

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

MINUTES

August 27, 2019

Council Chamber

RECONVENE: 9:03 a.m.

PRESENT: Councilmember Keani N.W. Rawlins-Fernandez, Chair
Councilmember Kelly T. King, Vice-Chair
Councilmember Riki Hokama, Member
Councilmember Tasha Kama, Member
Councilmember Alice L. Lee, Member
Councilmember Michael J. Molina, Member
Councilmember Tamara Paltin, Member
Councilmember Shane M. Sinenci, Member
Councilmember Yuki Lei K. Sugimura, Member

STAFF: Julie Reed, Legislative Analyst
David Raatz, Supervising Legislative Attorney
Yvette Bouthillier, Committee Secretary

ADMIN.: Erin Wade, Maui Redevelopment Program Planner, Department of Management
Sananda K. Baz, Managing Director, Department of Management (in 1:42 p.m.)
Scott K. Teruya, Director, Department of Finance (in 1:16 p.m.)
May Anne A. Alibin, Deputy Director, Department of Finance
Gregory L. King, Central Purchasing Agent, Department of Finance
David Galazin, Deputy Corporation Counsel, Department of the Corporation Counsel

OTHERS: Julie Dixon, Dixon Consultants Unlimited
Others (8)

PRESS: *Akaku: Maui Community Television, Inc.*
Susan Halas, MauiWatch

ITEM 76: WAILUKU CIVIC COMPLEX (CC 17-335 and MISC.)

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

CHAIR RAWLINS-FERNANDEZ: . . .*(gavel)*. . . Aloha kakahiaka kakou. E kolu minuke ok a ha...hala o ka hola `eiwa ma iwakālua-kūmā-hiku o Aukake i ka makahiki `elua kaukani umikamaeiwa. E `olu`olu mai, e ho`omalū ke Komike Ho`omohala Waiwai me Mo`ohelu Kala. `O wai ka Iku Ha`i o keia komike, Keani Rawlins-Fernandez. It is 9:03 on August 27, 2019. Will the Economic Development and Budget Committee please come to order. This is the reconvened meeting from August 22nd. I am your Chair Keani Rawlins-Fernandez. I keia la, me ko kakou eia, Committee Vice-Chair and Council Chair Kelly King.

VICE-CHAIR KING: Aloha kakahiaka, Chair --

CHAIR RAWLINS-FERNANDEZ: Aloha.

VICE-CHAIR KING: --for this reconvening. Thank you.

CHAIR RAWLINS-FERNANDEZ: Aloha, mahalo, Chair King. Member Shane Sinenci.

COUNCILMEMBER SINENCI: Aloha kakahiaka, Chair.

CHAIR RAWLINS-FERNANDEZ: Aloha kakahiaka. Member Mike Molina.

COUNCILMEMBER MOLINA: Aloha kakahiaka, Madam Chair. Pehea `oe?

CHAIR RAWLINS-FERNANDEZ: Aloha, maika`i, maika`i. A `oe?

COUNCILMEMBER MOLINA: Maika`i, fine.

CHAIR RAWLINS-FERNANDEZ: Mahalo. Member Alice Lee.

COUNCILMEMBER LEE: Okay, this is a greeting from my friend, Duane Johnson, and in Samoan it is manuia le taeao.

CHAIR RAWLINS-FERNANDEZ: Manuia le taeao.

COUNCILMEMBER LEE: Yes.

CHAIR RAWLINS-FERNANDEZ: Alright, mahalo. Member Riki Hokama.

COUNCILMEMBER HOKAMA: Aloha, Chair.

CHAIR RAWLINS-FERNANDEZ: Aloha. Member Tamara Paltin.

COUNCILMEMBER PALTIN: Aloha kakahiaka, Chair.

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

CHAIR RAWLINS-FERNANDEZ: Aloha kakahiaka. Member Yuki Lei Sugimura.

COUNCILMEMBER SUGIMURA: Good morning, Chair.

CHAIR RAWLINS-FERNANDEZ: Good morning. And Pro-Temp Tasha Kama.

COUNCILMEMBER KAMA: Good morning, Chair.

CHAIR RAWLINS-FERNANDEZ: Good morning. Okay, and mai ka Administration we have Ms. Erin Wade from the MRA, good morning. From our Finance Department, Ms. May Anne Alibin.

MS. ALIBIN: Good morning, Chair.

CHAIR RAWLINS-FERNANDEZ: Good morning. Okay, and we may have someone else joining us from the MRA later. Okay, and then from Corporation Counsel, David Galazin.

MR. GALAZIN: Good morning.

CHAIR RAWLINS-FERNANDEZ: Good morning. And our Committee Staff Julie Reed. Aloha. And Yvette Bouthillier.

MS. BOUTHILLIER: Good morning.

CHAIR RAWLINS-FERNANDEZ: Good morning. At our District Offices...oh, we're not going to have testimony. Well, at our District Offices we have Ms. Mavis Oliveira-Medeiros at Hana, Denise Fernandez on Lanai, and Zhantell Lindo on Molokai. Okay, and just a reminder that we did close public testimony at our August 22nd EDB meeting, so we won't be having public testimony today. We have our one agenda item that was unfinished from the last meeting, which is EDB-76, the Wailuku Civic Complex. The Committee will review...receive a presentation from the Administration relating to the financial status of the Wailuku Civic Complex project and may also consider whether to recommend passage of the posted revised proposed bill on first reading with or without further revisions. Again, for everyone's clarification, there are three phases to this project: phase 1A, which is the infrastructure improvements; phase 1B, the construction of the parking structure; and phase 2, the civic center. Okay, correspondence dated March 25, 2019, from the Department of Corporation Counsel, revised proposed bill entitled A Bill for an Ordinance Amending Ordinance Number 4858, Bill Number 54 (2018), Relating to the Issuance of General Obligation Bonds of the County of Maui Issuance Sale and Delivery of Said Bonds, Department of Management - Wailuku Civic Complex. There will be a need to amend the posted bill that is before the Committee today based off our discussions regarding encumbered amounts. Your Chair's intention today

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

is to review the project's current accounting of funds to determine the fiscally-responsible path forward for our County. I have prepared several documents that will be distributed to assist us with our assessment of the project's budget approved, encumbered, expended, and lapsed. We will have a presentation first by the Administration, which I have asked to come prepared with financials and a clear indication of how our taxpayer dollars have been invested and spent thus far. The project has many moving parts, some of which are intertwined. So, between the Administration's presentation and the Committee's review of the spreadsheets we have prepared for you it is my hope that we will all have a bigger picture...we will have a big picture and finer detail overview completed today. After the presentation and review of our handouts, I will have a recommendation for the Committee, which we can discuss and potentially vote on today. Please jot down your questions for the Administration that come up and hold them until the questions and discussions segment of our meeting has begun, after both the presentation and the review of the Committee's handouts have been completed. We have reserved the Chambers for the day in case it becomes necessary, but I think we can complete a review, have a healthy discussion, and make an informed decision this morning. We have a lot of information to review so if there aren't any questions, I'll hand the mic over to Ms. Wade to begin the presentation.

MS. WADE: Good morning.

CHAIR RAWLINS-FERNANDEZ: Good morning.

MS. WADE: Good morning. We do...we did prepare a presentation for Tuesday and we weren't sure if you wanted that same presentation today given the deferral. Were you looking forward to having that today?

CHAIR RAWLINS-FERNANDEZ: Yes.

MS. WADE: Okay, May Anne will provide the presentation, the Deputy Finance Director.

CHAIR RAWLINS-FERNANDEZ: Okay. Did you need to have the presentation up on the screen? Do you want me to take a brief recess --

MS. ALIBIN: Yes, Chair.

CHAIR RAWLINS-FERNANDEZ: --so you can get that up? Oh, okay, sure.

MS. ALIBIN: Thank you.

CHAIR RAWLINS-FERNANDEZ: Members, is that...any objection?

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

COUNCILMEMBERS: No objection.

CHAIR RAWLINS-FERNANDEZ: Okay, we'll take a brief recess to set up the presentation on the screen at the call of the Chair. It's 9:10 and we're in recess.
..(gavel)..

RECESS: 9:10 a.m.
RECONVENE: 9:11 a.m.

CHAIR RAWLINS-FERNANDEZ: ..(gavel).. Will the Economic Development and Budget Committee please return to order. It is 9:11 and we have the presentation now uploaded on the screen and I'll hand the mic over to Administration.

MS. ALIBIN: Good morning, Chair. Good morning, Members. May Anne Alibin --

CHAIR RAWLINS-FERNANDEZ: Good morning.

MS. ALIBIN: --Deputy Director of Finance. So, today I'm here to provide you a quick overview of the Wailuku Civic Center project as far as the financial is concerned. In 2019, the original budget was 44.2 million and this table shows a breakdown by funds. I just want to explain a little bit the different columns that this table shows. So, the DP column represents the budget amendments done, and since 2019 we had two budget amendments, ordinance number 4948, which decreased the Bond Fund by...I'm sorry, increased the Bond Fund by 40 million, and another ordinance number 4930, reducing the General Fund by 2 million and increasing the Bond Fund by 2 million. The AB budget reflects all the temporary loan transfers that were authorized by the Finance Director, and this is reported in our monthly report sent to the Council Chair.

CHAIR RAWLINS-FERNANDEZ: Ms. Alibin, I'm sorry. Members, are you able to read the numbers on the screen? Okay, would it be helpful if we had a hard copy for everyone? I mean, that's going to take --

VICE-CHAIR KING: Chair?

CHAIR RAWLINS-FERNANDEZ: --a little time.

VICE-CHAIR KING: Yeah, Chair, maybe we can just go through the presentation first because, yeah, I can't read everything --

CHAIR RAWLINS-FERNANDEZ: Yeah.

VICE-CHAIR KING: --but I'm good with what...with the --

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

CHAIR RAWLINS-FERNANDEZ: With listening.

VICE-CHAIR KING: --verbal and then we can get the hard copy maybe later on for the pages that have these figures.

CHAIR RAWLINS-FERNANDEZ: Okay. Okay.

VICE-CHAIR KING: Thank you.

CHAIR RAWLINS-FERNANDEZ: Any objections to that Members? Okay.

VICE-CHAIR KING: Thank you.

CHAIR RAWLINS-FERNANDEZ: Okay. Mahalo, Ms. Alibin.

MS. ALIBIN: Okay, total appropriations to date is 84.2 million, the total bond authorized amount is 44.2 million. And as of August 15, 2019, total expenditures paid was less than \$100,000, and we've encumbered \$12.3 million. This is a CIP summary. Prior to Fiscal Year '19 appropriations for the Wailuku Civic Complex project, we've also appropriated funds for the Wailuku Redevelopment Municipal Parking starting in 2016; and the total expenditures to date was 9.1 million, and we've lapsed about \$3.2 million, and encumbered 2.8 million as of August 15, 2019. So, this project was...or these projects were mainly costs relating to architectural, planning, and engineering services. Okay, so this slide shows the information similar to the CIP summary but more on a detailed level and this shows the encumbered amounts and paid and net encumbered amounts by CIP index code. So, we have several contracts that were encumbered relating to the Wailuku Civic Center and we have two primary sources of funds for the Wailuku Civic Center project coming from the proposed Bond Fund and also lapsed bond proceeds. The next few slides is just going to show a little bit of the encumbrance details. So, we have one of the primary contract that we've executed relates to Phase 1A, which is the construction. So, funding sources are from the 2020 proposed general obligation bond that we're planning for and lapsed bond proceeds. We've executed the contract in December 2018. Contract amount was about 10.5 million, and expended about \$95,000, and encumbered 10.5 million.

COUNCILMEMBER PALTIN: Chair? Is it okay if I ask a clarification question?

CHAIR RAWLINS-FERNANDEZ: Yes.

COUNCILMEMBER PALTIN: Oh...

CHAIR RAWLINS-FERNANDEZ: As long as it's just a clarification on this --

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

COUNCILMEMBER PALTIN: Yeah.

CHAIR RAWLINS-FERNANDEZ: --and we can go into deeper discussion later.

COUNCILMEMBER PALTIN: When you were saying the amount of funds encumbered or lapsed for the civic center project, did you mean all the phases or just Phase 2?

MS. ALIBIN: I, we were talking about...I believe this one specifically is on Phase 1A.

COUNCILMEMBER PALTIN: Oh okay, so when you said the civic center you're not talking about just the civic center portion, you're talking about the whole project?

MS. ALIBIN: Yes.

COUNCILMEMBER PALTIN: Oh, okay. Thanks. Sorry.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Paltin.

MS. ALIBIN: This is just a slide showing our contract execution for that same project, Phase 1A construction management and who the vendor is and as far as, you know, the time of performance and the date that the contract was executed. So, another major contract is relating to the Phase 1A surveying services. So, the main funding source for that is the 2020 proposed GO bond, and the contract was executed recently, July 25 of 2019, with a contract amount of \$22,000; and we haven't paid any invoices to date but we did encumber the entire contract amount of \$22,000. Okay, so this is just more like a contract certification page that shows the name of the vendor that the contract was awarded to. The next major contract is relating to the construction management for the Phase 1A and 1B. Funding source relates to the lapse bond proceeds and I believe we do have some funding source from the prior appropriations, prior year appropriations. We've executed the contract December 20, 2018 and we haven't paid any invoices yet, but we did encumber about \$1.8 million. So, this slide shows the vendor that the contract was awarded to. That's all I have, if you have any questions I'll be happy to answer.

CHAIR RAWLINS-FERNANDEZ: Okay, mahalo, Ms. Alibin. Oh, okay. So, I know that the print was small. I think our Committee Staff went to make copies for everyone so that you can see the presentation a little clearer. I'd like to take a quick recess to receive that hard copy for everyone so you can see clear. Any objections?

COUNCILMEMBERS: No objections.

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

CHAIR RAWLINS-FERNANDEZ: Okay, mahalo. Okay...

VICE-CHAIR KING: Can I ask one question, Chair?

CHAIR RAWLINS-FERNANDEZ: Sure. Chair King?

VICE-CHAIR KING: So, I think this is a easy, quick to answer. I just want...on Phase 1B that to ascertain that the RFP went out for that?

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

MS. WADE: Thank you. So, it's a construction bid, and the bid was posted on July 25th. We're expecting to receive and open bids on September 4th.

VICE-CHAIR KING: September 4th. Okay, great, thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Chair King. Okay, any objections to taking a quick recess to receive the hard copies?

COUNCILMEMBERS: No objections.

CHAIR RAWLINS-FERNANDEZ: Okay, great. Okay, it's 9:20 on August 27th and the Economic...oh, I'm not sure how long it'll take. Fifteen minutes?

UNIDENTIFIED SPEAKER: . . . *(inaudible)* . . .

CHAIR RAWLINS-FERNANDEZ: Okay. I guess we don't need to take a recess, or would you like to take a quick recess to review?

UNIDENTIFIED SPEAKER: Your call.

CHAIR RAWLINS-FERNANDEZ: Okay, alright. Okay, mahalo, Staff. Okay, so, we'll...we can take questions in order, yeah? Okay, we'll start with Member Sinenci and then we'll work our way down. Okay, Member Sinenci, do you have any questions?

COUNCILMEMBER SINENCI: Yeah, thank you, Chair. Just some basic questions. Can you go over the lapse and the encumbrance again just for people like me? The columns, I guess, the different columns, Ms. Alibin.

VICE-CHAIR KING: What page are you on?

UNIDENTIFIED SPEAKER: Page 2.

VICE-CHAIR KING: Okay.

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

MS. ALIBIN: So, or maybe if I can refer you to the third page instead because there's a lapsed amount in there. So, with the Wailuku Redevelopment Municipal Parking Lot project, the CO budget is what the original budget is, and the BP budget reflects any amendments made. The AB budget is our working budget, or for financial purposes it's our control. We would typically for projects that are funded by bond, we only transfer AB budget depending on the amount that has been authorized for the temporary loan transfer. So, this is General Fund being used to pay for invoices. So, there's a process where both the Finance Director and Budget Director need to approve those contracts first before it can be put into the AB budget. The amount lapsed, so in this case we lapsed 2.8 million. So, ideally for a project we have 18 months to spend the money. But if, you know, for some reason there's been some delays or whatever reason it is, and/or the cost came in lower than what we appropriated, the funding is lapsed after December 31st. And in this case for the...because this is a General Fund project, it went back in for the next, or the ensuing estimated revenues. And encumbrances is any, if we have any contracts that's been executed we hold up that funds for us to pretty much have the funding available to pay for the invoices for the entire contract amount.

CHAIR RAWLINS-FERNANDEZ: I'll ask a clarifying question for this. So, for the \$7,460,304, that was appropriated and authorized in 2016, that was for design, planning, and feasibility study. Just for Members' information. Okay, Member Sinenci?

COUNCILMEMBER SINENCI: Okay, thank you. And then at the...on slide two you had for the 2020 bond that there was an ordinance to go ahead and put in the 40 million, can you explain that 40 million? Like in addition or is that just to access the 40 million?

MS. ALIBIN: Chair?

CHAIR RAWLINS-FERNANDEZ: Ms. Alibin?

MS. ALIBIN: So, the total budgeted appropriation in the budget ordinance that were approved is actually 84.2 million. Now, there is a companion bill which is the bond authorization bill for any bond-funded projects that is needed in order for us to...before we can expend the fund. So, for that we've only authorized about 44.2 million in the bond authorization bill.

CHAIR RAWLINS-FERNANDEZ: Members, what is being distributed are the handouts that I created for you to make this a little easier to follow. So, if you'll refer to...if you take the paperclip off there are three stacks, or four stacks, or three stacks. And if you look at the one that's colorful with red and blue you'll be able to kind of follow along a bit to see what these allocations were, or what

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

these funds were allocated for. So, if you look at the second set of numbers where it says General Fund 7,460,304, on the left column you'll see design, planning, and feasibility study; and then that way you have a better understand of what that funds initially were for. And then you'll see in the third column, the amount that was encumbered and then the amount that was expended. And in the last column, the funds that lapsed. Okay? And then I think it'll make it a little easier for us to follow along with the presentation. Member Sugimura?

COUNCILMEMBER SUGIMURA: Sorry, we should give Administration the same documents so we can talk story --

CHAIR RAWLINS-FERNANDEZ: Oh, they didn't get it?

COUNCILMEMBER SUGIMURA: --same, same. They don't have copies.

CHAIR RAWLINS-FERNANDEZ: Oh, okay. We'll get you copies. I'm sorry, yeah, I agree. Okay.

COUNCILMEMBER SINENCI: Thank you, Chair, for that.

CHAIR RAWLINS-FERNANDEZ: Member Sinenci, did you have any more questions?

COUNCILMEMBER SINENCI: That's it for now.

CHAIR RAWLINS-FERNANDEZ: For now, okay. Member Molina, do you have any questions?

COUNCILMEMBER MOLINA: Not currently for this round --

CHAIR RAWLINS-FERNANDEZ: Okay.

COUNCILMEMBER MOLINA: --but I'm just trying to digest all of these numbers --

CHAIR RAWLINS-FERNANDEZ: Right.

COUNCILMEMBER MOLINA: --to make sense of it. But maybe a little bit later on --

CHAIR RAWLINS-FERNANDEZ: Okay.

COUNCILMEMBER MOLINA: --I'll have questions.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Molina.

COUNCILMEMBER MOLINA: Thank you.

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

CHAIR RAWLINS-FERNANDEZ: Member Lee?

COUNCILMEMBER LEE: Thank you, Madam Chair. Okay, thank you for this additional information. But going back to the page that you were following, May Anne, the very first column on Page 3 talking about the budget, actual expense, amount lapsed, encumbrance, yeah? Those are the numbers you went over. How is it that over 3 million, 3.7 million was encumbered and...because normally when you encumber it...and then a portion of that was actually a big portion was lapsed, 2.8 million, yeah? So, you encumber 3.7, and then you lapse 2.8. Why...how did that happen because normally when you encumber, you know, you sign contracts, yeah? So, what happened to have such a big amount lapse?

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

MS. WADE: Thank you, Chair. So, we did put out to bid or we utilized the qualified bidders selection process as required by State law to identify a design and construction firm. When we selected the firm, the amount for the contract, and that was for design and construction of, or reconstruction of the Wailuku Municipal Parking Lot facility, the bid or the price was much lower than the amount that had been authorized at the time. So, the contract that we encumbered was less than what was authorized.

COUNCILMEMBER LEE: You mean, the contract was \$837,356, is that the one? Actual expense?

MS. ALIBIN: Chair, if I may?

CHAIR RAWLINS-FERNANDEZ: Ms. Alibin?

MS. ALIBIN: So, it seems like from this the total encumbrance amount was 3.7 million so that could be the amount for that contract. And out of the 7.4 million, 2.8 million was actually lapsed because the contract amount came in lower than what we budgeted for. And in Fiscal Year '17, we had only paid \$837,000 in invoices; however, the following year, 2018, we paid that contractor \$3.7 million.

COUNCILMEMBER LEE: Oh, I see, I see. Okay, thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Lee. Chair King?

VICE-CHAIR KING: I don't have any specific questions right now other than to just in general, everything we're looking at today is just Phase 1, so 1A and 1B, we're

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

not talking...none of these monies were...were any of these monies encumbered for Phase 2?

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

MS. WADE: Thank you, Chair. So, the design and construction project was for the project in its totality. So, all the phases we did the design and construction with Ferraro Choi and Associates. Construction funding has only been...we've only moved forward for Phase 1A and now we're out to bid --

VICE-CHAIR KING: Okay.

MS. WADE: --for Phase 1B.

VICE-CHAIR KING: So, was that...so, in that first, on Page 3 that we've been looking at the design, planning, and feasibility study was for the entire project, that money?

MS. WADE: That's correct.

VICE-CHAIR KING: Okay. So, the 4.6 million was encumbered for the entire project?

MS. WADE: Correct.

VICE-CHAIR KING: Okay, thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Chair King. Member Hokama?

COUNCILMEMBER HOKAMA: No, I appreciate the handout. This is accounting so it is what it is, it's factual. So, I have no questions at this time, Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Hokama. Member Paltin?

