? We're going to look at bills. So, I asked David and...David Raatz and Richelle Kawasaki to come back, Office of Council Services, because I wanted you to ask them questions on

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the proposals that they have before you. But we won't make any decisions on it, but I did want to give you the opportunity of asking them questions regarding what they are asking you to approve. So, at this time, I wanted to include with OCS the legislation which they are proposing, which is Bill 65, which institutes a four percent pay increase for specified pay ranges and steps for employees of the Office of Council Services, authorizes the Director of Council Services during the term of appointment of any employee of the Office of Council Services to adjust the salary of the position within the pay range step established by the Council, and authorizes the Director of Council Services to place any Office of Council Service employee on administrative leave, with or without pay, as a result of disciplinary...disciplinary action or subject to an...an investigation of the employee requested. That's Bill 65. Okay. Did you get--you got it? And Bill number--I mean, Resolution number 24-67. You want to pause until you can find the bill? Bill 65. Shall we get it for you, Member Kama? Shall I call a short recess? I'm going to call a--you got it? And you have the resos also, Member Kama?

VICE-CHAIR KAMA: Yeah. I got them.

CHAIR SUGIMURA: Okay. Okay. So, Bill 65. Anybody have any questions, please. We have Director Raatz and Deputy Director Kawasaki here. I will start with Chair Lee. You have any...you have any questions? What happened to my pen? Oops.

BILL 65 (2024)

COUNCILMEMBER LEE: Okay. What's the genesis...genesis for the...this bill? I'm sorry, I missed that part.

MR. RAATZ: Thank you, Chair and Chair Lee. This package of legislation is nearly identical in form to legislation we put forward to the Committee last year, where it's a combination of legislation. We've got one bill, Bill 65, that would establish an across-the-board pay increase, just like last year. The...the numbers are different, of course, but same concept. And then resolutions to, one, suspend the provisions of the County Code that would normally mandate step increases, and then to also adjust the steps or salaries for certain other employees. So, it's...it's a package that works together. The bill does have one difference compared to the bill that was put forward last year in that it would clarify OCS's management authority. As Committee Chair mentioned, it would authorize the Director to adjust salaries within the...the...the fiscal year without having to return to the Council for a resolution. But right now, every time we want to adjust the salary, we have to come to the Council for adoption of a resolution, so this would authorize OCS management to do that. And then also, as Committee Chair mentioned, it would authorize the Director to place employees on administrative leave. And that--we don't have any obvious authority to do that

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right now. We think it's kind of a normal management function. So, that's...that's the background. Thank you, Chair.

COUNCILMEMBER LEE: So, David --

MR. RAATZ: Yes?

COUNCILMEMBER LEE: -- any reason why it didn't pass last year?

MR. RAATZ: Well, what we proposed last year did pass.

COUNCILMEMBER LEE: Oh.

MR. RAATZ: And this policy, part of the bill--giving OCS management clarified authority, that part is new. That wasn't proposed last year. So, we just added that into the bill this year.

COUNCILMEMBER LEE: Oh.

MR. RAATZ: Last...last year's bill provided an across-the-board increase --

COUNCILMEMBER LEE: That passed. So, you're just adding this other thing about admin leave and so forth? I mean, not admin leave, but suspensions and whatnot, right?

MR. RAATZ: Right. Along...along with this year's new proposal for an across-the-board increase in lieu of step increases.

COUNCILMEMBER LEE: Okay.

MR. RAATZ: Thank you.

COUNCILMEMBER LEE: Thank you. I got my clarification.

CHAIR SUGIMURA: Vice-Chair Kama, you have any questions regarding Bill 65?

VICE-CHAIR KAMA: No, I don't. Thank you.

CHAIR SUGIMURA: Member Paltin?

COUNCILMEMBER PALTIN: Sure. I would...I would like to know--to clarify what your definition of any employee is?

CHAIR SUGIMURA: Director?

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COUNCILMEMBER PALTIN: Like, would it include my Staff?

MR. RAATZ: Good question. It would only include staff within the Office of Council Services. So, somebody who is appointed by this body by resolution, whereas Councilmembers' Staff, executive assistants are not appointed in that fashion and they're not under OCS management.

COUNCILMEMBER PALTIN: Including Residency Area Staff?

MR. RAATZ: Good question. Because those offices do function in kind of multiple capacities, right, we regard them as kind of outpost for OCS, but they're managed by the Councilmember from that residency area. So, I--that's--I haven't thought through the answer to that question. I...I don't know if anyone else on our team has, but that...that's a good question. We're--I was thinking of OCS staff that work here in the civic center complex.

COUNCILMEMBER PALTIN: The County campus, you mean? Civic?

MR. RAATZ: Thank you. Sorry, I was using civic center as a shorthand way of talking about the fact that we have staff here in Kalana O Maui and Kalana Pakui, but --

COUNCILMEMBER PALTIN: Not Lāhainā Civic?

MR. RAATZ: Right, good point. And as Deputy Director just reminded me, the...the RAO staff are not appointed by resolution, so they wouldn't--and I...I've...I don't regard them as under OCS's management, so I think...I think I'd feel comfortable answering your question saying the RAO staff would not be subject to what this bill is proposing. Thank you.

COUNCILMEMBER PALTIN: Okay. Then my next question would be, are--we're only on Bill 64? 65, sorry. Okay. So, my next question would be, the...the--we're repealing the effective July 1st, 2023 whole stuff. All of that is x-ed out, and then we have this new one. Is it...it's comparable to collective bargaining and like that, that's how it got changed to new numbers?

MR. RAATZ: We do look at collective bargaining agreements for comparison. And Ms. Fujita has mentioned that we look back at last year's discussion with the Committee, and that's one reference point. In all candor, as I mentioned this morning, we're really focused on retention is...is our guiding principle. So, you won't see a one-to-one match up with the collective bargaining agreements, but it's a reference point.

COUNCILMEMBER PALTIN: Yeah, I know. Every time, I think we ask folks if they can commit to the two years and . . .(timer sounds). . . everybody always says yes coming in, but it somehow doesn't work out like that. But I heard the bell, so I'll

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come back around. Thank you.

CHAIR SUGIMURA: Thank you. Next, we have Member Johnson, then Rawlins-Fernandez, Cook, U'u-Hodgins.

COUNCILMEMBER JOHNSON: So, in regards to this bill, you know, David, you've been here for many years. Actually, you could refresh me. How many years have you been in OCS?

MR. RAATZ: Thank you. I've...I've had three different tenures. I don't know the exact number off the top of my head --

COUNCILMEMBER JOHNSON: Okay.

MR. RAATZ: -- but over twenty years. Thank you.

COUNCILMEMBER JOHNSON: Yeah. So, has it changed? Is--has it changed much--enough that this is needed is my question? Have you found people where you...you're in situations where you would need to put somebody on administrative leave and not come before the Council?

MR. RAATZ: Thank you, Chair. Good question. It's really part of a proactive mindset to--we've...we've been kind of looking at big picture issues, like what authority management does have and where are our gaps. And we saw this as one area where there's not much in writing that...that guides our authority on...on a topic like this at least. Thank you.

