

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

MINUTES

April 1, 2020

Online Only via BlueJeans link

CONVENE: 9:07 a.m.

PRESENT: Councilmember Keani N.W. Rawlins-Fernandez, Chair
Councilmember Kelly Takaya 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: Shelly Espeleta, Legislative Analyst
Chester Carson, Legislative Analyst
Lesley Milner, Legislative Analyst
Kasie Apo Takayama, Legislative Analyst
Yvette Bouthillier, Committee Secretary

ADMIN.: Michael P. Victorino, Mayor
Michele M. Yoshimura, Budget Director, Office of the Mayor
Scott K. Teruya, Director, Department of Finance
May Anne A. Alibin, Deputy Director, Department of Finance
David Galazin, Deputy Corporation Counsel, Department of the Corporation Counsel

OTHERS: Danielle Bergan

PRESS: Akakū: Maui Community Television, Inc.

CHAIR RAWLINS-FERNANDEZ: . . . *(gavel)* . . . at 9:07 and I have a quick announcement. In light of some scheduling issues, Members will need to hand in their priority proposals by nine o'clock tomorrow morning instead of Friday by noon. April Fool's. Kidding. I'm kidding. That was a joke.

COUNCILMEMBER KAMA: Thank you.

CHAIR RAWLINS-FERNANDEZ: Okay. I thought we would just start off with a little humor. Okay. So, just to be clear, that was just an April Fool's joke. It's not due tomorrow at 9:00. Okay. We'll start with roll call. Okay? And a reminder to silence everyone's cell phones. Aloha kakahiaka, Committee Vice-Chair King.

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VICE-CHAIR KING: Aloha kakahiaka, Chair. I'm going to disappear for just a second and go get my big budget books and I'll be right back. Aloha.

CHAIR RAWLINS-FERNANDEZ: Okay. Aloha. Member Shane Sinenci.

COUNCILMEMBER SINENCI: Aloha kakahiaka, Chair.

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

COUNCILMEMBER MOLINA: Aloha kakahiaka, Madam Chair, and blessings to you and my colleagues from beautiful and sunny Makawao.

CHAIR RAWLINS-FERNANDEZ: Oh, sunny. Aloha kakahiaka and blessings to you. Chair Lee, Chair Alice Lee. Oh, wait, hold on. We got to unmute you. Okay. Go ahead.

COUNCILMEMBER LEE: Okay.

CHAIR RAWLINS-FERNANDEZ: Chair Alice Lee.

COUNCILMEMBER LEE: Madam Chair, thank you. Madam Chair, I send you greetings from glorious Wailuku, and the words for today are günaydin. Günaydin, just in case when the ban lifts you go to, and you travel to Istanbul. Günaydin.

CHAIR RAWLINS-FERNANDEZ: Günaydin. I'm probably slaughtering it, but good morning to you. Member Riki Hokama.

COUNCILMEMBER HOKAMA: Good morning, Chair.

CHAIR RAWLINS-FERNANDEZ: Good morning. Member Tamara Paltin.

COUNCILMEMBER PALTIN: Aloha kakahiaka kakou from Napili.

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

COUNCILMEMBER SUGIMURA: Good morning. From my balcony I can see beautiful isthmus Kahului. Good morning, everybody.

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

COUNCILMEMBER KAMA: Aloha kakahiaka, Chair.

CHAIR RAWLINS-FERNANDEZ: Aloha kakahiaka. So, after this, we will get Pro Temp Kama's video going. We'll take a short recess momentarily to get the video up. Mahalo everyone for joining us. And from Corporation Counsel we have Deputy Corporation Counsel, David Galazin.

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MR. GALAZIN: Good morning, everyone.

CHAIR RAWLINS-FERNANDEZ: Good morning. And from the Office of the Mayor, Budget Director, Michele Yoshimura; Director of Finance, Scott Teruya; and Deputy Director of Finance, May Anne Alibin; as well as Mayor Mike Victorino. We have Committee Staff, Committee Secretary, Yvette Bouthillier, and Legislative Analysts, Shelly Espeleta, Chester Carson, Lesley Milner and Kasie Apo Takayama. We have one item on today's agenda, EDB-1 Proposed Fiscal Year 2021 Budget for the County of Maui. And before we begin with testimony, I would like to allow Mayor Victorino to open up with comments. He has to leave for a 9:30 meeting so, if there are no objections, that's how I would like to proceed, before public testimony.

COUNCILMEMBERS: No objections.

CHAIR RAWLINS-FERNANDEZ: Mahalo. Mahalo, Members. Okay? Mayor Victorino? Maybe you're on mute. Okay. Let me see. Okay. Mayor Victorino?

MAYOR VICTORINO: Thought I'd begin by . . .

CHAIR RAWLINS-FERNANDEZ: Okay, here we go. I unmuted you.

MAYOR VICTORINO: Thank you very much. Mahalo. Aloha to everyone and aloha to all the people of Maui County. You know, we are in extraordinary times. I've said that many times and I continue to say the same message. We are at a point where, now, we have now basically shut down the State except for essential travel. As you all saw from Mayors and the Governor have agreed that this is unprecedented but we need to do this. Right now, our concern is our tri-island County. No other County faces the same challenges as we do. Mainly because we have essential workers, first responders, healthcare providers, firefighters, and others, police and others, that need to traverse our islands. They need to get there. Yesterday, some of you may be aware of the ferry shutdown except for maybe Mondays and Fridays and he's not even certain if he can do that. One trip a day to Lānaʻi. Our airlines, I've been in contact and working with Peter Ingram from Hawaiian Airlines, and they have told me that Molokai and Lānaʻi will have two flights a day. One, maybe in the mid-morning or early part of the morning, and one in the afternoon. That's all they're going to provide for Molokai and Lānaʻi. This will put a tremendous strain on our people, our residents, our workforce, and most importantly, for essential services such as testing that needs to be flown to Honolulu. These are areas that are very concerning and I am working with the Governor, Peter Ingram, also, Mokulele and Makani Air. Makani Air's response to me is, if we don't have seven passengers, we don't run. Not very helpful in that respect but I'll be working on that. Mokulele, on the other hand, is more receptive and wanting to help us to augment where and how they can. But they are losing their shirts. And again, they understand, it's a humanistic part of this equation that I'm looking at. We need to take care of our residents in our outlying districts. You know, Hana we shut the road down to tourists and in that area and we continue to leave the sign up. I am going to talk with the Governor, because the Governor has asked to take it down. I don't think it's time yet. There's many things I don't believe

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it's time, right now. But I will work very diligently and I have assured the Chair, Madam Chair, Alice Lee, that I've told her that I will keep her informed as much as possible and she is free to share what is not confidential to all of you. And that way we can keep abreast together. We are asking people to stay home. Work from home. We are demonstrating that right now, live. But we need to continue to press the people to do that. We know with these reduced flights very little tourists come in. The day before yesterday we had 18 visitors. And I can tell you, they're not going to the hotels. You know what most of these visitors are doing? They're going to timeshares and other short-term rentals. Hotels are shut down. Fourteen of our hotels have been shut down or will be shut down before the end of this week. So, I want to continue to support them in areas that we will talk about a little bit later. Right now, all three islands are going to be serviced by Young Brothers. There is no change. I repeat, no change, in their scheduling. And I know for a fact, I've been in contact with them, they are trying to do their best to make sure whatever needs to arrive on your island, Lānaʻi and Molokai, is put on the boat and sent. So, now we are going to have to work with businesses to make them understand they cannot wait until next week. If something needs to get there, get it there quickly. We are working right now, also, with programs, and you've seen it in the newspaper, but we are working on many other programs that will help our residents who are unemployed. We have well over 7,000 right now in Maui County and growing each and every day. So, it's really my responsibility, like yours, government's responsibility, to react as quickly and as succinct as possible. And I'm asking everybody to please help. I'm very proud of this island, and this community, and the County itself that we have many, many volunteers that have stepped up to the plate. Member King just mentioned about making facemasks. We have many people that stepped up and the hospital, as you saw in the paper this morning, has now allowed their medical staff to wear facemasks even if it's homemade. And I think, if you listened to Josh Green last night, who is a doctor, he said facemasks are better than nothing at all. So, we need to continue to press that issue. Social distancing, another area we all need to work together to continue to promote, ask the public. I've clarified about beaches. I've shut down our golf courses and I was chastised for that. But now Honolulu is doing the same thing. All private courses are shut down. I've shut down many of our facilities weeks ago and I was criticized for that. Today, it's a reality all around. I continue to provide all the necessary restrooms, sanitizing stations, showers, in our beach parks without putting our employees in harm ways, cleaning the beach park restrooms. We have worked very tirelessly to make that happen and I believe those who have asked me, we have accommodated them in every area. But we continue to have vandalism. We continue to have challenges of people damaging our parks. I don't know if it's a retaliation about having too many homeless and they can't use the parks. I'm not sure what is happening right now. But we are preventing gatherings as much as possible, following both the World Health Organization, CDC, and the State Department of Health. All of them. I was up to two o'clock this morning watching the world report from the World Health Organization. They give you great information. But it's coming in early morning eastern time in the east and we are, have to be up at like two o'clock in the morning to get that kind of information. That's okay. That's my realm and I continue to work hard in that area. I want to thank some of the real big partners that have come up. Pukalani Superette and Sysco Hawai'i along with the County, gave out 300

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produce bags on Monday. And I was very proud of what happened. Yeah, there was some traffic jams, and, you know, everything is not going to be perfect, but the vast majority of the Upcountry people were the benefactors. We are looking at other areas throughout the County. Potential, we are going to do West Maui and South Maui. We are looking even Hana, if possible, but, you know, the problem is getting the produce, packing it up in big trucks and driving it out there. That makes it logistically difficult, maybe almost impossible. And Molokai and Lānaʻi, it's really, really, really difficult. Because how do you, you can't get trucks to drive in. You got to load them up in Young Brothers but that means shipping it to Honolulu and then shipping it back to those various islands. So, I will do that as much as I can with as many communities as I can. Again, there are logistical problems. You know, we are committed to our farmers, so, all the farmers of Maui County, Molokai, Lānaʻi and Maui itself. We will be working with them to buy produce to distribute amongst the needy, the unemployed, those families who are really desperately in need of our help. Those 7,000 people, as I said many times, worked hard, paid their bills, were a part of this community, and now they need help. So, we got to address that and address that as quickly as possible. With all that being said, I'm proud of this community. We're not perfect. I can tell you, right now, I'm on the radio. I'm out there meeting via teleconferencing and videoconferencing, all kinds of groups to make sure I understand their needs and how we can address them. Some of that will be coming down. I'm going to be calling for another emergency meeting so that not only can I update you to show you some of the residual effects of some of the monies we've spent and where we need to go. I'll close with this. Our quarantine station, now set up for at least five or couples, we have five, you know, pods that we can use right now for our quarantine. Right now, we have four in quarantine at this time. And so, we have one open. So, we're working very diligently to look for places here in Maui County. Whether they're closed hotels, some of our facilities, say like the War Memorial Gym, or wherever we can find somewhere that we can, in case there's a spike, we will be ready for it. We have had donations from the hotels for rollaway beds, blankets, towels, all kinds of linen. So, we have so many great partners out there. And I want to thank you, the Council, for everything you do because this is unprecedented. None of us could see this coming. And I would lead me right into the budget by not seeing what was coming. You know, when I set this budget, it was pretty much ready by March 1st. But I saw the things developing and so, then, I had to make changes. So, like I said in my opening speech, when we talked about this, this budget was built to make and to support our residents and make it a stronger community to provide all the services that we can to keep it healthy and safe for all of our residents. And to support our economy because we know it's taking a beating right now. We face uncertainty, as I mentioned early. COVID-19, will it last two months, will it last six months, will it last a year, nobody, medical experts are all over that with this. But the impact for the economy will last us at least to the second quarter. At minimum, the second quarter of 2021. So, we made adjustments by making sure that our landfill wouldn't increase their rates. Water, others, that all of our fees were kept at the same as last year. And we went through certain categories of real property, and their rates were reduced appropriately, like owner-occupant, which is the vast majority of our residents who own their own homes, who struggle, are struggling right now. And so, there is many areas that I ask you to really consider. The other area that I ask you to consider is the

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number of people, especially our department heads and our supervisors. Yes, I know you need them. Yes, I know you want to question them. Yes, you want to understand their operations and I think many of you did that before we started this downturn. But I need them too. And there are times when, on a dime, things change and I need to work. So, if they're not there available to you, please forgive me and forgive them because there are times when things are changing and I need them available to work with us. This is so important. And, you know, I'll close with this. Our commitment is to maintain our police, fire, refuse, landfill, sewer, wastewater, all our essential services. I am also trying to make sure everybody does a job, even when working from home, they're doing essential services for us. This is very important. Again, no rate increases in water, sewer, refuse collection, landfill tipping fees. No increases throughout our departments. We are deferring, or we are allowing no late fees. We are not charging any convenience fees for people paying their bills online. We have tried all of this to help people during these difficult times. Remember, we are here, we are preparing for now by making sure we have a future, that we have all kinds of contingency plans that come and go, that change because of how severe or how lucky we may be as far as this pandemic. Again, if you saw the news this morning, Dr. Alan Katz, from, an epidemiologist, said, we are fortunate because we are islands. We are separated. We don't have mass concentrations of people. Social gathering [sic] is the best method right now until they find a serum or a medicine that can treat this. Social distancing, good hygiene, and just trying to do what is right, and working together is really key. When I say work together, I use this term. We shared, in the old days, when I had a bunch of bananas, we cut the fingers and shared with our neighbors and our families. And if you got that, do that. Share what you have if you have more than you need. That won't spoil. That's one of the things many of these food drives are all about. They've got supplies for the restaurants and hotels that have closed. They are giving a lot of that to us to give to the people, to the Food Bank, to Ka Hale A Ke Ola, to Hale Kau Kau. I will close by saying thank you, once again. First and foremost, for me, department priorities is addressing COVID-19. And I am sorry if that offends you. Please, forgive me, but I have to keep that top of mind for right now and maybe into the immediate future. I am not certain how things will pan out. But I continue to listen, work with everybody as best I can. Do I have answers for every question? I wish I did. But I am planning so many programs and I am glad I have a great team and I have a great Council that supports the people of Maui County. Mahalo and God bless you all.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Mayor Victorino.

MAYOR VICTORINO: Should I answer questions or no?

CHAIR RAWLINS-FERNANDEZ: Mayor, I have --

MAYOR VICTORINO: Yes?

CHAIR RAWLINS-FERNANDEZ: --a quick question. Mahalo for your . . . your office has been really responsive to a lot of our questions and I wanted to thank you for that. And thank you for your immediate response to those that are at Kanaha Beach Park for

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providing additional ADA accessible Porta Potties. Would you consider opening restaurants in the necessary areas to help those, our growing houseless population?

MAYOR VICTORINO: Not until I have the proper PPEs for our staff. Right now, most of our PPEs are moving for our essential services, our emergency responders, police, fire, all of that, and our medical staff. They are critically short. So, I have to move it towards that. You know, I have 7,000 people that are out of work would like to use our parks too. They call all the time. We can't open them because I cannot guarantee the safety of our workers and the safety to the public. So, until then, and only then, will I consider opening any essential park. That's what I've done. It's so much easier to clean a Porta-Potti because they really don't have to get in there and scrub. They can shoot it down, sanitize it, clean it out, pump it out, and it's ready. And so, this is my method. And we put sanitizing stations to them to wash their hands. We put it next to our showers or close to where the showers are in many of our beach parks. So, they are able to take showers. You know, we've tried everything possible. I got to protect, not only our homeless, but our workers and the public at large.

CHAIR RAWLINS-FERNANDEZ: Mahalo. Vice-Chair King?