COUNCILMEMBER PALTIN: Can you turn to Page number 9, please? So, my question is the management company is going to do both 1A and 1B, what if 1B doesn't go through, do they get refund or that's just how it is?

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

MS. WADE: Thank you, Chair. We would have some significant rework to do on Phase 1A if 1B doesn't go forward because, as you know, we stated previously there's 43 parking stalls that are coming out with Phase 1A so we would have to revisit whether that's going to continue to happen. The traffic signal at the corner of Church and Main would no longer be needed if there wasn't a parking structure getting built. So, if 1A doesn't move forward...or if 1B doesn't move

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

forward for the construction management contract, that scope becomes, does become very different. There could be damages that we might have to pay depending on the scope. But we would have to see what that looks like. I think it would be a really big question for us what the improvements would look like if these...a half of the whole project didn't move forward.

COUNCILMEMBER PALTIN: And the contract was for like 1.8 for the whole thing...

MS. WADE: Let's see...

COUNCILMEMBER PALTIN: Like, is the invoices going to come in before the lapsed period, like, the lapse period?

MS. ALIBIN: Chair?

CHAIR RAWLINS-FERNANDEZ: Ms. Alibin?

MS. ALIBIN: Based on the total contract for Ferraro Choi is \$8.9 million.

MS. WADE: Dowling.

MS. ALIBIN: Oh, is it Dowling, or...

MS. WADE: Construction management.

COUNCILMEMBER PALTIN: Yeah, construction management.

MS. ALIBIN: Construction management, oh, sorry.

MS. WADE: The...oh, Chair?

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

MS. WADE: Thanks. To answer your question about lapsing though, once the contract has been encumbered it won't lapse. The funds are secured within the contract until that contract is either paid or disencumbered.

COUNCILMEMBER PALTIN: Oh, so the deadline for lapse is only to make the contract and then once you make the contract you're good?

MS. WADE: Exactly.

COUNCILMEMBER PALTIN: Okay, so no need the other information.

MS. ALIBIN: Oh, okay, so just for your information --

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

COUNCILMEMBER PALTIN: 'Cause it already got contracted, right?

MS. ALIBIN: --so the total contract is \$2.5 million for Dowling.

COUNCILMEMBER PALTIN: Oh, but we only encumbered 1.8?

MS. ALIBIN: Chair, if I may?

CHAIR RAWLINS-FERNANDEZ: Ms. Alibin?

MS. ALIBIN: The \$1.8 million is coming from the Wailuku Civic Complex project and then the additional 671,000 is coming from the Wailuku Redevelopment Municipal Parking Lot project.

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

COUNCILMEMBER PALTIN: And then...

MS. WADE: Oh, I just wanted to clarify that we paid a portion of the project with a previous fiscal year and a portion of the current fiscal year. So, because we still had remaining funds that hadn't lapsed in a previous year, we encumbered a portion of that contract with those funds and then...but it wasn't enough to encumber the whole contract, so we used two years funds.

COUNCILMEMBER PALTIN: Okay, and then the remaining, like, .6 or .7, when do you see that getting encumbered?

CHAIR RAWLINS-FERNANDEZ: Ms. Alibin?

MS. ALIBIN: Chair? That entire amount has been encumbered.

COUNCILMEMBER PALTIN: Oh, it's...

MS. ALIBIN: Yes.

COUNCILMEMBER PALTIN: Oh, okay, sorry. Never mind then. Thanks.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Paltin. Member Sugimura?

COUNCILMEMBER SUGIMURA: So, listening to this conversation...thanks for the presentation because this has taken several years, you know, to put this together, as well as a lot of community input. And since we're talking about money today and this 26 million, 26.9 million, almost 27 million, so if we

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

decrease the bond by that amount, what is the impact? What is going to happen?

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

MS. WADE: So, at this time we don't have actual costs for the construction of the parking structure. We will have that on September 4th. So, at this time, you know, 26 million might be more than enough, it might, for the construction of the parking structure, it might not be enough. We don't know at this time. You know, the...when you go through the design and permitting process we have the estimator who, you know, goes through line by line every single element that goes into the project and then they make estimates based on existing market conditions. This cost estimate was done in September of 2018, so we're looking at now a year away from where this cost estimate was. So, could be higher, could be lower, and again, market conditions have changed since then. So, we won't be able to give you an accurate answer of what we could do with the money if it was reduced or added to until we know what those bid prices are coming in at.

COUNCILMEMBER SUGIMURA: And the bid is due on September the 4th so we're actually days away from finding out what that number is?

MS. WADE: That's correct.

COUNCILMEMBER SUGIMURA: So, if we approve this today, what is going to happen to your bid?

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

MS. WADE: I can't...I don't know that the County's been in this situation before. Greg King is also here in case you had questions about that. I don't know if a project has ever been defunded while it was out to bid. I don't know the answer to that.

COUNCILMEMBER SUGIMURA: So, Chair, I wonder if we could have an opinion on that if we could? That's what we're being asked today.

CHAIR RAWLINS-FERNANDEZ: Okay, we would like to bring Mr. Kim [sic] down.

COUNCILMEMBER SUGIMURA: King or Corp Counsel.

CHAIR RAWLINS-FERNANDEZ: King.

COUNCILMEMBER SUGIMURA: Yeah.

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

CHAIR RAWLINS-FERNANDEZ: Mr. Galazin, do you have the answer to that question? We can bring Mr. King down too.

MR. GALAZIN: Chair, I would probably defer to Finance at this point.

CHAIR RAWLINS-FERNANDEZ: Okay. And will you please identify yourself for the record? Yeah, it's on.

MR. KING: Okay. Hi, I'm Greg King, Central Purchasing Agent for the County. This is a fairly easy question to answer. We can open bids or prior to the opening bids, we can cancel the solicitation at any time 'cause we have no obligation, at that point we haven't contracted with the vendor.

CHAIR RAWLINS-FERNANDEZ: Member Sugimura?

COUNCILMEMBER SUGIMURA: Yeah, and one last question. And what is the liability for us to do this and take this action? Corp Counsel?

CHAIR RAWLINS-FERNANDEZ: Mr. Galazin?

MR. GALAZIN: Thank you. The liability in terms of reducing the amount? Well, that's kind of, I think, why we're here. That's a big question. You know, if you're talking about just what is happening right now with the bid, you know, as Mr. King said, that could be...we could cancel that if there wasn't funding for it. You know, this is somewhat uncharted territory. It's not something that personally I've seen a municipality go through. But it certainly, I think, it's something that's within your purview. I don't know that we know all of the ramifications, but I don't know of any one specific thing that jumps out. Thank you.

COUNCILMEMBER SUGIMURA: Okay, one last question.

CHAIR RAWLINS-FERNANDEZ: Member Sugimura?

COUNCILMEMBER SUGIMURA: So, the last one goes to Finance. So, what is the implication for us to do something like this at this point for our County?

CHAIR RAWLINS-FERNANDEZ: Ms. Alibin?

MS. ALIBIN: Chair, are you referring about the potential impact on our bond rating?

COUNCILMEMBER SUGIMURA: Uh-huh.

MS. ALIBIN: It may or may not have an impact. I do know that based on the last bond issuance that we had, we had one of the bond rating agencies in their

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

opinion had actually stated that, you know, factors that could lead up to an upgrade includes, like, increasing our local economic diversification and improvement in our socioeconomic wealth indexes, so if...I'm not quite sure about, you know, what is the intent of this project. But just hearing from, you know, all the different testimonies, I see somehow that it could have some impact on our diversifying our local economy. but also as far as their analysis on the improvement in the socioeconomic wealth, we do know that wealth index is actually one of the strong...it's community infrastructure, which is like this case has a strong influence on wealth index. So, I'm not quite sure. I mean, there's a lot of factors that bond rating agencies also take a look at as far as our management practices and, you know, any political decisions that we make may have an impact on this. We're constantly being monitored. Recently we just had one of the rating agencies did a surveillance on the County so which is Fitch. So, I mean, as we're talking right now they could be watching. And with this size of the project that we're looking at, it could have potential impact.

COUNCILMEMBER SUGIMURA: Negative impact?

MS. ALIBIN: Potentially, yeah.

COUNCILMEMBER SUGIMURA: I guess where I, Chair, by doing this there's a phrase that my husband uses is called willy-nilly. You know, you're in then you're out and you're kind of bouncing around and I'm afraid that that's what we're looking like. And from what you're saying and what the, you know, possibilities, I'm concerned about our bond rating as I think we've stood strong and stood tall in terms of the strength of Maui County. So, I look forward to hearing the rest of the discussion. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Sugimura. I'd like to piggyback off of Member Sugimura's question and basically I had spoke with Ms. Alibin about the impact to our bond rating prior to this meeting and the question, well, the response to Member Sugimura's question was it could impact our bond rating by not funding this project which could increase economic development, and at this point we're not talking about the civic center, we're only talking about the parking structure and whether the parking structure itself would in itself increase economic development is not, you know, a guarantee. And so, just looking at the parking structure itself and not the civic center side of it, I'm not sure if that's what Ms. Alibin was speaking toward. So, Ms. Alibin, would you please clarify what you mean by the bond rating? And then secondly, the impact to our bond rating because we've only taken out \$12 million in bonds that this reduction here today would actually not have an effect on our bond rating in that sense of we're not taking out a loan, you know, taking out the bond, and then returning it because we haven't taken out any bonds over \$12 million. Ms. Alibin?

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

MS. ALIBIN: Yes, Chair, if I may clarify, for the Wailuku Civic Complex, the funding source is our proposed GO bond issuance which we're anticipating to happen in mid of next year. So, for any costs incurred relating to the Wailuku Civic Center, that's something that we haven't disclosed or presented into our bond rating agencies, but potentially for all...whether it's expended actual paid or encumbered, we will get reimbursed. But for project, if we decide...the only thing that I could see that there's an impact is on the construction management side of it because I guess it covers for the 1A and 1B, and my understanding is the 1A is for the infrastructure and then the 1B is for the garage. So, that's something that we need to consider because that contract has been executed, so there could be some potential, you know, contract that, I mean, provisions that we would need to pay for. In the case of...because if it's already in the bond authorization bill, I'm not quite sure what portion of the 44 million includes in the bond authorization bill. The process with the issuance of bond is we look at all the projects that were authorized both by in our ordinance, in our budget ordinance, and also in the bond authorization bills. Now, we also do explain if there's projects that have been abolished or cancelled, we do need to provide that information into our bond counsel. So, I mean, you know, whether or not that's something that they review in detail to make sure that we're going to get reimbursed a portion or all of that, I mean, that's something that the bond counsel normally takes a look at in depth. So, again, I'm not quite sure if I answered it clearly, but just my answer at this point is it may or may not. I'm not sure. I mean, there's a lot of factors that our credit...that credit agencies take a look at. But as far as for both Phase 1A and 1B, we haven't gone out to bond or, you know, these funds are just temporarily we're using General Fund to pay for the invoices until that's done. I mean, I'm not quite sure.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Ms. Alibin. I hope that Members understood the clarification. Okay, did you say no? Okay. Would you like to ask a clarifying question on that response, Member Lee?

COUNCILMEMBER LEE: Yes.

CHAIR RAWLINS-FERNANDEZ: Okay.

COUNCILMEMBER LEE: May Anne, okay I was trying to follow you and on the one hand, I think you were trying to respond to the issue of whether there would be some kind of liability or negative effect on our bond rating and then I thought I heard you mention something about we've already signed contracts for Phase 1A and 1B as well. And then I thought, gee, how come we signed contracts on 1B when we haven't received the bids yet? Can you explain that process please?

CHAIR RAWLINS-FERNANDEZ: Mahalo for that question. That was going to be my follow-up question Member Lee. Ms. Wade?

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

MS. WADE: Thank you. If I could ask Julie, this might be a good time to distribute the handout that has our schedule, our construction schedule in the center. So, the portion of the construction contract that covers 1B, there was a good reason we contracted both together, and there's also a good reason we didn't give the 1A and 1B contract to the same construction company. So, road and utility construction is a very different type of construction than vertical construction, like is going to occur with, well, can occur with the parking structure. So, those are often very different companies with different capabilities. And so, we knew because we couldn't rip up the whole town all at once and make it impossible for people to get around, we knew it was going to have to be a phased project. So, we figured if we knew it was going to be phased, we could probably have some cost savings if we weren't hiring a vertical construction company to do the roadwork. So, we bid them out in pieces in order to make sure that we had the right companies doing the right kind of work, we weren't going to overpay for that. But in order to do that, it requires a lot of coordination between two companies knowing that there would be times where there would be overlap, where both companies would be working at the same time. That's the reason we did a construction management contract, to cover and oversee the efforts of both; so that that individual and company would make sure each contractor was doing what they were supposed to do in the right timing and following the correct schedule. And all the...because the responsibilities of the 1A contractor, they're putting in lateral connections that are going to end up supporting the 1B, the 1B contractor has to demolish the one medical building, but the 1A contractor's using that as the construction management, as their on-site construction office for a period of time. So, there's a whole lot of, you know, small things that aren't so small if they go sideways. And that was the reason for putting them both in the same contract.

COUNCILMEMBER LEE: So, if I may follow up?

CHAIR RAWLINS-FERNANDEZ: Member Lee?

COUNCILMEMBER LEE: So, Erin, I still don't understand where we would be liable for the main portion, the main work in 1B if we have not received the bids yet. So, we would not have signed a contract for those items in 1B, right?

MS. WADE: Chair?

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

MS. WADE: So, construction we would not be liable if we aren't entered into a contract for construction. For the construction management portion, of course, if we take that out of their scope we might have to pay damages for pulling that out of their construction management. And what they've already basically...you

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

know, as firms bid on different projects, they allocate, you know, time management. So, certainly they have turned away other work or whatever project comes in. They turn away other work when they know they have something in line for their activities. So, that could be a portion of the damage that we, that I have seen paid in other municipalities in the past.

COUNCILMEMBER LEE: Okay. I'm almost done on this subject. Two things that concern me, I can't imagine if the bid was outrageous, for example, that we would still be liable, you know, to have the project continue under that circumstance. And then secondly, I would imagine that our contracts wouldn't be so tight that we couldn't make changes, you know, revise the, you know, the structure maybe, one or two stories less, something like that. So, that's why I was wondering, you know, how serious were the, if any, would there be a liability. Okay, thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Lee. Okay, and before I call on Member Molina, and then Member Sinenci, I also wanted to remind Members that at the first meeting when we had this, in the contract with Dowling, who is doing the construction management, who we contracted to do the construction management for Phase 1A and Phase 1B, there is an exit clause. So, and that was something that I had distributed the last time and I can distribute it again. So, that was, you know, our Administration, you know, smartly put an exit clause in our contract with Dowling for work that had not been done.

COUNCILMEMBER SINENCI: That was my question, Chair. Thank you.

CHAIR RAWLINS-FERNANDEZ: Oh, okay great. Okay, Member Molina?

COUNCILMEMBER MOLINA: Thank you, Madam Chair. Just following up on Member Lee's line of questioning for the Administration. So, when was the contract executed and I presume it was signed off by Corporation Counsel or the Finance Director, what were those dates? And I ask this because now it kind of puts us in a somewhat difficult predicament now where it possibility limits us from making adjustments to the scope of the project. And, of course, the big talk is the cost and, you know, I'm like...I kind of share some of the same concerns like Member Lee. So, if the Administration could give me those dates. And thank you for also letting, informing us who was, who has the construction management contract. Anyway.

CHAIR RAWLINS-FERNANDEZ: Ms. Alibin, do you have that information?

MS. ALIBIN: Chair, yes, so for the Dowling contract --

UNIDENTIFIED SPEAKER: Chair?

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

MS. ALIBIN: --the contract was executed on December 20, 2018.

COUNCILMEMBER MOLINA: Okay, and that was signed off by whom? The Finance Director or Corporation Counsel?

MS. ALIBIN: It...I don't have the contract with me but typically it's signed off by the Department head who's responsible for overseeing that project and Finance Director, and it's reviewed as to form and legality by Corporation Counsel and as well as the Mayor.

COUNCILMEMBER MOLINA: Okay, so at that time --

CHAIR RAWLINS-FERNANDEZ: And then I have that information.

COUNCILMEMBER MOLINA: --the Finance Director's...

CHAIR RAWLINS-FERNANDEZ: The contract was signed by Mr. Walker, who was Director of Finance at the time.

COUNCILMEMBER MOLINA: Alright. Thank you. Okay, so this just gets more interesting. So, anyway, I'll just leave it at that, thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Molina. Chair King?

VICE-CHAIR KING: Thank you, Chair. Yeah, that's a really good discussion. I guess my question is, and thank you for all the financial information, but I also...because I agree with Councilmember Molina that the cost is a big issue for us and the public, but I also think there's a big issue of the size of it being outside of our ordinance. And so, what is the procedure on that? Does that require action by the Council, or can you just go ahead and decide that you want to build it higher than what the ordinance requires, you know, the limit that the ordinance requires right now? What is the process for reviewing and approving the size of the structure?

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

MS. WADE: The...if we're talking about the parking structure --

VICE-CHAIR KING: Right.

MS. WADE: --actually, all the buildings designed in the project are within and under the height limit of the Commercial Mixed-Use District in the Wailuku zoning and development code. So, there is no element of the project that exceeds any of the allowable height limits.

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

VICE-CHAIR KING: Okay. And that's a separate code than the rest of the --

MS. WADE: Title 19.

VICE-CHAIR KING: --community?

MS. WADE: Correct.

VICE-CHAIR KING: The rest of Title 19. So, was a code that was specifically developed for that --

MS. WADE: For Wailuku.

VICE-CHAIR KING: --parking structure?

MS. WADE: Yeah. So...

VICE-CHAIR KING: Okay. And then what is that, what's the area that that...I mean, does that allow buildings to be built to the same height anywhere in...or is it just for that building? Anywhere in that area?

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

MS. WADE: Thank you. No, the Commercial Mixed-Use District is essentially the whole core of the Wailuku Commercial District, so it includes the entire block that surrounds the existing parking lot and it includes all up and down Main Street, it includes all of Market Street, and most of Vineyard Street as well.

VICE-CHAIR KING: Okay. So, theoretically we could have buildings as tall as that parking structure anywhere in those areas?

MS. WADE: Currently the...both the Main Street Promenade and the Wailuku Executive Center next door exceed by a story and a half more. They're taller than the proposed parking structure.

VICE-CHAIR KING: Okay, but that wasn't my question. My question is that this code authorizes that whole area could be filled with buildings as tall as the parking structure is intended to be?

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

MS. WADE: The allowable height limit today is four stories.

VICE-CHAIR KING: Okay, for that whole area?

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

MS. WADE: For the whole area, yeah.

VICE-CHAIR KING: Okay, alright. Thank you, Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Chair King. Member Hokama?

COUNCILMEMBER HOKAMA: Thank you, Chair. I would say, yes, for me the cost impact would be a issue. I think when we looked at it as separate projects we penciled it out to be a greater number than this consolidation effort. So, I think we're going be saving some money on the long haul by doing this in the comprehensive way, Chair, and I appreciated your effort. So, I would say maybe part of our problem is we trying to view this as two separate projects instead of one consolidated project, because I've worked on this for over 20 years. And when I came on Council, this was one of the things that the community had made it a point during that tenure, the '90s, to get off the rock and either make it happen for this designation we have for Wailuku in the redevelopment area, okay. This is a 1960s Federal tool redevelopment. Kakaako, Kaimuki, Kapahulu has a benefit on Oahu, Hilo has benefited on Hawaii Island. I think we can benefit too. And I think one of the things is Council has repeatedly rejected just a parking structure proposal, okay? It was more than just a parking structure for the County. It was about how to help Wailuku maintain its appropriate role of governance and in our history as our County seat. Two, was also how to maintain and keep certain components that we felt was important for a balanced community, okay? Maui Medical, if people remember, and I do, was built as a hotel. It was a successful hotel. That's where all our grand champion sumotoris came for the 442 in their bouts at War Memorial Gymnasium. We had a hotel in Iao Valley, we had a monkey bar, okay? So, hotels in this area is not a new thing, okay? I've walked these streets from the '60s, Happy Valley, Piihana, Mokuahau, okay? So, I know this community. My family lives in this district, okay? I can tell you one of the reasons why it got designated was because of the slum and blight definition, okay? People don't like it, but that's the reality of how this area got qualified under slum and blight to get the Federal support for the improvements that this community would want and deserves to move forward. So, I think we have a great opportunity, especially with the Central Maui transit core, opportunity zones. This is a great opportunity through this project, yeah, it's a big project. But this project's going to last a long time. Just like this building lasted 50 years. When we built this, this was a high-tag project. People wondered why we built so much excess space. Fifty years ago, I would say that was a leading argument. Look at us today, we're crowded. We don't have space. Part of this project is also to assist a growing community. Yeah, the County is investing 80 million, look what other people are doing, Tropical Plantation project, okay? You're looking at half-a-billion dollars right there with the road system, with the new schools required for that young growing communities, with the services. Yes, I made my calls to the bond raters, I made my call to the

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

bond underwriters, I made my calls to bond counsels, okay? This project has a big potential positive impact for this County and I think most of our people out there who work hard can appreciate what the Council is doing in presenting a vision for a long-term benefit, okay? And I need this Council to look at a long-term visioning of where we want to go with this opportunity and use regional planning as part of a smart planning proposal. Especially with our new tools in Real Property Tax and Finance with our GIS 3D opportunities, we can now plan the roads. We can plan so many things at one time with the housing. Housing is one of the critical things. Housing should be part of this redevelopment area too. We're going to redevelop it, we're going to get new housing with Tropical Plantation in Waikapu, we're going to get the new road systems, we're going to have to figure it out how to do it better. This is our great opportunity. And when I discussed this to the bond raters, they get it under a long-term economic...opportunity for economic development. Because this is something they see as I've chatted with them, will reduce the dependency on the visitor industry. What other efforts has the County showed to reduce their one concern they state every time, the over dependency on one engine and what happens when that doesn't work, okay? How are we going to pay our bills? Because right now, we better pray that our high-end resort business properties don't file appeals because there is a tipping point where they file enough and we're going to place 50 percent in escrow, I don't think this Country has enough cash to operate. And you know what the Mayor's going to have to do by Charter, send a mitigated budget, which more than likely will reduce and cut positions and services. So, I wouldn't put it past the tax base not to make a stated position regarding taxation. And I'm going to be recommending that some of them need to look at taxation because when you look at this, I think we've laid out a long-term plan. I can tell you now, the bond people are watching what is our debt strategy in the future? Seeing the type of monies we're willing to put forth in borrowing and not balancing out with the right cash debt ratios. That is my concern right now. We see a lot of nice rhetoric. I still cannot figure out how it's going to be paid down the road with cash. Bond is bond, but it still comes down to cash at the end of the day. So, I bring these points up, Chair, because I think we have a great, positive opportunity. I think if we...we've explained this well, we've been working on this for 50 years, and I need to know, Mr. Galazin, because of the designation, if we don't move forward, does it jeopardize our ability to get future Federal funding for redevelopment projects?