COUNCILMEMBER JOHNSON: Okay. Really, that's...that's my question is, you know, throughout the time...the time you've been, you've seen the changes in the OCS relationship with the Council, that if there was any, you know, issues, that they would be needed to do this kind of thing. But I haven't been here as long as you have. That's why I'm kind of finding is there something that--an impetus for this. But if it's just trying to get ahead of it, well, I don't know. Isn't there more things on your plate that you would find more important? That's what I'm asking.

MR. RAATZ: Thank you, Chair. Thank you, Councilmember, for the question. You know, we've...we've been able to manage without this type of authority. So, you know, we wouldn't say it's imperative for the Office to continue functioning in a professional way, but we think it's an important additional tool. And...and...and we've been fortunate we haven't had major workplace issues in all candor, but if...if there were something urgent, we'd want to be able to point to our authority to say, okay, for a particular time, an employee needs to be put on administrative leave.

COUNCILMEMBER JOHNSON: Are you --

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MR. RAATZ: Thank you.

COUNCILMEMBER JOHNSON: Are you satisfied with the training you give OCS?

MR. RAATZ: Thank you, Chair. Well, it's hard to say satisfied, because we believe in ongoing professional development. We do quarterly reports on...on our numbers.

COUNCILMEMBER JOHNSON: Okay. Well, let me rephrase that. Are you satisfied with the funding for your training?

MR. RAATZ: Thank you. I...I do think we have sufficient funding. We...we do--you know, now that there's more online conferences and webinars available --

COUNCILMEMBER JOHNSON: Right.

MR. RAATZ: -- it...it does allow us to get to some good educational events without having to incur travel costs. And we're...we're ask...we ask our employees to constantly look out for webinars and other professional development tools. So, I don't think we've identified a specific shortage, but it is an important principle . . . *(timer sounds)*. . . that we try to promote training, wellness, all sorts of employee development. Thank you.

COUNCILMEMBER JOHNSON: Right. Well, wellness is a big, you know, important factor and is—I always try to fight for making sure our...our teams have a place where they can go to make sure that they are well mentally, physically. I just wonder if, you know, are we chasing ghosts? That's really my question. So, thanks for that. My time is up. Thank you, Chair.

CHAIR SUGIMURA: Thank you. Next, we have Member Rawlins-Fernandez, and followed by Member Cook, and U'u-Hodgins.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. No questions. Mahalo.

CHAIR SUGIMURA: Okay. Member Cook?

COUNCILMEMBER COOK: I guess, I...I'd like to get some examples. It seems like we do this every year. The pay increase last year, pay increase this year. It's...it's relatively understood and accepted that cost of living goes up. People need increases. We've had the conversation about the...the lack of permanence of this position and the need to pay people well so that they stay. I think having a good work environment--we have a certain responsibility that as a Council of what kind of atmosphere it is for people to want to work. So, the...adjusting the salary annually, like, within--give me an example of where you would want to adjust the salary during the middle of the year, kind of as--any...any theoretical reason.

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MR. RAATZ: Thank you, Chair. If I may? Again, this is an example of us being proactive. I don't think we have a specific scenario we can point to that we've encountered in...in that we felt limited. We do think it's a little bit cumbersome to have to come back to this body anytime there's any type of salary adjustment. It takes the Council's time, subjects an employee to maybe more public scrutiny than it would be necessary or....or desired. You know, and I don't envision a scenario where somebody is being recruited out...out of OCS because, you know, we do a good job with our recruitment. We end up getting a lot of talented people who almost instantly become appealing candidates for other positions. But, you know, I don't envision that we would exercise this authority to try to get into a bidding war of some sort. If somebody came to us and said, I've got, you know, an offer from somebody else, and --

COUNCILMEMBER COOK: So, I...I guess--I hear that. I guess I'm just wondering--also, it really doesn't have anything to do with OCS. I'm...I'm not a big fan of just, like, layering stuff on, rules and regulations. And it's like if there's a reason for it and there's a need for it, then I'm an advocate for it, but--and the structure. So--and I think people have gotten to know me enough. I'm usually pretty agreeable. Like, if that's what you need and not going to argue anything, it's fine. I'm just trying to get a handle on if it hasn't been needed in the past, and I've never heard anything about it, and it wasn't part of a discussion, being educated is the reason...the reason why. The other aspect is the...the Part II of this, which is the being able to--how do you put it, reprimand? I mean, it's to be able to give a raise, and also to be able to --

MR. RAATZ: To--it would be to authorize the Director to say that an employee goes on administrative leave, with or without pay, for particular period of time.

COUNCILMEMBER COOK: Right, at your discretion. All right. So-- . . .*(timer sounds)*. . . Okay. What's the current policy for that? If someone...if--are--is that needed? Because right now, it's a-- and you're--for educating me. Thank you. Right now, it's just unmanageable if someone is not toeing the line or cooperating and you don't really have any ability without coming to the Council to correct the issue. Is that the case?

MR. RAATZ: Thank you, Chair. Would you like me to answer? Thank you for the question. So, we don't really, under our current written authority, have intermediary steps. OCS staff is appointed for a two-year term coincident with the Council's term, and employees are guaranteed employment for that two-year term unless the Council adopts a resolution for termination subject to a two-thirds vote and for cause. So, it's a really high standard.

COUNCILMEMBER COOK: Yeah.

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MR. RAATZ: Luckily, we've never had to go anywhere near that direction, but that's our only tool for...for management really. So, this...this would provide an...again, an intermediate step. And again, it's partly based on looking at authority of management and other councils in the State.

COUNCILMEMBER COOK: Thank you for clarification because that did very much explain. That is a really high bar, cumbersome way, and difficult to manage people. So, thank you for the answer. That's my questions.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER U'U-HODGINS: I have no questions, Chair, but thank you.

CHAIR SUGIMURA: Okay. Member Sinenci?

COUNCILMEMBER SINENCI: Thank you, Chair. And mahalo, Mr. Raatz. I know as Councilmembers--excuse me--we often get a sheet, an annual sheet, to...to score and rate our...our Committee Staff. So, does that mean that we don't get to rate them with...with this new amendment? And are...are you--I guess my question is, what is now your--for you to...to make any movements or actions for any employee? What is your--the rules and regulations that...that you'll be looking towards to make those decisions?

MR. RAATZ: Thank you, Councilmember. No. In fact, this proposal would be consistent with our seeking of input from Councilmembers and trying to be as objective as possible in...in evaluating employees' performance. So, I'm sure no one in OCS management would exercise authority that's given here in an arbitrary way or without full evaluation and consultation. So, we...we really value that...that optional input that we do provide Councilmembers with. And I know it's time consuming, everyone has busy schedules. But when we do get feedback that we request, it...it helps us quite a bit. Thank you.

COUNCILMEMBER SINENCI: Okay. And...and I know that the four percent increase is not necessarily, hey, we're going to be adding additional duties, right? This is just across the board for living expenses and...and what have you. However, that said, you know, since the...the August fires, you know, including our staff and our schedules, you know, there's no such thing as every other week anymore. It's pretty much every day. So, I mean, you know, we're adding--and because...and...and of course, we've all accepted this kuleana and this work to...to help our communities. But that said, it's a lot of ask on our Staff as well, now that we've kind of taken on almost this full-time position. So, I'm...I'm okay with it. It's just I...I kind of want to make sure that it corresponds with everything else that we're doing, Chair. Thank you.