VICE-CHAIR KING: Aloha, Mr. Mayor. Thank you for your opening words. I wanted to ask a couple of things. One of the things I wanted to make a point of is, I am not sure what you're talking about with confidential information. But I think that all Councilmembers need to be made aware of anything because we all represent our constituency across the County and this was an issue with the cameras, even in the Chambers, which was a public safety issue and Councilmembers felt like everyone, all the Councilmembers, should be informed of it, not just the Chair. So, I wanted to make that point. Also, we have people stepping forward from the community who are offering to help with things like cleaning restrooms. And who should those offers be directed to in your Administration? We have, I was contacted by Representative Wildberger and the person who is cleaning the restrooms at the harbors has offered to do the public park restrooms in South Maui as well. And I didn't know who to direct that to. I sent an e-mail to Sandy Baz about it but, if you have somebody directly that, who could handle those kinds of offers from the public, so that we can continue this public-private partnership in the spirit of all being in this together.

CHAIR RAWLINS-FERNANDEZ: Mayor?

VICE-CHAIR KING: Was he able to hear that?

MAYOR VICTORINO: Thank you for muting me, Madam Chair. Let me say, first of all, as far as volunteers to clean parks. I would ask that they sign waivers that we will not be held liable. If they want to do it, yes, we can accommodate them. They have to, also, demonstrate they know what they're doing. Because I'm not just going to let anybody go clean the park and do a half-ass job and then, all of a sudden, excuse me, we have people that are sick, you know. So, that's very, very important. As far as volunteers are concerned, I welcome them. But we have coordinated and made sure we work

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methodically to make it right for the people because one mistake could be very costly for this County. Secondly, your other question about confidentiality.

VICE-CHAIR KING: Excuse me, Mr. Mayor.

MAYOR VICTORINO: Confidentiality . . . let me finish please, Madam, Ms. King. Let me say, confidentiality is when businesses or other agencies say we cannot report this at this time because they have to confirm it. They have to make sure it's accurate. And we have to make sure this information is accurate. They have, and you've seen the mistakes that sometimes agencies make by reporting a death that wasn't related and saying it was, and then they have to change it. So, we have to be careful. We are here to provide accurate information, not speculation, not rumors, not innuendos, but accurate information. And sometimes we have to wait for confirmation. So, I may know something, but I cannot tell you yet until it's confirmed. Once it's confirmed, and we have accurate information, I have shared it with all of you and I continue to share it with the public.

VICE-CHAIR KING: Okay. Thank you for that. Who in your Administration should we contact for volunteer contacts?

CHAIR RAWLINS-FERNANDEZ: Vice-Chair King, I'm going to ask . . .

VICE-CHAIR KING: I'm sorry.

CHAIR RAWLINS-FERNANDEZ: The Mayor has to leave so, I'm sorry, I wanted to quickly go through all the Councilmembers so everyone has one . . .

MAYOR VICTORINO: To answer that question, Chair Rawlins-Fernandez, it would be Sandy. But he's been out because he's been taking care of the funeral for his mother-in-law. He'll be back tomorrow and so, when he comes back, he'll be more . . . (*inaudible*) . . . Right now, Josiah Nishita, the Deputy, has been taking on a lot of that, but he has many other chores too, so, it's a priority thing. So, please forgive us. But we will take it on when he returns tomorrow. We'll work on it.

VICE-CHAIR KING: Okay. Thank you very much.

CHAIR RAWLINS-FERNANDEZ: Vice-Chair King, Member Sinenci?

COUNCILMEMBER SINENCI: Thank you, Chair, and mahalo, Mayor, for the update. Here, as you stated, Sysco and the Hana Health is currently helping to pass out those fresh produce, specifically to our kupuna, as well as our community, so our non-profits have definitely stepped up to help with our elderly population so, we just wanted to mahalo your updates and to keep us abreast of the current situation. So again, mahalo nui.

MAYOR VICTORINO: Mahalo.

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

COUNCILMEMBER MOLINA: Yes, thank you, Madam Chair. Good morning, Mr. Mayor, and thank you for the update and appreciate all of your hard work. I've had constituents call me about the situation where the stay-at-home policy emergency declaration. At what point could there be the possibility of you shutting down the County Building? Because, as you noticed, there's some of us working in the Chambers, some of us working in the offices, and I believe your declaration is recommending that everyone, possibly including us, stay at home. You have any sense of what it would take you to possibly close off the County Building, if that need arises?

MAYOR VICTORINO: Right now, a good number of people, as you can, and if you walk around the County building, if you do, is not . . . are working from home. We've asked as many people as possible. But there are some essential services that need to be continued right here in the County Building. We are not allowing the public to come in. There is no personal interaction. We are adhering to the six foot as much as possible. If you ride the elevator there are three squares. Only three people allowed in our elevator at any given time. We've looked at . . . so, we are trying very diligently. To shut down the County Building would make it very difficult for people who have questions. We field a hundred-plus questions every day from the Mayor's Office. Okay? That's difficult to put lines all over the place for people to be answering. But even my staff is bare bone and they use social distancing everywhere, at all times. It is something that I have really, really pushed. Most of my communication is like this, with department heads and others, telecommunication. We had our last gathering Monday. Now, it's down to just whoever is around in the building and everybody else calls in. So, to answer your question, Member Molina, we are doing everything possible but, at this time, I don't see a reason to shut down the building in the sense of the workers that need to be here. We are trying our best. I've asked other businesses do their best. But there are delivery services, there are take-out services, there are many services you got to have some people there. You got to do what you need to do. So, I ask everybody to use common sense. Use respect. Use the fact that what you do can impact someone else even when you go shopping. Use masks. You know, I think that's becoming a big trend now, having everybody wear masks. Even Josh Green, our Lieutenant Governor, said a mask on is better than no mask at all. Thank you.

COUNCILMEMBER MOLINA: Thank you very much, Mr. Mayor. You get any extra masks for us?

MAYOR VICTORINO: If I did I would, I am already critically short for our essential services, like our Parks and Recreation. So, we are working hard through some different channels to get masks in. So, when we get them, I want to take care of our emergency personnel, our, any medical, I am sharing with all our medical facilities, if I have to share, and to share with the people like our Parks and Recreation and others that have to go out there and do essential services.

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COUNCILMEMBER MOLINA: Thank you very much, Mr. Mayor. Appreciate your hard work. I know you got many challenges to deal with this COVID-19 as everybody else in the country does too. So, thank you.

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

MAYOR VICTORINO: You're welcome. Thank you. If I don't see any more --

COUNCILMEMBER LEE: Mayor?

MAYOR VICTORINO: --if you would allow me . . . yeah. Okay. I mean I need to go to my meeting, but, okay, go ahead.

COUNCILMEMBER LEE: Mayor, I just wanted to clarify and confirm what you said that you are correct when you call me in for certain meetings, it's to let me know what's being considered. And, oftentimes, information is not even confirmed until the next day or possibly several days after our conversation. You always, always provide us and the public with press releases as soon as information is confirmed by the Federal government, the State government, and other agencies. So, I just want to clarify that. Because you have been very, very careful about not giving us false or incorrect information. And that's very important. And that comment about secret security cameras in the Chambers, do not even rise to the level of a world-wide crisis that we are in. So, Mr. Mayor, before you go to your meeting, I just want to say thank you very much for all of your efforts. Thank you.

MAYOR VICTORINO: You're welcome, and thank you all. You guys are doing a great job and I appreciate it. And I'll close with this one statement. Please, please, please look at the budget. What I put in there, is what we believe we need to work to keep this County vibrant, to keep it alive and to come out of this pandemic as quickly as possible. That was what that budget was all about. If you have specific questions, and I would like to ask you, Madam Chair, I'm talking Madam Chair Lee, to, if we could provide me a Tuesday, Thursday morning come in, a quick ten-minute update so that the public and you see it together as a group. And so, I would like to ask that, so if you can, and, Chair Rawlins, if you would, Fernandez, would allow that, I would be greatly appreciated. I don't want to butt in your time and for me time is valuable. But I would like to keep you and the community abreast at the changes that are occurring quite rapidly. So, you let me know. Aloha, everyone. God bless you. Stay safe. Stay healthy. And to the people of Maui County, practice social distancing, practice good hygiene, practice everything you hear because it is the way we can come out of this Maui strong. Aloha.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Mayor, and we will get back to you about your request on having twice-a-week updates for us. And I'm sorry to the Members who weren't able to ask questions. The next time the Mayor asks, you know, to do an update, I'll be sure to start with you first, and then give everyone an opportunity after that. Okay. So . . . okay. Mahalo, Member Paltin. So, I would like to take a quick

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recess to try to figure out how we can get Pro Temp Kama's video working. Are there any objections to us doing that?

COUNCILMEMBERS: No objections.

COUNCILMEMBER KAMA: Thank you, Chair.

CHAIR RAWLINS-FERNANDEZ: So, we're going to take a recess at the call of the Chair. It's 9:40 on April 1st and the Economic Development and Budget Committee is in recess. . . . *(gavel)* . . .

RECESS: 9:40 a.m.
RECONVENE: 9:49 a.m.

CHAIR RAWLINS-FERNANDEZ: . . . *(gavel)* . . . Will the Economic Development and Budget Committee please return to order. It's 9:49 on April 1st. And thank you for that recess, Members. And thank you to the public for their patience as we experience this learning curve of working remotely. It's definitely a process and a transition for everyone, but I appreciate everyone's patience and understanding. And we have Pro Temp Kama on with us now. Aloha kakahiaka.

COUNCILMEMBER KAMA: Aloha kakahiaka, Chair, again.

CHAIR RAWLINS-FERNANDEZ: Okay. We'll go into public testimony now. Okay. Oral testimony via phone and teleconference will be accepted. Testifiers wanting to provide video testimony should have joined the online meeting via the BlueJeans meeting link, bluejeans.com/597785199, as noted in today's agenda. Testifiers wanting to provide audio testimony should have participated via phone conference by dialing 1-408-317-9253, and entering meeting code 597785199, also noted on today's agenda. Written testimony is highly encouraged by sending your comments to edb.committee@mauicounty.us. Oral testimony is limited to three minutes. If you are still testifying beyond that time, I will kindly ask you to complete your testimony. When testifying, please state your name and the agenda item . . . well, it will be EDB-1. That's the agenda item moving forward. If you are testifying on behalf of an organization or are a paid lobbyist, please inform the Committee. Participants who wish to view the meeting only, without providing testimony, please view a live cablecast on Akaka-ū, Channel 53. You can also visit mauicounty.us/agendas to access live and archived meeting videos. For up to the date information please visit www.mauicounty.us. I remind the Members, Administration and the public to please be patient with us as we continue to navigate through these uncharted waters that are subject to change at a moment's notice. And, Members, I'll now proceed with oral testimony. Staff has been monitoring people joining today's meeting by phone and by video and we will do our best to take each person up in an orderly fashion. Okay. I didn't pull up the . . . one moment. Our first testifier we have signed up is Danielle Bergan. So, will you please, Ms. Bergan, unmute yourself and you can proceed with testimony. Ms. Bergan? Okay. And then I will check . . . and then we have received written testimony. Okay, so, I guess we, there's no other, no one else signed up for

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oral testimony. And it looks like . . . oh, okay. Ms. Bergan just ended her participation in the videoconferencing. Okay. So, I will end oral testimony there and then we received written testimony from two people. Mr. Steve Goldsmith dated March 16th and Richard Dulcich dated March 29th. And you can find testimony from both of them on Granicus. Okay. Members, if there are no objections, I will now close public testimony.

COUNCILMEMBERS: No objections.

**ITEM 1: PROPOSED FISCAL YEAR 2021 BUDGET FOR THE COUNTY
OF MAUI (CC 20-56 and CC 20-114)**

CHAIR RAWLINS-FERNANDEZ: Mahalo. Okay. So, on our agenda today we have EDB-1 Proposed Fiscal Year 2021 Budget for the County of Maui and we have presentations, three PowerPoint presentations, that are in Granicus. So, if you could bring those up. Please let me know if you were unable to access those presentations. Did anyone have any problems getting the three PowerPoint presentations for today? Okay, seeing that no one had any problems and I . . . oh, Member Paltin?

COUNCILMEMBER PALTIN: I just was wondering if you could mention is it the . . . what are the titles of the presentations?

CHAIR RAWLINS-FERNANDEZ: Okay. We have presentation from Budget, from the Budget Office, and that will be the first one that we will be seeing. And that's the Budget Overview. And it's dated 3-31-2020. So, presentation Budget Office 03-31-2020.

COUNCILMEMBER PALTIN: Okay. Let me, I'm going to have to refresh because I'm not seeing it.

CHAIR RAWLINS-FERNANDEZ: Okay.

COUNCILMEMBER LEE: Me too.

CHAIR RAWLINS-FERNANDEZ: Okay.

COUNCILMEMBER PALTIN: It's not. . . okay, I see presentation from Budget Office 3-31-2020 and then what was the second one called?

CHAIR RAWLINS-FERNANDEZ: I have to find it too. Ms. Yoshimura, are they all in one?

VICE-CHAIR KING: Chair, is that the one dated April 1st? When you click on it, the presentation is actually dated April 1st?

CHAIR RAWLINS-FERNANDEZ: Oh, the presentation of the overview of the budget?

VICE-CHAIR KING: I think the presentation is actually dated April 1st.

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CHAIR RAWLINS-FERNANDEZ: Yeah, it's on the presentation itself, it says April 1st, but the title in Granicus is 3-31-2020. Okay. Did everyone find it?

COUNCILMEMBER PALTIN: it's a little slow over here, so, I'm just . . . it's downloading, but it's slow. . . in a few minutes.

CHAIR RAWLINS-FERNANDEZ: Okay.

COUNCILMEMBER LEE: So, Madam Chair, --

CHAIR RAWLINS-FERNANDEZ: Chair Lee?

COUNCILMEMBER LEE: --it looks like the three, the three are in one.

CHAIR RAWLINS-FERNANDEZ: Yeah.

COUNCILMEMBER LEE: Right? Okay. Fifty-one pages.

CHAIR RAWLINS-FERNANDEZ: Okay.

COUNCILMEMBER PALTIN: Okay. Mine came out. Thank you.

CHAIR RAWLINS-FERNANDEZ: Okay, you got it. Okay. So, it sounds like everyone's gotten it.

COUNCILMEMBER LEE: Yeah.

CHAIR RAWLINS-FERNANDEZ: It's called the Presentation from the Budget Office and the three presentations, the three presentations that we'll receive today are all in this one file. So, we'll get started. Okay? Okay. Budget Director Yoshimura, will you please provide us your opening comments and the presentation on the Budget FY 2021 Budget Overview. Okay, you're unmuted. Okay.

MS. YOSHIMURA: Sorry.

CHAIR RAWLINS-FERNANDEZ: Sorry. You were on mute but you're not on mute anymore.

