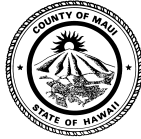


Council Chair
Alice L. Lee

Vice-Chair
Yuki Lei K. Sugimura

Presiding Officer Pro Tempore
Tasha Kama

Councilmembers
Tom Cook
Gabe Johnson
Tamara Paltin
Keani N.W. Rawlins-Fernandez
Shane M. Sinenci
Nohelani U'u-Hodgins



Director of Council Services
Traci N. T. Fujita, Esq.

Deputy Director of Council Services
David M. Raatz, Jr., Esq.

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.MauiCounty.us

April 11, 2023

Mr. Patrick McCall, Director
Department of Parks of Recreation
County of Maui
Wailuku, Hawaii 96793

Dear Mr. McCall:

SUBJECT: **FISCAL YEAR ("FY") 2024 BUDGET** (BFED-1) (PR-3)

Thank you for participating in the Committee's discussions on April 6, 2023. The Committee respectfully submits the follow-up questions listed below. May I further request that, after approval by the Office of the Mayor, you transmit a written response to bfed.committee@mauicounty.us by **April 17, 2023**.

1. Please comment on the Department's capability of increasing the frequency for tree trimming at County parks and recreational facilities. Would additional funding enable the Department to remove older trees and large branches that pose safety issues? (SS)
2. Please provide a status update on the community center at the Waiehu Municipal Golf Course. (AL)
3. Please provide a status update on the use of labor from Maui Community Correctional Center. Does the Department intend to use them in the future? (TK)
4. Who proposed the historic preservation designation for the Hāna Community Center? Is the County required to follow the State Historic Preservation Division's recommendations for improvements to the Center? (SS)
5. Please provide a status update on the establishment of a farmer's market on Lānaʻi. (GJ)

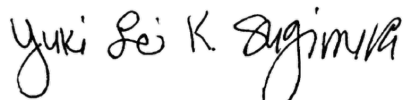
6. What is the status of the appliances from the Lānaʻi commercial kitchen? (GJ)
7. Please provide an estimated cost breakdown to create a dog park on Lānaʻi, including sidewalk improvements, water and restroom infrastructure, and parking. (GJ)
8. Please provide an update on the shade structure for One Aliʻi Park Playground. If this project is no longer moving forward, please comment on the possibility of planting mature trees to provide shade and installing the necessary irrigation. (KRF)
9. Regarding the expansion request for Kalima O Maui and Molokai Occupational Center, is the County still compliant with the Kono decision with the increase in funding? (Page 13-56, Budget Details) (YS)
10. Regarding CBS-5530 Old Hana School Improvements, what is the status of this project? What is the estimated date of completion? What is the amount expended to date? (YS)
11. What is the status of funds already appropriated in prior fiscal years for the following projects:
 - a. CBS-1971 Helene Hall Septic Improvements.
 - b. CBS-4616 War Memorial Gym Building Improvements. (YS)
12. What is the status of FY 2023 funds for the following projects:
 - a. CBS-7242 Fifth Street Courts Resurfacing and Improvements.
 - b. CBS-7245 Central Maui Pickleball Courts. (YS)
13. Please provide a status update on the maintenance of Lāhainā baseball fields and facilities, specifically Lahaina Recreation Center fields 3, 4, 5, and 6; and Ainakea fields 1 and 2.
 - a. Was funding for repairs included in the FY 2024 Budget?
 - b. Please also provide the estimated cost for improvements, including replacing and repairing fences, and installing locking dugouts. (TP)