CHAIR SUGIMURA: Okay. Good point. Thank you. Anybody else? Chair Lee.

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COUNCILMEMBER LEE: Is there a motion on the floor?

CHAIR SUGIMURA: Oh, we're not taking action.

COUNCILMEMBER LEE: Okay.

CHAIR SUGIMURA: This is just discussion.

COUNCILMEMBER LEE: Just discussion.

CHAIR SUGIMURA: We're not going to make decisions.

COUNCILMEMBER LEE: I...I just want to make a comment, though. In my role, I...I do a lot of--participate in the oversight of employees. And believe me, we have one of the best staffs in the world, starting with--not only the analysts, and research section, and the clerks in the clerical section, and the secretaries. But Shelly is one of the best. And all the research section reports to her, and she is very diligent with training. It's ongoing training. It's not, like, once, you know...once a year or something like that. And I'm very impressed because it's part of my job to...to watch, and to observe, and to assist whenever I'm need...I'm needed. And believe me, I'm hardly needed because they do such a great job, all of them. So, I just want to assure everybody that what's being proposed is really for the best of...of our personnel, our workers. It's...it's--one of the kind of touchy areas every year is when we have to show the whole world what everybody's making, you know? And this way, if there's an automatic, you know, across-the-board raise, then it doesn't...doesn't isolate or draw attention to one or two people getting a raise, you know, and that happens from time to time. So, the system is...is going to be--work out better for the employees. And I...I want to assure everybody that--and I get to...I get to comment on all of these--I swear, it's every other month I'm evaluating somebody. And it's ongoing, and it's on a consistent basis. And I just wanted to assure...assure the...the Members that, yes, we have the best staff, and it's every day. It's not every now and then, it's every day. Thank you.

CHAIR SUGIMURA: Thank you. Any other comments? Member Paltin, then Member Johnson.

COUNCILMEMBER PALTIN: Thank you, Chair. I'm okay with the number 4, during the term of appointment, any employee may adjust. But would we personally know about that, or how would it--I mean, I'm okay with deferring to your judgment on it, but would we know?

CHAIR SUGIMURA: Director.

MR. RAATZ: Thank you, Chair. If this bill were enacted as an ordinance, I'm sure we

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would set up some sort of notification to the Councilmembers so you'll...you're well aware...well aware. I mean, this would be done in your name, so we'd make sure about that. Thank you.

COUNCILMEMBER PALTIN: And you don't expect folks to get more demanding if...if you guys get paid more, right? Just checking.

MR. RAATZ: Thank you, Chair. I...I wouldn't think so.

COUNCILMEMBER PALTIN: Okay.

MR. RAATZ: Thanks.

COUNCILMEMBER PALTIN: Got it. Just double-checking.

CHAIR SUGIMURA: Okay. You're done? Member Johnson.

COUNCILMEMBER JOHNSON: Thank you, Chair. Correct me if I'm wrong, David. Last year, did you guys ask for an eight percent raise and said you weren't going to come back and ask for more, or was that a misunderstanding?

MR. RAATZ: Thank you, Chair. If I may? Thank you for that question. Our staff did look back at the history. Ms. Fujita, my predecessor, came in with...with a bill. Again, we had a package like this last year that asked for a five percent --

COUNCILMEMBER JOHNSON: Okay.

MR. RAATZ: -- across-the-board increase. And the Council, on its own initiative, generously made it an eight percent across the board. In the discussions, Ms. Fujita did say she envisioned having to do at least two years of across-the-board increases to get to where we needed to get to in terms of --

COUNCILMEMBER JOHNSON: I see.

MR. RAATZ: -- staying competitive. Thank you.

COUNCILMEMBER JOHNSON: So, usually these decisions are...are up to the Council, and in this bill, it's taking away some of our decision making. And that's kind of my question is like, you know, where is...where's the need for this, you know? Where...where is the impetus for this ask, you know, that'd make a bill work? So, if you want to respond to that.

MR. RAATZ: Thank you, Chair. And you're correct, Councilmember Johnson. It is a transfer of authority from...from the Council to OCS management. It's a policy choice. Again, you know, questions may be as it--may arise as to is it worth your

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time to make these salary adjustments. I mean, every resolution you adopt takes certain amount of time and other resources to process. The concept is partially modeled after what happens at the Honolulu City Council, where they have a similar structure to us in that their OCS staffs, their Committees, they have analysts, attorneys, secretaries, support section staff just like we do. But what they do is appoint their Director only, and then the Director not only sets salary, but sets--makes employment decisions, hiring and firing decisions, where we wouldn't--we're not advocating to go that far. I mean, that would probably require a charter amendment, actually. But it's...it's a way to, again, transfer authority, perhaps for efficiency sake. Maybe professionalism's sake is one way of looking at it. That's how it's been portrayed to me in--from Honolulu OCS, that it...it relieves some of the decisions from the political format, for lack of a better word. I mean, we're...we're all political appointees. That's part of the nature of the job. But we...we do serve all nine Councilmembers, irrespective of politics, per se. So, that...that's some of the background. Thank you, Chair.

COUNCILMEMBER JOHNSON: Yeah. Okay. You know, just looking over the salaries, it's--I think there's 8 positions that make less than us and 11 and make more--or a lot more than 11, but 11 are making six figures. So, I don't have nothing to say about that. That's all. Thank you, Chair.

CHAIR SUGIMURA: Got to go see the Salary Commission. Anybody else? I think Member Rawlins didn't have a question before. Member Cook, do you have anything else? We can move on?

COUNCILMEMBER COOK: I don't have any more questions.

CHAIR SUGIMURA: Okay. And Member U'u-Hodgins didn't. Member Sinenci, you're okay? Okay. Okay. So, I'm going to...I'm going to move on then to --

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair?

CHAIR SUGIMURA: -- the resolution. Oh, Member...Member Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I know that we don't have a motion on the floor and this is a Q&A format, but I just kind of wanted to speak a little bit to some of the questions that I had regarding this and just my experience in--and understanding in how, you know, the...these legislation...these pieces of legislation have come before us. And I...I, you know, speak in strong support of this. I think depoliticizing these positions are--for all the reasons stated, is...is a really good idea. I know that these positions have--and...and Staff--you know, with past Councilmembers have been, you know, used to, you know, be...be the sacrifice in showing that the Council is more, you know, austere than the Administration. And then the Council will then have to pay in losing really highly qualified, amazing staff because of...of

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these moves. And I think that just, like, setting it up so that it's just formulaic like other civil service positions is...is a good...is a good step. And, you know, we have attorneys. And in order for us to attract, you know, qualified people to apply for these positions, we have to pay competitively. Otherwise, they'll go to the Prosecuting Attorney's Office or the Corp. Counsel Office. If we want to have good attorneys, we have to pay competitive wages. So, I...you know, I guess I didn't have a question. . . .*(laughing)*. . . Sorry. Mahalo.