BUDGET OVERVIEW

MS. YOSHIMURA: Okay. Thank you. So, thank you, Chair. Good morning, Members. For the Fiscal Year 2021 Budget, as Mayor stated, we began our planning process back in August. And the departments have been working to put together their requests to continue their operations and to provide the services that they need for each . . . for one fiscal year. So, and to make sure we are all using the same documents, we have transmitted to you the budget proposal which we'll refer to, the department's will refer

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to this book as the program book. This book will contain the departments' narratives, their objectives, goals and measures, as well as every CIP project that is requested for funding for Fiscal 2021. We also transmitted to you a Budget Details. So, the departments will work off of this to answer any questions that you will have on any details. So, this document contains their operating budget, salaried operations and equipment . . . and, I think, we had a question as to the salaries that are in here that's been redacted. Collective bargaining agreement restricted us from providing exact salaries or the salaries per position. So, we have given you a, each position without the salaries listed but a total of the salaries that is required for that program. We have also, and we'll share with you our PowerPoint. So, we have provided the Fiscal Year 2021 Budget bills which you should all have and this is what's required to be approved at the end of your deliberation process. The Operating Budget which is \$869,834,609. That budget consists of your estimated revenues, operating expenditures and your capital improvement projects. The General Budget provisions, we will be discussing this at the latter part of this meeting, and that gives us general guidelines on how we operate and how we move along with our budget implementation. Appendix A-I is Grants and Restricted Use Revenues. Those are all the anticipated grants that we get from either the Federal, State or outside sources. These are all estimated amounts. And, of course, once we get the award we do provide notification to the Council. Appendix A-II is the Special Purpose Revenues. Special Purpose Revenues are derived by funds that are created or established by Code, such as the Emergency Fund, Affordable Housing Fund, and various funds that are in there for a specific purpose or specific use. Appendix B is the Rates and Fees. This year we did not give you a Ramseyer version, only because the only changes we made was in the real property tax area. So, we will be sending Page 40, sorry, we will be sending you Page 10 in Ramseyer format later on this afternoon. But the rest of the document there is no changes to any rates or fees from Fiscal Year '20 to Fiscal Year '21. Appendix B-I is the Concession/Lease/License Schedule, and Appendix C is the Capital Improvement Projects. Each project is listed with a description and the use of the funds that are being requested. You also got a Capital Program Bill which outlines the current, Fiscal Year '21 projects as well as a six year . . . five years moving forward. You also got a . . . included in that is the Capital Improvements Project Report that gives you the status, the financial status, I should say, as of December 31st. And, also, in there is Appendix A-II which is the Water Department's CIP projects. You also got the Bond Authorization Bill. The Bond Authorization Bill would authorize the bond projects to be floated. The Lapsed Fund Proceeds, we do have some projects that had excess bond funding so we are re-appropriating those monies to other projects. The State Revolving Fund Bill is for the Department of Environmental Management Wastewater Section. They are requesting \$13 million from the State Revolving Fund. The Vehicle Disposal Fund is a new fund that we would like to have established and that would be to deposit all the fees from that \$25 vehicle disposal fee that has been assessed on all vehicle registrations. So, this is a new fund that we would like to establish so that we can dedicate the, or restrict the use of the money to vehicle disposals. We also included a Fuel Tax Resolution. There's no proposed changes to the fuel tax but, each year, a Fuel Tax Resolution has to be adopted. And the last Bill is to amend Chapter 2.44.015, Maui County Code, relating to the salaries of deputies in both Corporation Counsel and Prosecuting

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Attorney offices. So, this is a page out of the Program Budget. This chart shows you \$973 million in total for the County budget. It's broken down into three areas where County Funds, Revolving Funds and the Grant Revenue Funds. The County Funds' operating budget is \$704,223,280. And then we have all of the Special Funds. And the Special Funds, Golf Fund, EP&S Fund, Liquor Fund, Highway Fund, Sewer Fund, Solid Waste Management Fund and the Water Supply Fund all have restricted uses. Also included in here is the Capital Improvement Projects broken down by Funds and by Department. We are requesting \$165 million in capital improvement projects. . . . *(inaudible)* . . . Okay, so, the revenue, these two charts will show you the different sources of revenue. The County Source . . . the first graph will break down the \$869.8 million by funds. So, as you can see the General Fund is the majority of the revenue for the County. The Special Revenue Funds, in the upper left corner, you'll see the different breakdown of the funds, and then the Enterprise Fund is, of course, the Water Supply Fund. The graph to the right, that's the Total Resources by Revenue Source; so it breaks down by the type of revenue we collect, like real property tax, public service company tax, TAT. So, again, real property tax does make up the majority of the fund resources. Okay, the next graph is the Expenditures. And the Expenditures are broken down by character type. One of the larger expenses for the County is the salaries and wages which is 23.6 percent of the total budget. Operations is 26.5 percent and capital projects is 19 percent. So, this will give you some idea of how the County funds are being expended in Fiscal 2021. This next graph will show you the Functional Areas and it's broken down by Public Safety, Sanitation, Social Welfare, Water Supply, amount for Capital Projects, Culture and Recreation, General Government, Highways, and Legislative. Each Functional Area is defined to the right of the pie chart. Equivalent Personnel, so Equivalent Personnel is all of our employees and one Equivalent Personnel is equal to 2,080 hours. So, one E/P does not necessarily mean that it's one person. One E/P could be two people, could be four people, depending on the number of hours they work. So, majority of the Equivalent Personnel are in the General Fund category of 72.3 percent. And the chart to the right will show you which Functional Area and, as you can see, Public Safety, that's where the majority of the employees are at 37 percent. And this is another chart of the Equivalent Personnel. Chair, that kind of wraps up our, my presentation on the Budget Overview. Department of Finance will be giving you the overview of how we estimated revenues and our Countywide Costs. Did you want to do questions now or do you want to hold off until after Finance gives their presentation?

CHAIR RAWLINS-FERNANDEZ: Mahalo, Budget Director. We're going to have the presentations all done and then I'll take questions after all the presentations are completed.

MS. YOSHIMURA: Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo for that presentation. And then, Deputy Director Alibin?

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DEPARTMENT OF FINANCE
(FY 2021 BUDGET ESTIMATED REVENUES)

MS. ALIBIN: Good morning, Chair, and Members. Before I go over the presentation, I just want to provide an overall, overview on the revenue assumptions for the upcoming fiscal year. So, typically, when formulating the projected revenues in a normal given year, the assumptions are normally based on actual revenue collected in the prior years, mid-year actuals and projected rate increase. However, as Mayor mentioned earlier, and as the Budget Director also mentioned, when the Finance Department and Budget Office were finalizing the Fiscal Year 2021 revenue estimates, the issues regarding the COVID-19 pandemic developed gradually. Our forecasted revenues for Fiscal Year 2021 looked at post-9/11 and financial crisis in 2008 as our reference point. We do understand that any data is helpful; however, we are aware that this moment may also differ greatly from what had happened in those events. Because of the uncertainty due to the COVID-19 outbreak, we are watching this crisis closely as far as how it impacts our revenues and operations, and we took a best stab on our revenue projections for the proposed fiscal year. Should the crisis last longer than anticipated, by stemming out by end of this fiscal year, or even, you know, within this fiscal year, and if our revenues start to fall short of our projections, we will be making the required adjustments to maintain a balanced budget. So, the total Fiscal Year 2021 estimated revenues from County sources is 869.8 million and major sources include General Fund, Highway Fund, Sewer Fund, Solid Waste and Water Supply. So, this is an increase of 46.4 million or 5.6 percent from the prior adopted budget. Without the Bond/Lapsed Bond Proceeds, the total Fiscal Year 2021 estimated revenue is 784.2 million, which is an increase of 46.4 million or 6.3 percent. The estimates that I'll be presenting in the next slides exclude revenue derived from the Bond and Lapsed Bond Fund and may vary from the other charts and tables presented in the other sections of the Fiscal Year 2021 Proposed Program Budget Book. As stated on Page 77 of the Program Budget Book, the General Fund is the main operating fund of the County. The estimated revenues of 500.6 million or 63.8 percent of the total estimates revenues from County funds. This is an increase of 30.9 million from the prior year and the major revenue sources include real property tax, TAT, and the public service company tax. This chart is also shown on Page 77 of the Program Book. The estimated real property tax revenue for Fiscal Year 2020 is based on the projected certified values of real property of approximately 54.9 billion, which is up 7.21 percent from prior year of 51.2 billion. The real property tax revenues is the result of new land and building inventories and increase in real estate prices. These values were established analyzing the sales that occurred between July 1, 2018 and June 30, 2019. For Fiscal Year 2021, the estimated revenues on the proposed real property taxes is 375.5 million, which represents 75 percent of the General Fund revenues and 47.9 percent of all County revenues. The Fiscal Year 2021 net estimated revenues of 375.5 million is based on the proposed rate structure as shown on this slide and on the next slide as well. Tax rates for the Agricultural, Conservation, Timeshare, and Commercialized Residential remain unchanged while all the other rates are proposed to decrease. The estimated revenues for Fiscal Year 2021 is also based on the newly-formed Owner-Occupied Classification and a partial tiered-rate structure for the newly-formed Non-Owner Occupied classification and the Short-Term

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Rental. The table shows the proposed structure for these three classifications. The estimated revenue also includes an adjustment for the Circuit Breaker Tax Credit Program which provides, for qualified homeowners, a credit to their real property tax bill which is equal to the amount of their bill exceeding 2 percent of their adjusted gross income. The Circuit Breaker program is anticipated to reduce the real property tax revenue by approximately 494,000 in Fiscal Year 2021. This chart is also shown on Page 78 of the Program Budget Book. The TAT is levied by the State of Hawaii upon every operator and plan manager on the gross rental or gross rental proceeds derived from furnishing TAT such as the hotels. The tax collected is by the State and is distributed among the State and the County. The County of Maui receives 22.8 percent or 23.5 million of the total 103 million distributed among the counties. And the projection for Fiscal Year 2021 is flat from prior year, and which makes up 4.7 percent of the total General Revenue Fund and 3 percent of the total revenue for the County. The Public Service Tax, or PSC tax. The chart is also shown on Page 78 of the Program Budget Book so this is levied against the public utilities which provides 1.885 percent of the gross income in lieu of real property tax. And, so, the collections of the PSC tax started back in 2002. The estimated revenues is 7 million, which is flat from the adopted budget. And this is based on the continued flattening sales of electricity. The PSC tax contributes 1.4 percent of the total General Revenue. Moving on to the Highway Fund. The total Highway Fund is estimated at 65 million for Fiscal Year 2020 which represents 8.3 percent of the total County sources revenues. So, this is an increase of 5.9 million or 9.9 million from the adopted budget. And revenues for the Highway Fund is derived from fuel, weight and franchise taxes, and as well as public transit fares. This chart is shown on Page 79 of the Program Budget Book. The fuel tax collection in Fiscal year 2021 is estimated to contribute 16.5 million in revenues to the Highway Fund which makes up 25.4 percent. The fuel tax is based on the number of gallons of fuel purchased. In Fiscal Year 2021 proposed, this was estimated to slightly increase by 700,000 or 4.4 from the adopted budget. Next slide is the Public Transit Fares. This chart is also shown on Page 79 of the Program Budget Book. So, this is estimated at 2.4 million contribution to the Highway Fund, and so, there is four types of the monthly passes available to the public; general boarding at \$45 per month for the fixed and commuter routes, \$25 per month for passengers 55 years or older on fixed routes, \$30 for passengers that are 55 years or older on paratransit routes, and \$45 for students with valid ID on fixed and paratransit routes. In addition to the monthly passes, there is daily passes for all routes available for \$4 and one-way rates at \$2 per boarding. The estimated revenue of 2.4 million is flat from the adopted budget with no fare increase proposed for Fiscal Year 2021. The Public Transit Fare is anticipated to contribute 3.7 percent in revenue to the Highway Fund. Franchise Tax. This chart is also shown on Page 80 of the Program Budget Book. So, the Franchise Tax is collected from a tax on 2.5 percent of the annual gross receipts from electric and gas companies operating as public utilities throughout the County of Maui. So, similar to the PSC tax, there is fluctuations in Franchise Tax collections which may be due to the increase of the Fuel and Energy Conservation measures. The estimated revenues for this tax is 9.6 million which is an increase of 1.1 million or 12.9 percent from the adopted budget. And the Franchise Tax represents 14.8 percent of the total Highway Revenue. Street Use Weight Tax. This chart is also shown on Page 80 of the Program Book. The Fiscal Year 2021 revenue of

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26 million is an increase by 2 million or 8.3 from the adopted budget. And, at this level, this tax will contribute approximately 40 percent of the total Highway Revenue. Moving on to the Sewer Fund, the Fiscal Year 2021 estimated revenue is 76.4 million, which is a slight increase of .4 million from the adopted budget. And this fund represents 9.7 percent of the total County revenues. The main source of this revenue is derived from sewer and recycled water fees. And, as you all know, Wastewater billing is directly tied to the Water Supply billing. This chart is shown on Page 81 of the Program Budget Book. So, this is where fees are collected as charges for current services and used to fund the operations and capital improvements of the Department of Environmental Management Wastewater Division. The residential users are charged a monthly base charge and water usage per dwelling unit in accordance with the amount set in the annual budget. The 59.6 million in estimated revenues from sewer fees is an increase of 1.2 million or 2 percent from the adopted budget. And sewer fees will contribute approximately 65.6 percent of the total Sewer Fund and 7.6 of the County's total revenues. Solid Waste Fund. The estimated revenue for this fund is at 31.1 million, which represents 4 percent of the County's total estimated revenues. This chart is shown on Page 81 of the Program Budget Book. The landfill disposal fees are known as the Landfill Tipping and Permit fees, are collected as charges for current services. The estimated 15 million in Fiscal Year 2021 is decreased by 2.1 million or 12.3 percent from the adopted budget. And this revenue generates 34.3 percent of the total Solid Waste Fund and 1.9 percent of the total County revenues. Next is the Refuse Collection Fees. This chart is shown on Page 82 of the Program Budget Book. In Fiscal Year 2021, there is no change in the rate structure and this service is projected to generate 10.5 million in annual revenue for Fiscal Year 2021, which is a slight decrease of 100,000 from adopted budget. And this revenue generates about 24 percent of the total Solid Waste Fund revenue. Last, but not the least, is the Water Supply Fund, which is estimated at 95.1 million for Fiscal Year 2021, which funds the operations and capital improvements of the Department of Water Supply. This is an increase of 4.4 million or 4.8 percent from prior year but there is no proposed rate increase in the Water Service Fees. And the Water Supply Fund represents 12.1 percent of the total estimated revenues for the County. The Water Service Fees chart is also shown on Page 82 of the Program Budget Book. And so, this is primarily the source of revenues for the Department of Water Supply and it's estimated to generate 64.4 million for Fiscal Year 2021, which is a slight increase of .5 million or .2 percent, compared to the adopted budget. And as I mentioned, there is no rate increase in the Water Service Fee proposed for Fiscal Year 2021. That's the end of the presentation for the estimated revenues so, I'm going to move on to the Countywide Costs.