Mr. Patrick McCall
April 11, 2023
Page 3

14. Please comment on Lahaina Restoration Foundation's request for an additional \$25,000 for a structural engineer to assess the perimeter wall of the Old Lahaina Prison. (TP)
15. The Lahaina Restoration Foundation is seeking to hold an event at the Lahaina Banyan Court Park, but the organization was informed they would be charged a \$207 permit fee. Please explain if this fee has been a past practice by the Department, and if not, please explain why the Department's policy has changed. (TP)
16. Regarding Commercial Ocean Recreational Activity ("CORA") permits:
 - a. Are CORA permits transferable? (TP)
 - b. When do CORA permits expire? (TP)
 - c. Please comment on the possibility of increasing CORA permit fees. (YS)
17. If the Council appropriated an additional \$5,000,000 to the Department for capital improvement projects, please describe the challenges the Department would face in expending that funding to satisfy the requests from the community. (TC)

Thank you for your attention to this request. Should you have any questions, please contact me or the Committee staff (Lesley Milner at ext. 7886, Kasie Apo Takayama ext. 7665, or Yvette Bouthillier at ext. 7758).

Sincerely,



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

bfed:2024bgt:230407apr03:jgk

cc: Mayor Richard T. Bissen, Jr.
Budget Director

BFED Committee

From: BFED Committee
Sent: Tuesday, April 11, 2023 10:27 AM
To: 'Patrick.S.Mccall@co.maui.hi.us'
Cc: 'Michelle Santos'; 'Zeke Kalua'; 'Maria Zielinski'; 'Desiree Echalas'; 'Janina Agapay'; 'Lisa Sakumoto'
Subject: PLEASE READ attached letter re: Fiscal Year ("FY") 2024 Budget (BFED-1) (PR-3)
Attachments: (PR-3) Correspondence to Parks and Recreation 04-11-2023.pdf

Mr. McCall: Please refer to the attached letter from the Budget, Finance, and Economic Development (BFED) Committee Chair, dated 04/11/2023.

Mayor's Office (Attention: Michelle Santos and Zeke Kalua): Please forward the attached letter to Mayor Bissen for his information.

Ms. Zielinski: FYI

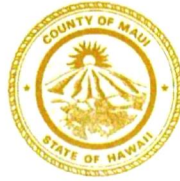
Mahalo, Clarita Balala

RICHARD T. BISSEN, JR.
Mayor

KEKUHAUPIO R. AKANA
Managing Director

PATRICK S. MCCALL
Director

SHANE T. DUDOIT
Deputy Director



DEPARTMENT OF PARKS AND RECREATION
COUNTY OF MAUI
700 HALI'A NAKOA STREET, UNIT 2
WAILUKU, MAUI, HAWAII 96793
www.mauicounty.gov

April 17, 2023

Ms. Maria Zielinski
Budget Director, County of
Maui
200 South High Street
Wailuku, Hawaii 96793

A handwritten signature in black ink, appearing to be "Richard T. Bissen, Jr.", written over the address of Ms. Maria Zielinski.

APPROVED FOR TRANSMITTAL

A handwritten signature in black ink, appearing to be "Richard T. Bissen, Jr.", written over the word "Mayor".
Mayor 4-17-23 **Date**

Honorable Richard T. Bissen, Jr.
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

For Transmittal to:

Honorable Yuki Lei K. Sugimura, Chair
Budget, Finance, and Economic Development
Committee
Maui County Council
200 South High Street
Wailuku, Hawaii 96793

Dear Mr. McCall:

SUBJECT: FISCAL YEAR ("FY") 2024 BUDGET (BFED-1) (PR-3)

Thank you for your letter dated April 11, 2023. The Department responds as follows:

1. *Please comment on the Department's capability of increasing the frequency for tree trimming at County parks and recreational facilities. Would additional funding enable the Department to remove older trees and large branches that pose safety issues? (SS)*

Our Department has consulted with the County Arborist and was advised that we do not need to increase the frequency of the pruning of trees to twice a year. Most trees do not grow fast enough to warrant pruning more than once a year. Additionally, pruning trees twice a year would cause them stress and over time could cause enough damage to send the trees into decline. The annual tree pruning cost has increased and as shown on the Budget Details page 13-24, we are requesting an increase of \$50,000 to cover the cost of these contracts.