CHAIR RAWLINS-FERNANDEZ: Mr. Galazin?

MR. GALAZIN: Thank you. That's impossible to give a certain answer on. Is it possible that it would jeopardize it? It's possible. I can't say that it's definitive, though.

COUNCILMEMBER HOKAMA: Okay.

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

CHAIR RAWLINS-FERNANDEZ: Member Hokama?

COUNCILMEMBER HOKAMA: No, Chair, I just was wondering if he would stick his neck out. He's got a short neck, so I don't think so. But again, Chair, you know, again, I still think we have a great opportunity. Some of the things that people have been brought up has been part of this community for...in the past, in the years gone by when this was the town. The town, okay? And like I said before, I don't know if there'll be a Wailea, Makena, Kaanapali, Kapalua today if it wasn't for Kahului, Wailuku in the '60s. That's who paid the bills of this Country in that era, not those districts, okay? Central. Central boosted and shared its resources so that the whole County can benefit, okay? I think it's time for Wailuku to get some reinvestment back to maintain its role as the civic center of this County. So, thank you, Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Hokama. I just want to remind Members that today, we're just...we're taking a deeper look and scrutinizing the accruing cost of Phase 1A and Phase 1B, and we're not talking about Phase 2. And I think what Member Hokama is talking about is, and correct me if I'm wrong, is total build out as the economic generator of the civic center. And, I mean, for me, I mean, do we want Wailuku to look like Kakaako? Hotels, you know, back in the day are...don't operate the way that hotels do now. I mean hotels now, you know, really take over an area and it pushes residents out and it gentrifies the district. I mean, you can ask Member Paltin about, you know, what resorts and hotels have done to her district. And, you know, repeatedly we hear from residents outside the four corners of the business district about how they're really concerned about the increase of their property taxes. And do we care about them and whether they will be able to afford to continue to live in the area that they grew up in? And, you know, I...and as far as, like, economic diversification, when we hear from testifiers, or when we heard from testifiers it was that they wanted tourists to come here. So, as far as diversifying, I'm not convinced that that would be a diversification of having, you know, the parking lot here. And even the civic center because we're looking at building hotels in Wailuku and that's the tourist industry. So, it's not really expanding and diversifying the economy in that way. And so, I, you know, in thinking about whether reducing the funding for such a high price tag of this project, you know, could this be, or could this have a positive impact by reducing our debt-to-income ratio for this project? Ms. Alibin? Oh.

MS. ALIBIN: Chair?

CHAIR RAWLINS-FERNANDEZ: Ms. Alibin?

MS. ALIBIN: I don't have a direct answer to that. But as far as our debt is concerned, we have the ability to raise taxes and when rating agencies look at those

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

factors, it's, you know, they also look at because of our ability to raise taxes, we also have the ability to support our long-term debt and in that case, I mean, you know, we could, I mean, it could pose potential positive if because we have the ability to raise taxes and pay our debt. It could actually also the more debt we have, I mean, it could put some good positive things on the rating agencies. Or it really depends, there's a lot of different factors that they look at and this is just one component of it. So, I mean, I can...I don't know if I have the answer to that at this point.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Ms. Alibin. So, basically there are a lot of factors and we can't decide, but that could be possible. Ms. Wade?

MS. WADE: Thank you. Just in this last week we've had our consultants here both for zoning and Dixon Resources Unlimited is here relating to parking. Yesterday we had a workshop that included several design professionals regarding the zoning and one of the most interesting things to me was they told us the first thing they do when someone comes to them in Wailuku is they design the on-site parking. That's the very first step. And when you know the physical lots, the properties in Wailuku, they're very, very small. Many of them are covered almost entirely with a historic building today. So, to have to start because there is such a parking deficit, to have to start the conversation of investment in existing buildings with the discussion about parking is what is depressing the neighborhood. That is what is creating the economic depression in the neighborhood. They cannot invest without the parking. Creating the parking create...also relieves, can relieve that as an opportunity and create the opportunity for investment within the existing buildings. So, I just learned that today, or yesterday, from the architects, so I thought perhaps that could be helpful in understanding how some of the existing buildings, not necessarily new construction even. Those, the properties that have been owned long time by long-time families who can't find a way to invest in the existing buildings, a lot of the time it's because of the lack of parking.

VICE-CHAIR KING: Chair?

CHAIR RAWLINS-FERNANDEZ: Mahalo, Ms. Wade. So, is that what your 2011 Parking Assessment Study informed you, that there was a parking deficit? And if so, what was that parking deficit? The current parking deficit?

MS. WADE: Thank you. Yes, so we did do a parking management plan in 2011 and there was...we identified parking deficits throughout downtown Wailuku by subareas. Within this core area it, I don't have the exact numbers with me, but it was over 200 parking stall deficit in this vicinity.

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

CHAIR RAWLINS-FERNANDEZ: Okay, I read different information that I'll present a little later. Chair King, and then Member Paltin, and then Member Molina, oh, and then Member Lee.

VICE-CHAIR KING: Okay.

CHAIR RAWLINS-FERNANDEZ: Chair King?

VICE-CHAIR KING: Thank you, Chair. So, I'm kind of feeling like most of us understand the need for parking and aren't disputing the need for parking. Cost is probably the biggest issue, and then the size of the structure is an issue I know for a lot of the residents around there. But when I met with Director Wade, is that your title, Director? Executive Director.

MS. WADE: No, I'm just a Planner V.

VICE-CHAIR KING: Anyway, when I met with Erin the other day, we talked about how you put the bids out and that there were different items on there that could be removed if the cost came out too high so it's not just here's, you have to bid on everything as one package. It was like, the solar panels will be separate, I don't know if the glass elevator separate, but there were some things that were separate on there so that the cost could be brought down if it was deemed too outrageous. So, if you could explain that to us. And also, the fact that the bid deadline I'm assuming has passed to put bids in? Or not, no. Okay, so the bid deadline is actually the third or the second, and then you're going to --

UNIDENTIFIED SPEAKER: Fourth.

VICE-CHAIR KING: --open the bids...oh, and you're going to open the bids --

UNIDENTIFIED SPEAKER: September 4th.

VICE-CHAIR KING: --on the 4th. And so, that might be a good time for us to review when the bids come in to...because we can't change those, the bid request. The bid request went out however you put it out and it would be interesting to see what those rates are. But if you could just share with the Council if it's, I mean, if it's still open, you could...I mean, whatever you can share that's legal to talk about, you know, given the fact that...

UNIDENTIFIED SPEAKER: . . . *(inaudible)* . . .

VICE-CHAIR KING: Yeah, okay.

CHAIR RAWLINS-FERNANDEZ: Okay, and we also have the option of cancelling it --

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

VICE-CHAIR KING: Right, right.

CHAIR RAWLINS-FERNANDEZ: --which is what...

VICE-CHAIR KING: No, I understand that. I just wanted to maybe have her share how the bids went out and what the option, you know, what these options are when the bids come back in.

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

MS. WADE: Thank you. So, when we put out the bid, we put it out as inclusive and in totality as possible, and then we asked for line item costs for several things. One was the PV trellis, you know, so what is the line item cost of that should we decide that's not a priority for us at this time. The elevators, that was another line item cost. We were obviously required to have elevators. Right now, the elevators do include glass panels for safety and security purposes. It adds significant cost to what a typical elevator construction is. So, you know, it's a balancing act. It's a weighing of what the Council's priorities are. Those type of items, though, are things that can be adjusted after we know what those costs are. And then you asked about can you change it while it's out. That's an addendum process. So we...

VICE-CHAIR KING: No, I didn't ask that --

MS. WADE: Okay.

VICE-CHAIR KING: --I just said I'm assuming you can.

MS. WADE: You can.

VICE-CHAIR KING: But I just wanted you to go over the list of things that you asked for separate line items on.

MS. WADE: Another piece of it is the project is planned in some future date to connect to the plaza that was designed for Vineyard Street. So, the type of pavers that would connect the plaza through the rest of the project is something that could be a deductive alternative as well. It could become, right, we can switch that out to regular paving. So, there's a handful of opportunities. There's landscaping. There's a handful of opportunities that don't affect the structural integrity but could be changed to reduce costs after we know what those costs are.

VICE-CHAIR KING: Okay, thank you. Thank you, Chair.

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

CHAIR RAWLINS-FERNANDEZ: Mahalo, Chair King. Okay, Member Paltin, then Member Molina, then Member Lee.

COUNCILMEMBER PALTIN: Thanks, Chair. Thanks for being here. My question was when you were saying you had someone the other night what their title was for the parking situation that you was, you were saying?

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

MS. WADE: Do you mean my parking consultant? Yes, Julie Dixon from Dixon Resources Unlimited and her colleague Emily are here.

COUNCILMEMBER PALTIN: So, like, parking consultant is somebody that helps you decide parking choices?

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

MS. WADE: Thank you, Chair. You know, in most situations I think that is exclusively what a parking consultant is. Dixon Resources does a lot of transportation demand management solutions and identifies how shuttles can work, has been helping us with the planning for the construction shuttles and for timing of parking, managing the employee parking on campus, they're really taking a comprehensive look about how people get to and from Wailuku beyond just parking.

COUNCILMEMBER PALTIN: Thanks for clarifying that. So then, because last month we had like a transit-oriented development administration from City and County of Honolulu come in in Ms. Sugimura's Multimodal Transportation Committee, Mr. Harrison Rue. And one of the things that I took away from that was he said eventually all our parking is going to look like dumb decisions and we're in the middle of building this expensive CONRAC. Eventually within 12 to 15 years, you know, we're going to have autonomous vehicle running around. Some people say soon, or my best guess is more like 12 to 15 years. So, you know, our parking garages are going to be kind of empty and being converted sometime. Certainly within the next 20 years. So, I mean, seem like there's all ends of the spectrum on this on experts and transit-oriented design and things. And I thought that you had said too the parking garage was originally designed kind of slanted, but then you ended up wanting it flat because if you need to convert it in the future. So, is there already that kind of sense that parking garages are going to be obsolete? Or, if we build it we'll get more cars? What is the --

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

COUNCILMEMBER PALTIN: --theme?

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

MS. WADE: Thank you. We've designed with longevity in mind for that reason. So, yes, we did design flat decks so that at some point in the future, and higher floor-to-ceiling ratios, so that at some point in the future if the demand for that much parking isn't necessary, it could convert. That being said, in today's Maui culture, one of the observations our parking consultant made driving through Kahului was how many cars you see driving through Kahului. We aren't at a place culturally right now where everyone giving up their automobile is going to be likely. And so, and nor are we at the place in terms of our transit system to have people convert. That's a whole generation's worth of work that we have to do really to get that up to speed. And I think, you know, it's exciting that this Council's committed to doing that, to starting that effort moving towards building a transit system. But we have years while the existing buildings and the infrastructure's going to continue to crumble if it isn't invested in a way that people can access it.

COUNCILMEMBER PALTIN: But are we kind of going in the opposite direction then? I mean, if we're going to invest 80 to 20, 20 to 80 million, should we be not investing in the transit like I was saying, if you build it they'll come kind of deal?

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

MS. WADE: So, a piece of transit is also density. Transit works when you're close enough to get to multiple destinations using a single transit corridor. If you don't have that density, it starts to fall apart and really become very, very expensive for a community to provide. So, right now where we are with providing the parking structure, I personally hope it converts at some point because we have a strong enough transit corridor and enough density to support that corridor. The ground floor is wired and designed that it can convert to office or retail, the third floor is designed that it can also convert to not residential because that requires, there's, you learn all kinds of stuff when you're playing this, but, you know, the certain bounce amount that it cannot have if it's residential, and because of the huge spans of parking structure, that doesn't work unless there's some significant retrofitting. But that could also happen because it's flat deck. The floors are designed to hold the capacity to convert it to office which actually has a more pound per square inch than parking. So, they are designed in order to convert at some point so that instead of it being a 20-year parking garage, or a 20...probably more like 30 years given our adoption rate here in Hawaii with new technology, it could live its 30-year life and then still be useful to the neighborhood by converting into another use in the future. Yeah.

COUNCILMEMBER PALTIN: Thank you.

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Paltin. Okay, we're quickly getting to our morning break and then I know Members wanted to try to complete this this morning. So, we still have the handouts to go through and I think it might answer some of the questions. So, if we could maybe keep the questions a little briefer and then we'll quickly go through the handout. And if, you know, we don't, then we can reconvene at 1:00. But if we would like to complete it before, you know, in the morning time, then...okay. Member Molina and then Member Lee.

COUNCILMEMBER MOLINA: Thank you, Madam Chair. And I'll be as brief as I can be. Let me start off with a long commentary. No, just kidding. Just it's ironic that the whole impetus is the lack of parking and it seems like the County of Maui, we've been part of the problem. Because as County government has expanded there's a need for more parking in Wailuku. But historically, you know the Market Street improvements, if you have that answer, was that a recommendation from the MRA? Because it did take away parking off of Market Street. Was that a recommendation from the MRA or was it the previous Administration? And how many stalls did we lose?

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

MS. WADE: Thank you. I don't know the number of stalls.

COUNCILMEMBER MOLINA: Okay.

MS. WADE: I'm making eye-contact with Councilmember Sugimura because she was around during that time.

COUNCILMEMBER MOLINA: Okay.

COUNCILMEMBER SUGIMURA: I...

CHAIR RAWLINS-FERNANDEZ: Member...

COUNCILMEMBER MOLINA: If you got the information...if not today that's okay, but...

MS. WADE: Okay.

CHAIR RAWLINS-FERNANDEZ: Okay.

COUNCILMEMBER MOLINA: But...

MS. WADE: And then it was a action of the Department of Public Works --

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

COUNCILMEMBER MOLINA: Okay.

MS. WADE: --to widen sidewalks and increase walkability and then to convert the parking to a more safe configuration. Part of the configuration prior was really creating a logjam on the traffic pattern heading into Happy Valley. As traffic increased, the way cars were backing out was causing safety issues so that was part of the rationale for adjusting the way parking was organized. But as a result it did require the removal of parking stalls from the street.

COUNCILMEMBER MOLINA: Yeah, I recall there was some debate over that. So, okay, and then lastly, just if we could get an analysis. I know we had been talking about the bond raters. If there's any up-to-date analysis of this project from our bond raters, and I know it's been discussed as an economic generator, I'd like to know from, you know, about whatever, who's our bond raters, Fitch and all those other guys. Would be good to know. So, if...is there something already there in a written analysis? And if we did have it, when was this analysis done?

CHAIR RAWLINS-FERNANDEZ: Ms. Alibin?

MS. ALIBIN: Chair, as far as putting a rating for a specific project, I don't think that's something that the bond rating agencies will typically do for us. But based on the recent affirmation by Fitch that was published in July, I just kind of read. So, the AA+ issuer default rating reflects the County's strong revenue profile, adequate spending flexibility, and excellent operating performance. While the County's long-term liability burden is low relative to the tax base, unfunded retiree liabilities are significant. So, that was their conclusion based on the reaffirmation that they just did recently, and that reaffirmation was based on the 2018 general obligation bond that was issued. And just to kind of expand on Chair's question earlier, as I mentioned, I mean, I really don't know because, again, each rating agencies varies. They look at different drivers, different factors. But for Fitch, they did state that the directed of...so 274 million, that the County makes up about 20 percent of the long-term that liability burden. So, that means that we have the ability to actually, you know, borrow more. And lot of rating agencies tend to give us a little bit good, positive side on us borrowing more.

COUNCILMEMBER MOLINA: Yeah.

MS. ALIBIN: Because of our relatively low tax burden.

COUNCILMEMBER MOLINA: Yeah, I guess it depends what we borrowing for too, yeah? So, I don't know. I'm just trying to look at it from a layperson's perspective. So, I don't know if we can even ask them to do that, looking at this project specifically. So, because, you know, we getting pressure from the public

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

too as to why, you know, we're looking at expending these kinds of monies for a project like this. So, as one of nine gatekeepers of the public dollar, you know, we have to be able to answer our...we're answerable to our constituents.

MS. ALIBIN: Chair?

COUNCILMEMBER MOLINA: So, anyway, just a request if it can be responded to. I'd like to see that. Thank you.

MS. ALIBIN: Chair?

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Molina.

MS. ALIBIN: So, we are open to--

CHAIR RAWLINS-FERNANDEZ: Ms. Alibin?

MS. ALIBIN: --that request --

CHAIR RAWLINS-FERNANDEZ: Okay.

MS. ALIBIN: --if needed. But just bear in mind doing a bond rating, or in this case, I don't know what it's going to be called, like a project rating. With the bond rating typically costs about \$20,000 per rating agency.

COUNCILMEMBER LEE: Forget that.

MS. ALIBIN: So, if that's something that you guys were willing to spend, then I think we're open to that.

UNIDENTIFIED SPEAKER: Wow.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Ms. Alibin, for that information. Member Lee?

COUNCILMEMBER LEE: Thank you, Madam Chair. This gatekeeper's not wild about that idea of spending \$20,000 for the analysis, and I'll hold my other questions for later. Thank you.

CHAIR RAWLINS-FERNANDEZ: Okay, Members, would you like to take a break --

UNIDENTIFIED SPEAKER: Yes.

CHAIR RAWLINS-FERNANDEZ: --or would you like to go over the handouts before break?

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

VICE-CHAIR KING: Chair, is your intention to after we go over the handouts to recess until later and do this for the luncheon? Or is to go straight through until noon?

CHAIR RAWLINS-FERNANDEZ: Whatever is the pleasure of the body.

COUNCILMEMBER LEE: Lunch is at 11:30.

UNIDENTIFIED SPEAKER: Yeah.

VICE-CHAIR KING: Right.

CHAIR RAWLINS-FERNANDEZ: Yeah.

VICE-CHAIR KING: So, we would have to leave by quarter to 11:00, so if the intention to take a break, then...our lunch break, then I would say let's go right through. But if we're, if the intention is to work until noon, then we should just take a break now. So, whatever the body wants to do.

CHAIR RAWLINS-FERNANDEZ: Members, what would be your preference?

COUNCILMEMBER LEE: Work through.

CHAIR RAWLINS-FERNANDEZ: Work through --

VICE-CHAIR KING: Until...

CHAIR RAWLINS-FERNANDEZ: --and then I'll break at 11:15, and if we don't vote before 11:15, return at 1:00.

VICE-CHAIR KING: Okay --

CHAIR RAWLINS-FERNANDEZ: Okay?

VICE-CHAIR KING: --I'm good with that.

CHAIR RAWLINS-FERNANDEZ: Okay, are there any objections to that plan?

COUNCILMEMBERS: No objections.

CHAIR RAWLINS-FERNANDEZ: Okay, great. Okay, so we're going to work through to 11:15, and then recess at that point. Okay, mahalo, Members. Okay, alright. So, alright. Will Members please refer to the colorful copy that you have in red and blue, and this, you know, I...it took me a lot of time, and my office a lot of

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

time to really digest the information. So, I understand that, you know, it's a lot of numbers, it's a lot of dates. And so it's...it can be confusing. So, I tried to put together a spreadsheet of all the costs associated with this project in a way that is easier for Members to follow. And so, again, you'll see the four columns, the allocated project funds, approved funding, encumbered in red, and expended in blue in the third column, and in the fourth column lapsed funds. And so you'll see land acquisition, design, planning, permitting, construction, and construction management, interior design for the RPT office in the Wailuku Civic Complex, and the funding that was approved, Bond Fund, General Fund, General Fund that ended up becoming bond, and then the total funds here. And in the encumbered funds you'll see that encumbered was \$10,097,993.50, but only \$99,183 were expended. So, that's a really big discrepancy that kind of caught my attention. And then, you'll see that the Phase 1A and B came out to a total of 44,195,000 for approved funding and 40 million was what was approved but not authorized for Phase 2, but we're not discussing that today, for a total appropriation of 84,195,000. Okay, and as I mentioned earlier to Ms. Alibin that, or was confirmed that \$12,292,933.50 is all that's been encumbered, and that is for Phase 1 for the MIRA contract for construction, and the Dowling contract for Phase 1A and Phase 1B for construction management. And so far, only \$99,183 were expended. And then below you'll see the additional previously allocated funding for Phase 1. The land acquisition, which 4.3 million was appropriated and 4,299,974 was encumbered, but only 200, oh sorry, \$2,206,427 were expended. And so I had a question about that, why the discrepancy. The roadwork and utility design, which was approved in Fiscal Year 2017 for \$3,380,447, and of which \$2,997,740 were encumbered and only 2.3 million was expended. And then lastly, from Fiscal Year 2016, the design, planning, and feasibility study for...and that was what we went a little in detail with Member Sinenci's questions about what was encumbered and what was expended, and of the 7,460,304 was allocated and authorized. So, this makes it a little clearer how much we've invested in this and the true cost of everything. And then in the last, the long page where it says project, phase, Phase 1A, and then Phase 1B, Rider Levett Bucknall construction cost estimate. So, the Phase 1A is the \$9,238,836, and for Phase 1B, \$29,459,487. So, the total cost for Phase 1A and Phase 1B together was \$38,698,323. For Phase 1A, the signed contracts totaled \$11,171,290, and then we're awaiting bids. The closing date is September 4th. And then the approved funding for Phase 1A and Phase 1B from Fiscal Year 2019 was 44,195,000. And here, again, the...what was encumbered and what was expended. Encumbered was the 12.3 million, and expended was the 99,000, and then what was expended to date the 9,185,000. Okay, so that's that handout. And then if you will go to Page 1 of the handouts and it looks like this with a table. And this at the top includes the previously allocated funds for Phase 1, and it comes, it's the same numbers here. So, the 2016 number, 2017, and 2018 for 7.4 million, 3.3 million, 4.3 million. And so, I wanted to...as I go to the meetings that Ms. Wade hosts for the community to

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

explain what, you know, how they're planning to accommodate businesses and employees during the time of construction, I heard a lot of costs being discussed and presented, but it's not being included for the Members to get a, get the big picture of how much this is actually costing us. So, we have the previous allocated funds and I wasn't able to separate...so, if we'd like to fill this in together, I'll ask Ms. Wade and then we can fill it in together. So, I know that the cost for the Phase 1B parking structure alone was \$29,459,487 and I wanted to split that up to find out from Ms. Wade how much the construction of the parking structure was going to be, and then the construction management for the project, and then we can fill those out. And then I included the cost for the MRA personnel from 2018 to now, and you'll see that it has ballooned from \$133,000, to \$1.3 million, to \$1.7 million. And since the MRA primarily is tasked with working on this one project, and then I learned that there's...that we hired public relations personnel, the advertising that we're doing, we're doing mailers now, and we have a Wailuku live website, and then the cost for shuttles from the temporary parking into Wailuku Town, the grants to businesses during construction, the tax abatement during construction, the cost to the County to convert Wells Baseball Park into the temporary parking, and security for the Wells temporary parking, and then lastly, post-construction costs, which haven't, you know, been enough considered, which is the maintenance of the parking structure itself, and then the daily operating costs. So, Ms. Wade, do you have the information broken out for the construction of the parking structure and then the construction management?