DEPARTMENT OF FINANCE
(FY 2021 BUDGET COUNTYWIDE COSTS)

MS. ALIBIN: Okay. This is a budget summary which shows the various Countywide Costs and I'll be covering the changes for Fiscal Year 2021. This slide is also available on Page 214 of the Program Budget Book. The overall Fiscal Year 2020 proposed Countywide Costs is 198.5 million which is an increase of 7.7 million or 4 percent

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from the adopted budget. And the proposed budget includes two new cost categories titled as COVID-19 and Climate Change, Resiliency, and Sustainability. Fringe Benefits consist of the following items: the ERS, FICA, EUTF, Unemployment Compensation, Terminal Pay and Salary Adjustment, and Interfund Fringe Reimbursement. I'll be going over the detailed budget proposal for these cost categories in the next few slides. The Fringe Benefits rates for ERS, the proposed budget is 62.9 million, or 16.5 percent from the adopted budget. This change is based on the anticipated increase in the following areas. The ERS rates, as you all seen on Monday's presentation, we budgeted a 24 percent rate for general employees and 41 percent for Police and Fire, beginning July 1, 2020. Previously it was 19 percent and 31 percent, respectively. It also accounts for the bargaining unit increases, expansion position increases, and a \$2 million on the Spiking bill which is based on the Fiscal Year '19 actuals of about 2.1 million. Next is the FICA. The total budgeted amount for this in Fiscal Year 2021 is 10.8 million, which is an increase of 17.5 percent from the adopted budget. So, based on the Calendar Year 2020, Employee Fringe Benefits rates issued by the Finance Director in November 2019, the rate remains unchanged at 7.65 percent; however, the increase of 1.6 million is due to the bargaining unit increases and expansion positions. EUTF, the Fiscal Year 2021 proposed budget of 41.4 million is an increase of 2 million or 5.2 percent from the adopted budget. And this change is based on the EUTF rates with the assumption that the Employee/Employer contribution are the same but accounts for the increases in the bargaining unit and expansion positions. Terminal Pay and Salary Adjustment, proposed budget is at 8 million which is an increase of 1.6 million based on the anticipated increase in bargaining agreements and vacation payout projections. Sorry. The Fringe Benefits and Overhead Costs Reimbursements are contributions from Special Funds to pay for their portion of the Fringe Benefits. The Fringe Benefits Reimbursement for Fiscal Year 2021 is 25,122,155. The Overhead Rate Reimbursement is at 21,386,473. So, this table shows the various Fringe Benefits and Overhead Rate categories that are reimbursed by the Special Fund and the amount going into the General Fund Countywide Costs under the Department of Finance. The proposed budget for the bond flotation cost is an increase of \$100,000 from the adopted budget to cover preliminary costs associated with their planned general obligation bond issuance this year. The proposed budget for the Debt Service Payments is 47.1 million which is a decrease of 8.7 million or 15.4 from the adopted budget. So, the payments estimated for Fiscal Year 2021 do not include any principal and interest payments for the planned General Obligation Bond issuance this year. The Supplemental Transfers, we are proposing for the Solid Waste Fund of 2.3 million or 2.4 million, which is an increase of about 805,000 from the adopted budget. And, also, Supplemental Transfer to the EP&S Fund of 334,000, which is a decrease of 1 million from adopted budget. There are no proposed Supplemental Transfers to the Highway Fund and Sewer Fund. The Insurance and Self-Insurance Program so, these are based on estimates from our Corporation Counsel. For the Workers Comp we are projecting 4 million. The Insurance Program and the Self-Insurance Program remain flat from the adopted budget and the total for Fiscal Year 2021 is 12.3 or 12.4 million. The Open Space Fund, this is based on the Charter requirement, as you all know, which is a minimum of 1 percent of the estimated real property tax revenues. For Fiscal Year 2021, we are proposing an increase of approximately 3.8 million or

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4.9 percent from the adopted budget. Affordable Housing Fund, for the Countywide Affordable Housing Fund, again, as you all know, Charter requires a minimum of 2 percent of real property tax revenue. For Fiscal Year 2021, however, we are proposing an increase of 18.8 million or 5 percent of the estimated real property tax. So, this is an increase by 4.5 million from the adopted budget. Moving on to the General Costs, which includes telephone system, centralized postage, copy machines, which remain flat from the current adopted budget. The changes that we have relate to the rentals and facilities total expansion request of 800,000 to cover 300,000 for appraisal cost and 500,000 for the rentals and facilities, such as Maui Business Park maintenance fees, Fairways at Maui Lani fencing maintenance. Water and sewer rates are based on the Fiscal Year '19. There's also some changes to the lease per the lease agreements such as Richardson and Catholic Church and Sandhills Estates Homeowners monthly association and the Maui Business Park, the proposed increase of 200,000 for the County grant matching fund as well. The Emergency Fund and the Other Post Employment Obligation Fund. The proposal for Emergency Fund is 3.7 million, or 3.8 million, which is a decrease of about 2.7 million or 41.8 percent from the adopted budget. And for the OPEB, we are proposing 18 million in Fiscal Year 2021, with a reduction by 4.2 million or 19.1 percent. We also maintain the One Main Plaza lease and we are proposing an increase of 132,000 for the proposed expansions of office spaces for the Office of Economic Development and Housing and Human Concerns offices. As I mentioned, the beginning of the slide, the Administration is proposing a new Cost categories titled as COVID-19 with a proposed amount of 10 million and the Climate Change Resiliency and Sustainability by 2 million. That's all the presentation that I have, Chair, and we're here to answer any questions.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Deputy Director. Okay. Okay, there we go. Okay. Budget Director, were you going to cover the budget provisions today?

MS. YOSHIMURA: Chair, if you want me to cover the changes in the General Budget provisions, I can do that.

CHAIR RAWLINS-FERNANDEZ: Yes, please. Mahalo.

MS. YOSHIMURA: Okay. So, you refer to the General Budget provisions that was part of your bill package. The only change that is being proposed is on Page 36, and the third paragraph, within 45 days after the close of each quarter, the Director of Finance shall submit to the County Council a report of the Countywide capital improvement projects for which an appropriation has been made, that includes a breakdown of all expenditures made the preceding quarter and a brief description of each expenditure, by CBS number and project title. Last year, Fiscal Year '20, I believe, we took that out. We are putting that back in. We still continue to give you that report. But I believe the discussion last year with Chair, you and the Committee Members, was more on a report that would give a status where they were at, whether it's in the contracting phase, in the design phase, in the construction phase. So, that has been a report that, I believe, was transmitted to you, or to your Committee from the Managing Director. So, in the Managing Director's Office, we do have a Countywide CIP Coordinator. And he coordinates this report, gives you a listing of all of the

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projects that are ongoing and it gives a brief status of each report. So, that report, along with the Finance Director's quarterly report on the financial side of it goes hand-in-hand. So, that's the change we, that's the only change that we're proposing in the General Budget provisions for Fiscal Year 2021. Thank you, Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Budget Director. Okay. Members, I'll open up the floor for questions, starting with Vice-Chair King and then I'll go to Pro Temp Kama.

VICE-CHAIR KING: Thank you, Chair. I appreciate the opportunity and I know there's probably a lot of specific questions that Members have so I'm going to try to keep . . . I'm assuming you want general questions.

CHAIR RAWLINS-FERNANDEZ: Yeah. So, one moment. There's feedback coming whenever you unmute, so, I'm not sure . . .

VICE-CHAIR KING: Coming from our two, maybe, Mr. Hokama, could mute your computer while I'm talking. We have two computers in Chambers. Okay, is that better? Okay.

CHAIR RAWLINS-FERNANDEZ: Yes.

VICE-CHAIR KING: We're going to try and coordinate our mutes when each other is talking.

CHAIR RAWLINS-FERNANDEZ: Perfect. Mahalo for doing that. So, we'll start off with questions for Budget Director Yoshimura on the Budget Overview so that will be the first round of questions. And if there is more --

VICE-CHAIR KING: Okay.

CHAIR RAWLINS-FERNANDEZ: --then I'll do a second round.

VICE-CHAIR KING: Okay.

CHAIR RAWLINS-FERNANDEZ: And then, we'll go to questions for Finance on the revenues and the other portion that they covered in their presentation.

VICE-CHAIR KING: Okay. Most of my questions were in the second and third presentation but, overall, I guess my overall question for the Budget Overview is we heard from the Mayor earlier that he's projecting that we'll be in the current situation through the second quarter of 2021, which is pretty much most of the next year for the budget that we're looking at. And, yeah, we've seen, and I won't go into the details in the second and third presentations, but just looking at the presentations, there seems to be a projection of increase of certain things, like the fuel tax, or either increase or staying the same, of fuel tax, TAT, and things like that. But if we're in this current situation, it seems like the projections should be a lot lower than what we're looking at, as far as revenue, so I just wonder if the Budget Director could speak to how they calculated the response to COVID-19 and the current situation we're in where people aren't driving, tourists aren't coming here, and things like that, and, yet, we're still projecting

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either equal or, in some cases, increases in revenue. So, who is giving that advice? Where are they getting that information, and what happens if it's not correct?

CHAIR RAWLINS-FERNANDEZ: Mahalo, Vice-Chair King. Budget Director Yoshimura?

MS. YOSHIMURA: Chair, so like I had indicated, we had started this process way before COVID-19 had affected us. And we have used existing data that came off of the 9/11 incident, the 2008-2009 downturn in the economy. We have contingency plans in place, or will have contingency plans in place, should there be a need to make adjustments to the estimated revenue. At this point, we don't have any, like, hard facts or details as to what the impact is thus far. So, we are going to make adjustments. We're going to watch what occurs in the next couple of months. We don't know how long this is going to last. We don't know, you know, what the true impact is going to be. So, as we move along in this fiscal year, as well as in '21, we will make the necessary adjustments that will be needed.

VICE-CHAIR KING: One follow-up, Chair?

CHAIR RAWLINS-FERNANDEZ: Follow-up? Yes.

VICE-CHAIR KING: Thank you. So, yeah, I was reacting to what the Mayor's message was this morning and I wrote down, his exact words were that the budget components were built after the COVID-19 info, so, you know, that's why I'm concerned about the adjustments not looking like they're as drastic as we're expecting. And he also said that he thought the situation would last through the second quarter of 2021. So, I guess you'll share your contingency plans with the Council as soon as you have them and when will you expect to get those contingency plans?

CHAIR RAWLINS-FERNANDEZ: Budget Director?

MS. YOSHIMURA: Chair, Thank you. As soon as we can, you know, get some details on what the effects have been on our Fiscal Year '20 collection, what the impact is to our fuel tax, our landfill tipping fees, we will notify the Council, as required, whether or not the revenues are lower than what we had estimated and, if they are, then we will tell you exactly how we're going to address or, you know, how we're going to make the adjustments to our expenditures. The same goes for Fiscal Year 2021. We, you know, used the best estimates that we could at the time. We did finalize the budget probably the end of February, beginning of March. We did try to make a couple adjustments without trying to overhaul the whole budget in a week. So, we did our best estimates and it's a working document, and I think we'll move forward as we get more information. Thank you.

VICE-CHAIR KING: Okay. Thank you, Chair. You just want the one question --

CHAIR RAWLINS-FERNANDEZ: Mahalo, Ms. Yoshimura.

VICE-CHAIR KING: --per person right now?

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CHAIR RAWLINS-FERNANDEZ: One question, one follow-up. Pro Temp Kama . . . *(inaudible)* . . .

COUNCILMEMBER KAMA: Thank you, Chair. I just wanted to ask the Budget Director how, how prepared is, how prepared is the Administration and how drastic of a cut does he think he's going to have to do if this thing gets worse before it gets better?

CHAIR RAWLINS-FERNANDEZ: Budget Director?

MS. YOSHIMURA: Chair, the Administration is prepared as much as we can be. We have been working constantly on addressing issues with COVID. All of the Departments have been addressing the issues that have come before them. We don't know what kind of cuts that are going to be needed from July 1, when this new budget goes into effect. We can, we are working currently on the Fiscal Year '20 Budget. We did come in for a emergency appropriation and the departments are doing their best that they can to address COVID-19 with all of the unanticipated things that have been happening and addressing them accordingly. The funds . . . the Fiscal Year '20 Budget estimates we will, again, like I said, report back to you. As far as moving forward in 2021, we really can't say at this time. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Budget Director.

COUNCILMEMBER KAMA: Thank you, Chair. Thank you, Chair. No more questions.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Pro Temp Kama. Member Sugimura?

COUNCILMEMBER SUGIMURA: Thank you very much. Please thank the Mayor also, Budget Director, for helping the farmers Upcountry and appreciate the, I think through the Maui County Farm Bureau, and the Hawaii Farmers Union. So, please extend our Upcountry appreciation for that. And I was just wondering, probably general, that the, with everything happening because of COVID-19, the TAT tax? Of course, all the hotels are shutting down. Our major hotels are shutting down, and I know it's listed 23.5 million is what we got in the past. So, is that included in the budget, or it's not included until we get the money, right? So, it's not something that we need to be concerned about for this current Fiscal Year '21 Budget, or is it?

CHAIR RAWLINS-FERNANDEZ: Budget Director?

MS. YOSHIMURA: Chair, for Fiscal Year '21, regarding the TAT, we did include what was allotted to us, what the cap is, the 23 point, I think 8 million dollars. So, we will, if that doesn't come to fruition, then we will come back to the Council with an amendment and a contingency plan with how we're going to deal with the shortfall. But for currently, right now, we are still analyzing data and the impact of the hotels being shut down for now. Thank you.

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COUNCILMEMBER SUGIMURA: Thank you. Sorry if I don't understand what the whole process is, but I know the Legislature still has to complete their, I guess it's their 30th session. As you know, they're kind of shut down, too, until they can get a handle of what's happening with this COVID-19 but, they will do their budget, I'm going to guess, somehow, they'll get it done. And, would that then give us the funding or do we have to wait for their next session? Are you familiar? I'm not that close to that information.

CHAIR RAWLINS-FERNANDEZ: Budget Director?

MS. YOSHIMURA: Sorry, Chair. I'm not quite sure I understood the question. But, so, we collect TAT twice a year, I believe. So, the first half is through December 31st. And we have already collected 11.8 --

MS. ALIBIN: Seven.

MS. YOSHIMURA: --\$11.7 million from the TAT. We will have to address Councilmember Sugimura's question probably in writing or we could take a look at it and respond to you on Monday. The next time we meet, Monday.

COUNCILMEMBER SUGIMURA: Thank you. I appreciate that education. I didn't realize they pay it to us in phasing. So, in that way, so, maybe we're going to get something then. That's good news. I also was wondering, I don't know if this is May Anne's question or yours, but . . .

CHAIR RAWLINS-FERNANDEZ: Member Sugimura, I'm going to do another round of questions, so just one question, one follow-up.

COUNCILMEMBER SUGIMURA: Oh, okay. Well, I'll wait then. Thank you.

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

COUNCILMEMBER PALTIN: Mahalo, Chair. For my first question, is for clarification before I ask my question, I just wanted to make sure I'm asking it on the right thing. I wasn't clear about Water Delivery. Is that the five-gallon bottles that we drink or are we talking about Water Delivery as in, like, the water bill for providing water for, you know, when it says Water Delivery in the Budget Proposal or Details. Are they talking about, like, Water Delivery, like Tropic Water?

CHAIR RAWLINS-FERNANDEZ: I'll let you have that as a clarifying question. Deputy Director Alibin? I'm pretty sure it's not the . . .

MS. ALIBIN: Are you referring to the Countywide Costs or just in general, like, throughout the Budget Details, with the Water Delivery item?

COUNCILMEMBER PALTIN: Throughout the Budget Details. Like, you know, Parks Department, it says Water Delivery. West Maui Recreation Support Services, like

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every department pretty much has a Water Delivery charge, and I'm not clear if that's drinking water delivery, or if they're talking about Water Delivery of, you know, the costs that, whatever, the department pays to the Water Department?

MS. YOSHIMURA: Chair?

CHAIR RAWLINS-FERNANDEZ: Deputy Director Alibin?

MS. YOSHIMURA: Oh. It's Michelle.

CHAIR RAWLINS-FERNANDEZ: Oh. Okay. Budget Director Yoshimura?

MS. YOSHIMURA: So, the Water Delivery charges that you see throughout the budget, throughout the Details, is the water that comes off of our Department of Water Supply, not bottled water. It's water service from our County Department.

COUNCILMEMBER PALTIN: Okay. Thank you so much.

MS. YOSHIMURA: Thank you.

COUNCILMEMBER PALTIN: So, then, my question is, if we're not raising fees, all those areas where they say that Water Delivery increases, are those just going to be cut? Is there a program to cut it? Or, are we supposed to go in there and redline it? Because I thought you said that there's no increase in water fees. Are we only increasing it to our own departments, or are we . . . I don't, I'm kind of, like, you know, didn't understand because, like, almost every single Department has an increase in Water Delivery fees, but then the Mayor said that we're not increasing water fees.

CHAIR RAWLINS-FERNANDEZ: Budget Director Yoshimura?

MS. YOSHIMURA: Chair, you will see increases to the Water Delivery as well as Sewer. Pretty much they're basically increases based on usage, especially in the area of the Parks Department. We do have increased parks that we maintain and the increased use of parks. And we'll make the adjustments if we need to for Fiscal Year 2021.

COUNCILMEMBER PALTIN: So, just to follow-up on that. Like, you know, currently all the bathrooms are closed, there is a whole lot less people using the showers in the bathrooms and, you know, maybe if the Administration wanted to make a rule that there's no water slide jumping castles in parks, or something like that. Like, I think, living on the west side right now, almost everybody I know is out of work; within my own household, within my own family. Everyone I know that doesn't work for the County is not working right now. And so, I think any kind of estimate you make of this is not along the lines of what 9/11 was or what the 2008 was, and I would like to be more conservative. Like people are having trouble just paying their motor vehicle registration, and all of these things, so, I mean, my mindset is similar to what Mr. Hokama's question is, like, every department is going to have to make, like, at

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least 5 percent of cuts, so, I'm thinking like all those increase in Water Delivery charges, I would just redline them out. Thank you.