Regarding additional funding for the removal of older trees, the recommendation from the County Arborist is that the decline and death of older trees in the parks is infrequent enough at this time that there isn't a need to target the removal and replacement of old trees. We will continue to address these trees on a case by case basis as this seems to be working at this time.

We were advised that there seems to be an issue with the coconut trees within the parks. Some of the coconut trees are getting to the age where they are developing pockets of rot in the trunk which make them unclimbable and therefore, unable to be trimmed. Additional funding of \$25,000 for the removal of these trees as well as those trees that fall due to weather events would be recommended.

2. *Please provide a status update on the community center at the Waiehu Municipal Golf Course. (AL)*

The room at the Waiehu Municipal Golf Course that has been typically used by the community is the banquet room within the restaurant concession premises. The restaurant has been closed due to the fact that there were no bids received when several Invitation for Bids (IFB) were posted for the food and beverage concession at the golf course. We did post the IFB again on March 20, 2023 and hope to have an executed concession agreement by the end of this fiscal year.

The Waiehu Golf Course Clubhouse Master Plan is also in progress. A design concept for a new Clubhouse is almost complete and the focus is now on completing a financial analysis of the concept. In addition to facilities and spaces for golfers, the concept includes two rooms upstairs that can be used for community functions.

3. *Please provide a status update on the use of labor from Maui Community Correctional Center. Does the Department intend to use them in the future? (TK)*

The Department contacted the Maui Community Correctional Center and was informed that there is no Work-Line program at this time.

4. *Who proposed the historic preservation designation for the Hāna Community Center? Is the County required to follow the State Historic Preservation Division's recommendations for improvements to the Center? (SS)*

The Hana Community Center Buildings are defined as historic properties by state statutes. HRS 6E-2 defines "Historic Property" as "any building, structure, object, district, area, or site, including heiau and underwater site, which is over fifty years old.

HRS 6E-8 mandates County consultation with SHPD for projects affecting historic properties:

"Before any agency or officer of the State or its political subdivisions commences on any project which may affect historic property, aviation artifact, or a burial site, the agency or officer shall advise the department and allow the department an opportunity for review of the effect of the proposed project on historic properties..." "The proposed project shall not be commenced, or if it has already begun, continued, until the department has given its written concurrence."

The SHPD consultation is initiated through the County Building Permit process. The County Planning Department will not approve the building permit without concurrence from SHPD.

5. *Please provide a status update on the establishment of a farmer's market on Lāna'i. (GJ)*

The Department is currently working with the Department of Agriculture. When the Department of Agriculture has the vendors to properly run a farmer's market we will work together on permitting. Right now, the property being looked at as a potential site has never been permitted out.

6. *What is the status of the appliances from the Lāna'i commercial kitchen? (GJ)*

The County of Maui was reimbursed for these appliances in November of 2022. See Attachment "1".

7. *Please provide an estimated cost breakdown to create a dog park on Lāna'i, including sidewalk improvements, water and restroom infrastructure, and parking. (GJ)*

A rough cost estimate to convert the Fraser Avenue Park to a Dog Park with a restroom building, utilities, and parking is as follows:

Design Consultant:	\$150,000
Dog Park Construction:	\$500,000
Restroom Construction:	\$1,500,000

Due to the design and permit review durations for this project, our recommendation is to request funding for design only. Construction funding could then be requested in a future fiscal year when the project is shovel ready.

Anticipated permit requirements are building, grading, and DCAB review.

8. *Please provide an update on the shade structure for One Ali'i Park Playground. If this project is no longer moving forward, please comment on the possibility of planting mature trees to provide shade and installing the necessary irrigation. (KRF)*

The One Ali'i Park Playground is in the permitting process and requires approval of an SMA Minor Permit from the Moloka'i Planning Commission. The Department's staff is working to get the project on the Moloka'i Planning Commission agenda.