CHAIR SUGIMURA: Okay. Anybody else? Seeing none. Okay. So, we're going to make the vote on this decision this week, so we just wanted to have this discussion while Director is here.

RESOLUTION 24-67

CHAIR SUGIMURA: Next, we have Resolution 24-67. And same thing, we will allow you to, you know, ask questions. And what this does is suspends all provisions of Subsection 2.08.060(d), Maui County Code for Fiscal Year 2025. So, what that provision in the Maui County code, if you look it up, it has the pay raises that went into effect last year. So, this is...this is going to update the information. But Director--or anybody have questions regarding this? Director, do you want to say something?

MR. RAATZ: No. Thank you, Chair. You...you described it well.

CHAIR SUGIMURA: Okay. It's going to change the pages in our Maui County Code book, is what it is, is--once this passes. But anybody have questions? If not, I'll move on. Move on. I don't see anybody. Okay.

RESOLUTION 24-68

CHAIR SUGIMURA: So, Resolution 24-68 states the salaries of the...of the Director and Deputy Director of Council Services, and sets the pay ranges and pay steps for several OCS employees. So, if you look at it, it lists the names of the employees and their positions, and then it has the...I forget what it was called. The steps. Anybody have questions? Oh, sorry. I didn't see you, Chair...Vice-Chair.

VICE-CHAIR KAMA: I don't have a questions about the pay raises or the salaries. I'm just, you know, listening to the discussions that we've had this year and we're hearing right now. And I...and I hear that we all work hard, our staff works hard, we work hard, we work more than we are getting paid for. So, how do we, at some point in time, address the issue of our salaries to the Salary Commission? And where does...how does that discussion take place, if at all? I don't know where it falls in the budget --

CHAIR SUGIMURA: Okay. So --

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VICE-CHAIR KAMA: So, I don't...so, tell me what, where --

CHAIR SUGIMURA: I will ask David Raatz to describe to us the legal parameters that we are in. If you don't mind.

MR. RAATZ: Sure. Thank you, Chair. So the Maui County Charter gives the Salary Commission --

VICE-CHAIR KAMA: Yes.

MR. RAATZ: -- exclusive authority over Councilmember salaries. And it is a different framework that Honolulu City Council has, or at least they used to have, in that situation that Councilmember Johnson referenced. You have no role in accepting or denying a pay increase or pay decrease for that matter. They have sole authority. Chair Lee has asked us to monitor the Salary Commission's actions on...on Councilmembers' behalf. So, Clarissa MacDonald, our Legislative Analyst, has been attending each of their scheduled meetings. As far as we can tell, there's not going to be any imminent change, but they can be requested at any time to...to make changes. Thank you, Chair.

CHAIR SUGIMURA: Okay. Does that answer your question?

VICE-CHAIR KAMA: Yes, it does.

CHAIR SUGIMURA: Okay. Chair Lee.

COUNCILMEMBER LEE: Believe it or not, some Members thing we should be making less, and that's why we monitor the Commission closely. We provide testimony. We provide them with data and all the information they need. Unfortunately, for some reason, this year they keep postponing their meetings, right? Maybe you can mention that. How many times have we postponed the meetings?

MR. RAATZ: Thank you, Chair. Clarissa, I'm sure, has the exact numbers, but--because she watches--or keeps track of every meeting. They're supposed to meet monthly, but in...in recent months, that hasn't been the case. And I...I don't know the whole story. I assume, like some boards and commissions, they've had quorum issues, but I...I don't know the details. Thank you.

CHAIR SUGIMURA: Member Paltin?

COUNCILMEMBER PALTIN: Thank you. I just was wondering if you could go through the genesis of this one for us?

MR. RAATZ: Sure. For the Director and Deputy Director positions, the salaries are intended to maintain parity with Corporation Counsel and Prosecuting Attorney.

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Those salaries are also set by the Salary Commission. So, the Council's had a tradition. You're not legally obligated to follow it, but a tradition of having OCS maintain parity with the...the managers of Corporation Counsel and Prosecuting Attorney. So, that's the background on those two positions. The other adjustments come at the behest of OCS supervisors, who have...have told us that an appropriate adjustment would be to place the listed staff members in these new step positions. So, it...it's at the request of supervisors. Thank you, Chair.

CHAIR SUGIMURA: Thank you. Anybody else have any questions regarding this...this reso? So, I have a question. This--because both our leadership are attorneys and it seemed that's why we were doing that, what happens if you're not--I'm sorry, not you, but the Department Director is no longer an attorney? Do we have a plan for that?

MR. RAATZ: Thank you, Chair. Yeah. We...we--there's no plan for that, per se. This...this is something that's purely within the Council's discretion. So, depending on how you want to arrange the office, you could adjust the salaries using your best judgment. Thank you.

CHAIR SUGIMURA: Okay. Okay. And just curious, so other union employees--not necessarily comparable with leadership, but how often do they get pay raises?

COUNCILMEMBER PALTIN: Like, what steps--A is every year, B is two years, and then C on is three years.

CHAIR SUGIMURA: Every three years?

COUNCILMEMBER PALTIN: After...after you hit C.

CHAIR SUGIMURA: So, that means it...it depends on what? What is A, B, and C?

COUNCILMEMBER PALTIN: A--so, you're...you got your SR rating, which is your salary range. When you get hired, you're in A. If you finish that whole year--like, for Ocean Safety, within six months, we go from OSO I to OSO II. But that's different. But your whole first year is in A, then I think B is, like, two years. And then C, it takes you three years to get from a C to a D, and then three years to get from a D to an E, three years--and so on and so forth.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: For HGEA. I don't know how UPW does it.

CHAIR SUGIMURA: Yeah.

COUNCILMEMBER PALTIN: But we're not UPW-type of workers because I don't--we

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hardly do manual labor, unless you count the setting up for public hearings as manual labor.

CHAIR SUGIMURA: . . .*(laughing)*. . . Okay. Any other questions? Okay, Members. So, we're going to take this up during decision --

COUNCILMEMBER RAWLINS-FERNANDEZ: I have a question.

CHAIR SUGIMURA: Oh, I didn't see you. Go ahead, Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo. I guess, I don't know if this question is for Chair Lee since she brought it up. What Councilmember thinks that--or which Councilmembers think that we should get paid less?

COUNCILMEMBER LEE: Oh, not the Councilmember. The Commission Member. The Salary Commission Member. I'd hate to point him out.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Point him out.

COUNCILMEMBER LEE: Somebody else.

COUNCILMEMBER RAWLINS-FERNANDEZ: Thank you. Okay.

CHAIR SUGIMURA: Bless you, bless you. Okay. Done with your question, Member--okay. All right.