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

COUNCILMEMBER HOKAMA: Thank you, Chair. My first-round question, again, hearing the Mayor and your direction, Chair, I'm making an assumption that number one, the County's main issue that we're trying to address is liquidity, that the County maintains liquidity in our financial standings. So, stating that, and knowing already some of the State's projections, I'm going to ask Budget Director and Finance Director that we already know impact on visitor industry is at a standstill. Therefore, I'm looking at a negative growth for the State come Fiscal Year July 1st. I already know that we're going to lose 225 million of State tax revenues, a lot of it from TAT, for the balance of this fiscal year. So, therefore, I would ask for your folks input and guidance. Because, I think, we need to start adjusting the numbers now and be more conservative that if we make an error, more than likely there'll be some Carryover/Savings where the Administration can then submit to Council and our Budget Chair a new appropriation request. But, at this time, I'm uncomfortable with the amount of revenue projections and, for me, knowing the impact of our primary driver, I cannot see us generating the type of revenues from the hotel/resort industry that will make this budget work, without me having more sleepless nights thinking about where the money's coming from. So, that would be my first question, Chair. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Hokama. Budget Director? Or, see who's going to take it.

MR. TERUYA: Good morning, Chair, and Members. Mr. Hokama, I think you have very good comments. One of the things that we have done is we are already freezing vacancies and other items so that we can use the carryover for the following year, as well. So, I know you're talking about, you know, conservative projections. Some of these projections we'll not be able to make in this booklet because we didn't have the time to make the adjustments for a balanced budget to be submitted to the Council. So, knowing that uncertainty of next fiscal year starting July 1 of '20, there are things that we are looking at so that we have a greater carryover to, maybe, assist with some of the shortfalls that we are projecting.

COUNCILMEMBER HOKAMA: One follow-up, please, Chair?

CHAIR RAWLINS-FERNANDEZ: Yes, proceed.

COUNCILMEMBER HOKAMA: Yeah, and I appreciate that comment, Director Teruya, from our Finance Department. Again, I just would ask that, you know, you also look at the timing. We did just float a 100-plus million last year, I believe, and then we have a, you know, a sizeable amount to consider for this year. I'm just concerned that with the retirement OPEB component and the debt service of principal and interest, we looking at a almost 35 percent of total General Fund cash to pay just these two things,

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almost 35 percent of total General Fund. So, my thing is, are we working on other cost-containing measures, including discussions with the Union, regarding implementation of contractual agreements? That if we are to withstand this as a community, that all of us will make the appropriate adjustments, including our employees in the collective bargaining agreements with us. If we are going to hold fast on revenues, and expenses keep growing, there's going to be a hurt someplace else. Wouldn't you folks agree with that?

CHAIR RAWLINS-FERNANDEZ: Director Teruya?

MR. TERUYA: Yeah, I would have to concur with the statement that you're making right now. Initially, in this budget, I believe we have approximately \$70 million proposed for GO bond to fund the various capital improvement projects, as well as \$20 million in General Obligation refunding bonds, to refund, to take advantage of that savings as well, Mr. Hokama. What happens when we go out in September, we're not sure. I know the market's kind of volatile right now but hopeful for the July, August, September range, possibly to do this next obligation for new money as well as refunding. So, there's a lot of uncertainty at this time. I can tell you that this is projected for July 1 budget. But there's a lot of things that can happen, both positive and negative, up unto that point. So, it's very difficult to tell you with certainty what we're going to do, how it's going to outcome until more facts are known, as to the recovery of the COVID-19.

COUNCILMEMBER HOKAMA: Thank you, Chair, for my opportunity.

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

COUNCILMEMBER LEE: Thank you, Madam Chair. I have a question for you before I ask the Budget Director something. Considering the unprecedented times we're in, are you planning to revise the budget schedule so that . . . initially, I know you wanted it to get, be done earlier than normal. Are we going to push out our deadlines so that we can have more information to make our final decisions? Just checking.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Chair Lee. I think in this time of uncertainty, I'm open to being as flexible as we need to be. Yeah, I guess, I am doing my best to accommodate everyone and try to make it work as best as we can.

COUNCILMEMBER LEE: Thank you. Thank you very much. Appreciate your leadership. With regard to the overall budget, Director, I know that you're having difficulty, like the rest of us, because we have no idea what the future holds and, right now, we're just speculating. So, it's important, and, I think, all of us agree that we have to be conservative, but I'm not convinced that a hiring freeze is necessarily the path to follow because from my own experience, being the Council Chair, I can see where our Staff is overwhelmed. And they need help. So, I'm not convinced that a hiring freeze is necessarily the way to go. But what I do know, Budget Director, is that we need to work with the Administration in a unusually collaborative way, like we've never before. So, there's a certain amount of trust that has to go back and forth. And we will have

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to know from you, what are your priorities? Because certain projects can wait a year or two; and that's a big cost savings, if we consider that. So, I don't expect you to answer right now, but can you think of what these, these projects or priorities can be deferred or delayed, and then be able to tell us, so that we can perhaps eliminate those things from the budget for now. So, anyway, that's my concern. And then, on a lesser note, you know, what is the budget? Is it 956.5 million, is it 800-something million? When you talk about our budget, what number do you use? That's my question.

MS. YOSHIMURA: Chair?

CHAIR RAWLINS-FERNANDEZ: Oh. Budget Director?

MS. YOSHIMURA: So, I know it seems kind of confusing with the total budget being \$973 million. But that is inclusive of all revolving funds and grant revenue. But when we look at estimated revenue, on the slide, let's see, slide four, I believe, where it has the organizational charts. When you look at the Operating Budget, and the estimated revenues, you would focus on the first column. So, the first column is the Operating Budget, as well as the middle column, which is the Capital Improvement Projects. Those two columns . . .

COUNCILMEMBER LEE: Add up to what?

MS. YOSHIMURA: So, those two columns add up to the \$869 million. That is what your Budget bill is, \$869 million. Those are all of the County funds including the bond revenue funds. So, when you look at the chart that we have pulled up, the first column says County Funds, \$869 million. Those are all generated by fees, taxes --

MR. TERUYA: Other sources.

MS. YOSHIMURA: --all of the different sources that we have in Appendix B, right? So, the General Fund, our real property tax, our TAT, our Public Service Company tax, all of the charges that we have for the golf course, your relicensing. Those all come under the General Fund. EP&S Fund. Liquor Fund. Liquor Fund generates their own income. The Highway Fund is our fuel tax, our vehicle weight tax. So, all of those, when we look and we say the County Budget is \$869 million, we're saying what we need to generate in revenue from fees and taxes. The Grant Revenue, which is on the far right side of the chart, those are all funds that we receive from either Federal or State or outside sources, that contribute to the operations of the County, but they're not generated through fees and taxes.

COUNCILMEMBER LEE: So, when the average citizen asks you, what's our budget, which one, which number do you give them?

MS. YOSHIMURA: The 869 million.

COUNCILMEMBER LEE: Okay. Thank you. That's all I need. Thank you, Michele.

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MS. YOSHIMURA: Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Chair Lee.

COUNCILMEMBER LEE: I'm done, Madam Chair.

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

COUNCILMEMBER MOLINA: Thank you very much, Madam Chair. You know, in listening to the conversation and questions with Budget Director Yoshimura, my question for her is, the Administration, with this Budget Proposal, 69 expansion positions total, and considering the impact of COVID-19 on our main income generators, which I presume would be the hotels and TAT tax, how much, what is the percentage of the projected revenue . . . how shall I phrase this question? The hotels and TAT, what percentage of this estimated revenue is generated by the hotels and TAT?

CHAIR RAWLINS-FERNANDEZ: Budget Director?

COUNCILMEMBER MOLINA: Just a general guess.

MS. YOSHIMURA: Chair, if you were to look at the slides, and we'll pull it up in second, so the TAT is 2.7 percent of the \$869 million.

COUNCILMEMBER MOLINA: Okay. And then the hotels?

UNIDENTIFIED SPEAKER: Oh, the hotels.

MR. TERUYA: We don't get revenue . . .

MS. YOSHIMURA: The hotels, meaning your real property tax . . .

COUNCILMEMBER MOLINA: Yeah, real property tax.

MS. YOSHIMURA: Okay. So, that I would, I don't have it offhand. I will need to get back to you on that --

COUNCILMEMBER MOLINA: Okay.

MS. YOSHIMURA: --on what the hotel revenue generates in taxes.

COUNCILMEMBER MOLINA: Okay. No worries. Only reason I ask is because, you know, and with the uncertainty of the revenue and COVID-19, to me it looks like it's going to be a very lean, lean budget, and now, with the proposed expansion positions. And, I know, you know, when you guys put this budget together, you know, COVID-19 was probably the farthest thing from your mind at the time. Have the departments or the Administration talked to the directors now about reassessing their needs? And, I

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know, every department, you know, the expansion positions are important, but, again, they're likely going to have to be some belt-tightening. Have there been, has the discussion begun already and, I guess, as we move along through the budget process, I guess we'll hear, I assume we'll hear from the Administration or the directors about possibly readjusting their needs. Has the discussion begun, so far?

MR. TERUYA: Thank you for the question, Mr. Molina. Let me first respond to Chair Lee's question earlier about hiring freeze, it's the essential positions, first of all, are continuing with the recruitment process. It's more those that were non-essential at the time that we had freeze. But anybody who had essential hiring vacancies, I guess, were allowed to proceed with those hiring. As far as the . . . I lost my train of thought.

MS. YOSHIMURA: Expansion.

MR. TERUYA: Yeah, the expansion positions, that's a difficult one for me to answer because at the time it was not the same situation that we're having now, so there are a lot of proposed expansion positions in this budget, and, I think, every department . . . I guess the word around the 9th Floor is be flexible. Everybody is going to have to probably be relooking at their situation as it comes up. We're in a different situation. We don't know what's going to happen in the future and how long the recovery road is. But that's why Mayor Victorino has mentioned to everybody to be flexible. Whether or not it's a different time, six months from now, he may have to hold back on some funds for certain projects if he has to. So, right now, I think whatever you guys feel on the budget needs adjusting, I think we're going to have to work together on that and how we address it moving forward to make changes as needed as it comes, you know.

CHAIR RAWLINS-FERNANDEZ: Member Molina?

COUNCILMEMBER MOLINA: Oh. Okay. Any more response from, I guess, maybe Director Yoshimura? If not, no worries. I just want to . . .

MR. TERUYA: . . . *(inaudible)* . . .

MR. MOLINA: Go ahead, I'm sorry.

MR. TERUYA: Member Molina, I know part of your question also is regarding the hotel's revenues. Be mindful that the assessments are as of January 1, 2020. So, whether or not the situation . . . the valuation date is January 1, 2020. COVID had happened after that. The occupancy rates are dropping but all the valuations for certification purposes is of January 1 of 2020. And that is the values that the Real Property Tax Assessment Office are defending.

COUNCILMEMBER MOLINA: Okay. Thank you for that information. I think that will be helpful. But, you know, this is going to be an adventure into the unknown, as they say, for all of us, both Administration and the Council so, you know, we just got to batten the hatches down and get ready for quite a potentially wild ride through this

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budget process. So, anyway, looking forward to working with all of you and thank you very much, Madam Chair.

MR. TERUYA: Chair? Just a further follow-up for his question. The Hotel and Resort categories are currently bringing in, projecting \$3.3 million less with the Mayor's proposed hotel rate decrease. It was at \$32.2 million and is dropping to 28.9. And that is, you know, several years ago, I think we made, I had proposed, that we separate the Hotel from Resort. The two categories used to be lumped together. In the event that something should happen to hotel and resort. And this is the exact reason it was good that we did move the hotel and resorts away from the Short-Term Rental classification. Because now they are reacting in a different manner and we are able to relieve the hotel/resort component from the secondary market.

COUNCILMEMBER MOLINA: Great foresight on your part, Mr. Teruya. Thank you, Madam Chair.

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

COUNCILMEMBER SINENCI: Thank you, Chair. I just wanted to say mahalo to my fellow Councilmembers for their questions and their insights. It's really helpful. And, especially, to Director Teruya, his comments about being flexible and working with us throughout this process to make the necessary changes as we need. So, my question was just a general question. I know that the Mayor's stimulus package of \$2 million to the H.E.L.P. program was through the MEO. And I was, my question was, can those funds apply to employees' bills that they're not going to be able to pay? If we can, if we can increase that, or can those funds, I guess, count towards some of the, whether it be their taxes, their vehicular, their property taxes, those types of things?

CHAIR RAWLINS-FERNANDEZ: Budget Director?

MS. YOSHIMURA: So, the H.E.L.P. program will assist individuals who are currently unemployed or displaced workers with food, medical, rent or mortgage, utility bills, insurance payments, whether it be medical insurance or car insurance, home insurance. There's a variety of expenditures that will be allowed. The program will kick off tomorrow with applications being accepted online through MEO. And \$2 million was a request that we had made. Whether that's enough or, you know, that's to be seen, and if we do need more we will be back with another amendment. Thank you.

COUNCILMEMBER SINENCI: Thank you. Just a follow-up, Chair. So, the Mayor mentions upwards of 7,000 employees out of work. So, these funds, a clarification, these funds are coming from what source, Director?

MS. YOSHIMURA: Chair, when we proposed the . . .

CHAIR RAWLINS-FERNANDEZ: . . . *(inaudible)* . . .

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MS. YOSHIMURA: Thank you. When we proposed the amendment, we looked at the Self-Insurance Fund, which was a Countywide Cost. The \$2 million is coming from the General Fund to support the program.

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

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Sinenci. Okay. We'll, I'll go to round two and on the second and third presentation that was presented by Deputy Director Alibin. Starting with Committee Vice-Chair King.

VICE-CHAIR KING: Thank you, Chair. Can you hear me? Mr. Hokama.

CHAIR RAWLINS-FERNANDEZ: Yes, and there's no feedback.

VICE-CHAIR KING: Okay. Great. Thank you. And you didn't have any questions yourself, Chair? I don't know if we took your turn. Okay, thank you so much. Yeah, I just, I guess the name of the day, the name of the game right now is flexibility and we're continuing to assess the situation. But I wanted to just mention some of the things that, I think, we have to look at adjusting and get the comments from the Department of Finance. With our . . . have there been a projection of how much property values are going to drop? How many, how much, on the affordable rental side? Maybe, this is not for Finance, but on the affordable housing side, I'm anticipating, I think we can all anticipate a lot more availability as the short-term rentals turn into long-term rentals, and housing prices are dropping, and we've seen that across the board through the realtors associations. And, then, you know, what is the need for additional funding for tourism if we're going to be probably not having any for the next few months? And I just, kind of, wanted to get to see if the Finance Department is tracking these things and going to give us regular updates on where we're at with these, along with the fuel tax, because my thought would be that the fuel tax would be dropping, the revenue from fuel tax, because people aren't on the road. We're all telecommuting more and we're not supposed to go anywhere right now, so that's going to go down. And then, I would like to see the Emergency Fund be increased and it looks like there's a decrease in it. I mean, that would, seems to me maybe this COVID-19 Fund is replacing some of that emergency funding but that, you know, I think we need to keep with the emergency funding. So, if you could address these things, Finance Department, along with whether you guys are looking at what assistance is available for counties through the Stimulus Bill and through grants or whatever from the Federal Government. Like, there's, is there any extra money that we can access outside of our own County revenues at this time? I mean, I know people, individuals, and businesses are being offered grant money and loans, but is there anything that's coming, that could be accessed by our County Administration to supplement some of our needs?

MR. TERUYA: Chair?

CHAIR RAWLINS-FERNANDEZ: Director Teruya?