MS. WADE: Thank you, Chair. The cost estimate from Rider Levett Bucknall does refer to the \$29 million number estimate. I don't have a construction cost, as I said, we won't have that until the bids come in on September 4th. As you noticed the 1A bid came in differently than the cost estimate and we expect this isn't going to be on the nose either, this'll be either quite a bit, it could be quite a bit less, it could be more. So, I can't really tell you what that construction cost is going to be.

VICE-CHAIR KING: Chair, can I ask a clarifying question?

CHAIR RAWLINS-FERNANDEZ: Sure, Chair King?

VICE-CHAIR KING: Okay, because I'm looking at the long page you have --

CHAIR RAWLINS-FERNANDEZ: Yes.

VICE-CHAIR KING: --and the construction cost estimate, which was that 9.2 million and some change, and then the signed contracts which is 11.1 million and some change. You told us earlier that that actual management, the project management contract included both, you know, 1A and 1B. So, I'm assuming

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

that's what that 11.1 million, is that correct? That includes the, I mean, you were telling us earlier that to save money --

UNIDENTIFIED SPEAKER: Right.

VICE-CHAIR KING: --the contract has the project management for both 1A and 1B phases?

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

MS. WADE: And I apologize, I'm not really following this, neither of the numbers in the signed contract match our 1A contract amount or the construction management contract amount. The 1A contract construction amount is 10.5 million, the construction management total is 2.5 million. So --

VICE-CHAIR KING: Okay, wait, say --

MS. WADE: --I'm sorry, I'm not following this.

VICE-CHAIR KING: --that again? So, the 9.238 should be 10?

MS. WADE: Can you tell me where you're finding that...

VICE-CHAIR KING: Do you have the same?

MS. WADE: Oh, up here?

CHAIR RAWLINS-FERNANDEZ: On the long page.

VICE-CHAIR KING: The long page?

CHAIR RAWLINS-FERNANDEZ: Yeah, she has it.

VICE-CHAIR KING: Okay, so under Rider Levett Bucknall, that construction cost estimate --

MS. WADE: Yeah.

VICE-CHAIR KING: --in the first column, there's 9,238,000 --

MS. WADE: For the...excuse me.

VICE-CHAIR KING: --for Phase 1A. That's what was estimated for that. And then the signed contract is 11,171,290 --

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

MS. WADE: No.

VICE-CHAIR KING: --and so, I'm just wondering if...so, you're saying those figures are not correct?

MS. WADE: I'm saying that the cost estimate is what came in, the 9.2 million. The signed contract for construction was 10.5 million.

VICE-CHAIR KING: Oh, 10.5 million?

MS. WADE: Yeah.

VICE-CHAIR KING: Okay. So, but, and that is just for Phase 1A? Because...

MS. WADE: Correct.

VICE-CHAIR KING: Okay, so what was earlier you told us that you, in order to save money you...management, project management contracts went out for both at the same time?

MS. WADE: So, we had...so, the 10.5 million I'm talking about is the contractor, that's construction. The 2.5 million is construction management, the person that's overseeing and coordinating both contractors. So, those...

VICE-CHAIR KING: So, okay but we're not in construction yet, so.

MS. WADE: We have started the preliminary for 1A so --

VICE-CHAIR KING: Okay.

MS. WADE: --that \$99,000 --

VICE-CHAIR KING: Okay.

MS. WADE: --amount that you see here in the expended over here, they've done the exploratory work to verify the existing laterals, they've been doing some preparation work for baseyard facilities, they've been bringing equipment over.

VICE-CHAIR KING: Okay. Okay, so just to not confuse everybody but that...so, you're saying that 11 million figure should be 10.5 million, the signed contracts --

MS. WADE: I don't know what the intent of this --

VICE-CHAIR KING: --for 1A.

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

MS. WADE: --column is, but our...

VICE-CHAIR KING: Well I don't, I'm just trying to get the facts right, so.

MS. WADE: MIRA Construction is contracted for 10.5 million.

VICE-CHAIR KING: Signed contracts for Phase 1A, 10.5 million --

MS. WADE: Correct.

VICE-CHAIR KING: --is what you're telling us. Okay. Thank you, Chair.

CHAIR RAWLINS-FERNANDEZ: Okay. So, the Dowling contract was 10,499,847.

VICE-CHAIR KING: Okay.

MS. WADE: Excuse me, that's not correct.

VICE-CHAIR KING: Oh.

UNIDENTIFIED SPEAKER: Contract management is Dowling.

CHAIR RAWLINS-FERNANDEZ: I'm sorry, MIRA.

MS. WADE: Okay, yes.

CHAIR RAWLINS-FERNANDEZ: Yeah, thank you.

MS. WADE: Correct.

CHAIR RAWLINS-FERNANDEZ: Sorry. And then the Dowling contract was 2,536,722.

MS. WADE: Yes.

CHAIR RAWLINS-FERNANDEZ: And so what I was asking, what I was trying to get was information on was how much is the construction management for Phase 1B? Okay, so then we'll just...

VICE-CHAIR KING: Okay, so is that figure correct then? The 1.8 million for 1B?

CHAIR RAWLINS-FERNANDEZ: Yeah, so it's the...

VICE-CHAIR KING: So, that's not...she's saying that's not right either, so...it's very confusing.

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

CHAIR RAWLINS-FERNANDEZ: So, the two contracts...

VICE-CHAIR KING: Yeah.

CHAIR RAWLINS-FERNANDEZ: Right. So, MIRA was contracted to do the construction for Phase 1A for the infrastructure, and then Dowling was contracted to do the construction management for Phase 1A and Phase 1B. So, the \$11 million was coming from the construction of Phase 1A for the infrastructure, and the construction management for...

VICE-CHAIR KING: Okay, you sort of split up the Dowling contract then and you attributed part of it to 1A and part of it to 1B, is that how those figures came about? No?

CHAIR RAWLINS-FERNANDEZ: Right.

VICE-CHAIR KING: Okay.

CHAIR RAWLINS-FERNANDEZ: Okay. But, yeah, so we'll...was that all your questions, Chair King?

VICE-CHAIR KING: Well, so then can we assume that those two figures under the signed contracts for professional services, one being 1A, one being 1B, cover construction for 1A and construction management for 1A and 1B --

MS. WADE: Chair?

VICE-CHAIR KING: --together?

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

MS. WADE: Thank you. The Dowling contract was not bid asking them to separate the costs of the management for the two phases, it was bid as one project. That's why we call it A and B. I think the confusion in the numbers is coming from the two different index codes that were used, and that's what I was explaining the first index code was from the previous fiscal year, the second index code was from the current fiscal year. But it doesn't reflect the effort to split the project and manage it, you know, just one portion and...

VICE-CHAIR KING: Okay, so we're splitting the construction cost but not the management part --

MS. WADE: Right.

VICE-CHAIR KING: --construction management.

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

MS. WADE: Right.

VICE-CHAIR KING: Okay, so what is the construction management contract for Phase 1?

MS. WADE: For Phase 1, yes, so their responsibility is to...

VICE-CHAIR KING: No, no what is it, what is that figure? Because you're saying --

MS. WADE: Two point five.

VICE-CHAIR KING: --that 1.8...what is it?

MS. WADE: Two point five million.

CHAIR RAWLINS-FERNANDEZ: Two million five hundred thirty-six thousand seven hundred and twenty-two.

VICE-CHAIR KING: Okay.

CHAIR RAWLINS-FERNANDEZ: And so, the...it was split but that's what Ms. Wade is talking about into two, the Wailuku Redevelopment Municipal Parking Lot and then the Wailuku Civic Complex. The first cost that, and that's what I think Ms. Wade was trying to explain that it, one cost was 671,000 and the other cost was 1.86 million.

COUNCILMEMBER PALTIN: The split was because different funding sources, not because Phase 1A and 1B?

MS. WADE: Correct.

COUNCILMEMBER HOKAMA: Chair?

CHAIR RAWLINS-FERNANDEZ: Member Hokama?

COUNCILMEMBER HOKAMA: Chair, thank you --

CHAIR RAWLINS-FERNANDEZ: Oh sorry. Sorry Member Paltin.

COUNCILMEMBER HOKAMA: --real quickly. I guess there's a...we're not meeting on the same plane right now. So, since we coming back at 1:00 pm, maybe we can allow Ms. Wade and Ms. Alibin to put forth the numbers that you guys working with. Because seems like what the Staff is giving us and what you guys are

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

working with is two different understandings. Why don't you just give us what is the straight finance accounting numbers.

UNIDENTIFIED SPEAKER: . . . *(inaudible)* . . .

CHAIR RAWLINS-FERNANDEZ: Yeah.

COUNCILMEMBER HOKAMA: Because you follow procurement to get those numbers, so.

CHAIR RAWLINS-FERNANDEZ: Right. Ms. Wade?

MS. WADE: I, sure, just...we're happy to do that. Just to clarify for this table, filling these numbers the total amount, and I don't know, I think this is personnel and our operating budget combined that's shown here. All of these activities that are shown within under these blank amounts come within that total, that 1.7 million. So, I'm happy to break those out for you, our estimates. Because the only thing that we have bid out is the shuttle service and the PR contract, so I have real numbers for those. I have estimates for the others, but I'm happy to provide those. And they all fall within that 1.7, but that also includes my salary and the salary of others in the Department, and two unfilled positions. Okay.

CHAIR RAWLINS-FERNANDEZ: Okay, so to clarify, the public relations personnel falls under the operating cost for the MRA personnel in Fiscal Year 2020?

MS. WADE: That is correct.

CHAIR RAWLINS-FERNANDEZ: Okay. And then the cost for advertising both in print and digital media also falls under the operating cost of the MRA budget? Okay.

MS. WADE: That's correct.

CHAIR RAWLINS-FERNANDEZ: And then for the cost for the shuttles from the temporary parking into Wailuku Town, do you have that cost?

MS. WADE: Thank you. Yes, so we have been working with the Department of Transportation to identify commuter shuttle services. Dixon Resources was really helpful in identifying for us if we piggyback on the existing commuter shuttle contract that we have with Roberts Hawaii, we can fund that at an hourly rate. So, being able to capture those folks coming in and those folks leaving Wailuku at peak periods is about \$177 per operating hour per bus. So, depending on how...what the number of folks is that wants to ride the bus, and it's the motor coach that they use to commute to Kaanapali and Wailea as well. The number of folks that want a ride, that'll reflect the number of busses we

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

need. So, we may...we can be prepared with that to scale up or scale down based on ridership.

CHAIR RAWLINS-FERNANDEZ: Okay, so how much is the estimation?

MS. WADE: So, if we are...if we start out at the two, actually, four hours a day basically for weekdays only. Weekdays are the days that we need commuters at that \$177 an hour. I'm happy to give you costs based on that for the duration of construction. But I'll come back to you with that number.

VICE-CHAIR KING: Chair? Can I just ask, because...

CHAIR RAWLINS-FERNANDEZ: Chair King?

VICE-CHAIR KING: Thank you. At one point we appropriated 1.7 million based on a budget that you had. So, in that budget, how much did you budget for the shuttles?

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

MS. WADE: Thank you. I apologize, I didn't come prepared to talk to that --

VICE-CHAIR KING: Okay.

MS. WADE: I thought we were going to talk about the parking structure --

VICE-CHAIR KING: Okay.

MS. WADE: --budget, but I --

VICE-CHAIR KING: I'm just trying to follow --

MS. WADE: --can certainly bring that.

VICE-CHAIR KING: --all the information that we were given but I, you know, it occurs to me that if we budgeted 1.733 million, that you must have come to us with that request --

MS. WADE: Right.

VICE-CHAIR KING: --and having broken it down, so there must have been some estimate for how much the shuttles cost.

MS. WADE: Yes, I have an assumption of 450,000 --

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

VICE-CHAIR KING: Okay.

MS. WADE: --for annual operations, but that was, just to clarify, that was intended to be for a commuter shuttle and on-demand service.

VICE-CHAIR KING: Okay.

MS. WADE: So, we weren't expecting to...I still have to, and that on-demand service, we haven't bid out yet.

VICE-CHAIR KING: Okay.

MS. WADE: I don't have a number for that yet.

CHAIR RAWLINS-FERNANDEZ: Okay, mahalo, Chair King. I guess, I mean, I could do the math on this if you know how many days that you expect to need the shuttle. Ms. Wade? Oh, okay, I'll let you do the math.

MS. WADE: About 260 days, that would be the estimate.

CHAIR RAWLINS-FERNANDEZ: Okay, 260 days times 4 hours a day, times \$177 per hour. So, \$184,080.

MS. WADE: Yeah. So, that was our estimate.

CHAIR RAWLINS-FERNANDEZ: Oh, per bus. How many busses?

MS. WADE: And the positive is we can scale it up or scale it down based on ridership. So, if we only have, you know, the 50 people that are going to ride the bus in one round, it will only need to be the one that's circulating. If it turns out we have enough people that...to run it every 15 minutes we're filling the bus, we'll need to provide a second motor coach. So, we're going to have to base it, I think, for cost-savings purposes, we'll base it on demand and not commit to a certain number of busses at the outset.

CHAIR RAWLINS-FERNANDEZ: Okay, so one bus would be \$184,080, 2 busses, a constant 2 busses would be \$368,160, but we don't expect it to be that much. Okay, and then grants to the businesses during construction?

MS. WADE: Again, Chair, I didn't bring my operational budget with me, so I'm happy to bring that back. I think we had estimated about 180,000 for during the time the parking structure was under construction in a reserve. So, that would be in basically a revolving grant or loan program.

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

CHAIR RAWLINS-FERNANDEZ: Okay, mahalo. And then for...I heard people talk about tax abatement during the presentation on Monday, do you have an estimation on how much we would lose from the tax abatement during construction?

MS. WADE: It depends on how the abatement is structured. So, right now we have some options. One is if, as a property owner, you pull permits to invest, you would be eligible for a tax abatement. One would be across the board based on proximity to the parking lot, and one would be all for the redevelopment area. And I can bring that back for you when we come back if you'd like.

CHAIR RAWLINS-FERNANDEZ: Okay, mahalo. Do you have an estimate?

MS. WADE: I do not have an estimate --

CHAIR RAWLINS-FERNANDEZ: Okay.

MS. WADE: --on the floor at this moment.

CHAIR RAWLINS-FERNANDEZ: Mahalo. Okay, and then too, the conversion from the baseball park to temporary parking at Wells Field?

MS. WADE: That conversion's about a \$250,000 temporary lot.

CHAIR RAWLINS-FERNANDEZ: Okay, and security for that temporary parking lot?

MS. WADE: Security will be provided within our existing clean and safe contract.

CHAIR RAWLINS-FERNANDEZ: Okay, so no additional cost?

MS. WADE: Correct.

CHAIR RAWLINS-FERNANDEZ: Okay. Okay, and then last is the post-construction cost. So, the maintenance of the parking structure, I guess annually. Ms. Wade?

MS. WADE: Thank you. The annual operating cost of the structure are intended to be paid for with parking revenue. We have talked with a couple of different parking operators to try to get costs. It's a relatively proprietary number honestly, that they weren't willing to share with us directly. If you would like to hear from Julie from Dixon Resources, she might be able to better explain how to predict operation and management costs. She's can go very in depth and honestly talk all day about costs and how to manage them relating to parking. So, I'm happy to have her assist you with that if you're interested.

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

CHAIR RAWLINS-FERNANDEZ: Okay, mahalo. So, the daily operations of the parking structure would include the maintenance? Because I separated them out. I see them as different things. As things break, as things need repairs, that is what I was considering maintenance and I would expect that to be, you know, a fairly hefty cost. And then the operating cost itself too. I don't know if there's going to be security and if we're going to have to pay for the personnel or if we're going to contract that out, you know, if there's going to be someone at the toll booth. So, all those costs for the, like, the daily operating.

MS. WADE: Okay, and I'll answer the maintenance of the parking structure. So, typically when a facility such as this is designed, you would do a reserve study. The reserve study is based on your construction plans. So, it identifies any of the systems or structural elements of the project and what needs to be paid for, what the replacement timeframe is so you can estimate all of those costs. You don't typically do that reserve study until you have completed construction plans because right now as I said, we're assuming a certain type of elevator that if that changes, your reserve study changes. So, once we have finalized construction plans, I would be glad to do the reserve study and let you know so that that can be budgeted in annually if there's any specific costs that you would want to determine. The operating costs I really would love to refer to Julie. I know that she really knows this in depth and can give you much clearer answers.

CHAIR RAWLINS-FERNANDEZ: Okay, would you, Miss...s

UNIDENTIFIED SPEAKER: Sure.

CHAIR RAWLINS-FERNANDEZ: Yeah, if you wouldn't mind joining us. Members, any objections to having Ms. Julie answer...help Ms. Wade with the answer to this question?

COUNCILMEMBERS: No objections.

CHAIR RAWLINS-FERNANDEZ: Okay, mahalo. And please identify yourself for the record.

MS. DIXON: Sure.

CHAIR RAWLINS-FERNANDEZ: Thank you.

MS. DIXON: My name is Julie Dixon with Dixon Resources Unlimited, and we are a parking and transportation consulting firm that has been working with the County. I think it's really important to understand that the cost associated with ongoing maintenance and upkeep of the garage, it's intended to be at baseline of revenue neutrality because of the forecasted revenues that will come

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

as a result of not only the daily parking, but also the permitted parking that's allowed in the garage. And I think right now just based on the preliminary designs, you're probably looking around 100 to \$150,000 roughly in operating costs. But again, the forecast for revenue, anticipated based on both daily, hourly, and permitted parking should cover that operating cost as well as the opportunity to contribute to deferred maintenance.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Ms. Dixon. So, what you're saying is the daily operating cost, which would cover personnel, security, would be approximately 150,000 for the year?

MS. DIXON: Give or take. And again, lighting, security, all of those elements would be anticipated to be built into that operations cost and it's something that would be anticipated, that the Council would approve whatever rate structures were authorized. And if at any point it was determined that there was a need to increase rates or, you know, change hourly rates, things like that, those are all opportunities to, again, cover cost or also maybe make further improvements, you know, any kind of art facilitation or installations, things like that. Those are all opportunities that can be funded from revenues that are generated from the facility.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Ms. Dixon. So, Members, if you'll refer to Page 2 on that same worksheet that you have, it shows the calculation of a net gain of stalls. And if you go down...so, the parking structure is estimated to create, or to contain, 428 stalls. And the parking fee structure that was proposed was 50 cents an hour, or \$25 per month, and I heard Ms. Wade present that there would also be an option of a \$10-per-month permit for those who would qualify. And so, at the 428 stalls at the 50 cent rate per hour, 365 days per year, at 100 percent occupancy, it would generate \$1,874,640. And so that would be on the high end, because the 50 cents per hour would generate more than a \$25 per month pass. And so, you know, assuming best-case scenario, 428 stalls if it was only \$25 per month parking passes at 100 percent occupancy, would generate \$128,400 per year. But we know that it's...it'll probably not be 100 percent occupied every day of the year. So, assuming at 80 percent occupancy with 50 cents per hour would generate \$1,499,712, and for the \$25 per month pass at a 80 percent occupancy would generate \$102,720. And so there is probably going to be a mix, and I'm not sure if, you know, as a parking consultant, if there would be a recommendation, because if it was all \$25 per month parking passes, even at 100 percent occupancy of 428 stalls, we wouldn't generate enough to cover the \$150,000 per year in operating cost. So, is there a recommendation on how much you, you know, that you would propose that we cap the 428 stalls for the \$25 per month parking pass, and, again, Members, this doesn't include the handicap stalls and the 40 EV stalls that I haven't heard set plans on. So, it could even be less than 428 stalls.

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

MS. DIXON: Sure.

CHAIR RAWLINS-FERNANDEZ: Ms. Dixon?