GENERAL BUDGET PROVISIONS

CHAIR SUGIMURA: Now, general budget provisions. So, I'm going to save the Revolving Fund, Special Purpose Revenues for last, and that we're going to need Member--Ms. Milner for these next two. So, in the general budget provisions--Mr. Raatz, you can leave, I think, yeah? This...this now is--although we probably--do you want to give us your legal advice as we go through this? . . .*(laughing)*. . . Okay. Thank you very much, OCS. . . .*(laughing)*. . . That's a nice way of saying no. . . .*(laughing)*. . . Okay. So, general budget provisions, which is a whole chapter in itself that's in your main ordinance. And in there--I'm just going to point out the sections that are going to have some changes. So, in...in Bill 60--or with part of Bill 60 is page 28, general budget provisions, and Section 18, transfers and loans. So, yeah. If you go--oh, did I say--it's page 28. And go to page 34. It has Section 18. It is not a letter. It's a...it's Section 18. Starts on 28. Yeah. Okay. Yeah. So, Fiscal Year '25 proposed states, at any time, the aggregate amount of transfers and loans that must be reimbursed must not exceed ten percent of the total operating budget in case of a disaster or emergency, as defined in Section 127A-2, Hawai'i Revised Statutes, and resulting in the proclamation of an emergency...state of emergency or local state of

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emergency under Section 127A-14, Hawai'i Revised Statutes. The Council may, by ordinance, increase the allowable aggregate amount of transfers and loans by an additional ten percent. Ms. Milner, is this you or do we talk to Chris--No? Corp. Counsel.

MS. MILNER: Thank...thank you, Chair. We--I actually asked acting Director Zielinski to be available if you would like her as a resource.

CHAIR SUGIMURA: Oh.

MS. MILNER: This was a request that was made by the Investment Committee. The current amount is 55 million, and it was determined that perhaps setting it as a percentage would be more effective, rather than having to come back to the Council to change that on a regular basis because our budget has been fluctuating over the last several years. Well, I guess, fluctuating--increasing would be the better word there.

CHAIR SUGIMURA: Okay. Oh, I...I didn't see you in the audience. I'm sorry. I didn't know that she invited a guest. . . .*(laughing)*. . . Good...good afternoon. Good afternoon.

MS. ZIELINSKI: Good afternoon. Thank you, Chair.

CHAIR SUGIMURA: Would you like to state something about this?

MS. ZIELINSKI: Yes. Thank you. Yeah, the...the 55 million, when it was...when it was first set--I'm trying to see what the date was. I--Budget Director probably remembers right off the bat. Do you remember --

COUNCILMEMBER LEE: Could you lower your mic?

MS. ZIELINSKI: Oh, to--oh, okay.

COUNCILMEMBER LEE: Yeah.

MS. ZIELINSKI: Sorry. At the time, the 55 million represented about ten percent of the operating budget. Now, our operating budget, as you know, is significantly higher. And what it actually does is right now--just to give you a little background, is right now, the disbursements...the disbursements that have been made so far for bonding is about at 37.3 million. So, we're getting--I mean, we're still \$20 million away from that 55 million, but I think it's important that we want to have some flexibility because the other thing you have to remember is that when we get to the 55 million, we have to have a bond issuance, or we want to do it certainly before the 55. So, what this enables us to do--if we raise that amount to ten percent, and that would be about 107 million, we could time our

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bond issuance better relative to what the interest rates are. Right now, interest rates, you know, as you know, are high, and we'd rather be able to balance that or time it more...you know, more appropriately. So, that's what it gives us, a little more flexibility. If we're at the 107-ceiling max instead of the 55, we can wait a little bit longer if need be. And keep in mind, the 100...the--if it's 107 or whatever that number is, it's...it's only to the extent of what we're...we...what the Council has approved for bonding for CIP. It's not like we can just, you know, spend money, and...and there's no back--you know, there's nothing that backs it up. So, it's protected in that respect. And we did actually have the--our...our bond counsel look at that as well, and they said, you know, they had no problem with it, no concern. It should have no impact whatsoever on our...you know, on our rating or any kind of reception from the...the market.

CHAIR SUGIMURA: Okay.

MS. ZIELINSKI: Thank you.

CHAIR SUGIMURA: Thank you. Any other questions? Do we want to hear from Kristina Toshikiyo, Corp. Counsel? Ms. Toshikiyo? Oh, there. Yay. Hi.

MS. TOSHIKIYO: I'm sorry. That was a delay in my button clicking.

CHAIR SUGIMURA: . . . *(laughing)* . . .

MS. TOSHIKIYO: Thank you, Chair. You know, I don't really have too much more to add. I think it's a policy decision to determine. And it would give the County flexibility. I also looked into the history as we were reviewing this on, you know, the past increases, and I think that it's had to come back before the Council in your budget sessions in order to increase the amount. So, over the years, it wasn't always set at 55 million. But I think when I did the research, every time there was an increase, it was approximately ten percent of the...the budget, so I think that's why the decision was made to suggest a ten percent rather than a set amount. So, it's pretty consistent with how past Councils have set this . . . *(indiscernible)* . . . in Section 18.

CHAIR SUGIMURA: Okay. And you signed off on this, Corp. Counsel?

MS. TOSHIKIYO: Yes. Correct.

CHAIR SUGIMURA: Okay. Director Zielinski.

MS. ZIELINSKI: Thank you, Chair. I just wanted...I...I had said I didn't know what the date was. It was back in 2010, where the 50--it was raised to 55 million. So, it's quite a while since it's been increased. So, you know, it's something that, you know, we haven't--I don't...I don't believe we've looked at for quite a while, so I

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think it's something that we would want to consider again just to give us greater flexibility.

CHAIR SUGIMURA: Okay. Any other questions, Members? So, I have another question if I could. So, what made your investment group decide that they wanted to recommend this?

MS. ZIELINSKI: Chair? I think--you know, we...we basically looked at what the levels were we at...were at right now. And as I mentioned, we're at 37.2 million or something like that. And we talked about we recognize the high level of interest rates right now, and recognizing that if we didn't do something soon, if we have some significant CIP, and we certainly will, that we would have to have--issue a bond, have a bond issuance maybe sooner than we really wanted to. So, that was kind of the collaboration or the discussion with the Investment Committee. And everybody agreed, there was no...there was no dissension in...in the group.

CHAIR SUGIMURA: And that's--my next question was going to be, as it relates to the wildfire and all of the really mandatory CIPs that we have to do, what is the impact of that and this?

MS. ZIELINSKI: Well, it shouldn't have any impact because, I mean--well, it...it would make it--the...the 107--if we increased it to ten percent, it gives us, again, as I said, more flexibility because it's only...we're only going to be able to...to spend to the--107 million without issuing a bond. So, with the...the...the CIP, and the extent and the amounts of the CIP that we need for the--especially with regard to the wildfires is so significant. I think we can get to that pretty quickly. So, that's...that was another piece of the concern. I think this would have been something we would have addressed no matter what, but the wildfires exacerbated the situation.

CHAIR SUGIMURA: So, before we have the vote on this, could you do some, I guess, research and look at--because the CIPs, one--I think it was page 910 in the Program book for CIP for Office of Recovery --

MS. ZIELINSKI: Um-hum.

CHAIR SUGIMURA: -- it has, like, that 400 million, of which, I...I think, not all are going to be done by us or paid for by us?