9. *Regarding the expansion request for Kalima O Maui and Molokai Occupational Center, is the County still compliant with the Kono decision with the increase in funding? (Page 13-56, Budget Details) (YS)*

The scope of work done for the Department of Parks and Recreation has remained at the same level and the increase in cost is the result of the cost of doing business with Ka Lima O Maui. Any questions regarding

compliance with the Konno decision would require an executive session, which the Department of Corporation Counsel is ready to address if it is the will of the Council.

10. *Regarding CBS-5530 Old Hana School Improvements, what is the status of this project? What is the estimated date of completion? What is the amount expended to date? (YS)*

The Old Hana School Improvements project is currently in the permitting process. After permits are approved, the construction duration is expected to be one (1) year.

The total amount expended to date is \$1,897,265 which includes the completed Phase 1 construction and the project design fees for both Phase 1 and Phase 2.

11. *What is the status of funds already appropriated in prior fiscal years for the following projects:*

- a. *CBS-1971 Helene Hall Septic Improvements.*

This project is being managed by the Department of Environmental Management (DEM). According to DEM's latest schedule, construction is expected to begin later this year.

- b. *CBS-4616 War Memorial Gym Building Improvements. (YS)*

A construction contract has been awarded. Construction will begin after the building permit is approved for the project.

12. *What is the status of FY 2023 funds for the following projects:*

- a. *CBS-7242 Fifth Street Courts Resurfacing and Improvements.*

A consultant has been selected for this project. The Department is awaiting a fee proposal from the consultant. The project is expected to bid later this year.

- b. *CBS-7245 Central Maui Pickleball Courts. (YS)*

A consultant has been selected for this project. The Department is awaiting a fee proposal from the consultant.

13. *Please provide a status update on the maintenance of Lāhainā baseball fields and facilities, specifically Lahaina Recreation Center fields 3, 4, 5, and 6; and Ainakea fields 1 and 2.*

A consultant has been selected for the design of the backstop and fencing replacement at Lahaina Recreation Center fields 3, 4, 5, and 6. The project is expected to bid later this year.

The standard maintenance done by the West district staff consists of the fields being mowed on a weekly basis. During the Little League season, the game fields will be mowed a second time on scheduled game days. Field prep (dragging) and lining is done on a game schedule basis. Weedeating is completed on a daily basis. The crew maintains the Lahaina Recreation Center grounds which includes fields 1-9, Lahaina Aquatic Center, skate park, playground, basketball court, dog park, parking lot and restrooms. This crew also maintains Papalaua, Ukumehame, Launiupoko and Kelaweia Mauka/Makai.

- a. *Was funding for repairs included in the FY 2024 Budget?*

No. The funding provided in the FY2023 budget (CBS-7256) is expected to cover the field and facility maintenance items at Lahaina Recreation Center fields 3,4,5, and 6.

- b. *Please also provide the estimated cost for improvements, including replacing and repairing fences, and installing locking dugouts. (TP)*

The estimated cost to replace fencing at Ainakea Park is \$146,000.

\$40 LF = 4ft High – 210' LF

\$50 LF = 5ft High – 190' LF

\$200 LF = 20ft High – 220' LF

\$200 LF = 25ft High – 420' LF

The estimated cost to install 24 gates at Lahaina Recreation Center fields 3, 4, 5 and 6; and Ainakea fields 1 and 2 is \$2400.

\$100 = 3'x7' gate (24 gates at dugouts)

14. *Please comment on Lahaina Restoration Foundation's request for an additional \$25,000 for a structural engineer to assess the perimeter wall of the Old Lahaina Prison. (TP)*

The Department is in support of this request.

15. *The Lahaina Restoration Foundation is seeking to hold an event at the Lahaina Banyan Court Park, but the organization was informed they would be charged a \$207 permit fee. Please explain if this fee has been a past practice by the Department, and if not, please explain why the Department's policy has changed. (TP)*

Our records indicate up through 2018 the event was organized by the Lahaina Town Action Committee and had been assessed charges. This is the first application we have received for the event since 2018. We will be reviewing the assessed charges with the applying organization to ensure any change in scope of the event has been categorized correctly.