MS. DIXON: Thank you. I think it's very important to understand that the baseline numbers that we're referring to right now are intended to address revenue neutrality. I think it's very important to understand that what we've put in as placeholders for what the potential rates could be, again, we're really addressing the baseline costs. One of the things I think is really important as the garage is developed is the opportunity to develop rate structures that are customized to the community in which it's supposed to serve. And the fact that we know that we have between the superior court, or maybe community events, or theater events. And so, I think it's important when we talk about the rates that you've described, again, it's really that baseline. The opportunity to really be creative with the rate modeling provides opportunity for special event rates, there could be residential parking rates, there could be commuter rates, carpool rates, honestly the list really goes just beyond the length of my arm because of the opportunities that it charges. We've also talked about different incentive rates that could potentially introduce first hour free and then maybe it's \$1 an hour. All the different things that we want to do to really stimulate the economy in Wailuku to really, again, attract our locals and our residents to, you know, come down to Wailuku. And I think it's important, again, to understand as the numbers that you're describing, again, were intended to introduce revenue neutrality, but they're not necessarily firm and fixed. But it would be the intention of obviously as the garage is developed and as the rate structures are being modeled, we'd need to talk about not only on-street paid parking rates, but also off-street paid parking rates, along with permitted rates. And also, ways that we can encourage folks to take advantage of our TDM solutions, which include the busses, and the commuter shuttles. And this is basically a comprehensive process too to be able to tie it all in together. So, again, I think we're really at the base of what the rates can start at, but I think there's a lot of creative opportunities. And also as, you know, things evolve and where, you know, we are when the garage is built and really finalizing that rate model at that time. But I think what you're describing is again, your base starting point and knowing that we at least are covering our operating cost.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Ms. Dixon.

MS. DIXON: Thank you.

CHAIR RAWLINS-FERNANDEZ: Okay, alright. Okay, so, back to Page 1 of that worksheet that we have that we've been filling out. I don't know. So, I guess it...Ms. Wade, we don't have an estimation. And I'm not sure if, you know, when you had talked about a \$6 million operational cost if that was a full build out? Or would you clarify at the last meeting when you mentioned \$6 million?

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

MS. WADE: I would be happy to do that.

CHAIR RAWLINS-FERNANDEZ: Thank you.

MS. WADE: Six million dollars isn't an operational cost. It is the annual bond service on an \$84 million bond borrow. So, that is not an operations cost. Even if we were to build out all three phases completely, the operations wouldn't approach \$6 million. So, the operations as we said for the parking structure, about 150,000 annually, which we believe we can cover with charging for parking with the paid parking revenue, and some. There is opportunity depending on how we set up the structure to begin start paying for some of the other things happening in Wailuku, like the Clean and Safe Program. It starts to become revenue positive for the district for all types of activities, you know, all of the special things that Wailuku and any downtown neighborhood, or any central business district need to focus on. So, yeah, while this...so, I would be comfortable putting approximately 150,000 annually in maintenance and daily operating costs if you want to put a number in this. But probably we should identify then a revenues column as well. Because if you're doing, creating a balance sheet...and Ms. Dixon did create a really nice worksheet where you can play with the occupancy too, so you can adjust it to see, well, what if it's only 65 percent on this day, what kind of revenue are we getting. What if we change the rate to 75 cents at events, but free for when the theater is here, things like that. So, you can...it's very, very flexible she said in dynamics. So, you can identify how to capture your audience and get them here but still cover your operating costs.

VICE-CHAIR KING: Chair, question?

CHAIR RAWLINS-FERNANDEZ: Mahalo, Ms. Wade. Chair King?

VICE-CHAIR KING: Thank you. So, the \$6 million in debt service are still costs to the County, correct?

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

MS. WADE: That would be if we borrowed \$84 million.

VICE-CHAIR KING: Right.

MS. WADE: Yes, that would be the --

VICE-CHAIR KING: So, that's...

MS. WADE: --debt service.

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

VICE-CHAIR KING: But would be the net to cover if you're trying to, I mean, there's a portion of that just for the parking area. I'm assuming that's debt service, that's not in here as a payback. So, really we're looking at just operational cost. We're not like, you know, if you buy a building or a piece of property, you're going to have a cost, a hard cost to pay that back. So, there's a monthly payment --

MS. WADE: Yes.

VICE-CHAIR KING: --on top of personnel and maintenance and all that. So, that's not figured in here and that probably should. But the other point I wanted to make was that while I understand that the parking fees are flexible, we need to give residents and businesses a realistic view of what they're likely to be because that's where a lot of the support is either going to come or not come, you know, based on our community's lack of history with parking, with paid parking. We don't have a history of paid parking, and it's a...I mean, I dealt with this back in the '90s when there was a proposal to, on Oahu, to have teachers and students pay for parking in the high schools. And so we don't do that in the neighbor islands, we don't pay, we don't charge our residents for parking in schools and there's going to be a big backlash against it. So, part of it is getting used to the idea. And I think some people are good with it, but giving them a realistic view and not saying...because this happens in business all the time. You make your spreadsheet, everything looks like you're going to make money, realistically it doesn't happen that way. There's more costs, you know, there's a flood or something like that that happens. And so, as much as possible, we have to give our community a realistic idea of what the parking costs are going to be and get that buy-in and not just, you know, say, okay, well it's going to be 50 cents an hour and then once we realize that's not happening, it goes up to \$2 an hour or something. So, that's likely to happen. So, I think that's part of the healthy discussion is just being realistic about the fact that we rarely...in business, because, you know, I've been, I've had like three different businesses and I can tell you that rarely does your initial spreadsheet work out. It's a...and I have a very, I've worked with very conservative, you know, controllers who try to give like, well, in the worst-case scenario and sometimes that even doesn't seem to work out. So, it just needs to be realistic. And that's why I haven't really seen this as an economic engine because I don't see the inclusion of the debt service, you know, the monthly payments that we have to make, along with all of the potential, you know, where's the ceiling that the community can bear in the parking cost? Like at what point do they go, no, that's not acceptable to Maui? So, those are some of the issues, I think, along with, you know, the other issues that have been brought up today. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Chair King. So, since you brought up debt service I'll bring it to your attention now, and then, you know, we can recess.

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

So, on Page 4, you'll see a spreadsheet with lots of numbers. And in that spreadsheet...so, the information that I received in response to my questions to Ms. Wade was that we would pay, so we would borrow 40 million in bonds at a 3 percent interest rate, and it would take us 20 years with a annual payment of \$2.6 million. And so, I did a spreadsheet to see how much we would be paying in total interest after the amount of years that it would take us. And so, I took the \$2.6 million and I put that into the annual payment column. And so, on the first column that's year one. I'm sorry, what year it would be, the amount that we would be that we owed to our lenders, the interest rate at 3 percent, the interest accrual, and then the amount that we owe plus the interest in that next column, and then the annual payment of \$2.6 million, and then the interest minus the, so the amount owed plus the interest, minus the payment. And then that's how much...so, each time it would be decreasing on the 3 percent accrual rate. And so, you will see that if we started with the \$44,195,000 borrowed, which is how much that...which was the information that we received on how much in bonds that we would take out, that it would actually take us 25 years to pay off this \$44,195,000 bond, loan, with a 3 percent interest rate. And the amount of interest we would accrue that taxpayer dollar, that the taxpayers would pay for is \$18,450,158.23. So, the total amount when you add the interest over 25 years, assuming the annual payment of \$2.6 million, the total amount is \$62,645,158.23. So, it gives you a better, a clearer picture of what we would be on the hook for 25 years.

VICE-CHAIR KING: Chair, and, you know, I --

CHAIR RAWLINS-FERNANDEZ: Chair King?

VICE-CHAIR KING: --appreciate that. I appreciate the information, you know. This is all part of the big picture that we have to look at. It doesn't mean that we shouldn't be on the hook for something for, you know, we're building infrastructure --

CHAIR RAWLINS-FERNANDEZ: Right.

VICE-CHAIR KING: --and we...I think the difference between this and possibly roads and maybe other types of infrastructures is it's for a very specific area. So, you know, we have to make that decision that for that very specific area, you know, and we can't do that in a vacuum. So, we have to know what all the...the debt service, I think is very important. It doesn't mean that we can't take 25 years and know that we're going to be paying X amount per year, but we have to make that decision. And we're going to be putting that on today's taxpayers and future taxpayers. So, I appreciate that analysis. Thank you.

CHAIR RAWLINS-FERNANDEZ: You're welcome, Chair King. Okay, so it's 11:13 and I promised that we would recess by 11:15. Members, any last questions before I

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

call a recess? Okay. Seeing none, I'll recess our meeting to 1:00 p.m. this afternoon. The...it's 11:13 on August 27th and the Economic Development and Budget Committee is now in recess. . . .(gavel). . .

RECESS: 11:13 a.m.
RECONVENE: 1:16 p.m.

CHAIR RAWLINS-FERNANDEZ: . . .(gavel). . . Will the Economic Development and Budget Committee please return to order. It is 1:16 on August 27th. Okay, we're gonna...I guess pick up where we left off on EDB-46 [sic]. We have joining us Director of Finance Scott Teruya joining...and Ms. Alibin and Ms. Wade. Okay. So, I guess I'll first ask Members if there were any questions that the Members had regarding the information that we discussed before going to recess, and then I'll ask Ms. Wade if there are any updates to the information that you provided before going to recess. I know a lot of them were kind of on-the-fly estimations, so if you would like to give us more firm numbers we can jot them down now and then I'll open the floor to Members' questions. Ms. Wade?

MS. WADE: Thank you, Chair. The only thing I provided was a slide from a previous presentation that we made, which showed the contract amounts that had been encumbered for the project up 'til now. So, you'll be able to see it basically by contract, which is typically, you know, how we think of it and how it shows up in the budgeting system as well.

CHAIR RAWLINS-FERNANDEZ: Okay, mahalo, Ms. Wade. Okay, Members, I'll open the floor at this time for any questions that you may have regarding the handouts that we went over before we went on recess, and then after questions I'll make my recommendation. Chair King and then Member Lee.

VICE-CHAIR KING: Thank you, Chair. So, I just wondered if, Erin, if you had time to find the breakdown of the budget, the 1.7 million that was presented to the Council for...that resulted in that 1.7 million. And also, if you could let us know how much of this is...because like the shuttles obviously are temporary. So, how much of it is, I mean, this is not an ongoing thing that's going cost us 1.7 million a year for the personnel. So, maybe you could respond to that?

MS. WADE: Right, thank you.

VICE-CHAIR KING: Thank you.

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

MS. WADE: I apologize, thank you, Chair. So, yes, the numbers that I shared with you previously were correct. The 450,000 was the estimated cost of the shuttle

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

service. We also had another 125,000 for small town, big art. We had 180,000 for communications and public information, and that is the...it includes the Wailuku Live. We were asked by the community to provide postcard mailings. Several folks said they either weren't on social media or weren't reading *The Maui News* where we were typically advertising, so that's now incorporated in those costs.

VICE-CHAIR KING: Okay, so the 180,000 you said --

MS. WADE: Correct.

VICE-CHAIR KING: --for that line that says public relations?

MS. WADE: Correct.

VICE-CHAIR KING: Okay.

MS. WADE: Yeah.

VICE-CHAIR KING: And then, what was the other, did you say 120? What was that...I mean, I'm just trying to fit into this.

MS. WADE: The small town, big art was 125,000. We will be coming to you later with a budget amendment to accept the \$75,000 grant from the National Endowment for the Arts, though.

VICE-CHAIR KING: Okay, and is that considered advertising? Or...

MS. WADE: It's not advertising --

VICE-CHAIR KING: Okay.

MS. WADE: --at all. That's...

VICE-CHAIR KING: Is there like an advertising budget for, you know, instead of...the line item says print and digital media?

MS. WADE: That's...those aren't my line items --

VICE-CHAIR KING: Okay.

MS. WADE: --that's not how our projects are broken down.

VICE-CHAIR KING: Okay.

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

MS. WADE: Our projects are broken down by contract.

VICE-CHAIR KING: Okay, so, what part of this 1.7 million is going to be an annual cost that will be, you know, you'll need this money every year? Do you know?

MS. WADE: You mean, beyond construction?

VICE-CHAIR KING: Right.

MS. WADE: It's...that's only going to be our personnel costs.

VICE-CHAIR KING: Which is?

MS. WADE: And that number I don't have. I only have our operating, I don't have our A Account, I only have the B Account.

VICE-CHAIR KING: Okay.

MS. WADE: But I did ask for it to be brought down.

VICE-CHAIR KING: Okay, that would be helpful because on our Chair's spreadsheet, you mention that the 1.733 included all the things below it, so plus personnel, right?

MS. WADE: Correct.

VICE-CHAIR KING: Okay, so there's a portion of that that's going to be personnel that we'll probably need every year.

MS. WADE: Correct.

VICE-CHAIR KING: Okay, so at some point if we could get that then we know, you know, I think we're trying to look at what the total costs are on an annual basis, you know, the repayment of it, the operating cost, and then, you know, hold that up against the potential for the paid parking revenue.

MS. WADE: Chair?

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

MS. WADE: Thank you, Chair. Mr. Galazin has a copy of the budget with him, so \$320,208 is personnel --

VICE-CHAIR KING: Oh, 300, okay.

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

MS. WADE: --1,413,258 is the B Account operations.

VICE-CHAIR KING: Okay, and then do you have how much of that is an annual cost that you, that we're going to continue and how much of that is just temporary?

MS. WADE: The majority of the continued operations would come out of the Clean and Safe; so, that is one that has been expected to continue. We increased that to 270,000 this year --

VICE-CHAIR KING: Oh, okay.

MS. WADE: --that's the annual contract cost.

VICE-CHAIR KING: Okay, 270,000. Okay. Okay, so basically 270,000, because that's all County money, correct?

MS. WADE: Right.

VICE-CHAIR KING: Okay. Then 320,000 for personnel. So, about 600,000 on an ongoing basis. Okay. That's helpful. Thank you, I'll yield the floor for now, Chair. And I also want to apologize in advance, I have to leave at 1:30, then I'll be back after my meeting that I couldn't cancel it because the person was, had already flown in from Oahu. So, thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Chair King. Okay, Member Lee?

COUNCILMEMBER LEE: Thank you, Madam Chair. Erin, could you just point out where you've gone over budget and then under budget?

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

MS. WADE: Thank you. So, the Council's allocated budget was \$84 million, and as you can see we've only spent in the CIP funds, we've spent the 10.4 million for construction, and 2.5 million for construction management. So, we're quite a ways under budget still. We don't intend to encumber 40 million of what was appropriated. And so, we will remain under budget through this fiscal year. So, the intention for us would be just to make sure that we bring in the parking structure project within the \$42 million amounts that we already have been budgeted. So, now that it's out to bid, bids will come in on September 4th, our goal is to make sure it's within budget when it comes in.

COUNCILMEMBER LEE: So, originally what was proposed to the Council originally?

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

MS. WADE: Thank you. Back in the previous budget with the FY '19, Mayor Arakawa put in his budget a \$82 million budget request.

COUNCILMEMBER LEE: So, that included the Civic Complex?

MS. WADE: Correct.

COUNCILMEMBER LEE: Okay. But I thought at some point they were separated, no?

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

COUNCILMEMBER LEE: I'm not talking about this year. I mean, previously?

MS. WADE: Yes, thank you. So, in FY '19 during deliberations with the County Council, it was...only the 44 million and change is what passed with the adoption of the budget. So, in that time we realized we wouldn't move forward with the project in its entirety. When the Council adopts the budget to approve portions of the project, though, we began moving forward with those portions that were funded. So, with that 44 million, we did the work that had to come first, the road improvements and now out to bid for parking.

COUNCILMEMBER LEE: I see. So, when did you actually start the project?

MS. WADE: Planning or construction?

COUNCILMEMBER LEE: Planning.

MS. WADE: Okay, so, planning when we were funded in FY '16 with that 7.34 million, we began scoping the project, so that was August of '15. We started working on scoping the project in FY...no, I'm sorry, that was '16. And then in 2017, we were under contract with Ferraro Choi and Associates and began doing community outreach.

COUNCILMEMBER LEE: Okay.

MS. WADE: Yeah, so...

COUNCILMEMBER LEE: Alright. So, we're not...or are we over budget in any aspect of this project so far?

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

MS. WADE: Thank you, Chair. We have never exceeded any of the budget allocations you have given us with any of the contracts.

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

COUNCILMEMBER LEE: Okay, thank you.

MS. WADE: Thank you.

CHAIR RAWLINS-FERNANDEZ: Member Lee, so and then Ms. Wade, I guess, to dovetail off of what Member Lee was saying, so the slide that you handed out, it says construction management and Phase 1A construction. So, the estimate that we received for the construction of Phase 1A was 9,238,836. And the contract that we signed with the construction company, MIRA, was for \$10,449,847. And so...

MS. WADE: May I?

CHAIR RAWLINS-FERNANDEZ: Oh, okay, go ahead. Ms. Wade?

MS. WADE: Okay, good. So, the differential between what the cost estimator gives and what the price actually comes in at usually, again, when the cost estimate comes in, there's typically been a lag between the time that comes in and when the bidding takes place. And then there's often a contingency that isn't built in necessarily to the cost estimate. So, because...so, there...it's very common for there to be a differential between the estimate and what the actual bid comes in. So long as the bid amount is within what the County Council has budgeted, it's not seen as being over budget.

CHAIR RAWLINS-FERNANDEZ: So, one way it's a little deceiving. Because we don't know what Phase 1B would come in at. And what was allocated, let's see, approved funding was 44,195,000. And so, if Phase 1B were to come in higher as Phase 1A did, then I was going to try to do math real quick on...shoot, I did it the wrong way. But if we look at the percentage of how much over Phase 1A the contract was versus how much we're expecting Phase 1B to come in at, you know, we don't know, we have no guarantees, no certainties that it won't go over what was actually allocated. And, oh, that's not correct either. Twenty-two percent.

UNIDENTIFIED SPEAKER: There's no way that's 22 percent.

CHAIR RAWLINS-FERNANDEZ: So, if Phase 1B were to go over by the same amount, 22 percent, that would be an additional \$6.5 million. Member Molina?

COUNCILMEMBER MOLINA: Yeah, just quick question with regard to cost estimate. So, who gives the cost estimate, it is the private entity? Is there a way the County verifies those cost?

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

MS. WADE: Thank you. We have our wonderful in-house engineer, Alan Murata who does a lot of our cost engineering. So, he takes a look in-depth at the costs relating to the cost estimate and identifies where there is, I mean, we'll call it fat, he calls it fat, you know, where there's ways for us to trim and bring it down. There have been many times between the time that this cost estimate came back and him going through it and saying, you know, I think there's a way for us to do this better and more affordably. So, that's not reflected in this current cost estimate, but it is reflected in the construction documents that went out to bid on the 25th.

COUNCILMEMBER MOLINA: Oh, okay. So, the cost estimate was less than the ten point, what was, 10.4 that we signed the contract with. Was that cost estimate less than that, and then we agreed to going 10.4?

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

COUNCILMEMBER MOLINA: Was it to the exact or --

MS. WADE: Thank you.

COUNCILMEMBER MOLINA: --was the cost estimate 10.4 and we just agreed to that or was there an estimate that was potentially less than the 10.4 we signed on for?

MS. WADE: So, the cost estimates that came back from Rider Levitt were in the \$9.2 million range, and between the time that those cost estimates came out and the construction documents were published for bidding, it became clear there was going to be a lot of uncertainty in that upper Vineyard portion of the construction. That's a very, very small right of way, and managing traffic flow, there's residents to accommodate. It's going to be a very intense project to make sure that block operates effectively during construction. So, some of that can't be reflected in your cost estimate. Because that, what it is is man hours, it's traffic control, it's making sure that you're operating construction in a time in a way that accommodates the neighborhood. That's not a hard cost that would come out in the construction cost estimates. But it does come out in the bidding because that's something that then they will have taken into consideration and apply cost to.

COUNCILMEMBER MOLINA: Okay, so there's about a \$1.2 million difference from the original estimate versus what we signed on to. So, okay, thank you.

MS. WADE: Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Molina. Okay, Member Hokama?

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

COUNCILMEMBER HOKAMA: Thank you, Chair. I've been around the block a few times. So, tell me if anything, what is the uniqueness that's happening to this project that hasn't happened to past projects that the County did. You know I know there's a concern of cost overruns. And Council always has its concern, just like Keopuolani Park was a \$9 million project. Change orders and everything else came at over 13 million, okay? Almost 50 percent more. Kihei Aquatic Center, Administration waived performance bond, we got a leak, we had to pay for the additional adjustments. So, I'm trying to figure out what is going with this project that is so outstanding and unique that hasn't occurred in the past. Because we deal with estimates and then now we deal with specific bid numbers so there's always going to be a discrepancy. And our problem has always been, once we come public and put in the budget a value, bids tend to follow the appropriation than what it should be which is building plans. So, I, we all understand how this is. What is so unique about this project, because the smart thing to do is to wait until after September 4th and get a real number for 1B. That is the smart thing to do. And then come back and see if we need to make adjustments, but, you know, pretty hard to guess what the number's going to be on September 4th. You will get a specific number after September 4th that I think we should be aware of before we make a decision. And then, since Mr. Teruya joined us. You've heard a lot, yeah. So, you know, I've worked on our cash and borrowing for 20 years, 20 years ago it sucked, okay. Then Mayor Arakawa made it a big point of where this County finances was 20 years ago, so we worked hard to build up the capacity and credit rating over 20 years to get to a point where we can borrow now. Is there a concern about how much this County can borrow for road infrastructure, residential housing? Are we jeopardizing projects in this subject areas with what we're talking about on the civic?

CHAIR RAWLINS-FERNANDEZ: Director Teruya?

MR. TERUYA: Thank you, Chair. Member Hokama, thank you for that question. Sorry for moving it's just that mic doesn't reach. I don't have the numbers in front of me; however, this project, the cost of this project doesn't mean that we cannot fund any other project that the Council wants to do. May Anne Alibin may be able to give you the actual numbers, but the fund ratio that we have right now is about 5 percent give or take. Our max ratio is 15 percent according to our budget policies and expenditure policies that maybe May Anne can reiterate. So, we have a lot of capacity to go out and bond and go do other projects. Not all debt is good debt. For sure, low debt is good. But there's opportunities that are better than others. Right now is a very good time, the City and County just went out for their issue at 2.6 percent which is relatively good, actually really good. And even for the rail at 2.9 percent for a 25...28-year float. So...