MS. ZIELINSKI: Right. Some of it will be through various grant revenues and some from State, which, of course, is still uncertain. But I...I don't have the...the budget in front of me. I should have taken it with me. But I'm going to defer to Budget Director Milner, if she can just --

CHAIR SUGIMURA: No. So, what...what I would like you to do --

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MS. ZIELINSKI: Oh, okay. Yeah.

CHAIR SUGIMURA: Right? Or you to do, but I think it's you --

MS. ZIELINSKI: Yeah.

CHAIR SUGIMURA: -- that--to look at what's in the CIP, look at what --

MS. ZIELINSKI: Um-hum.

CHAIR SUGIMURA: -- you're talking about right now from your investment company...investment group.

MS. ZIELINSKI: Um-hum.

CHAIR SUGIMURA: And what from there are going to be CIP bonded, and the impact that it will have to our budget.

MS. ZIELINSKI: Yeah. And that's actually in the budget right now, Chair. As I said, I...I ran down here so quickly that I didn't take anything with me. I didn't take the...the budget with me, but I...but we can certainly get that for you. I have it, and --

CHAIR SUGIMURA: Okay.

MS. ZIELINSKI: Yeah.

CHAIR SUGIMURA: Because I don't think all of that, Office of Recovery, are going to be bonded.

MS. ZIELINSKI: Oh, no.

CHAIR SUGIMURA: So, that will be --

MS. ZIELINSKI: No.

CHAIR SUGIMURA: -- you know, paid differently --

MS. ZIELINSKI: No.

CHAIR SUGIMURA: -- or different funds, so --

MS. ZIELINSKI: Correct.

CHAIR SUGIMURA: That's what I'm asking.

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MS. ZIELINSKI: Yeah, we--oh, I can give you a breakdown.

CHAIR SUGIMURA: Okay.

MS. ZIELINSKI: Chair, of course.

MS. MILNER: Yeah. Thank you, Chair. Yes. I was just going to say for the Office of Recovery CIP for the wildfire-related costs, we're currently proposing to not bond fund any of that, pending State funding.

CHAIR SUGIMURA: Okay. And the State, if they want to bond it, they need to own the CIP. They cannot bond our County CIP, correct? Is that how bond works?

MS. MILNER: Yes, Chair. I believe that's correct. I also believe the State's proposing that we bond certain things, which is what Director Nishita was speaking to the other day.

CHAIR SUGIMURA: Okay. So, more so, can you tell us what that--who's doing what?

MS. MILNER: Who's doing--like, which we expect to be --

CHAIR SUGIMURA: Which ones --

MS. MILNER: -- State-funded and which we --

CHAIR SUGIMURA: Which one is designated for the State, possible, if they do do it, and then which ones we're going to be doing.

MS. MILNER: Um-hum.

CHAIR SUGIMURA: And there's all different kind of funds that on that CIP because it's so massive.

MS. MILNER: Yes. We can work with Department of Management on that breakdown.

CHAIR SUGIMURA: Okay. Can we send a letter, James? Okay. Okay. So --

COUNCILMEMBER PALTIN: Chair?

CHAIR SUGIMURA: Ms. Zielinski can still stick--oh, you have more questions?

COUNCILMEMBER PALTIN: Oh, I just wanted to correct something. So, I've been in this job for, like, five years, and apparently there's been some changes. HGEA Unit 3, nonsupervisory, white collar, no longer have step movements. I guess that was a change since --

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CHAIR SUGIMURA: Oh.

COUNCILMEMBER PALTIN: -- I left. But like supervisory--or professional scientific types of employees still have step movements. So, Unit 3 is like, you know, clerks and stuff like--used to be Ocean Safety, but we broke away, and then we got big raises.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: But Unit 3 doesn't have step movements anymore.

CHAIR SUGIMURA: Okay. Thank you. All right. So, the other section that is changing under general budget provisions is Section 21, penalties. That is page 35, I guess. Yeah. So, page 35, and it's Section 21, penalties. The section states, whoever intentionally or knowingly violates this ordinance may, upon conviction, be fined no more...or not more than \$1,000, or...or imprisoned no more than 30 days, or both. An amendment to chapter Section 13-10 was approved in the 2022 general election to remove the cap on penalties. As such, the body can consider changing the penalty, which is the \$1,000 and the...and the prison. So, Ms. Milner? Or who wants to say something? Is this something for Corp. Counsel?

MS. MILNER: Thank you, Chair. Yeah. This is the same as the penalty language from FY '24. We did choose to keep it the same. But they did change the legislation, so I believe this could be increased if the body desired to do so. But I will defer to Ms. Toshikiyo for a legal confirmation of that statement.

CHAIR SUGIMURA: Ms. Toshikiyo?

MS. TOSHIKIYO: Yes. Yes. Thank you, Chair. There was the Charter amendment that lifted the cap on the...the penalties. And Ms. Milner's correct in that this was also in last year's general budget provisions. I'm not familiar with the history behind, you know, why this number, other than the cap. So, I'd have to look into it a little bit more. But if that's the case and the reason for the amount that it was set at was due to the Charter amendment, with that being lifted, you could probably make that as a policy decision if you wanted to amend it.

CHAIR SUGIMURA: Ms. Toshikiyo, so can you tell us in what cases these penalties were used?

MS. TOSHIKIYO: Specific to the budget?

CHAIR SUGIMURA: Specifically to the County.

MS. TOSHIKIYO: Oh.

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CHAIR SUGIMURA: The --

MS. TOSHIKIYO: Yes. So, Chair, throughout the Maui County Code, there are penalties for a variety of violations. And the Charter previously had a cap. I believe it was, like, \$1,000, and then there was a difference. If there were for short-term rentals and advertisements, then those were different. But there were caps set forth in the Charter that for the Maui County Code, even in your legislation, would not be able to exceed that amount. As specific to the budget, whether or not--and again, what the history of, you know, having this provision in the general budget provisions, I don't know. I'm not familiar with that, and I'd have to look into it a little bit more.

CHAIR SUGIMURA: Okay.

MS. TOSHIKIYO: But there's a variety of penalties within the Maui County Code for violations of the Code.

CHAIR SUGIMURA: Okay. Thank you. So, Members, anybody have questions regarding these two items? Or Sections, I should say. Section 18, transfers and loans, and then this Section 21, which is penalties. Seeing none? Or shall I just --

COUNCILMEMBER PALTIN: I just have one question.

CHAIR SUGIMURA: Sure. Okay.

COUNCILMEMBER PALTIN: If you got to pay the \$1,000 or whatever it is, does that go into, like, a special fund, or just General Fund?

CHAIR SUGIMURA: Ms. Milner? Or...or Ms. Zielinski? Who answers that?

MS. MILNER: Thank you, Chair. I believe that would just go into the General Fund as it's not designated for any special fund. I will also say that this section has been in the general budget provisions since at least 2007, which is as far back as we have it online. Just as an FYI. I don't know that a fine has ever been issued.

CHAIR SUGIMURA: It's never been used; is that what you just said?

MS. MILNER: I don't know.

CHAIR SUGIMURA: Oh, oh, oh, okay. Okay. Ms. Paltin, more questions?