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MR. TERUYA: Okay. Thank you. I think there's multiple questions in there. But first of all, as I mentioned earlier to Member Molina, as far as real property, if values are going down today because of the pandemic, it will be affecting the 2022 Fiscal Year. Not this current fiscal year. This fiscal year values already have been mailed out. They are as of January 1, 2020. And that numbers will not change. If valuations are moving currently up to June 30th of 2020, those valuations will set your valuations for the following fiscal year. So, revenue-wise, all of your assessment numbers are in place. Whether it's the tax rates that you're going to adjust to determine whether or not we're going to get more revenue or less. And that is the Council's kuleana, so to speak, as to how you want to generate revenue. There are help. I know Congress passed the CARES Act and there's about, I believe, it's 2 trillion or \$4 trillion coming to the State of Hawaii. Four billion. Four trillion. Four billion. I'm sorry. It's just zeroes. It's just zeroes. Two billion for the State of Hawaii and Mayor Victorino had recently talked to Chair Luke of the Finance Committee. He had put me in charge to work with Sylvia Luke, as far as the number, what can be given to the counties. So, that is forthcoming. That is additional relief that's going to be coming to the State of Hawaii or the counties, the four counties. As far as the allocations, I don't have the exact breakdown, and lot of the numbers are to be determined so far, so, but that, that package is coming down to the State, and they're going to disburse it to the counties is my understanding, Chair.

VICE-CHAIR KING: Okay. Great. And then, one follow-up, Chair.

CHAIR RAWLINS-FERNANDEZ: Please proceed.

VICE-CHAIR KING: Thank you. So, the, on the property values, there won't be any appeals based on what's happening with our economy, as of, if, that affect the valuations that we currently have, and then on the money coming from the Fed through the State, are we, is that going to be pre-described, or is that going to be coming to our General Fund? Do we know, or do we know? I mean, I don't know if you even know that yet.

MS. YOSHIMURA. Chair, if and when we get --

CHAIR RAWLINS-FERNANDEZ: Budget Director?

MS. YOSHIMURA: --when we get this money from the Stimulus package, then it would be recognized in Appendix A, Grant Revenue. So, we will come in for an appropriation there.

VICE-CHAIR KING: Okay.

MR. TERUYA: As far as debit . . .

VICE-CHAIR KING: Go ahead.

MR. TERUYA: Sorry. Thank you, Chair. As far as the second half, or the other question regarding the revenues, the property tax appeal period is currently underway. It

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started from when you received your notice up to April 9th. So, although . . . I mean anybody can appeal, but it's based on information that leads to value. So, the valuation period, you're looking at sales that completed from July 1 of '18 to June 30th of 2019, for evidence that supports your valuation. So, I know people are feeling it now, and valuations may have gone down. But it's really the data that supports the valuation for that period. So, yes, people can appeal. You still need to support, have your evidence, to support your valuation decrease, if you feel that it went down. So, I think, there is enough information to uphold your assessments, and that's normally the case. And that's some of the reason why, in some years, you get more revenue than expected, because you only put 50 percent of the valuation under appeal, we put that away. I guess, 50 percent is budgeted for and 50 percent, I guess, we're assuming that we're going to win; and, normally, the case is we do have a high success rate in defending the appeals. But that being said, there could be a lot, a flood of appeals coming in because of lot of business loss. So, but at the same time, you got to be mindful of the time period that we're operating under. Thank you, Chair.

VICE-CHAIR KING: Okay. Thank you so much, Mr. Teruya, and thank you, Chair. I think probably what we need to do is just keep encouraging folks to apply for the individual portions of the Stimulus package that will allow them to get supplemented so that they can pay their taxes and they can pay their rents, and they can make their house payments. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Committee Vice-Chair King. Okay. And then we'll go to Member Sinenci.

COUNCILMEMBER SINENCI: Thank you, Chair. Some clarification questions for Deputy Director Alibin. For the Affordable Housing Fund, there was a proposal of a 5 percent increase and we had a Charter amendment for a 3 percent increase. Is there a discrepancy there? The proposal is for a 5 percent increase.

MS. YOSHIMURA: Chair?

CHAIR RAWLINS-FERNANDEZ: Budget Director?

MS. YOSHIMURA: Chair, the current requirement by Charter is 2 percent, a minimum of 2 percent. This year the Mayor elected to put in 5 percent. So, the 3 percent amendment that Council, or Councilmember Sinenci is talking about, has no effect on what was allocated in Fiscal Year '20, the '21 proposal.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Budget Director. So, basically the Charter only has the floor, so it's a minimum, and we are allowed to put more if we would like.

COUNCILMEMBER SINENCI: Okay. Thank you for that clarification. Then, my follow-up question was from Corporation Counsel, the Insurance Fund. Did, I believe, there was mention of a total of 12 million or 4 million? Can you explain the Insurance Fund?

CHAIR RAWLINS-FERNANDEZ: Director Teruya? Or Budget Director?

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MS. ALIBIN: Chair?

CHAIR RAWLINS-FERNANDEZ: Deputy Director Alibin?

MS. ALIBIN: So, for the Workers' Compensation, the Corporation Counsel is proposing 4 million and for the Insurance Program the proposal is 2.4 million. And then, the Self-Insurance Program is 6 million.

MS. YOSHIMURA: You can put up the slide.

COUNCILMEMBER SINENCI: So, the total would be 4 million for the . . .

MS. ALIBIN: The total will be for the Insurance and Self-Insurance Program is 12.4 million.

COUNCILMEMBER SINENCI: Okay. All right. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo --

COUNCILMEMBER SINENCI: Thank you, Chair.

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

COUNCILMEMBER MOLINA: Yeah, Madam Chair, my question was related to the Affordable Housing Fund which was answered, that was also asked by Member Sinenci. I have something else I want to ask. I'm trying to formulate it. So, if you don't mind could you come back to me last? I'll yield the floor to the other Members for the time being.

CHAIR RAWLINS-FERNANDEZ: Okay. No problem.

COUNCILMEMBER MOLINA: Thank you.

CHAIR RAWLINS-FERNANDEZ: Chair Lee? Chair Lee, you have to unmute yourself. I cannot unmute you.

COUNCILMEMBER LEE: How come? But anyway . . .

CHAIR RAWLINS-FERNANDEZ: Because . . . *(inaudible)* . . .

COUNCILMEMBER LEE: Oh. Okay. Director Teruya, okay, Members have asked the Administration to defer or suspend fees for the time being, while people are having difficulty due to unemployment and other challenges. Have you worked on some kind of a program where fees are suspended and then, maybe, a payment plan is, will be devised, so that people will not have to have a huge bill in two or three months with regards to taxes or any other kinds of fees?

CHAIR RAWLINS-FERNANDEZ: Director Teruya?

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MR. TERUYA: Thank you, Chair. We've talked about it in the past. Right now, the Mayor is allowing for the water bill to go delinquent if somebody didn't have the money. We're not turning off the water on anybody. So, I guess, right now, it's almost like a waiving of the late fees, right now, for a month. I think we've mentioned until the end of May, was it? Or April? I think it's either April, end of April or end of May, that the Mayor is waiving the late charges. So, I guess you can look at it as a deferral program right now. It's suspending the late fees. But if there need, if there is a need for us to go into a payment plan, I don't see the difficulty in doing that. We've done that for real property tax as far as a payment plan if people were going into tax sale and they wanted to come up with a payment plan. We've done that in the past. We are not here to take people's properties away, turn off their water, not collect their trash. So, we are doing whatever we can. We're fielding all the calls and Mayor's making these decisions as far as waiving of all fees and late fees; taking the credit card convenience fee, if that helps, so people not coming into the County building. We're trying our best and doing all we can and, I think, we'll continue to do that as long as the, I guess, the urgency.

COUNCILMEMBER LEE: Thank you. Thank you. Yes, the Council is very concerned about that and, you know, if you're already doing, working on some kind of payment plan program, et cetera, then it wouldn't be necessary for us to codify something like that. My second question is, Director, are you planning to expand the Service Center so that more departments can occupy that location, rather than us paying huge rental fees, office fees, like, like you're asking, as you're asking for Human Concerns and EOC at One Main Plaza?

MR. TERUYA: Chair, the Service Center that's currently being built in Kahului already has people to occupy the entire building. Whether we expand into another purchase of another building, those possibilities are, I believe, it's before the Council. I think it's at Council right now, for the purchase of another building, and that . . . we are looking at options to purchase other buildings to take care of our rental needs, because I know we have, even with the occupying of the Real Property Service Center down in Kahului, I believe we are still short probably over 40,000 square feet of rentable area.

COUNCILMEMBER LEE: Well, have you looked at buying an existing building?

MR. TERUYA: We are exploring all options but I believe we have. Mayor is in discussion with a current owner of a building, existing building, now, in Wailuku. And that will probably be forthcoming to the Council.

COUNCILMEMBER LEE: All right. Thank you, Director. Thank you, Madam Chair.

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

COUNCILMEMBER HOKAMA: Thank you. Gosh, it's hard for questions during this difficult times, Chair, but one thing that, I think, might be able to help us, is if we can get a written response, I'd like to know the positions and how the amounts were calculated

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regarding spiking. Is this mostly first responders? Is it mostly because of overtime requirements? Inability to fill vacancies? I want to be prepared as we go through this pandemic on where we might have some red flags as far as personnel costs and benefits. So, if that could be forwarded, Chair?

CHAIR RAWLINS-FERNANDEZ: Does that include. . . .

MR. TERUYA: Chair, we can do that request.

CHAIR RAWLINS-FERNANDEZ: Okay. Go ahead, Director Teruya.

MR. TERUYA: Thank you. We can provide that in writing to the Council on Mr. Hokama's question, a list of items, I mean, names and departments to the best that we can get all that information.

COUNCILMEMBER HOKAMA: And then, second question. Again, if the departments can provide the response in writing for this Committee would be, I'm still uncertain the total amount of General Funds support for Special Fund programs, especially regarding personnel benefits. So, if we could get a response from the direct departments on how they're approaching Grant Program Employees. because I have an issue if we continue to use General Fund for Grant employees. Either we administer the Grant appropriately as it was required by public law, or make another determination. But it's not the County's General Fund that continues Grant programming. So, thank you, Chair. That would be my two questions for responses.

CHAIR RAWLINS-FERNANDEZ: Member Hokama, were those questions included in your list of questions yesterday?

COUNCILMEMBER HOKAMA: No, Chair. I just thought about it after hearing the presentations this morning. Thank you.

CHAIR RAWLINS-FERNANDEZ: Okay. Okay. So, we'll . . . my intention was to include all the questions from Members in the, from the budget, in the, that was due yesterday at 4:00. I'll get back to you on that. Okay.

COUNCILMEMBER HOKAMA: Yeah . . .

CHAIR RAWLINS-FERNANDEZ: So, I'll get back to you on that again.

COUNCILMEMBER HOKAMA: And, again, I took it from the sheet that I believe Ms. Alibin provided on the General Fund Support and that's why I came up with that question, Chair. Thank you.

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

COUNCILMEMBER PALTIN: Thank you, Chair. My question is in regards to, you know, when it says Solid Waste Fund, or, like, Landfill Tipping Fees, on your presentation,

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and, you know, with, I think at one point they were saying that we get like 10 million visitors a year, and things like that, so, I know that there's no fee changes, but I would imagine that we have big changes in usage of, you know, like, there's a whole lot less people flushing the toilet on island, there's a whole lot less rubbish being created with the lack of tourists. And I was wondering, when you calculate the revenue from these, if there is less delivery or usage, then there is less revenue and is there a threshold that you need to hit in revenue to sustain the operations, if that makes sense? Or, if you need me to clarify, just let me know.

MR. TERUYA: Chair?

CHAIR RAWLINS-FERNANDEZ: Director Teruya?

MR. TERUYA: Yeah, I mean, those are things that are ongoing. For certain, with all the hotels shut down I would assume that there would be less water usage. All of those information will be coming in from the Department. I don't have that information in front of me, about how many, I mean, right now. Probably, at the end of this month, we'll have more data but the question will be, is for how long will they not operate? I know right now this emergency, right now, we have it until April 30th. It's likely to go longer than that. How much longer I don't know. Are they coming back in July? Maybe not, maybe. I don't know those information but when we get more information in from the Water Department as far as decline in usage, then it's just a multiplier as to how much longer the hotel will continue to be shut down. I guess, that's the question, right? Right now, my understanding is most of the hotels are closing 'til what? May, June. That's what they've said so far. So, this is next fiscal's budget, so it starts July 1st. I know it's going to be slow for recovery in the hotels, but we don't know that information as of yet. So, let's get some of that information. We'll share that with the Council and then we can make maybe better projections moving forward. Thank you, Chair.

COUNCILMEMBER PALTIN: Thank you. And, to follow up, you know, I would just say the pandemic is a global situation. I think at least 193 out of 195 countries are affected. The United States has the highest infected of the world, and so, I don't see tourism bouncing back any time soon. I mean, with the situation as it is in New York, and other states that are not able to shut their borders like how we are able to, I think that we need to be making serious preparations for worse case scenarios and, you know, just start looking at what it is where we have significant decrease in usage, as well as revenue, but the system itself still needs to run, right? We still need to have all those wastewater treatment operators, regardless of the volume that we're processing. Maybe the sludge amount will be less, but the delivery systems still need to work, whether we're delivering a thousand gallons, or a million gallons. Is that not correct? And, so, decreased usage is going to negatively affect operations. Is that a correct statement?

CHAIR RAWLINS-FERNANDEZ: Director Teruya?

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MR. TERUYA: Chair? Yeah. It's really hard to make a prediction if I don't have any numbers in front of me, on actuals. With the number of people staying at home, as well, it increases residential usage of water, as well. So, maybe, give us some time to gather information from the Water Department and then we can get more information on that end, as well as other departments, as far as usage. And, maybe, as you guys go and meet or the departments present before you, maybe that's the appropriate time for them to give that projections as to what type of information they have, by the month.

COUNCILMEMBER PALTIN: So, then, before we decide on the final budget, you can provide us with that type of information? Like an update, or something.

MR. TERUYA: We just got information from the Environmental Management saying that there is 1 million gallons more per day going on, right now, at the Kahului Sewer Treatment Plant.

COUNCILMEMBER PALTIN: And less in the Lahaina one?

MR. TERUYA: Sorry. I don't have a response to the Lahaina. Sorry.

COUNCILMEMBER PALTIN: Okay. Thank you. Yeah, so, I guess everything is, kind of, in flux and I would appreciate that you keep us informed as we go about to make the decisions so we can make the best decisions possible. Thank you so much.

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

COUNCILMEMBER SUGIMURA: Thank you, Chair. I can hear all of our anxieties through the questions as we know what's happening in our community, which is devastating. Just got a HTA release that today there were 13 visitors that arrived here, the count, I guess this must be from yesterday, but the HTA numbers are 13 visitors, grand total of 93 total, most of it is residents coming home. I appreciate all of the mandatory quarantine that's going on, including interisland. We're protecting Molokai and Lanai from COVID-19 cases. Proud of that. And I don't know if you heard, but the hospital just had their first positive case reported also. I just got a press release, or e-mail from the Foundation which I'm a part of. So, thanks, all of the hospital, who's working hard for us. I wonder, Chair, if you don't' really have a question for the Department, but I wonder if, Chair, you could, at some point, give us some kind of summary of what the CARE [sic] Act is, all the Federal support, State support, so we could get a, kind of, comprehensive look at what's happening throughout the nation and how that would affect us. It sounds like from a previous question that the Mayor has assigned Scott Teruya to be the point person for the State and I wonder if we could get, you know, some kind of comprehensive . . . it sounds like that's what we all are looking towards, is where all the help is going to come from, from the many people who are getting affected. So, Chair, I wonder if you could, you know, take that into consideration.

CHAIR RAWLINS-FERNANDEZ: Just for clarification --

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MR. TERUYA: Chair?

CHAIR RAWLINS-FERNANDEZ: --you're asking, Member Sugimura, you're asking me to do a presentation on the 1,200-page bill? I can find a resource for that . . I don't think I will be able to do myself.

COUNCILMEMBER SUGIMURA: I saw Speaker Saiki, yesterday, was on Olelo, I guess, and basically, he had Brian Schatz and Ed Case who were talking about the CARE Act and what the Federal government was doing, so that was kind of nice summary. And I'm not too sure what's going to happen once it hits here, but it sounds like the Mayor is already talking about it, or thinking about it, so appreciate that, you know, visionary or foresight. On my question, then, if you would just consider it, Chair, and if we could help reach out to, you know, some of those offices, I know you know them too, but --

CHAIR RAWLINS-FERNANDEZ: Yeah.