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

COUNCILMEMBER HOKAMA: Just a question, quick question for clarification, Chair, please?

CHAIR RAWLINS-FERNANDEZ: Yes, please --

COUNCILMEMBER HOKAMA: Thank you.

CHAIR RAWLINS-FERNANDEZ: --Member Hokama.

COUNCILMEMBER HOKAMA: So, the rates you sharing with the Committee at this time, the 2.9, the 2.6, the difference of the interest is between non-taxable and taxable bonds. Is that the difference in the percentage points?

MR. TERUYA: Chair?

CHAIR RAWLINS-FERNANDEZ: Director Teruya?

MR. TERUYA: Yeah, that is according to their...they went out about a week, week and a half ago, I'm pretty sure it's public information. I'm just generally speaking that their issue was 2.68 percent on their taxable...non-taxable --

COUNCILMEMBER HOKAMA: Okay, so...

MR. TERUYA: --and was about 2.9 for the taxable portion for the rail. I believe it was for the rail. So, those are both 28-year yields. So, even if this project was to go under taxable for the structure itself because I think we're going to need bond counsel to identify whether or not this would be qualified for non-taxable or to be taxable, because there's concession on the first floor, et cetera. But the amount is very minimal honestly at the time. So, the Deputy can give you some of those numbers if you want, but I believe we're at about 5 percent at our capacity; according to our policies are about 15 percent. And that's a lot of room for this Council to go out for any other project that's outside of this project to go fund and go out and bond. So, I hope that answers the question, Chair.

COUNCILMEMBER HOKAMA: No, I appreciate that because even at the taxable 2.9, that is still within very reasonable interest ranges that even this County can deal with that. So, thank you, Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Hokama. Okay, Members...okay, Member Paltin?

COUNCILMEMBER PALTIN: Thank you, Chair. Thanks for the handout. I like the rainbow and the waterfalls. But, so my question is this 24 is out of the total 44,195,000 for Phase 1A and 1B together?

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

MS. WADE: Actually, so, the FY '18 and FY '19 funds at the top, those are out of those three previous fiscal years. So, the 44 million was the FY '19 appropriation, which is at the bottom. So, these two, the 10.5 and the 2.5 is all that has come out so far.

COUNCILMEMBER PALTIN: Of the 44 million.

MS. WADE: Correct, yeah. And the Unemori surveying contract that May Anne mentioned earlier, which was a little over 200,000.

COUNCILMEMBER PALTIN: Okay.

MS. WADE: No, 20,000.

COUNCILMEMBER PALTIN: So then, that leaves us about 26 million for the 1B. And then on September 4th we'll know if it went over or under?

MS. WADE: Exactly.

COUNCILMEMBER PALTIN: And then if it went over, then you guys gotta come back to us anyway.

MS. WADE: Exactly.

COUNCILMEMBER PALTIN: And if it's under, then you guys just move forward if nothing happens here today.

MS. WADE: Correct.

COUNCILMEMBER PALTIN: Okay. And so, I guess cross that when we come to it.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Paltin. Ms. Alibin, did you have something that you would like to add? No? Ms. Wade?

MS. WADE: I'll just clarify, she was asking if we're going to talk about the whole project today or about just the 44. So, clarification is we're only talking about the 44 that's been authorized at this point.

CHAIR RAWLINS-FERNANDEZ: Yes, mahalo. Okay, Members, any additional questions? Okay, I'm going to present my recommendation. Okay?

COUNCILMEMBER PALTIN: Oh.

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

CHAIR RAWLINS-FERNANDEZ: Oh.

COUNCILMEMBER PALTIN: Sorry, one more.

CHAIR RAWLINS-FERNANDEZ: Member Paltin?

COUNCILMEMBER PALTIN: So, would that be the 31 million for...how much is available for the money for the 1B?

MS. WADE: So, for...oh, sorry.

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

MS. WADE: Yes, so we have about a little under 30 million that could be available for the parking structure construction. Our cost estimate is obviously lower than that already, and that's our expectation. In fact, conversations that we have had recently seem like it's going to come in lower than the cost estimate, that's our hope right now. And then again, there are some line item opportunities for us if we need to bring it in lower again.

COUNCILMEMBER PALTIN: Oh, okay, got it, thanks.

CHAIR RAWLINS-FERNANDEZ: Okay. Okay, Members, any other questions? Okay, I will propose my recommendation. Okay. I propose a reduction to the allocation for Phase 1B for the parking lot to scale down the design to half its size. In conjunction, I propose the initiation of a new CIP parking project near the Kalana O Maui Building to satisfy or rectify the deficit in employee parking for County workers. The rationale for this proposal comes from, comes on the heels of reviewing the 2011 Wailuku Town parking study, and parking management plan analysis conducted by Andrew Miller with Downtown Parking and Planning Associates, LLC, for the Department of Planning and the Maui Redevelopment Agency. In this study, the goal was to begin the process of developing a downtown parking management plan with long-term recommendations including the construction of a parking structure on the existing municipal lot and the adoption of transportation demand management strategies for the State and County employees. A repetitive message and clear indicator throughout the study is that government workers are consuming a substantial portion of the municipal parking lot. Excerpts from the 2011 study include clear statements and recommendations such as the following, "the fact that governmental offices at both the State and County levels are bursting at the seams impacting more people and services and less space results in greater parking demand than typical office space." Other than the 2010 parking space...210 parking spaces provided in dedicated County employee lots, Maui County does not provide parking for any of its remaining 400 employees in

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

Wailuku Town. In their orientation packets, new employees are instructed to get a multi-year, get on a multi-year waiting list for a County reserved space, to pay for parking in the One Main Plaza garage, to park on street in adjacent residential or two-hour areas, or to park in the municipal lot. There seems to be a general perception that the problem with employee parking is more from State employees than from County of Maui employees. The actual data suggests otherwise. Based on the information provided, the State of Hawaii has more building square footage, but less employees on campus than the County, yet it supplies more employee and visitor parking onsite than the County currently provides. The existing employee parking policy for the County of Maui is to tell employees not lucky enough to get a parking space in the County lot to fend for themselves. The official policy tells employees to park on street or in the municipal lot, but to obey all parking regulations. The result of this policy is hurting downtown businesses because employees are parking in prime parking spaces that should be available to private sector employees, customers, and visitors. County employees are either parking all day in the municipal lot, in residential streets, or performing the 2-hour shuffle by parking in designated 2-hour spaces. The County of Maui needs to take a much more proactive approach to employee parking by increasing parking supply, and by managing employee parking better through the adoption of an employee parking management plan. One short-term recommendation would be to move all fleet vehicles and storage vehicles off-site to a County baseyard or other satellite locations which would free up 71 parking spaces for additional employee parking immediately. What these statements and recommendations are telling us is that we are a huge contributing factor to the problem and that means we have an opportunity to be the solution. I propose we scale the parking structure funding and design down by half of the current proposed four-story structure to a two-story structure, since the parking study also states that everyone interviewed confirmed the critical need to create more parking supply, but there was also universal concern the proposed parking structure not to be too large and out of scale compared to the surrounding architecture. This will still provide ample increase in parking for Wailuku Town businesses and customers. Then I would propose we repurpose the excess funding from that reduction to the Fiscal Year '19 funding to build a new parking structure for our County employees closer to work, perhaps utilizing the current Kaohu Street parking lot across the street to build upon. I believe the combination of both actions in conjunction with one another will more than satisfy our Wailuku Town parking issues, and effectively kill two birds with one stone. You will see a floor amendment version of the bill posted on today's Committee agenda. The bill that was posted today was a proposal to defund the project entirely. However, my floor amendment is a proposal to reduce the project funding for Phase 1B by half, and Staff just distributed that amended bill. Okay, so if you will look on your, the, yeah, the bill that was just distributed by Staff. And on Page 2, C(2)(a)(1) Wailuku Civic Complex, the first amendment is to correct the 40 million, which was an oversight, it's supposed to be 42 million. And half of

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

the Phase 1B would be \$14,729,743.50. And that's so if we add half of Phase 1B and Phase 1A, which was already encumbered, \$13,360,568.90, you will get the total \$27,766,312.40, okay. Member Lee?

COUNCILMEMBER LEE: Thank you, Madam Chair. I was wondering if it were possible, I'm not sure, and I've been meaning to check with Erin if she had any idea how much more it would cost to build a two-story structure that could enable future additions, another story or another two stories in the future?

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

MS. WADE: Thank you. When we started the planning process, we were looking at designing the project with footings that could support new levels into the future as needed. Each...and as we started talking with the community about doing that, the issue is then the same intensive construction impact we're planning to have this time would happen again at some future date. So, the community was not supportive of us looking to do this twice, really, right in that immediate vicinity. And because once...even when you're building above for safety purposes you have to shut the whole structure down. It's not a place that they would be, that would be able to be utilized while upper levels were under construction. So, we ended up taking that, that was one of the initial design requests in terms of an alternative and we ended up moving away from that.

COUNCILMEMBER LEE: I see. Thank you. I am in support of your recommendation, Madam Chair. Mainly because there has been this ongoing need for employee parking for the County for over 20 years. And if we are able to remove let's say 100 people from parking at...what is the number anyway? What is the number that we have on that study that shows how many County employees are parking?

CHAIR RAWLINS-FERNANDEZ: Two hundred and ten.

COUNCILMEMBER LEE: That's a lot --

CHAIR RAWLINS-FERNANDEZ: Four hundred.

COUNCILMEMBER LEE: --of people parking over there where --

CHAIR RAWLINS-FERNANDEZ: Six hundred and ten.

COUNCILMEMBER LEE: --the merchants and their customers should be parking. Yeah, I'm totally in favor of that. And thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Lee. Okay, Members, any other questions? Member Hokama, did you have a question?

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

COUNCILMEMBER HOKAMA: No, I appreciate you letting me speak now. I'm not in that support of your proposal, Chair, at this time. You know, I take the testimony we had the other day from a gentleman that says he sees us not being maa about the experience and the history of the project. So, Kaohu Parking Lot, go and check the details of the purchase. I believe when the landowner sold the County it was for parking, but with no structures to be built on it. So, I don't think we can build a parking facility on that lot. That was by condition of the sale. Because like we have conditions for the Miyahira property when we bought, okay. So, I would say let's go and know our history and the conditions of which the land is under so that we can make appropriate recommendations. But I don't think that's that lot. Because we went through this exercise. That lot, I believe, cannot be allowed a structure.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Hokama. The Kaohu Street lot was just an example, not the...

COUNCILMEMBER HOKAMA: Yeah, Chair. And I take it as an example from you. I'm just saying that we need the departments to double check because I know there were conditions of purchases from those families. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo for that information, Member Hokama. Member Sugimura?

COUNCILMEMBER SUGIMURA: Thank you. So, basically what you're saying now is that you're proposing a two-story structure instead of the 428 parking stalls in the municipal parking lot or Maui Civic Complex, to cut that back to two stories and then to also build out the Miyahira property or some other location for County employee parking; is that what you're saying?

CHAIR RAWLINS-FERNANDEZ: Yes.

COUNCILMEMBER SUGIMURA: And so, I have a comment in that if you, if the discussion from the MRA and with Erin Wade, she said that there is a 200-parking-stall deficit to start with. And now we're adding, you're saying that, and that didn't even come, I don't know where the 200 deficit, but I do know by working with the MRA and its powers and duties and having businesses come before them that the municipal parking lot took care of the parking needs because of the old town plantation structures that were allowed where you have buildings basically filling up, I think as Erin Wade described earlier, the majority of the footprint of the properties, which is what it was, the old style building of small towns before. So, I believe that I strongly support for us to still continue on the path of building the municipal civic, the Wailuku Civic Center Complex as it stands, and then we also need to do parking for our employees, so that's in addition to. And I don't believe that we're only talking

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

about County employees, but we're talking about, you know, right, when people are on jury duty, they get a slip of paper as I've experienced, and you can park anywhere in Wailuku Town and some of them park in that municipal parking lot so it satisfies that need, and we still want the judiciary to stay here, so we need to have accommodations for that, I think, as part of our discussion in terms of the community. There's State employees, there's besides us, I know that we want to take care of ourselves but, you know, it provides parking for all of the basic ingredients which make up a vibrant town, plus you have the merchants on top of it. Plus you have the activities that go on. So, it's not a sole source type of accommodation that the parking structure provides. And I hope that us a body as we represent the people of Maui County, we realize it has a bigger responsibility than just only County employees or only, you know, whatever else that we're trying to justify this breakdown of really a structure that has been talked about for many, many years and have many community engagements. I think that the MRA in itself with Erin by being out at, you know, First Friday and different community activities, I think I heard 30, I don't know. And you just had another community engagement regarding this project, so there's been lot of discussions, lot of input, and I want to respect that and, you know, not try to disassemble what the community has said over many, many years of community engagement. I think it's our responsibility to do that and look at employee parking. I think it's another discussion that we need to have. So, thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Sugimura. Mahalo for that manao. I don't think we should be, I don't think our kuleana should be to provide State employees' parking. I don't know if there's a different manao, and then the businesses would be accommodated with the additional two-story parking to hopefully, like, double the amount that we have now. Okay. Member Sinenci?

COUNCILMEMBER SINENCI: Thank you, Chair. I just got some clarification questions. So, in your proposal, you're proposing to half the funding for Phase 1B, so from 29,459,487 to 14,729,743.50. And so, you're not getting rid of that half, you're simply trying to move it to a different location where we can accommodate a majority of our County workers for parking, is that correct?

CHAIR RAWLINS-FERNANDEZ: That's correct.

COUNCILMEMBER SINENCI: So, if we did, say we did entertain that amendment, so that 14 million will be part of looking for...would also be for the acquisition and design of a second parking structure near the County building? Or that hasn't been determined yet, we're just looking at that additional funding?

CHAIR RAWLINS-FERNANDEZ: Right.

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

COUNCILMEMBER SINENCI: Okay. Alright, thank you for presenting this. Okay, I'll yield.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Sinenci. Member Molina?

COUNCILMEMBER MOLINA: Yeah, thank you, Madam Chair. Well, let me just first say, you know, I didn't expect this proposal, I mean, on your part. I was looking at either we're going to consider defunding or keeping things as is. So --

CHAIR RAWLINS-FERNANDEZ: Compromise.

COUNCILMEMBER MOLINA: --compromise, like you said that's the word. And if parking is the number one issue versus economic development as it relates to this project then, you know, it's worthy of consideration. It's not a defund, it's scaling back if you will. And because, you know, I don't know as far as your constituents, what are they saying about it. But, you know, I get a growing sense that for the Phase 2 there are some concerns and about what this project may look like if it goes with that original plan and build out. And certainly we need to be mindful of the economic direction we want this area to take, but also the people living around it and how are they going to be affected with something that's proposed like this. But I get the general feeling that everybody seems okay with the improvements in terms of parking and sewage and everything else and sidewalks, but the big albatross for a lot of people is the proposed civic center and more so the cost as well, and the aesthetics of it and whether it's conducive to the flavor of old Wailuku, which I think we want to preserve. And, you know, what fits for one community may not be a fit for another. So, I'm open to this consideration of a compromise rather than a defund because I think I had concerns about a total defund because it kind of takes away from all the work put in by the MRA and the Administration. So, it's a wait and see the way I, if I read you right. A compromise and let's see what happens as the build out continues or the improvements continue with Phase 1A. So, thank you for that consideration.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Molina. Okay, Member Paltin?

COUNCILMEMBER PALTIN: Thanks, Chair. I had some clarification questions, I'm not sure who would be the answer. But the original amendment that was the not-on-the-floor amendment, was that to not authorize the money or to...I mean, I guess to unauthorize the money and totally take it away for non-existence, or was it just to unauthorize it?

CHAIR RAWLINS-FERNANDEZ: Okay, mahalo for your question. So, the 42 million that we had on the original bond bill was appropriated and authorized, and what the original, what my original amendment was, was to, I guess,

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

unauthorize, if I use your word, Phase 1B. And so, the funding for Phase 1A would remain.

COUNCILMEMBER PALTIN: So, you know, I'm not sure about the two-level parking structure and more parking structures and stuff like that. I'm not sure if I support that. And I was wondering, is it okay to just unauthorize the full amount and then see, like, investigate if that's what we want to do and then if you unauthorize, can you then authorize back? Like, pause button, I guess. Pause, pause.

CHAIR RAWLINS-FERNANDEZ: Right. Yeah, so, you mean the floor amendment?

COUNCILMEMBER PALTIN: Yeah.

CHAIR RAWLINS-FERNANDEZ: Yeah. So, it would be...so, we don't have like an actual pause button, so would have to amend to reduce, and then we would, and then I would propose the new amendment for the second parking structure with a proviso.

COUNCILMEMBER PALTIN: Can we just unauthorize the whole amount and then rediscuss after September 4th?

CHAIR RAWLINS-FERNANDEZ: It...so...we could do the amendment that I originally proposed and that would essentially do what you're saying. If I get an honest read of the Members, I don't think that is something that Members support doing, my original proposal isn't something that majority of Members are voicing support of.

COUNCILMEMBER PALTIN: So, I guess if we reduce the amount, are we committed to...how does that work because the, was the bid that went out for...does it matter if it's a two-story or four-story?

CHAIR RAWLINS-FERNANDEZ: Yeah, so the specs that went out in the RFP process were the specs that was originally agreed to in the allocation for Phase 1B, the parking structure. So, 4 stories, 45 feet with the glass elevators, with high ceilings...

COUNCILMEMBER PALTIN: So, but that's all going to be out with either proposal?

CHAIR RAWLINS-FERNANDEZ: Unless they can construct it with half the amount. But if we put in the proviso that makes it only two-level then yeah, it would be out.

COUNCILMEMBER PALTIN: Because that's not what they're bidding on.

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

CHAIR RAWLINS-FERNANDEZ: Right. Well, not them bidding, but that's not what --

COUNCILMEMBER PALTIN: Oh yeah.

CHAIR RAWLINS-FERNANDEZ: --was put out for bid, yeah.

COUNCILMEMBER PALTIN: Sorry.

CHAIR RAWLINS-FERNANDEZ: Yeah.

COUNCILMEMBER PALTIN: So, either amendment the thing doesn't go forward. So, then we should unauthorize until we know which direction we're going to go and then go in that direction, right? I guess I'm kind of confused.

CHAIR RAWLINS-FERNANDEZ: Yeah, we're discussing it right now. Member Lee, did you want to --

COUNCILMEMBER LEE: Yeah --

CHAIR RAWLINS-FERNANDEZ: --expand to that manao.

COUNCILMEMBER LEE: --I'd like to ask her a question --

CHAIR RAWLINS-FERNANDEZ: Okay.

COUNCILMEMBER LEE: --if Ms. Paltin doesn't mind. So, what exactly would you prefer to happen?

CHAIR RAWLINS-FERNANDEZ: Member Paltin?

COUNCILMEMBER LEE: Okay, let me answer for other people. So, what I'm hearing so far is that some of us are willing to compromise, yeah? We do not want to defund the whole project, we would like to compromise and actually save it but maybe at, not at the size that it was originally planned, or maybe that could be considered, reconsidered down the road. But for now, we're looking at a reduction and not a defunding altogether. So, that's why it doesn't really matter what the bids come in at on September 4th or 5th because it seemed to me like that was a concern of yours.

CHAIR RAWLINS-FERNANDEZ: Okay, and I'll add to what Member Lee is saying. So, this is the Wailuku Town parking study and parking management plan analysis. And so, what I learned through in going through all of that is like Member Hokama was saying, it was an entire project together. And so, the parking structure, the amount of parking, the specs for it was...it took into consideration. Well, it didn't just take into consideration, it was designed for

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

the civic complex. And so, if Phase 2 is not going to move forward, then there really is no need to build that much parking for something that is not going to be built. And so, that was an enlightening moment for me where it's like, you know, the parking study said that we're at 75 percent capacity, that were not at 100 percent, that we're only at 75 percent and that the parking structure that was proposed to be the four-story parking structure was going to provide more existing parking for the need, but also the future need after the civic center was built. So, I hope that's a little more helpful in understanding the original intent of the four-story parking structure and, you know, the effort in now scaling down because that civic center doesn't have much support in going forward. Member Sinenci?

COUNCILMEMBER SINENCI: Thank you, Chair. Just another clarification question. So, the bids that are coming in on September 4th for Phase 1B will be for a four-story parking structure, not a two-story parking structure, that's correct?

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

MS. WADE: That is correct.

COUNCILMEMBER SINENCI: Okay, thank you.

MS. WADE: It's four stories on the lower side and three stories on the side that's closest to Church Street because it's --

COUNCILMEMBER SINENCI: There's a grade difference.

MS. WADE: --into the grade. Correct. Yeah.

COUNCILMEMBER SINENCI: Okay, thank you, Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Sinenci. And I didn't even see Managing Director Baz, aloha. Mahalo for joining us.

MR. BAZ: Aloha.

CHAIR RAWLINS-FERNANDEZ: Okay. Members, any other questions? Okay --

UNIDENTIFIED SPEAKER: Go ahead.

CHAIR RAWLINS-FERNANDEZ: --Member Sugimura and then Chair King. Okay, Chair King and then Member Sugimura.

VICE-CHAIR KING: Okay, I just, I was just at a meeting for another 150 affordable units in Kihei so I apologize for having to step out. So, I just got a briefing from

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

my Staff who was watching and so I just wanted to double check, it looks like there were changes made in your changes? So, the original numbers and then you came back in and changed them again, so can you just maybe run by what the thinking was and the difference where...and I'm looking at the on Page 2 of your proposal, the numbers that were originally put in red, then crossed out, then redone.

CHAIR RAWLINS-FERNANDEZ: Okay, sure. So, on Page 2 really quickly, there was a mistake on the 40 million, it was supposed to be 42 million.