COUNCILMEMBER PALTIN: No.

CHAIR SUGIMURA: Okay. Seeing--any more? I see pondering thoughts. Okay. You're

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good? You want to--more questions? You're good? Okay.

COUNCILMEMBER PALTIN: We're...we're not done with the bills, right?

CHAIR SUGIMURA: No, we're not done.

COUNCILMEMBER PALTIN: Okay. Good.

CHAIR SUGIMURA: We're not done.

COUNCILMEMBER PALTIN: I got...I got some discussion on other stuff.

APPENDIX A, PART II, SPECIAL PURPOSE REVENUES

CHAIR SUGIMURA: Okay. All right. So, you can put this part away, yeah? And then--so, general budget provisions. And then I think this is going to be something that you all want to talk about, which is Appendix A, Part II, special purpose revenues. So, if you look in your bill...wait, let me put away all these things...so, this is under special revenue funds, and this is where the Open Space Fund and the Affordable Housing Fund is. So, in your Bill 60. This is on page 43. And it starts off with A, Housing Interim Financing and Buyback Revolving Fund, Chapter 3.32, Maui County Code. You know, on this, I had a Tamara moment when I looked at the information that was given to us as an update on what the balances are for this. We can't even read it. So, I took a picture of it, expanded it with my phone, and it's still hard to read. And I wonder if you would allow me to--I should have maybe asked Staff to do this when we're talking before--but to give us the most current amounts for each of these funds, if Staff could take what was given to us. And it is in --

COUNCILMEMBER PALTIN: Chair, wasn't it frustrating --

CHAIR SUGIMURA: Huh?

COUNCILMEMBER PALTIN: Were you irritated? I was --

CHAIR SUGIMURA: What?

COUNCILMEMBER PALTIN: Weren't...weren't you irritated with that?

CHAIR SUGIMURA: Yeah, I couldn't read it.

COUNCILMEMBER PALTIN: Felt frustrated? I can relate.

CHAIR SUGIMURA: You can read it?

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COUNCILMEMBER PALTIN: No, I can relate.

CHAIR SUGIMURA: Oh, you can relate. Okay. So, it is in FN-8, updated Revolving Special Fund balances. So, in this, on page 3, it has this...this matrix, right? And it --

COUNCILMEMBER PALTIN: My Staff did blow it up for me, but it's not super crisp.

CHAIR SUGIMURA: Oh, I wonder if we should take yours and --

COUNCILMEMBER PALTIN: It was, like, an email.

CHAIR SUGIMURA: -- make copies of it?

COUNCILMEMBER PALTIN: And some did...some of it got cut off, so they had to write it in...in handwriting.

CHAIR SUGIMURA: Oh. Okay. So, James and Kasie, would it possible--I'm going to take a short recess for--to get--can we...can we make copies of that or make better copies of what was given to us? Because it's hard to read. Or if Finance has a better copy, they can give it to us, but it's pretty small. Okay. So, you want us to take a break until 2:45? Yeah? Okay. I'll take a break to 2:45. . . .*(gavel)*. . .

RECESS: 2:35 p.m.

RECONVENE: 3:05 p.m.

CHAIR SUGIMURA: . . .*(gavel)*. . . All right. Here we go. It's 3:05. Thank you for your patience. We wanted to get a magnified...major magnified version of this chart that we got from Finance, which I...I mentioned earlier. And that'll tell us all the items...all the balances for the page 43, Special Revenue...Special Purpose Revenues, Schedule of Revolving Special Funds for Fiscal Year 2025, and it's the one that--the chart that has the Open Space Fund, Highway Fund, Affordable Housing Fund. And I'm going to go fund by fund and see if anybody has questions. Ms. Milner is here and can answer questions. And so, before we get into each item, can you describe estimated balance as of 6/30/24, and the next column is anticipated revenues for Fiscal Year '25 and the total for Fiscal Year '25. And the reason I'm asking is what's in the book versus what we were given by Finance in that correspondence are different numbers. So, you can explain why, and then maybe tell us which numbers to look at.

MS. MILNER: Thank you, Chair. Thank you, Councilmembers. So, the way we prepare Appendix A, Part II is we reach out to the Department of Finance while we're preparing the budget and ask them for an estimated balance for all of these funds, and that's what you see included in here. As you're all aware, the business of the County continues even while we are in budget session, so there are some

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changes to the funds that have happened since we received those numbers. I think the largest one to point out would probably be the Affordable Housing Fund. Between the time we got the numbers for the budget and now some amendments passed, so the available balance--or the estimated balance has decreased for that. We also work with the departments and Finance to determine the anticipated revenues for FY '25, and then add the two together to come up with the total.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER LEE: Chair?

MS. MILNER: So--sorry. I would say, if the body would like, the numbers on the spreadsheet that were provided are the more recent numbers. So, if you would like to use those numbers as the estimated balance, we have no objection.

CHAIR SUGIMURA: Okay. Chair Lee?

COUNCILMEMBER LEE: Okay. The far-right column, all the numbers are in parentheses. Does that mean--it's...it's a plus or a minus?

CHAIR SUGIMURA: Ms. Milner?

MS. MILNER: Thank you, Chair. Thank you, Chair Lee. No, that is the available money in that fund. Because of the way our accounting system calculates these numbers, it does show in parentheses, but everything in a parentheses is an available fund in that last column.

COUNCILMEMBER LEE: And then you have the provisos in the column right before it?

MS. MILNER: Yes. Those are the conditions that were applied during this fiscal year. So, the way these funds are calculated is we have what's in the fund, then we subtract any conditional language from FY '24 or for Open Space, any remaining appropriations that haven't been encumbered. And that's what leaves us with our estimated balance because we don't want to give you the current balance without removing that conditional language because the departments may spend that money before the end of the year, and that could lead to us accidentally thinking we have more money in those revolving funds than we do.

CHAIR SUGIMURA: Okay.

UNIDENTIFIED SPEAKER: She's . . . *(inaudible)*. . .

CHAIR SUGIMURA: Member Paltin, then Johnson, then Cook.

COUNCILMEMBER PALTIN: Oh, just a fast one. What is the P stand for in PY? Prior,

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previous?

MS. MILNER: Prior year.

COUNCILMEMBER PALTIN: Just the one year prior, or all prior years?

MS. MILNER: I think it's all prior years, any remaining encumbrances.

COUNCILMEMBER PALTIN: Okay. Thank you.

CHAIR SUGIMURA: Okay. Member Johnson?

COUNCILMEMBER JOHNSON: So, if I'm reading this correct, an Emergency Revolving...Revolving Fund J has 57 million in the pot that's unencumbered? Or --

CHAIR SUGIMURA: Yes.

MS. MILNER: Thank you, Chair. Thank you, Councilmember Johnson. Yes, the Emergency Fund--we anticipate the balance available at the end of this fiscal year will be \$57 million after taking out the 20 million expended on wildfire.

COUNCILMEMBER JOHNSON: After taking out the 20 million?

MS. MILNER: Yeah. So, last year, there was 77 million, I think.

COUNCILMEMBER JOHNSON: Okay. Does --

MS. MILNER: We took out the 20 million. That leaves us with 57.