COUNCILMEMBER SUGIMURA: --my question is listening to all of us and seeing what happens when you have a visitor industry just shut down, because that's basically, you know, what we want it to do because of the COVID-19, and this is a temporary situation. I believe that with all of the community working towards sheltering in place, and doing everything we can do just to try to stop this and be part of our own solution, I wonder if my question would be, maybe for a future meeting, but what Administration is doing in terms of, and what we're thinking of, in terms of working with the visitor industry so that we can one day see the visitors come back and lessons learned from this. I'm not too sure what it's all going to be, but I wonder if the Administration can maybe have some insight of how we, as a County, can work together with the visitor industry just so that one day it's going to come back and what is that going to look like. So, how do we prepare for the future, because we do want our economic drivers to be vibrant again, so, that's it. Thank you.

CHAIR RAWLINS-FERNANDEZ: Director Teruya?

MR. TERUYA: I, just real quick, I can, like, from my notes I scribbled the other day with talking with, when we were with Senator Schatz on the phone, the 2.2 trillion package, \$4 billion portion for Hawaii, 1.25 billion towards the government response efforts; 1.14 billion to unemployment assistance; 1.24 billion for cash for our residents; 130 million for the SNAP program, which is the Supplemental Nutrition Assistance Program formerly known as Food Stamps; 53 million for the schools and colleges; 11 million for community health centers; and 8 million to CDBG. That's the breakdown that I had for the State and I don't know, as of yet, what is for the County, but that is some of the programs that the package is for.

COUNCILMEMBER LEE: Scott, can we have a copy?

MR. TERUYA: Yeah, I can transmit to Chair.

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COUNCILMEMBER LEE: Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Director Teruya. Member Sugimura?

COUNCILMEMBER SUGIMURA: Thank you. Thank you for that information and Chair Lee asked my question. I would love to get that also, and one day we're going to find out what that breakdown is for Maui County. I look forward for us to receive that details of information. Thank you. Thank you very much.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Sugimura. Pro Temp Kama?

COUNCILMEMBER KAMA: Thank you, Chair. One of the advantages of being the last person to ask the question is most of the people prior to you have asked a lot of things and you have to come up with something that somebody else hasn't asked. So, this is my question to you, Scott, as I'm thinking about everything that everyone has said, that it sounds like \$4.4 billion coming to Hawaii is a lot of money. But when I think of all the people who are unemployed and, Scott, you just read off that list, now I'm wondering is, do we know what the cost, what the actual cost is, that this pandemic is doing to all of the people on all of our islands in terms of job losses, in terms of wage losses, in terms of people not being able to pay their rent, and so on, and so forth, or their mortgages, not being able to pay all their bills? Probably, their FICO scores may all go down. I don't know if their scores are going to stay the same or whatever, but it doesn't seem like, to me, that 4.4 billion for the State is enough. So, I'm just really cautious about what Maui County, that has three islands, what our share would be. And, even if it would be enough, and what happens if it isn't enough? Is the Federal government going to put out another stimulus? Because my sense is that while all of us are suffering, that the big industries, like the airlines, and the cruise ships, and all those guys, they're suffering a lot too, and they're going to want to get some kind of compensation from the government, too, and I just want to make sure, if we're tracking stuff like this, that somehow, we, kind of like, mitigate the suffering of our people. And I would be interested to know for our Council what we can do to help mitigate some of those things. So, do you think, Scott, that \$4.4 billion to Hawaii is enough and do you think that our County, with all what we're going to be going through, is sufficient? The CARES money that's coming down to our County?

CHAIR RAWLINS-FERNANDEZ: Director Teruya?

MR. TERUYA: So, that for sure I can't answer. I don't know. I know, the only thing we do know is we put \$4 million for COVID for the rest of this fiscal year, for the remaining months; we put \$2 million in the H.E.L.P. program, which, I believe, hopefully, everybody who needs the assistance signs up for the program, to assist with whatever utility bills, or whatever is most need that they need to pay. We did put \$10 million in the upcoming fiscal year to address COVID-19. And I guess the question to the Council over the next couple of months is to find out, as well as the Administration, is to find out what kind of numbers are we really looking at.

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COUNCILMEMBER KAMA: Yeah.

MR. TERUYA: And if the \$10 million isn't enough or is insufficient, those are the adjustments that we're going to need. And, again, we go back to the word being flexible, because we're going to have to adjust as we go. And the more we know, the better numbers we get, then the better, faster we can react to whatever numbers we need to amend. So, I think that is where we are right now and I can just best guess our number at 10 million. Whether that's enough or not enough, we need to adjust as the information comes in. Thank you, Chair.

COUNCILMEMBER KAMA: So, follow-up, Chair, if I may? So, is anyone going to be tracking what those, what our losses are for our people here in the County? Anybody?

CHAIR RAWLINS-FERNANDEZ: Director Teruya?

MR. TERUYA: Chair, I don't want to guess. I don't have that answer for you right now as to who's tracking that. So, I don't want to make a comment that I really don't know the answer to.

COUNCILMEMBER KAMA: Can we get, or find somebody, Chair, that could have that answer, Chair?

MR. TERUYA: Chair, we can research and get back to the Committee.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Director.

COUNCILMEMBER KAMA: Thank you, Chair. Thank you, Mr. Teruya. I'm done.

CHAIR RAWLINS-FERNANDEZ: Okay. So, I have a question. Kind of a follow-up from Member Sugimura's question. So, I'm definitely not the right person to present on the Stimulus bill and the CARES Act. I'm not sure who or would. Director, you have any recommendations on who could serve as that resource for us? Because I hear the questions and I have similar questions. Do you have a recommendation or perhaps we can discuss this offline to figure out who could serve as a resource person for us?

COUNCILMEMBER SUGIMURA: Is Member Hokama trying to get . . .

MR. TERUYA: Sorry. I didn't hear it but . . .

MS. YOSHIMURA: Chair, we can discuss offline who would be the best or the appropriate person to look into the concerns that Tasha, Councilmember Kama, had brought up.

MR. TERUYA: And, Chair, I'd like to just, we're getting, I guess, text updates from Mr. Nakagawa over at Wastewater. But for Ms. Paltin's question, Kahului is up 1.2 million gallons per day, Kihei is up 1.2 million gallons a day, and Lahaina is down 1.7 million gallons a day. At the treatment plants.

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COUNCILMEMBER PALTIN: Thank you so much, Mr. Teruya, and Mr. Nakagawa. That's interesting information. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Paltin. Okay. And then, Director Teruya. Okay. So, the money that you outlined is coming in from the Federal government allocated to our State. Do you have an idea of how that funding, the process of how that would be broken out? Particularly since the Legislature is in an indefinite recess?

MR. TERUYA: Chair, thank you for that question. I was just apprised of this yesterday. I will be following up with Finance Committee Chair, Sylvia Luke, as to what kind of timing we're looking at, and what, how, they're going about doing this. I don't have any information as of yet, other than I'm the point of contact to follow up with Chair Luke.

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

COUNCILMEMBER HOKAMA: Chair, thank you very much and, again, all of us are utilizing our networks, and I just got the information from our D.C. offices that I thought might be interesting for the Committee, especially in context to Ms. Sugimura's questions about how do we prepare for the eventual return and future of our economy. I can just say that, at this time, though, the focus is on how to get through the pandemic and, right now, I've been informed that our U.S. military is preparing to disseminate up to 100,000 body bags throughout the country. So, if the military is preparing to ship out and distribute 100,000 body bags, you know what they telling us? This is about fatalities and deaths. One hundred thousand body bags to be sent throughout the country. I think we need to focus on fighting this enemy first, before we can look forward to how we're going to bounce back after the pandemic. So, I just shared that to provide some context to the seriousness and deadliness of this pandemic. You know, people think it may happen to others and not to ourselves, but I would caution that that would be a foolish way to approach this crisis. That all of us are vulnerable, all of us can become a fatality. And we need to approach it in its serious lethal manner. Thank you, Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo for that update. Very sobering update, Member Hokama. Okay, Members, would you like to go another round of questions, or popcorn in . . .

COUNCILMEMBER MOLINA: Chair?

CHAIR RAWLINS-FERNANDEZ: Member Molina?

COUNCILMEMBER MOLINA: Yeah, sorry, can I have my turn? I had requested . . .

CHAIR RAWLINS-FERNANDEZ: Sorry, yes. Member Molina, your turn.

COUNCILMEMBER MOLINA: No worries, no worries. And I share your sentiments about the sobering news from Mr. Hokama, so. You know, as we know, we have a lot of CIP and

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most of it is, you know, we have to bond it. My preference would be cash, but I want to ask Mr. Teruya, on the subject of bond rating, I consider you and Mr. Hokama gurus in this area, or people with a lot of knowledge. First question is what is our bond rating as compared to our sister counties and what should we do as we approach this budget to maintain, I assume we have a solid bond rating, to maintain confidence of our bond raters for Maui County? Because we want to make sure we have the best bond rating available to save taxpayers a lot of dollars as we complete a lot of these much-needed CIP projects. So, Mr. Teruya?

MR. TERUYA: Chair?

CHAIR RAWLINS-FERNANDEZ: Director?

MR. TERUYA: Thank you. Thank you for that question, Mr. Molina. We are currently one short of the highest rating of a triple A. We are AA, AA+, AA+, A1 I guess. Right now, it looks like . . . I've been in contact with our municipal advisor, we are still holding that same rating. Our sister counties are still holding the same rating; but, however, airports, DOT, transportation, airlines, all of those State functions, their ratings have just dropped to B. Some of them went to B, BB, but they've dropped their ratings down to B because of the situation of losing the tourism and the hotel market. So, for right now, if we go out and we bond projects, the interest rates are very favorable right now. And what we're looking at in September, all indications looks like it's a very good time to borrow. As far as spending cash, I prefer, at this time, I would defer to Mr. Hokama, who probably knows a lot more than I do, but I think at this moment we should be keeping cash on hand and being as liquid as possible. That is my opinion. I will maybe defer it to Mr. Hokama if he has a different opinion.

CHAIR RAWLINS-FERNANDEZ: Member Hokama, would you like to add any comments to that?

COUNCILMEMBER HOKAMA: You know, right now, Chair, the financial market globally is, you know, upside down. There are those that predict that those who have assets, that certain groups will be coming through well. I would say for this County, though, our focus should be on the preparations needed to deal with potential fatalities, and how we protect our residents from being able to address those very uncomfortable situations. If we have a County resident fatality, more than likely, our resident's family members will not even be able to do the normal things that our customs or our traditions would ask of us. We wouldn't be able to give comfort to one another personally. We wouldn't be able to attend maybe the services, or even the burials of our loved ones because of this crisis. So, I would say, right now, I would focus more on the planning and what this County can do within our control, than worry about the potential of the, potential borrowing down the road. I would say that's going to handle itself. The County is in great financial standing. We will be able to get very good, I would say, commitments on interest rates and duration of time, but, at this point, Chair, I would just ask our Members that we should give flexibility and maintain the County's liquidity to respond. Because that is what we're going to need; cash, cash, cash. Thank you, Chair.

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CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Hokama. I agree with your assessment. Member Molina?

COUNCILMEMBER MOLINA: No, questions answered. Thank you for that assessment, Mr. Hokama and Mr. Teruya. Thank you, Madam Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Molina. Okay. Members, would you like to go one more round of questions? Okay, I see one head nodding, and so, I'll call on Member Paltin. And I see one hungry Councilmember. Okay. Member Paltin?

COUNCILMEMBER PALTIN: Thank you, Chair. So, my question is, you know, I agree with Member Lee about the hiring freeze and, you know, similarly, like how interest rates are down, I think this is a good opportunity to fill a lot of our essential positions with really qualified workers that may have been laid off from the hotels and whatnot, like that. My question is, you know, one of the slides said that 23.6 percent of our incoming budget is spent on salaries and wages. And so, to me, it's unacceptable not to have that information in the Budget Details. I want to know what was the genesis that all that information was provided up until 2019 Fiscal Year, and then 2020, it's not. I know that not all of our employees belong to collective bargaining and I don't think that there's a problem if we need to go into executive session to watch it. That Budget Details are for limited distribution only. It's not something that everybody has access to. So, I'm just wondering the justification and what changed from Fiscal Year 2019 to Fiscal Year 2020?

CHAIR RAWLINS-FERNANDEZ: Budget Director?

MS. YOSHIMURA: So, up until 2019, yes, individual salaries were provided in the Budget Details. We were advised by Corporation Counsel and Department of Personnel Services, collective bargaining agreements don't allow you to provide exact salaries for the employees. So, say there's the Emergency Management Agency. There is one administrator. So, you would know exactly who that person is, and what their salary is. And that's what we're not at liberty to provide. We did provide the salaries of the directors and deputies because those are set by Salary Commission and those are made public. So, we did include those. Last year we did include the salaries specifically in the Office of Council Services and the Office of the Mayor. And if you would like that information, we can provide that to you. But those are all appointed positions or hired through a resolution that is public information. So, we could provide that to you. But as far as the collective bargaining positions, I will again confirm with Corporation Counsel and get back to you on that.

COUNCILMEMBER PALTIN: And to follow up, is the SR rating not allowed? Because that's not included either, and are you saying it's not allowed to be public information? Because when you post a recruitment notice, that information comes out in the newspaper. So, and, I don't think the part about executive session was addressed. You know, this is not . . . the limited distribution Budget Details is not for public information. Can we not get this? I mean, for me, I'm kind of a big picture thinker

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and for making a decision where the ultimate cost is \$869 million, and to not know, I mean, maybe we have to do RIFs eventually if this goes for a long time, and I feel like I don't have the information needed as a policymaker to make a decision on \$869 million budget when 23.6 percent of the information is just missing. It's just a big blank to me. So, it's not something that I'm going to post up on social media, Facebook, Instagram. It's something that helps me to make the decisions that I need to make. And are we under a different law that Corp. Counsel is dealing with that was different from 2019 that is now 2020? Like, can they cite what the law is that changed or whatever it is that changed from 2019 to 2020? Can they give us the information in executive session? We're not the public. We're nine elected officials that the public put their trust in to make these hundred million dollar decisions. So, I mean, let's work together, trust each other.

CHAIR RAWLINS-FERNANDEZ: Budget Director?

MS. YOSHIMURA: If you don't mind, I think Corporation Counsel David Galazin is on, so, maybe he could respond to that.

CHAIR RAWLINS-FERNANDEZ: Okay. Mr. Galazin?

MR. GALAZIN: Yes, thank you, Chair. I did not specifically look at the question from the . . . *(inaudible)* . . . there was collaboration with my Department on this issue. So, I would want to discuss with the Budget Director and get back to you on that to understand what advice was provided to her. Because, generally speaking, individual salaries, per se, aren't releasable, but salary ranges generally are. So, there may be a way to provide some of that information, if not exactly, but I'd have to discuss and get back to you on that.

COUNCILMEMBER PALTIN: Okay. Thank you. I would appreciate that because, you know, it's difficult to be thrown into this situation and not have all the information you need to make decisions.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Paltin. Members, any other questions?

COUNCILMEMBER HOKAMA: Chair?

CHAIR RAWLINS-FERNANDEZ: Member Hokama?

COUNCILMEMBER HOKAMA: Thank you. My question if you could have maybe the appropriate administrative personnel respond in whatever manner is deemed wise, Chair. My concern is something that I think the other Members brought up, is how do we get the timely, the Federal assistance dollars that has already been approved by Congress? And a lot of it goes through the states first and then passed through to the counties. And I've notified D.C., that, you know, currently, our Legislature is in temporary hold for health precautions, and will Hawaii then be hindered and not be able to receive direct Federal assistance? The response is U.S. Treasury will work directly with governors' offices. But that doesn't mean that the County gets the money

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in a timely manner. So, I would say, if Admin could give us some comment. I will be following up with our NACo staff in D.C. to get further clarification, but, I think, this is something that we need to work because other state legislatures may also have a temporary halt of proceedings during the, what is basically the budget process for the whole country at this time. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Hokama. Members, any other questions? Okay. Pro Temp Kama, and then Member Paltin.