16. *Regarding Commercial Ocean Recreational Activity ("CORA") permits:*

- a. *Are CORA permits transferable? (TP)*

Per §13.04A.340 of the Maui County Code, CORA permits shall not be transferrable.

- b. *When do CORA permits expire? (TP)*

Per §13.04A.330(A) of the Maui County Code, Permits issued pursuant to this article shall have a duration of up to one year pursuant to standards in administrative rules, and shall expire automatically, without notice to the permit holder, on the date specified on the permit.

- c. *Please comment on the possibility of increasing CORA permit fees. (YS)*

The Department is open to an increase in CORA permit fees at this time. CORA permit fees comments:

- FY2023 increase of 10% resulting in:
 - \$1,100 for the first two permits issued per business or entity
 - \$550 for each permit thereafter
- FY2016 was last increase
 - Permit fees increased from \$500 per permit, to \$1,000 per permit for the first two permits issued per business or entity. Each permit thereafter remained at \$500 per permit
- The State of Hawaii has a commercial use permit that CORA permit holders must also possess. This permit has a base monthly fee or a percentage, whichever is greater.

17. *If the Council appropriated an additional \$5,000,000 to the Department for capital improvement projects, please describe the challenges the Department would face in expending that funding to satisfy the requests from the community. (TC)*

Our two biggest challenges would be limited staff (due to vacancies) and lengthy permit review times.

Limited Staff:

Our Planning and Development Division currently has three (3) vacant positions out of seven (7) total staff (43% vacancy rate).

We currently have 47 active capital improvement projects with four (4) additional projects requested in FY2024. These 51 projects will be managed by two (2) CIP Coordinators.

Potential Solutions:

The long-term solution is filling staff vacancies to properly manage the Department's CIP projects. A short-term solution is to outsource a portion of the project management to consultants until the positions are filled.

Honorable Yuki Lei K. Sugimura, Chair
Budget, Finance, and Economic Development Committee
Maui County Council
April 17, 2023
Page 9

Permit Reviews:

Another challenge is the lengthy permit review process. The longest review times are for Building Permits, SMA Assessments, and SHPD Reviews.

Building permit reviews take the longest with a typical review taking 1-2 years. Reviews often include burdensome requirements from other County Departments. These requirements add cost and often delay or stop the project.

Potential Solutions:

Add categorical building permit exemptions for routine projects.

Create a "fast-track" process for important County projects.

Require agencies with minor comments that will not affect the design to approve the permit. Minor comments can be addressed during construction and should not hold up the start of a project. Agencies will have an opportunity to confirm their comments have been addressed during the Certificate of Occupancy inspections.

Should you have any questions, please contact me at Ext. 7230.

Sincerely,

A handwritten signature in black ink, appearing to read 'P. McCall', written in a cursive style.

PATRICK S. MCCALL
Director of Parks and Recreation

Attachment

c: Shane T. Dudoit, Deputy Director

PSM:lms

SURRENDER OF LEASE

THIS SURRENDER OF LEASE ("Surrender") is made and entered into as of the 16th day of November, 2022, by and between LĀNA'I RESORTS LLC doing business as PŪLAMA LĀNA'I, a Hawaii limited liability company ("Lessor"), and the COUNTY OF MAUI, a political subdivision of the State of Hawaii ("Lessee").

WITNESSETH:

WHEREAS, Lessor is the "Landlord" under that certain Lease by and between Lessor and Lessee, filed with the Bureau of Conveyance on July 5, 1983, which reverted to a month-to-month lease on July 1, 2003, and was terminated on June 30, 2022. ("Lease");

WHEREAS, during the period of the lease, Lessee installed a commercial grade kitchen on the premises ("Improvement"), and now that the Lease has been terminated, Lessor desires to retain the Improvement and pay Lessee the amount of \$880,811.66 as compensation;

NOW, THEREFORE, for and in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee hereby agree as follows:

1. Surrender. Lessor and Lessee agree that the Lease is hereby terminated in its entirety and that Lessee has surrendered the property consistent with the terms set forth in the Lease.