COUNCILMEMBER JOHNSON: Why...why is that not--like, I get--look at the Affordable Housing Fund. It's a great example, where have 700 grand in there left because we're funding affordable housing projects, right. In a housing crisis, you use the Affordable Housing Fund. I can...I'm sure we all are aware there's...there was a big fire, and yet we're sitting on 57 million. That part I don't understand.

MS. MILNER: Thank you, Chair.

CHAIR SUGIMURA: Ms. Milner?

MS. MILNER: Thank you, Councilmember Johnson. I think it would behoove us to have a longer discussion about some of the language in the Charter as it relates to the use of emergency notes. There was a lot of back and forth on that, and that is why we did not attempt to do any more conditions under the Emergency Fund this year.

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COUNCILMEMBER JOHNSON: Let me just clarify this. Are--is there any thought of that because we might get reimbursed, we shouldn't spend this money?

MS. MILNER: Thank you, Chair. Thank you, Councilmember Johnson. I don't believe that --

COUNCILMEMBER JOHNSON: Okay.

MS. MILNER: -- entered into it at all. No.

COUNCILMEMBER JOHNSON: Okay. That was my concern. Thank you. Thank you, Chair.

CHAIR SUGIMURA: Member Cook, you had a question?

COUNCILMEMBER COOK: So, the--woah. So, the Open Space and Cultural Preserve Revolving Fund has \$5,668,585?

MS. MILNER: Thank you, Chair. Thank you, Councilmember Cook. Yes, that's the estimated balance as of the end of this fiscal year, and then we are proposing adding another 5.8 million for a total balance of approximately 11.5.

COUNCILMEMBER COOK: So, all previous encumbrances or earmarks are subtracted, and that's the balance available?

MS. MILNER: Yes.

COUNCILMEMBER COOK: Thank you.

MS. MILNER: And if I may, Chair, I will say I have been talking to the Department of Finance because I know...because the funds...because the conditions under that Fund don't lapse and they don't all appear in the Bill, it can be a little confusing to know what's still out there. So, we're looking at putting some language about prior year appropriations just so they're all in the bill and everybody's aware of what's still kind of floating around.

COUNCILMEMBER COOK: That would be helpful because if you had--you know, there was 13,000,300 and now there's five. It's, like, what...what's earmarked, how many, if any, of those were actually expended could kind of get an idea if any of them...if we would know any of them for some reason are not going to get expended. Okay. Thank you for now.

MS. MILNER: Thank you, Chair. Thank you, Councilmember.

CHAIR SUGIMURA: So, I didn't mean to skip people, but I was just--general questions,

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and then go line by line. But Member Rawlins-Fernandez, you had a question? Then we'll go to Member U'u-Hodgins.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I did not get the document, so --

CHAIR SUGIMURA: Oh, you didn't get it yet?

COUNCILMEMBER RAWLINS-FERNANDEZ: I think I just got it now.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: So, you can come back to me.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: Thanks.

CHAIR SUGIMURA: Member U'u-Hodgins, then Sinenci.

COUNCILMEMBER U'U-HODGINS: Thank you, Chair. Can I ask a question to Corp. Counsel?

CHAIR SUGIMURA: Oh, yes. Ms. Toshikiyo?

MS. TOSHIKIYO: Hi, Chair. I'm here.

COUNCILMEMBER U'U-HODGINS: Hi. Thank you. So, for Open Space, Natural Resources, Cultural Resources, and Scenic Views Preservation Fund, Section 19-19, paragraph 1-B, Performing Safety and Security Improvements on Lands Acquired Through This Fund. Does this include maintenance? Like, let's say overgrown grass and the issue with wildfire something?

UNIDENTIFIED SPEAKER: You want to see --

COUNCILMEMBER U'U-HODGINS: The safety of the property?

MS. TOSHIKIYO: Thank you for the question. We've researched this and including--I guess, that's come up a few times during the budget process on whether or not it includes maintenance. And just from the plain reading of the...the Charter language, it does not. And we also went back and kind of reviewed the legislative history of, you know, the Open Space Charter provision, and it does not include maintenance. But that subsection B does talk about performing safety and security improvements, so I guess it...it's related to a safety improvement, and I guess it would then be dependent on what the actual project is. I think it's going

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to be on a case-by-case basis if whether or not we can interpret it as performing a safety improvement to the land that we acquired using the Open Space Fund. But if it would--you know, could be interpreted as maintenance, then it would not be covered under this fund.

COUNCILMEMBER U‘U-HODGINS: Okay.

UNIDENTIFIED SPEAKER: Chair?

COUNCILMEMBER U‘U-HODGINS: Thank you. I just wanted some --

CHAIR SUGIMURA: Okay. Thank you.

COUNCILMEMBER U‘U-HODGINS: -- clarity on that. I appreciate that, Ms. Toshikiyo.

COUNCILMEMBER KAMA: Chair, can we have a recess, please?

CHAIR SUGIMURA: Oh, sure. Oh, how many minutes? Five minutes?

COUNCILMEMBER KAMA: Yeah.

CHAIR SUGIMURA: Five...five-minute recess. Sorry. Five-minute recess, people. . .
(gavel). . .

RECESS: 3:15 p.m.

RECONVENE: 3:26 p.m.

VICE-CHAIR KAMA: . . .*(gavel)*. . . The BFED Committee...the BFED meeting of April 17th will now reconvene. It is now 3:26 p.m. So, Members, this BFED Committee meeting will be recessed for tomorrow, April 18th at 1:30 p.m. We're going to be meeting on the same Teams link and same in-person viewing in the Chambers. And I think that the intent was so that those who wanted to attend tomorrow's blessing and dedication of the new apartment buildings here in Wailuku, Kahinamau, Mahina Kaulana *[sic]* that we should all go do that. I think it's at 11:00 tomorrow, something like that. But I think we all got an email regarding that. But this meeting is in recess until 1:30 tomorrow, as stated.

UNIDENTIFIED SPEAKER: Okay. Come and get my stuff.

VICE-CHAIR KAMA: Thank you. Yes? Yes, Member Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Did you say the same meeting link?

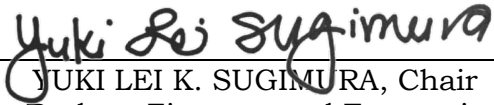
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VICE-CHAIR KAMA: Yeah, same meeting...Teams meeting link and same in-person viewing. Thank you. This meeting is now in recess. . . .*(gavel)*. . .

RECESS: 3:27 p.m.

APPROVED:



YUKI LEI K. SUGIMURA, Chair
Budget, Finance, and Economic
Development Committee

bfed:min:240417:lt

Transcribed by: Logan Tsuji

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CERTIFICATION

I, Logan Tsuji, hereby certify that pages 1 through 77 of the foregoing represents, to the best of my ability, a true and correct transcript of the proceedings. I further certify that I am not in any way concerned with the cause.

DATED the 30th day of April 2024, in Wailuku, Hawai'i

A handwritten signature in dark ink, appearing to read 'Logan Tsuji', is written over a horizontal line.

Logan Tsuji