COUNCILMEMBER KAMA: Thank you, Chair. I just wanted to, kind of, follow up with what Mr. Hokama talked about earlier about focusing upon what's happening now. I was thinking about a hundred thousand body bags is not only sobering, it's almost depressing. But couple of days ago we had a, so, you know, there's a group of pastors that always pray every month, for us, the Administration. And one of the questions that one of them had asked, it was a Buddhist pastor, he says with the way that things are happening today, how does he, as a Buddhist pastor, minister to his Buddhist member who may be in the hospital and dying, or maybe even deceased. How does he support the family in that manner? And, I think, that's the direction that Mr. Hokama was talking about. So, who's going to answer those questions for our families? Who's going to be asking those questions? And, I think, maybe, that is something that, maybe, we could take up, maybe, at a later time. But just for information and discussion sake. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Pro Temp Kama. Member Paltin?

COUNCILMEMBER PALTIN: Thank you, Chair. I just wanted to mention that, I think, Kahului, Wailuku, Lahaina, got, made the list for the Brookings Institute as one of the hardest hit areas financially, economically, in the country. And I was wondering, that's got to help our chances, right, with the distribution of the Federal monies, as a County? Or, is that --

MR. TERUYA: Chair?

COUNCILMEMBER PALTIN: --not something to take into consideration?

MR. TERUYA: All I can tell you is the \$4 billion to Hawaii is already set. What has not been set is what each county will receive so far. So, that is what we're going to be looking for in the Stimulus package from Congress.

COUNCILMEMBER PALTIN: And we're not sure what they base the decision on, at this time?

MR. TERUYA: I am not aware of that. I didn't hear that from Senator Schatz. All that we were told was that of the \$2.2 trillion package, that \$4 billion is awarded, was going to Hawaii.

COUNCILMEMBER PALTIN: Okay. Thank you.

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COUNCILMEMBER LEE: Madam Chair?

CHAIR RAWLINS-FERNANDEZ: Chair Lee?

COUNCILMEMBER LEE: Thank you, Madam Chair. I believe, Director Teruya, that one of the criteria on deciding the distribution of funds is population size. So, perhaps you can get that type of information for us so that we have an idea how the Federal government is going to distribute this money, or any future monies, because one of our disadvantages is our small size. And that's the reason why Oahu gets the lion's share of all the money all the time. Because their population exceeds 500,000 and ours doesn't. So, perhaps, you can get that information for us, as well. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Chair Lee. Okay. I don't see any other hands going up. Okay. Vice-Chair King and Member Paltin for the last two questions.

VICE-CHAIR KING: Okay. Thank you, Chair. I know everybody wants to get to lunch. We've actually gone quite long without a break so, thank you to all our, all my colleagues on the Council and to the Administration for being engaged in this discussion. My, the one thing I wanted to just be certain of, as we go through the Budget Session, and I know we'll be bringing the Departments back up because we haven't actually heard directly from them on their approach to this next year. We've heard about the last year and how funds were used, but in going forward, will we be able to get a sense from each department . . . and I don't know if, Budget Director, if you can answer this, but a sense from each department, their projections on what their revenue stream, how their revenue streams are going to be affected, how their operations are going to be affected, who is considered essential operations, like Wastewater and, obviously, water delivery, and things like that, and who is expecting to have to, which departments are tightening their belts and anticipating decrease of needs? Will we get that from each department?

CHAIR RAWLINS-FERNANDEZ: Budget Director?

VICE-CHAIR KING: Maybe that's a question for our Budget Director.

MS. YOSHIMURA: Sure. Councilmember King, yes, every department will be able to address your questions. We have already established the essential list that we're working off of now. And they will be best to look at what their operational needs are going to be should this continue and how long it will continue, what their current projections are. And I'm assuming you were going to get these questions in writing sometime either today or tomorrow, so the departments can be prepared when they start coming in, I believe, on Monday.

VICE-CHAIR KING: Okay.

MS. YOSHIMURA: Thank you.

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VICE-CHAIR KING: Well, thank you. Thank you for that. And I just wanted to press that point because I agree with, you know, the statements that have been made that we're not, we haven't peaked yet. We're not through the worse of this yet. And it does . . . and we need to start addressing that in the budget as we go forward. And we need to hear from each department how they're going to be addressing what's happening around us that's changing daily as well. With the understanding that things are changing daily and we're all, kind of, coping with how to cope on a daily basis. But I haven't heard yet, you know, from individual departments, how things are going to be different than they are actually in the budget. The budget projections that are either flat or increasing are probably going to have to change, so, appreciate that, knowing that that information is coming. Thank you. And that's sort of, Chair, that's sort of a general question, so, I mean, that would be like a question for every department that, I think, is really important and pertinent going forward. I think we all need to have that information. Thank you.

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

COUNCILMEMBER PALTIN: Thank you, Chair. That was one of my questions to all the departments so, hopefully, they'll answer it. My question is for you, like, for, if you wanted to give us any specifics of how to come prepared, what we should bring tomorrow. Like, just, you know, maybe a homework assignment, or what you want us to be prepared for tomorrow.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Paltin. So, is that, was that your only question?

COUNCILMEMBER PALTIN: Yeah. It was only for you. Sorry, my neighbor's a welder, I don't know if you can hear him.

CHAIR RAWLINS-FERNANDEZ: I'm going to take that up at the end. Okay. Shucks, my table is not big enough. Okay. So, I'll address your question after. If there are no more questions . . . well, actually, I have one more question for the Department while we're on the topic of preparing for potential fatalities across the country. It's a hard question to ask on the floor, but with the Emergency Funds, will the Administration consider looking at a Matson-type container, a chill, a freezer-type container for Molokai? We don't have a lot of capacity if we were to lose a lot of people here.

MR. TERUYA: Chair?

CHAIR RAWLINS-FERNANDEZ: Director Teruya?

MR. TERUYA: I think we would have to work through the Police Chief. I think he's the County Coroner and he deals with this item, as well as the capacity, even here in Kahului I believe is a question as well. So, I think when Police comes up that would be, probably one of, a good question for the Chief for him to address. If the budget should need an adjustment that that is a very pertinent question, not only for your County but all three islands.

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CHAIR RAWLINS-FERNANDEZ: Okay. But the budget, the FY '21 Budget starts in July. And, you know, we're just at the front end of the curve, and, you know, if, as we approach, you know, any type of surge, depending on how well we, you know, practice social distancing and not spread the virus, if we don't have capacity before July 1st, with the Emergency Funds that was allocated, as you stated, if the three islands need those type of storage containers, if that funding can be used for that?

MR. TERUYA: Yeah, Chair, you are correct. The Emergency Fund could be able to be used to address your concern.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Director Teruya. Okay. Members, those are the last questions for the Administration, so I'll thank them and we can all thank them for joining us today, and then, I'll address Member Paltin's question. Mahalo, Budget Director, and Finance Director, and Deputy Director.

COUNCILMEMBER SUGIMURA: Thank you, Michele.

MR. TERUYA: Thank you, Chair.

UNIDENTIFIED SPEAKER: Thank you.

CHAIR RAWLINS-FERNANDEZ: Okay, Members, tomorrow. So, what we have on the calendar for tomorrow, as we discussed briefly yesterday, was a check-in for clarification and Members' priority proposal instructions, which Members received last week with the Memo. We talked about if we wanted to address the questions after today's meeting. We could do it today, and then not have tomorrow's meeting. If that's, you know, Members' preference, then we cannot have tomorrow's meeting and Members can focus on their priority proposals that will be due on Friday at 12:00. Okay.

COUNCILMEMBER LEE: Good idea.

VICE-CHAIR KING: Chair?

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

VICE-CHAIR KING: Can we take a lunch break and then come back and do it after lunch?

CHAIR RAWLINS-FERNANDEZ: Oh, okay. I wasn't expecting it to be long, but if Members have a lot of questions then we can take a . . .

VICE-CHAIR KING: Well, I just don't know. I mean we, yeah, every time we think something is going to be short it ends up taking another hour so, if, and I need to go home for lunch, and Mr. Hokama's few seats down from me, also very hungry. So, I don't know, can we give ourselves a time limit if we're not going to take a lunch break?

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CHAIR RAWLINS-FERNANDEZ: Okay. I can ask Members how many questions they have.

COUNCILMEMBER SUGIMURA: Why don't you just proceed and we'll be fast. I mean I think we all have an idea of what we're trying to do and we just want to hear from you. That's my perspective.

CHAIR RAWLINS-FERNANDEZ: Oh, no. The questions would come from you, if you have any questions. I sent out all the instructions in the Memo.

COUNCILMEMBER SUGIMURA: Okay. I'm fine.

CHAIR RAWLINS-FERNANDEZ: Sorry if it wasn't clear. Okay. Member Paltin?

COUNCILMEMBER KAMA: It was clear.

VICE-CHAIR KING: I'm clear.

COUNCILMEMBER PALTIN: I just had a question, like, when you're talking about priorities, or I guess I had three main questions. My first question is, as a budget priority are you thinking of it as an increase or as a decrease?

CHAIR RAWLINS-FERNANDEZ: Increase.

COUNCILMEMBER PALTIN: So, we're not . . .

CHAIR RAWLINS-FERNANDEZ: It says that. So, Members will be given . . . should I read it? Would Members like . . . okay. Sure. Okay. In the Memo dated March 26th priorities, Members will be given up to five District priorities and up to five Countywide priorities. Priorities are not general concepts, such as affordable housing, they are provisos or line item additions. So, increases. Or, increases to the Operating Budgets or CIPs. District priorities are grouped together. District priorities that are grouped together will be counted separately, for example, if a priority includes five E/Ps for a district park, each E/P will be counted as one priority for a total of five district priorities. And Countywide priorities that are grouped together will be counted together, for example, if the priority includes five E/Ps for EP&S, the five E/Ps will be counted as one County priority.

COUNCILMEMBER PALTIN: Okay. Thanks. I wasn't sure if you could proviso in the negative. Like, remove things with provisos. Sorry.

CHAIR RAWLINS-FERNANDEZ: I think if we wanted to reduce it, then we would reduce it.

COUNCILMEMBER PALTIN: Oh. Okay. And there's going to be a other opportunity, like, you know, that one sheet that you provided, where it said with the fluorescent yellow at the top, where it says not for distribution, and we're, like, doing increases and decreases. I guess I wasn't clear on how we're going to . . . if we turn that into you, or that's just for us?

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CHAIR RAWLINS-FERNANDEZ: Yeah, that's just internal for you. Was to assist your note-taking, and the increase amount was just what you saw that was happening. So, when you went through the budget, just so that it would make it easier for all of us to remember what information would be useful when the departments come up. What page number, and whether it's the Program Budget or the Budget Details, department, or program, you know, and then that details, and then, if there was, like, an increase to that area, or a decrease, and then what your question was in the notes. Like, why was there an increase in this program by \$20,000? So, it was just for your own note-taking.

COUNCILMEMBER PALTIN: I just didn't want it to look like, you know, I'm just adding in things without also thinking about the consequence of having to delete things, you know, in the, sort of, if it wasn't with a pandemic going on and a local economic thing, I probably would have different priorities, but, you know, given the situation, I'm totally revamping the priorities that I had planned to submit originally, before February, I guess. And so, I just didn't want it to be, like, you know, all additions and money without, I just wanted folks to know, yeah, that I do have cuts in mind, but this on Friday due date, is only for additions, we're not talking about subtractions.

CHAIR RAWLINS-FERNANDEZ: Yeah. Based on our discussion today, I think, as a Council, we recognize that reductions would need to be made. So, I think we can make those hard decisions together.

COUNCILMEMBER PALTIN: I'm good.

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

COUNCILMEMBER SINENCI: Thank you, Chair. No, I was open to having the discussion today, now, or tomorrow. So, whichever is okay with everyone. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Sinenci. Okay. Any other questions? Okay, it looks like there aren't any more questions. So, that was pretty quick. Oh, Committee Vice-Chair King. You have a lot of questions.

VICE-CHAIR KING: I was actually just waving good-bye.

CHAIR RAWLINS-FERNANDEZ: Okay. Let me see. Okay. So, I have some reminders and then we'll adjourn the meeting. Okay. Thank you, Members, for submitting your department questions yesterday. We received all of them. Okay. So, we won't have our meeting tomorrow since we had the discussion right now. And your priority proposals are due by noon on Friday, this Friday, April 3rd, to the EDB Committee. Please be sure to compile your priorities in the matrix that was provided. And, then, Staff will put them all together in a matrix over the weekend, and it will be distributed to Members on Monday. And, okay, and then, any other questions that, you know, you may have come up, just hold on to them, and then we can ask the departments when they come up, when they come before us. Okay? So, those are all the

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reminders. Any last questions or concerns? Don't wave yet. Okay, that's not a wave. Member Hokama?

COUNCILMEMBER HOKAMA: Chair, very quickly yeah. I share your same concern regarding fatalities on our home islands. I would just ask, though, I think, one of the problems that we may have currently and will be exasperated in the future, is the amount of unclaimed bodies at the morgue. You know, we have a lot people who come here, no families, and something happens, and they pass away, but part of the problem the County has is, there's about 50 percent capacity being utilized by unclaimed bodies. And so, we're going to need to make plans because this could be part of a factor that undermines how we're going to approach our resident sector, and take care of our people. So, I just bring that up, that that's maybe something the Chief of Police can already prepare in response to this Committee's concern. Thank you, Chair.

CHAIR RAWLINS-FERNANDEZ: I'm muted. Okay, I'm unmuted now. Okay. Seeing no other questions or concerns I'll adjourn today's meeting. It's 12:37 on April 1st. And I will see you on . . .

COUNCILMEMBER MOLINA: No objection.

CHAIR RAWLINS-FERNANDEZ: Thank you, Member Molina. And I'll see you at our full Council meeting on Friday at nine o'clock.

COUNCILMEMBER SUGIMURA: Eight forty-five?

COUNCILMEMBER LEE: Thank you, Madam Chair.

UNIDENTIFIED SPEAKER: Is that emergency meeting?

COUNCILMEMBER KAMA: Aloha, everyone.

COUNCILMEMBER MOLINA: Aloha.

CHAIR RAWLINS-FERNANDEZ: Chair Lee? Member Sugimura had a question about the emergency meeting.

COUNCILMEMBER SUGIMURA: Emergency meeting at 8:45? Are we meeting at 8:45 on Friday and then the 9 'clock, correct?

COUNCILMEMBER LEE: Yes, we have an emergency meeting at 8:45. Yes.

CHAIR RAWLINS-FERNANDEZ: Okay. So, see you all at 8:45 for emergency meeting and then our Council meeting to follow at 9 o'clock.

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COUNCILMEMBER LEE: Yes.

CHAIR RAWLINS-FERNANDEZ: And then, Chair Lee, I'm sorry, would you be able to let everyone know if testimony will be accepted. Oral testimony? Or only written testimony?

COUNCILMEMBER LEE: We're going to try for oral testimony.

CHAIR RAWLINS-FERNANDEZ: Okay. Great. Mahalo, Chair Lee. Okay. It is now 12:38 on April 1st and the Economic Development and Budget Committee is now adjourned... (gavel)...

ACTION: DEFER pending further discussion.

ADJOURN: 12:38 p.m.

APPROVED:



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

edb:min:200401:mg

Transcribed by: Mary Lou Green

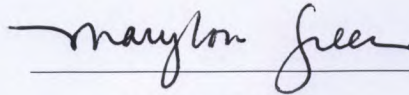
ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE MINUTES
Council of the County of Maui

April 1, 2020

CERTIFICATE

I, Mary Lou Green, 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 20th day of April, 2020, in Kula, Hawaii

A handwritten signature in cursive script, reading "Mary Lou Green", written over a horizontal line.

Mary Lou Green