2. Compensation for Improvement. Lessor hereby accepts and assumes from Lessee the Improvement "as is" and in exchange, Lessor shall compensate Lessee in the amount of \$880,811.66,

a. Lessor assumes all responsibility for the Improvement, Lessee makes no warranties with regard to the condition of the Improvement, and Lessor shall indemnify, defend and hold Lessee harmless from and against all claims, losses, liabilities and expenses which Lessee may suffer or incur, or which may be asserted against Lessee, in connection with the use of the Improvement.

3. Governing Law. This instrument shall be construed and enforced in accordance with and governed by the laws of the State of Hawaii.

4. Binding Effect. This Surrender shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, personal representatives, successors and assigns.

5. Counterparts. This Surrender may be executed in separate counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument.

[Signature Pages Follow]

IN WITNESS WHEREOF, Lessor and Lessee have executed this Surrender as of the day and year first above written.

LESSOR:

LĀNA'I RESORTS, LLC doing business as PŪLAMA
LĀNA'I
a Hawaii limited liability company

By: Kurt Matsumoto
Kurt Matsumoto (Nov 7, 2022 10:24:15T)

KURT MATSUMOTO
Its President

LESSEE:

COUNTY OF MAUI,
A political subdivision of the State of Hawaii

By: Michael P. Victorino
MICHAEL P. VICTORINO
Its Mayor

By: Scott K. Teruya
SCOTT K. TERUYA
Its Finance Director

APPROVAL RECOMMENDED:

Karla H. Peters
KARLA H. PETERS
Director, Department of Parks and Recreation
County of Maui

APPROVED AS TO FORM AND LEGALITY:

Mimi Desjardins
MIMI DESJARDINS
Deputy Corporation Counsel
County of Maui

COUNTY OF MAUI

Lanai Resorts, LLC

DATE	INVOICE NO	DESCRIPTION	DEDUCTION	BALANCE
11-17-22	221117	COMMERCIAL GRADE KITCH	.00	880811.66
CHECK DATE	11-18-22	CHECK NUMBER	66823	TOTAL >
			.00	880811.66

PLEASE DETACH AND RETAIN FOR YOUR RECORDS

127688

COUNTY OF MAUI

Lanai Resorts, LLC

DATE	INVOICE NO	DESCRIPTION	DEDUCTION	BALANCE
11-17-22	221117	COMMERCIAL GRADE KITCH	.00	880811.66
CHECK DATE	11-18-22	CHECK NUMBER	66823	TOTAL >
			.00	880811.66

PLEASE DETACH AND RETAIN FOR YOUR RECORDS

TAC (TM) WHEN CPTEDAC-D92F05-0FAA-C7 1/18/2022 14:43:20 88023 880811 20

Lanai Resorts, LLC
733 Bishop Street
Suite 1500
Honolulu HI 96813

Bank of America N.A.
Menlo Park, CA 94025

11-35/1210

66823

DATE 11/18/2022

Pay:*Eight hundred eighty thousand eight hundred eleven dollars and 66 cents

\$ ****880,811.66

TO
THE
ORDER
OF

Timberscan Copy

**** VOID * VOID * VOID ****

***** NOT NEGOTIABLE *****

BFED Committee

From: Shirley Blackburn <Shirley.Blackburn@co.maui.hi.us>
Sent: Monday, April 17, 2023 1:50 PM
To: BFED Committee
Subject: FY 2024 Budget (BFED-1) (PR-3)
Attachments: Shirley Blackburn.vcf; FY 2024 Budget (BFED-1) (PR-3).pdf

Aloha,

Please see attached FY 2024 Budget (BFED-1) (PR-3) response.

Mahalo,

Shirley L. Blackburn

Budget Specialist

County of Maui

Office of the Mayor

shirley.blackburn@co.maui.hi.us

(808) 270-7516