VICE-CHAIR KING: Okay.

CHAIR RAWLINS-FERNANDEZ: So, we're just correcting that mistake.

VICE-CHAIR KING: Okay.

CHAIR RAWLINS-FERNANDEZ: And then my original proposal was for the \$13,037,000, and so that was for Phase 1A for the infrastructure improvements and what I've proposed is that we scale down the project. So, instead of four stories, a two-story parking structure, and we reduce the original amount of 29,459,487 by half, which comes out to \$14,729,743.50.

VICE-CHAIR KING: Okay, well, maybe I'm not looking at the right document. So, the ordinance document I was looking at page...oh, there's two copies of it?

CHAIR RAWLINS-FERNANDEZ: Yeah, so...

VICE-CHAIR KING: Oh, okay, that's why I'm getting confused, okay.

CHAIR RAWLINS-FERNANDEZ: Oh, okay.

VICE-CHAIR KING: So, which one is it? Is it the first copy or the second copy that we're...

CHAIR RAWLINS-FERNANDEZ: So, I believe what you received was one that is a Ramseyered version. The...yeah?

VICE-CHAIR KING: Okay.

CHAIR RAWLINS-FERNANDEZ: And then the other one is without the Ramseyer marks.

VICE-CHAIR KING: Okay, but looking at the Ramseyered version that has the red in it --

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

CHAIR RAWLINS-FERNANDEZ: Yes.

VICE-CHAIR KING: --I didn't see anything in red that said 14 million.

CHAIR RAWLINS-FERNANDEZ: Oh, okay --

VICE-CHAIR KING: That's why I'm getting confused.

CHAIR RAWLINS-FERNANDEZ: --because that's how much it reduces it by. So, the 42 million was the original amount that was there.

VICE-CHAIR KING: Okay. Okay, so this is just addressing the one parking structure?

CHAIR RAWLINS-FERNANDEZ: Yes.

VICE-CHAIR KING: Okay. I'll yield for now.

CHAIR RAWLINS-FERNANDEZ: Okay.

VICE-CHAIR KING: Thank you, Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Chair King. Okay, Member Sugimura?

COUNCILMEMBER SUGIMURA: So, do you have a motion on the floor to make this change?

CHAIR RAWLINS-FERNANDEZ: No, we're --

COUNCILMEMBER SUGIMURA: Just discussing it?

CHAIR RAWLINS-FERNANDEZ: --I put my put my proposal and then we're discussing the proposal.

COUNCILMEMBER SUGIMURA: So, can we have a copy of it? Do you have it so that we can see?

CHAIR RAWLINS-FERNANDEZ: Oh, it was distributed by Staff.

COUNCILMEMBER SUGIMURA: What you read?

CHAIR RAWLINS-FERNANDEZ: The floor amendment.

COUNCILMEMBER SUGIMURA: Oh.

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

CHAIR RAWLINS-FERNANDEZ: It's this bill. It's the bond bill. And then inside, there's one that's, you'll see red text --

COUNCILMEMBER SUGIMURA: Oh.

CHAIR RAWLINS-FERNANDEZ: --where the changes were made. That's the Ramseyered version. And then you'll see one without red text, and that's the one without the Ramseyer --

COUNCILMEMBER SUGIMURA: See --

CHAIR RAWLINS-FERNANDEZ: --markings.

COUNCILMEMBER SUGIMURA: --I guess, for clarification.

CHAIR RAWLINS-FERNANDEZ: Yes.

COUNCILMEMBER SUGIMURA: So, I'm actually talking about I see this, but I'm just wondering about what you said regarding the Miyahira building, you know, that you're...I know was a discussion, but for those funds to be used elsewhere, do you have another document talking about that?

CHAIR RAWLINS-FERNANDEZ: No, because that wasn't posted --

COUNCILMEMBER SUGIMURA: Okay.

CHAIR RAWLINS-FERNANDEZ: --before. This was something that was kind of developed after some discussion. So, I...we cannot...

COUNCILMEMBER SUGIMURA: Right.

CHAIR RAWLINS-FERNANDEZ: I...

COUNCILMEMBER SUGIMURA: Yeah.

CHAIR RAWLINS-FERNANDEZ: We cannot make that amendment until another meeting so we don't violate Sunshine Law.

COUNCILMEMBER SUGIMURA: So, basically what you're asking us to vote on is the Ramseyered version of the proposed bill which would defund the 42,227,766, is that what you're talking about?

CHAIR RAWLINS-FERNANDEZ: Yeah, 27,766,312, the 27,766,312. And it would be either, they're the same thing. It's just one, you know --

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

COUNCILMEMBER SUGIMURA: Is Ramseyered?

CHAIR RAWLINS-FERNANDEZ: --marks, yeah, what the changes are and the other doesn't.

COUNCILMEMBER SUGIMURA: So, I wonder if we could hear from since Erin Wade said they entertained the thought going in of it being a two-story and then hearing the community discussion of it, do you have any idea? I mean, we're just taking 'em all and dividing it by two, you know, kind of a elementary version of what the cost may be. I wonder if you have any more input for what the community said about a two-story structure as well as the needs and the cost?

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

MS. WADE: I can't answer that. We didn't float a two-story...well, we asked the community what the parking needs would be and we did a build-out analysis to determine the total parking. The parking study that Chair is referring to does have a listing of parking deficit numbers, and because the lots at 214 now, doubling that gets us that deficit, 200 is the deficit that's on Page 29 of the Wailuku Parking Management. So, anything less than what the supply, the demand was that was identified in the study wasn't considered. And then, for us at this point we would have to go back to redesign. You can't just take two floors off of a parking structure, it's a...so, we'd need to go and get new designs and put it back out to bid.

COUNCILMEMBER SUGIMURA: So, you would have to pull back the current bid, which results are due next week, and basically go back to the drawing board and start all over for a two-story parking structure?

MS. WADE: That's correct.

CHAIR RAWLINS-FERNANDEZ: Okay, mahalo, Member Sugimura. Member Lee and then Member Hokama.

COUNCILMEMBER LEE: Mine is really quick, I'm just suggesting that if your motion or your recommendation passes today that the second half where we're talking about using the balance of the funds for parking for our employees should come to my Committee, the WAI Committee, yeah? Thank you.

CHAIR RAWLINS-FERNANDEZ: Okay, mahalo, Member Lee. Okay, Member Hokama?

COUNCILMEMBER HOKAMA: Thank you, Chair. Yeah, I think that was a pretty good request from Ms. Lee. So, if I hearing right, Ms. Wade, with your response to Member Sugimura, that my experience tells me we are going to stop on

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

the...with the bid opening September 4th, more than likely on December 31st, all this money's going to lapse, you'll need a new contract for a redesign, and you're going to have to tell our community within the MRA boundaries that this action will delay the project at least one to one-and-a-half years longer, and that there will be price increases on the other outstanding work that has yet to be completed because of the delay, okay. And I can tell you, we cannot just throw our money into a document and say we have a CIP project, okay? It doesn't work that simple, so, somebody's going have to scope out that project, whatever it is. But that's my understanding of the process, is that how the Finance and Management sees it too? At least 12 to 18 months delay?

CHAIR RAWLINS-FERNANDEZ: And, Members, I'll bring your attention to what was distributed by Ms. Wade earlier that has a timeline inside where the parking structure construction is estimated to start anywhere at December 2020 or January 2021. Managing Director Baz?

MR. BAZ: Thank you, Madam Chair. And we appreciate your thoughtfulness in looking at different alternatives. Especially to meet the needs of the employee parking, that's been one of my top-of-mind subjects since becoming Managing Director. In fact, I was running from a previous meeting with Department of Transportation to figure out how to create incentives to have employees not drive to work. And so, we're working on that piece of it. So, that will be forthcoming in a separate item. To respond to Mr. Hokama's question, the project would have to be redesigned, we'd also have to evaluate whether or not another Environmental Assessment would have to be done because this significantly changes the scope of the project. That could be a delay, you know, I mean even if the architects worked their magic quickly, it takes months to do significant redesign like that, evaluating all of those other aspects and then putting together, you know, it looks like we'll have to discuss probably the requirement for a new EA. But, yeah, I wish it was easy enough to just..

COUNCILMEMBER HOKAMA: Well, that's when you get your new appropriation, though.

MR. BAZ: Well, so, the other part of your question is correct as well. This funds are FY '19, the fiscal year ended June 30th, we have an additional six months to encumber the money and that is coming up December 31st, that will expire.

COUNCILMEMBER HOKAMA: Correct.

MR. BAZ: Yeah, there's no way we're going to be able to enter into a contract or maybe we could amend the design contract to do the redesign with this current year's funding, but no way for construction. So, the rest of the money appropriation will just lapse. A new appropriation, whether it's in Fiscal Year '20, well, if it would be in Fiscal Year '20 so we could start the

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

design process, would need to be recommended by and submitted by the Mayor. Only the Mayor can submit budget amendments --

COUNCILMEMBER HOKAMA: Understood.

MR. BAZ: --and so, that would have to be in consultation, and with him and his desires to do that. The Council could, of course, amend the proposed Fiscal Year 2021 Budget to add the project, but that would be funding available July 1st of 2021 before we could even start the process. So, the construction phase as the Chair mentioned in the timeline was based on getting the money, you know, the design done, the permits in Phase 1B encumbered by the end of this calendar year. Even once we encumber the project there're still negotiation items that we work on with the contractor before we actually start construction. So, there's a...it doesn't immediately start construction as soon as we open bids, there's a months' process as you know, between that item. Yeah, so, I think that answers your questions. I do have other comments but that answers your questions, I believe.

COUNCILMEMBER HOKAMA: I think the one that you may give guidance because I think the Chair has a recommendation, she's suggestion to the Committee at this time is the ability for us to potentially take a portion of a reduction for another project, yeah, employee parking, which I would say has its merits, I would agree with that. But my understanding is that amendment would have to come from the Mayor, it cannot be generated from this Committee.

COUNCILMEMBER SUGIMURA: Budget.

MR. BAZ: So, the discussion and the item posted on today's agenda is an amendment to the bond authorization bill. That's what's...

COUNCILMEMBER HOKAMA: Right, for the Wailuku Civic Complex, right?

MR. BAZ: That's correct.

COUNCILMEMBER HOKAMA: To do an employee parking project, that's not the title of the appropriation. But to do that project, we would need another request to appropriate for the employee project, right?

MR. BAZ: Yeah, so the bond authorization bill just provides the authorization for us to enter into a loan, basically, to issue bonds for a project that's already included in the Capital Improvement Program.

COUNCILMEMBER HOKAMA: Yeah, we're talking about a project that is not.

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

MR. BAZ: Yeah, so this project that the Chair is proposing is not currently in the Capital Improvement Program, so we would have to amend the budget to add that project to the appropriation. And so, yeah, the Mayor, the Administration would have to propose it, right. The Charter is pretty clear about that. And so, we'd have to evaluate that. There has been discussion about, in fact, I've been looking at...there's been four different master plans in the last 15 years of this campus and as I'm sure you're aware of them. I was aware of a couple of them but I've been evaluating those and the different discussion topics of that. Yes, Kaohu Street has challenges, so I don't think we're going to be able to build a parking garage on Kaohu Street. But I have been working with our Capital Improvement Program's Coordinator to look at increasing the office space and parking on this parcel itself. And so, it's kind of where we're focusing. With the prior Administration's desire to build a building and more parking on the Old Wailuku Post Office site not coming to fruition, we're going to focus on this parcel itself here without going across the street. And I think the Council has already entered into, or approved an agreement with the State, yeah. So, we are, you know, the efforts have been to purchase the Miyahira property, we also own the gravel parking lots on Napua Street, as well as the yellow building. So, we have the capabilities of doing really good design for more office space and parking on this facility. And I appreciate the Chair's focus on that because it's going to take money and I was hoping to put in the design monies in Fiscal Year 2021's proposed budget, and so, look for that because it's something that is a dire need. She's correct in that our employees have a problem finding parking. That's very true. So, even when I was a civil service employee in IT Services, I used to bike to work. I would park far off in the distance and ride my bike into work. And that's something we had to do because...

COUNCILMEMBER HOKAMA: We recognize the fact that we're an employer that has a growing workforce --

MR. BAZ: Yeah.

COUNCILMEMBER HOKAMA: --and we have constrained space, and so eventually we're going to need to acquire additional work space. It's just part of our growing operation, you know.

MR. BAZ: Right.

COUNCILMEMBER HOKAMA: As population grows, we're going need more employees, more firefighters, you name it. So, my thing is I'm trying to find out what makes the best sense moneywise to consolidate, build, with expansion instead of building five, six separate items that's going to cost potentially double what it takes one consolidated, comprehensive project.

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

MR. BAZ: I, you know, the...and I appreciate if the Administration could have a little bit more time to evaluate this proposal. Because on the surface if you just cut two floors off of the existing parking garage, we're going to have a net increase of, I think, four stalls.

COUNCILMEMBER HOKAMA: No, I understand.

MR. BAZ: So, you know --

COUNCILMEMBER HOKAMA: I understand the exercise requirements.

MR. BAZ: --you know, so we want to evaluate that piece of it and then, you know, we may come back to you and say, you know what, never mind. But, yeah.

COUNCILMEMBER HOKAMA: Thank you, Mr. Baz. Thank you, Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Hokama. Okay, so, I was hoping that Mr. Galazin, I know when we had Mr. Ueoka as our Deputy Corp. Counsel he explained to the Member the last time I had this on my agenda what gives the Council the authority to amend the CIP budget in the Charter. I think it's in Section 9. So, if you want to like, if you know it, then you can say it, but...

MR. GALAZIN: Yeah.

CHAIR RAWLINS-FERNANDEZ: Okay, go ahead.

MR. GALAZIN: I...do you just want me to read that or...

CHAIR RAWLINS-FERNANDEZ: Yeah.

MR. GALAZIN: Okay, so, we're talking about the CIP, right, that's your question?

CHAIR RAWLINS-FERNANDEZ: Right. And I think that's Section 9-6?

MR. GALAZIN: Nine, I was looking at that earlier. Yeah, Section 9-6 is the Capital Program, Scope, and the Council Action. And, let's see, in Subsection C-4 [sic], it says the Council shall pass the Capital Program on or before the tenth day of June, and then Section 5, at any time during the fiscal year the Capital Program may be amended by ordinance. And that...

CHAIR RAWLINS-FERNANDEZ: So, that gives us, the Council, the authority to amend the CIP budget. Mahalo, Mr. Galazin. Okay, I...oh, you did have your hand up but you withdraw?

COUNCILMEMBER LEE: No.

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

CHAIR RAWLINS-FERNANDEZ: Oh, okay. Not right now. Okay. I saw someone had a question.

VICE-CHAIR KING: I did but I...she was first, so go ahead.

CHAIR RAWLINS-FERNANDEZ: Okay. Member Lee --

COUNCILMEMBER LEE: Oh no --

CHAIR RAWLINS-FERNANDEZ: --and then Chair King.

COUNCILMEMBER LEE: --she hasn't spoken yet. Go ahead.

CHAIR RAWLINS-FERNANDEZ: Oh, okay. Chair King?

VICE-CHAIR KING: Okay. So, my first question is why, if we go from a four-story parking structure to a two-story and basically we're trying to keep it as similar as possible but reduce the size, why would we need a new EA for a less impactful project? And do you know that for sure that we would need a new EA?

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

MS. WADE: Thank you, I can respond. We don't know for sure --

VICE-CHAIR KING: Okay.

MS. WADE: --if we would need a new EA. The traffic study would certainly change. There might not be, as I mentioned earlier, there might not be the need for the signal at the corner of Church and Main, and we would also, again, potentially change the Phase 1A project as a result.

VICE-CHAIR KING: So, the signal is depending on the number of parking stalls?

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

MS. WADE: The signal's dependent on the traffic study. So, when you double the capacity of the location, obviously there's more trips being generated as a result to one location and so that the intersection has to handle a higher capacity of traffic.

VICE-CHAIR KING: Okay.

MS. WADE: When the capacity increases, the signalization sometimes gets triggered.

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

VICE-CHAIR KING: Okay --

MS. WADE: Yeah.

VICE-CHAIR KING: --so that could be one less expense. Yeah, my understanding of what I gathered from my Staff watching the previous minutes of this meeting is that the idea would be to have a second structure for the employees, which would pull all the employees off of those other street parking too because I think a lot of our employees use street parking. And then that would, could possibly even increase the net gain even more than the 171. I had personal concerns for a long time about the lack of parking because I think on top of the expense and I have employees who, you know, often get parking tickets. But I look at the amount of hours lost, the production hours lost just in my office and on the 8th Floor, and I would say between the 7th and 8th Floor, OCS, because people are always running out to move their cars, there's probably an average of 40 to 50 hours a day lost collectively among all of our employees on these two floors, just running out to move their cars two or three times a day. You know, that translates into economic issues, and if you look at the entire building, it's probably exponential. So, you know, I like the idea of designated employee parking, and I would hope that even if it did take a Mayor-generated budget amendment, which appears not to, that if, you know, Mr. Baz is really concerned about that employee parking as well, that we would be able to get that budget amendment. But I think the...to me, there's...it's been ridiculous since I started on the Council that we don't have designated parking for employees. And not just our own employees, but the employees on, you know, every floor of this building. And there's this waitlist, I mean, no one...it's a mystery. No one even knows how you get moved up the waitlist to actually get a parking spot at some point. You know, it's like somebody that left OCS I just saw yesterday when I was on Oahu in meetings said she was here for so long, she finally got moved up to get a parking pass, and then she had to move to Oahu to take a job over there so she could care for her dad. So, I think some people, you could probably actually die on that waitlist. But having a, you know, I mean, I can't even imagine how nice it would be to have all three of my employees, my staff members having parking passes and not having to dash out every so often. So, this is...that's kind of a dire need, I think, for the County too. But I just, I mean, I understand the position of having to redo something, but I can't image that it would be like a complete redo if the engineering for the structure is already there, the first two floors of the structure, you know, maybe the glass elevator's not needed or maybe some other expenses are not needed, that it would be, you know, that egregious if we're just trying to do the same thing but shorter. And I know that might be oversimplifying it, but I also, I'm going to check into the EA thing because I'm married to someone who used to be the head of the Environmental Council and that's basically what they did was make the rules for the EIS and EAs. It just seems like if you're going to a

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

less impact, why would you need another study. But I will check into that. Thank you, Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Chair King. And then once again, the reason that I asked for your attention to what was distributed in the timeline, you know, it says that Phase 1A would start this September, so next month, for the infrastructure improvements starting with Church Street, and then to Lower Vineyard. And what I understood at the last MRA meeting is that we're still waiting on a permit from SHPD, or SHPD's approval. So, we're not 100 percent certain that construction will start in September because we're waiting for another government agency to give us that permit. And so if we're, you know, a year and a quarter out from even starting construction on the parking structure, that does give us time. So, I just wanted to point that out. Member Lee and then Member Molina.

COUNCILMEMBER LEE: Thank you, Madam Chair. Just want to check with Ms. Wade again, now can you repeat how many stalls will be made available with four stories?

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

MS. WADE: Thank you. The total stalls inside the parking structure is 428 stalls.

COUNCILMEMBER LEE: And with the first...an equal amount on each floor?

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

MS. WADE: Thank you. It varies slightly because at one, at the very ground floor there isn't the level that meets Church Street because of the grade change. So, the level at Church Street has no, there's no parking deck above that. So then, at the upper floors that begins the, the pattern begins to repeat itself, but the ground floor has less.

COUNCILMEMBER LEE: Has less? So --

MS. WADE: Has less stalls.

COUNCILMEMBER LEE: --the first two stories would yield how many stalls?

MS. WADE: I don't have the floor plan with me today.

COUNCILMEMBER LEE: But at least 200?

MS. WADE: The first two stories, no, I don't think the first two stories would give us 200 stalls. Because the --

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

COUNCILMEMBER LEE: But close to it?

MS. WADE: --the ground floor access point, because of the differentiation in grade is that's the access ramp down into the garage. So, that whole side off of Church Street is the ramp in, there's no level, and then the level picks up above it but there is no width, there's inadequate width right there to also put parking stalls right there.

COUNCILMEMBER LEE: So, you don't have any idea then --

MS. WADE: So, that's about 30 stalls.

COUNCILMEMBER LEE: --at all?

MS. WADE: I can ask for the plans to come down.

CHAIR RAWLINS-FERNANDEZ: And I believe, if you don't mind me interjecting, all the handicap stalls are on the first floor, so they're larger stalls. And the 40 stalls for EV, electric vehicles, are also on the first floor. And so, I don't know of the sizes of those. And again, when this four-story parking structure was designed, it was designed with the specs to accommodate the, would have been civic center Phase 2. So, it doesn't necessarily have to be the same configuration of the ground floor parking.

COUNCILMEMBER LEE: But it could be wider, though. Because it was planned to be wider, right?

COUNCILMEMBER SUGIMURA: What do you mean?

CHAIR RAWLINS-FERNANDEZ: Ms. Wade?

MS. WADE: Could you repeat the question, please?

COUNCILMEMBER LEE: So, the first two floors could be wider, couldn't they? Because let's say we're not doing the civic center complex?

MS. WADE: So, you're saying it could take up more ground area for...

COUNCILMEMBER LEE: Yes, it could take up more ground area.

MS. WADE: With a redesign program it could take up more ground area, yes.

COUNCILMEMBER LEE: Okay. Because, Madam Chair, you know, I really believe that if we are able to bring our employees back to our side, you know, closer to

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

our building, that would be so much, you know, better for our employees, better for everybody. But it's not only our employees I'm concerned about. We have to provide more public parking because I happened to be there yesterday right when school got out, and you won't believe how many non-employees park in our parking lot, it's mothers taking their kids to the library or picking them up from school. Has nothing to do with the public coming into this building. So, we are so much at a deficit with regard to parking on this side. I think that there's a burning need for additional parking, and I really believe that, I can't wait to get this item if it gets to that, get this item. Because then we can really move on it because this is, you know, so long overdue with regard to our employees, to the public, and everybody out...and they don't belong in the municipal parking lot. So, if we are able to bring over 100 or 200 of our employees, that'll free up 200 spaces over there. And if we can build a structure that nets 200 spaces, that's 400 stalls that, you know, will become available to the residents and merchants, and customers that shop in that area. So, you know, I feel a little bit better about reducing the funding. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Lee. Member Molina, and a reminder from Member Sinenci that he does have to leave by 3:00 or at 3:00, okay. Alright, mahalo. Member Molina?

COUNCILMEMBER MOLINA: Okay, thank you, Madam Chair. Just staying on the topic of the EA and its cost, I believe that Director Baz had mentioned that. I guess one, how much did we spend on the EA for this current proposal? And now that we're considering downsizing the project, and I was kind of along the lines what Chair King was saying in, you know, why an EA would be needed or...and even if it does need one then would it cost the same, I mean, less work I guess with a smaller project. So, I'm just trying to make sense of this, so if I could ask for a response from either Director Baz or Ms. Wade.

MR. BAZ: Thank you.

CHAIR RAWLINS-FERNANDEZ: Director Baz?

MR. BAZ: Yes, thank you. And thank you, Member Molina. So, there would definitely be a requirement for a redesign and the design contract with Ferraro Choi does not specifically break down the amount on the EA itself. We could probably try to figure out what was actually spent in that design contract for the EA to get that back to you. And I've mentioned that I don't know if an EA is required or not. That's why I asked for time to evaluate this to see if an EA is required, I'm not aware of that, yeah.

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

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Molina. Member Sinenci?

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

COUNCILMEMBER SINENCI: Thank you, Chair. And thank you for this and the discussion that we're having on the floor right now. I can see the validity of pulling out the County from this project. You know, many of the testifiers that came, you know, and in this Wailuku Civic, I still think that it's an opportunity zone that maybe more private investors, you know, and kind of keep the County out of this big project. And it's good to hear that Managing Director Baz is talking about building up the County for additional parking and space because a lot of testifiers also said that this is our County government. So, I think if he's looking ahead and looking at and building up our government, the seat of government then that would be a great idea to start doing that. So, I would like to support possibly separating those two things, because that was a lot of the questions about this project is, you know, how much is the County going to be putting in for maintenance each year for, you know, for the CIP loan and the interest accrued in 25 years. So, these are some, I think, some good steps that we should...I'm glad that you brought this up. So, mahalo, Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Sinenci. Okay, seeing no more questions, the Chair will entertain a motion to adopt the amendments as proposed in the handouts distributed to amend on Page 2 Department of Management, Wailuku-Kahului Community Plan Area, Government Facilities, Wailuku Civic Complex, to 42 million as a corrected change there, and amending the appropriation to 27,766,312 with the addition of the description Phase 1A (Infrastructure Improvements), and Phase 1B (Two-level parking structure), and the amendment to the Page 1 under Section 1, from 76,589,680 to new total \$62,355,992.

COUNCILMEMBER LEE: So move.

COUNCILMEMBER SINENCI: Second.

CHAIR RAWLINS-FERNANDEZ: Moved by Member Lee, seconded by Member Sinenci. Discussion? Member Hokama?

VICE-CHAIR KING: Okay.

COUNCILMEMBER HOKAMA: Chair, I'm happy to let Ms. Lee or Mr. Sinenci speak first if they wish.

CHAIR RAWLINS-FERNANDEZ: Oh, okay. Member Lee? Mahalo, Member Hokama.

COUNCILMEMBER LEE: Yeah, thank you. I think I've made my points, thank you.

CHAIR RAWLINS-FERNANDEZ: Okay, great. Member Sinenci?

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

COUNCILMEMBER SINENCI: Same here.

CHAIR RAWLINS-FERNANDEZ: Okay, mahalo. Okay, Member Hokama and then Chair King.

COUNCILMEMBER HOKAMA: Yeah, thank you, Chair, I appreciate my opportunity. I'm gonna speak against the motion this afternoon. I think we are being shortsighted by reducing it at this point in time. I still believe we should wait for that September 4th bid opening. And again, Members, I...you know I've heard your comments, I agree with most of them. I would say I don't know what is in each of our individual minds regarding the civic complex part of the project. That for me was where the County's gonna put a lot of our expanded needs of space for the day-to-day, face-to-face operational needs of departments with residents, and that that would be a driver for them to come to the civic center to do their County business whether it's to pay for permit fees, licensing fees, camping fees, community center fees, real property tax, drivers licensing, as well as have access to notary publics, your banks, financial institutions, as well as the State and the judiciary as a civic government center of this County. I also looked at the civic complex portion to take care of our employee future needs, and that the employees would be parking in the facility where they also working at. They wouldn't be crossing the street to come to this building, they'd be working in that civic complex building and parking there. So, I had hoped that this would be a more comprehensive project that, you know, I wish I could have explained better in my narratives so that it's clearer what I'm envisioning that I believe is the right thing to do for the long term fiscal and operational needs of this County and this district. I would say also that I find it interesting when we talked about the service center in Kahului, nobody blinked at one time when they consultant threw out \$40 million for just a service center. And the Council and our Budget Committee had concerns, and we brought it down to 25 million. Nobody flinched at that 40, that's what we're talking about the civic complex component. So, it's not numbers of a project I think that is scaring us. I think it's the rhetoric of people who just wanna protect personal selfish needs, okay. 'Cause, I can tell you in the '60s era, this district didn't have to worry about homeless, drug houses, and other things, 'cause this community wouldn't allow it. It was a healthier community. It was a more vibrant community. I walk the streets at night between Kaohu and Vineyard, High to Waiale. It ain't the same streets I walked in the '70s going to King Theater and Lao Theater for movies. So, doing nothing in this district has not kept this district in the...I would say in the sense of a...most resident would say is comfortable. This area has gone down. Where is that reinvestment in private property, in houses, okay? We talk about impact on the homeowners. Most of the homeowners if you look in this district will be paying minimum tax, okay? So, who is bearing the burden? If you look at the districts on who pays and what gets subsidized, even this district gets subsidized from the General Fund for basic core services. So, I would say when we talk about taxation, let's

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

be clear, let's be honest of what is being produced from this district and what it takes from the General Fund to provide for this district. I think, again, we have a great opportunity. Time doesn't come often where multiple times, but for this district, the time has come for this district. I would like us to make use of this opportunity. I think in the long run, it will prove out that we are doing the right thing. Because again I tell you, it's popular to vote no today, but in God's heart I believe that's the wrong thing to do. Thank you, Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Hokama. And I'm sorry I couldn't join you on the Council earlier so that I would have more than flinched at the 40 million. Chair King?

VICE-CHAIR KING: Thank you, Chair. I assure you I did blink at that amount and my community did as well. I heard from a lot of people about that \$40 million. I wanted to clarify on Page 1 of your proposal because the section that says authorization of general obligation bonds, but we didn't authorize this entire 76 million, so I just wanted to get clarification on the --

CHAIR RAWLINS-FERNANDEZ: Oh, I'll correct it.

VICE-CHAIR KING: --structure of that document.

CHAIR RAWLINS-FERNANDEZ: So, this is the bond bill so it adds all of the CIP appropriations. It's not just for the one project. So, it's --

VICE-CHAIR KING: Okay.

CHAIR RAWLINS-FERNANDEZ: --all of the CIP projects listed on the four pages.

VICE-CHAIR KING: But I mean, maybe I can ask Corp Counsel --

CHAIR RAWLINS-FERNANDEZ: Oh, okay.

VICE-CHAIR KING: --just because it's worded this way doesn't mean that we authorize. Because we didn't authorize this full amount.

CHAIR RAWLINS-FERNANDEZ: Mr. Galazin?

MR. GALAZIN: Thank you. I would actually suggest that question is probably better answered by Finance in terms of what has been authorized and what hasn't. I don't know if they've got those numbers handy.

MR. BAZ: Madam Chair, if you don't mind I can answer...

CHAIR RAWLINS-FERNANDEZ: Managing Director Baz?

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

MR. BAZ: Yeah, thank you. So, having been the Budget Director that put this together. So, every year the Council...the County Administration proposes, then Council adopts a budget that includes appropriations in the budget ordinance as well as financing plan. And the financing plan for projects includes the bond authorization. So if, Madam Chair King, if you just flip the page to Section 2 and then it starts on public improvements, you'll see that there's a list of projects that are authorized and as we get to this project, there is currently \$42 million authorized specifically for this project. So, the Chair's proposal is to reduce that authorization and...

VICE-CHAIR KING: Right, no, I know that.

MR. BAZ: Yeah.

VICE-CHAIR KING: I was just concerned about the wording of Section 1 because the heading is authorization of general obligation bonds, but I know that we didn't authorize that amount that was here before.

MR. BAZ: We...

VICE-CHAIR KING: We're not authorizing...

MR. BAZ: Yeah so, currently is authorized \$76,589,000, that's currently authorized for the projects listed on Pages 2, 3...

VICE-CHAIR KING: Oh, that's for the entire section?

MR. BAZ: Correct.

VICE-CHAIR KING: Oh, okay.

MR. BAZ: Yes.

VICE-CHAIR KING: Okay, that's what was confusing me.

MR. BAZ: Yeah. Yeah, it's --

VICE-CHAIR KING: Sorry about that.

MR. BAZ: --for all the projects --

VICE-CHAIR KING: Okay.

MR. BAZ: --and only for the 42 million for this specific project.

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

VICE-CHAIR KING: Okay, I get it now.

MR. BAZ: Yeah.

VICE-CHAIR KING: Okay. So, I just wanted to say that I support the proposal on the floor because, you know, that was the one thing that always gave me heartburn about this is the amount of money that we're spending and we do, you know, I will...I also was on the Council when we authorized the service center that was \$25 million, and that's the service center that's supposed to have licensing and, you know, a lot of these place where we go to pay our fees. So, you know, we can't keep adding these buildings and saying we're going to do the same thing in multiple buildings. And, you know, I have yet to see that service center. We've been...we actually, you know, just for this Council's information, we actually when we approved that, we were told that that would be a place where our County Clerk's Office could go and we could do elections out of there. And now we've subsequently been told maybe that's not going to happen. So, we keep getting, you know, maybe we should put that in a proviso, I don't know. But, you know, my understanding is that that's where a lot of these services are going to go, and they'll have their own parking there off-street at that site. So, I'm not really too sure what additional services they're planning to offer out of here, but I am very happy and excited about MAPA and their attempt to revitalize the community with their, with the arts. Because I think they can do it, I believe in the people there and I think that this can be done without spending \$80 million to do it, or the 44 million that's coming in the second phase. So, I'm grateful to Councilmember Lee for being excited about taking this into her Committee and doing the second half of this so we can have, you know, a more reasonable project. When, you know, and I'm a poker player and sometimes you play poker and you put money into the pot, and you put money into the pot, and at some point you go, well, this is not a good deal and you stop, you know. And you don't spend your time worrying about the money that you've already put in because you got to think about what you're doing now. And that's kind of where we're at, I think. A lot of us are looking at where are we now, how do we want to move forward, we want to, you know, we're happy to support parking but let's do it in a more reasonable, you know, a little bit spread out so that everybody in this area benefits. So, thank you for your proposal

CHAIR RAWLINS-FERNANDEZ: Mahalo, Chair King. Okay, Member Sugimura?

COUNCILMEMBER SUGIMURA: Thank you. So, on the amendment I just have a question. What happened to...is 1A going to happen? We make these changes is 1A going to happen because 1B is a parking structure. Two is supposed to be the civic complex, which is not even in the discussion. So, what's going to happen to 1A?

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

CHAIR RAWLINS-FERNANDEZ: Managing Director Baz?

MR. BAZ: Thank you. So, if the Council passes this reduction, currently 1A would still remain in motion. But we'd have to really look at if we need to invest all of the money into 1A that we have proposed and if we need to reduce the parking that 1A is going to...1A, remember, 1A reduces the stalls by --

COUNCILMEMBER SUGIMURA: Forty-three.

MR. BAZ: --43 stalls, right.

COUNCILMEMBER SUGIMURA: Right.

MR. BAZ: So, if we go through with 1A and leave this as is, then we'll have a deficit already and as Ms. Wade mentioned before, you know, we have to evaluate is the stop light needed, you know, is Church Street required to be two-way, you know, those kind of things. The electrical utility upgrades that we were planning to produce, I mean, to put underground, are those still, you know, required; things like that. So, the scoping of the water and sewer systems were based on, you know, a full build out of things. So, you know, I...that's why I asked if the Administration has some time to take a look at this proposal and what the impacts would be and we can let you know what our recommendations would be based on that.

COUNCILMEMBER SUGIMURA: So, if I understand...okay, so you were saying that the...if you proceed with 1A as scheduled, that we will be losing the 43 parking stalls as we did on Market Street. We lost like about 20-something because of ADA, I think it was 20 stalls or so, because of ADA and just, you know, different requirements now. The trees and different landscaping that we did on Market Street. So, and then, that was basically accommodated through the municipal parking, or the parking lot which has 218 stalls there now. But when you, if you do 1A as planned, the 43 stalls, you're going to then take more stalls away from the existing municipal parking structure, or parking lot I should say, and you...I think you do need to assess whether you can...what's going to happen if you do a two-story. What is the impact of everything as it, you know, relates to this new proposal. So, Chair, I mean, I hope you will give Administration some time to answer these questions because there's impacts greater than just dividing everything in half, and what's going to happen to the infrastructure, do we even need to do all of that, I mean, I think those are the kinds of questions that are being brought up. I mean, I like the idea that we need to do something with the Miyahira building. I've been, you know, hearing different studies that have happened for the, for our complex which I think is a whole separate discussion and not part of this. And what is the...what are the impact of the merchants and by us changing this project completely with what we're doing

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

now and does it kill it. You know, I think what we're seeing right now is a gradual strangling this project that has gone through years and years of community discussion, input, variations, charrettes, and by what's being proposed today, what does it mean in terms of the overall impact. Because I think what we're doing is that we're gradually strangling it and killing it and it is going to be dead. It's not going to be able to meet financial deadlines. So, I hope that you will allow the Department to have the time to come back and give us some realistic numbers with what we're dealing with and be sensitive to the many, many, many hundreds of people who have given community input and, you know, figure out where we are. This is a completely new game.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Sugimura. Okay, we're gonna be losing Ms. Wade at three o'clock. Pro-Temp Kama?

COUNCILMEMBER KAMA: Thank you, Chair. So, I just heard something that I probably didn't hear earlier was that Mr. Baz had asked that the Administration take a look at the proposals so that they could make comments to it. Are we open to the Administration doing that, Chair?

CHAIR RAWLINS-FERNANDEZ: The bid process closes on September 4th and it makes it more complicated if bids come in. So, this is...time is of the essence.

COUNCILMEMBER KAMA: I understand that.

CHAIR RAWLINS-FERNANDEZ: So, to answer your question, no.

COUNCILMEMBER KAMA: Okay. Thank you. Therefore, I must tell you that I am kind of like in a quandary because, you know, Wailuku is the heartbeat of this island and this is like the piko of this place. At least in my eyes it is. And we're talking about this little community that is suffering and it's dying, and we have the opportunity to resuscitate it and we're concerned that a long-term bond is going to kill us. Accepting that we've done long-term bonds over time and we do this all the time, so I'm not real sure as to what we're afraid of. I mean, we want our people to take risks in buying 2, 3, \$400,000 homes and we will support them, and we'll help them. And yet this little community is saying, hey, you know, do you think it's my time to shine for the rest of this island? Can you give me a chance? Can you help me? Can you strengthen me? So, Chair, as much as I support many other things that you do, for this one project, Chair, I cannot support this. But thank you very much for bringing it forward.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Pro-Temp Kama. I think you weren't at the meeting when I was describing the need and what the parking structure was actually designed for, which was for the civic center, which is likely not going to be built. So, it's not only about the size of the bond but it's about like, the actual need and where the needs are, and the need is providing our County

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

employees parking so that we, our County employees stop taking up the private sector municipal parking.

COUNCILMEMBER KAMA: You know what our County employees need, Chair? We need housing.

CHAIR RAWLINS-FERNANDEZ: That too.

COUNCILMEMBER KAMA: That's what they need.

CHAIR RAWLINS-FERNANDEZ: Exactly.

COUNCILMEMBER KAMA: It's more important.

CHAIR RAWLINS-FERNANDEZ: Totally on board with that. Mahalo, Pro-Temp Kama. Okay, we're going to be losing Member Sinenci real soon.

VICE-CHAIR KING: Call for the question.

COUNCILMEMBER MOLINA: Yeah, call for the question.

CHAIR RAWLINS-FERNANDEZ: Oh, okay. Is that what you were gonna say Member Molina? I know that's usually your line. Okay, so, all those in favor of the motion please say "aye."

COUNCILMEMBERS: Aye.

CHAIR RAWLINS-FERNANDEZ: All those opposed?

COUNCILMEMBER KAMA: No.

COUNCILMEMBER HOKAMA: No.

COUNCILMEMBER SUGIMURA: No. Roll call.

CHAIR RAWLINS-FERNANDEZ: Okay...okay, roll call, okay...Member...Member Molina?

COUNCILMEMBER MOLINA: Chairman, just for the record again, state the motion on the floor just to make sure everybody is...

CHAIR RAWLINS-FERNANDEZ: Okay, the motion is to adopt the amendments that was provided in the handouts distributed on Page 2 of that handout of the bond bill to amend the \$42 million to 27,766,312 with the description Phase 1A (Infrastructure Improvements) and Phase 1B (Two-level parking structure).

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

COUNCILMEMBER MOLINA: Okay, thank you. So, basically is reducing the scope of money, yeah, for the project?

CHAIR RAWLINS-FERNANDEZ: Yes.

COUNCILMEMBER MOLINA: Okay, thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Molina. Okay. So, all in favor of adopting the amendment to the bond bill...

UNIDENTIFIED SPEAKER: Roll call.

CHAIR RAWLINS-FERNANDEZ: Oh, okay, yeah, I did that already. Okay. Member Sinenci.

COUNCILMEMBER SINENCI: Aye.

CHAIR RAWLINS-FERNANDEZ: Member Molina.

COUNCILMEMBER MOLINA: Aye.

CHAIR RAWLINS-FERNANDEZ: Member Lee.

COUNCILMEMBER LEE: Aye.

CHAIR RAWLINS-FERNANDEZ: Chair King.

VICE-CHAIR KING: Aye.

CHAIR RAWLINS-FERNANDEZ: Member Hokama.

COUNCILMEMBER HOKAMA: No.

CHAIR RAWLINS-FERNANDEZ: Member Paltin.

COUNCILMEMBER PALTIN: Aye.

CHAIR RAWLINS-FERNANDEZ: Member Sugimura.

COUNCILMEMBER SUGIMURA: No.

CHAIR RAWLINS-FERNANDEZ: Pro-Temp Kama.

COUNCILMEMBER KAMA: No.

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

CHAIR RAWLINS-FERNANDEZ: And myself aye. I think that was a first time I've done a roll-call vote. Okay, so, we have six "ayes;" three "noes," Member Hokama, Member Sugimura, and Pro-Temp Kama. The motion passes.

VOTE: **AYES:** **Chair Rawlins-Fernandez, Vice-Chair King, and Councilmembers Lee, Molina, Paltin, and Sinenci.**

NOES: **Councilmembers Hokama, Kama, and Sugimura.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **None.**

MOTION CARRIED.

ACTION: **FIRST READING** of revised bill by C.R.

CHAIR RAWLINS-FERNANDEZ: Okay...mahalo, Member Sinenci, for hanging on there. Okay, so if there aren't any other questions or comments I'm gonna adjourn the meeting. Chair King?

VICE-CHAIR KING: Just a quick comment. I didn't want to prolong because I knew Mr. Sinenci had to leave but that there, you know, there's gonna be opportunity for the Mayor to review this before first reading and second reading? So it's not --

CHAIR RAWLINS-FERNANDEZ: Right.

VICE-CHAIR KING: --you know, it's not final today.

CHAIR RAWLINS-FERNANDEZ: Yes.

VICE-CHAIR KING: So, there is still opportunity. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo for pointing that, Chair King. Yeah, so it...this is just a recommendation to the full Council. It'll still need to pass the full Council with two readings. Okay, any other comments before...

MS. BOUTHILLIER (SPEAKING AWAY FROM MICROPHONE): Chair?

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

CHAIR RAWLINS-FERNANDEZ: Oh.

MS. BOUTHILLIER: Allow Staff to make non-substantive revisions.

CHAIR RAWLINS-FERNANDEZ: Oh, and then...that motion was to also allow Staff to make non-substantive changes, yeah, that was this.

UNIDENTIFIED SPEAKER: Yes.

CHAIR RAWLINS-FERNANDEZ: Okay, yeah, mahalo. No objections to that. Okay, it's 3:05 on--I'm sorry.

MS. BOUTHILLIER: Defer the item.

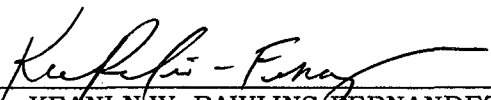
CHAIR RAWLINS-FERNANDEZ: To refer the item?

MS. BOUTHILLIER (SPEAKING AWAY FROM MICROPHONE): Defer the item as well. Your passing the bill and defer the item.

CHAIR RAWLINS-FERNANDEZ: Uh-huh. Okay and to defer the item. Okay, it's 3:05 on August 27th. The Economic Development and Budget Committee is now adjourned. ...*(gavel)*...

ADJOURN: 3:05 p.m.

APPROVED:



KEANI N.W. RAWLINS-FERNANDEZ, Chair
Economic Development and Budget Committee

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Transcribed by: Crystal Sakai

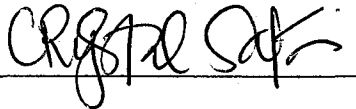
ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

August 27, 2019

CERTIFICATE

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

DATED the 23rd day of September, 2019, in Kahului, Hawaii

A handwritten signature in black ink, appearing to read 'Crystal Sakai', is written over a horizontal line.

Crystal Sakai