

BUDGET, FINANCE, AND ECONOMIC DEVELOPMENT COMMITTEE

Council of the County of Maui

MINUTES

November 4, 2021

Online Only via BlueJeans

CONVENE: 9:03 a.m.

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

EXCUSED: Councilmember Kelly Takaya King, Member

STAFF: Lesley Milner, Legislative Analyst
Kasie Apo Takayama, Legislative Analyst
Richard Mitchell, Legislative Attorney
Yvette Bouthillier, Committee Secretary
Lenora Dineen, Council Services Assistant Clerk

Kate Griffiths, Executive Assistant to Councilmember Gabe Johnson
Evan Dust, Executive Assistant to Councilmember Tasha Kama
Davideane Sickels, Executive Assistant to Councilmember Tasha Kama
Axel Beers, Executive Assistant to Councilmember Kelly Takaya King
Ellen McKinley, Executive Assistant to Councilmember Kelly Takaya King
Sarah Freistat Pajimola, Executive Assistant to Councilmember Keani
N.W. Rawlins-Fernandez

ADMIN.: Michele M. Yoshimura, Budget Director, Office of the Mayor (BFED-56(2),
BFED-56(4))
Helene Kau, Deputy Director, Department of Water Supply (BFED-56(2))
Holly Ho, Waterworks Fiscal Officer, Department of Water Supply
(BFED-56(2))
Mark Walker, Assistant Waterworks Fiscal Officer, Department of Water
Supply (BFED-56(2))
Eric Nakagawa, Director, Department of Environmental Management
(BFED-56(4))
Sananda K. Baz, Managing Director, Department of Management
(BFED-19)
Scott Teruya, Director, Department of Finance (BFED-19)

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

November 4, 2021

Rowena Dagdag-Andaya, Director, Department of Public works (BFED-19)
Michele McLean, Director, Department of Planning (BFED-19)
Kristina Toshikiyo, Deputy Corporation Counsel, Department of the
Corporation Counsel

PRESS: Akaku: Maui Community Television, Inc.

CHAIR RAWLINS-FERNANDEZ: Aloha kakahiaka kākou. ‘Ekolu minuke i ka hala o kahola ‘eiwa. Ma ‘eha o Nowemapa i ka makahiki ‘elua kaukani `iwakāluakumakahi. E ‘olu‘olu mai ho‘omalū ke Komike Mo‘ohelu Kala a me ho‘omohala waiwai. ‘O wai ka luna ho‘omalū o keia Komike o Keani Rawlins-Fernandez. It is 9:04, but was 9:03 at the time on November 4th, 2021. Will the Budget, Finance, and Economic Development Committee please come to order. I'm your Chair, Keani Rawlins-Fernandez. I keia lā, me ko kākou, ēiahope luna ho‘omalū Tamara Paltin and jamba [sic] from Kenya.

VICE-CHAIR PALTIN: Jamba [sic] kākou and aloha kakahiaka mai Malu ‘Ulu O Lele. You've got partly cloudy, partly sunny skies, surf in the two- to four-foot range on the Upper West Side, and light and variable wind. I am broadcasting live and direct out of the West Maui District Office with my aide, Angela, who is more than six feet away from me...about 10 feet, actually.

CHAIR RAWLINS-FERNANDEZ: Sounds amazing. Mahalo for that report, Member Paltin. And I am reporting from the Moloka‘i District Office where I am by myself on this side of the office. And then we have Councilmember Shane Sinenci, jamba [sic].

COUNCILMEMBER SINENCI: Okay. Jamba, Jamba [sic], Chair, for added emphasis. Aloha kakahiakai my Maui Hikina, and broadcasting from the Hāna Culture Center with my EA, Dawn Lono, and we're about 15 feet apart. Aloha.

CHAIR RAWLINS-FERNANDEZ: Very good. Mahalo and aloha. And Councilmember Mike Molina, jamba [sic].

COUNCILMEMBER MOLINA: Aloha and jamba [sic] to you, Madam Chair, my colleagues, everyone else joining us for your budget meeting this morning. For the record, I am home alone broadcasting from my residence here in Makawao. Aloha.

CHAIR RAWLINS-FERNANDEZ: Aloha and mahalo. And we have Council Chair, Alice Lee, jamba [sic].

COUNCILMEMBER LEE: Jamba [sic] kākou. Members, this word comes from East Africa, Kenya, in the Swahili language, jamba [sic]. I'm home alone with no one in my office. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, and mahalo for our greeting. Councilmember Kelly King is excused, and then we have Councilmember Gabe Johnson, jamba [sic].

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

November 4, 2021

COUNCILMEMBER JOHNSON: Jamba [sic] to you, Chair, and jamba [sic] to my fellow Councilmembers. I am home alone on the Island of Lānaʻi, and looking forward to a great meeting. Mahalo.

CHAIR RAWLINS-FERNANDEZ: Mahalo. And we have Councilmember Yuki Lei Sugimura, jamba [sic].

COUNCILMEMBER SUGIMURA: Jamba [sic], everybody. I'm in the County Building this morning, and it is cloudy on the West Maui Mountains and Kula, it's 70 degrees. I said goodbye to my husband as I left this...early this morning to come to the office, and here it's 77 degrees in Wailuku at this moment according to Google. Anyway, good morning, everybody.

CHAIR RAWLINS-FERNANDEZ: Good morning. And Pro Tem Tasha Kama, jamba [sic].

COUNCILMEMBER KAMA: Aloha kakahiaka, Chair, and jamba [sic] to all of my colleagues. I'm looking forward to a very exciting day at our budget hearing...at our budget meeting today. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo.

COUNCILMEMBER KAMA: And for the record, Chair, I am by myself. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo. Mahalo for remembering that. Okay. And from Corporation Counsel, we have Deputy Corporation Counsel Kristina Toshikiyo.

MS. TOSHIKIYO: Jamba [sic] and aloha, Council -- sorry, Committee Chair and Members. I like that jamba [sic].

CHAIR RAWLINS-FERNANDEZ: Yeah, an easier one. From the Office of the Mayor, we have with us Budget Director Michele Yoshimura. Jamba [sic].

MS. YOSHIMURA: Good morning, Chair. Good morning, Members. Jamba [sic].

CHAIR RAWLINS-FERNANDEZ: And then we'll have more representatives from the Administration when each of the items come up and I'll introduce them, greet them, at that time. And then Committee Staff, we have Committee Secretary Yvette Bouthillier.

MS. BOUTHILLIER: Jamba [sic], good morning, Committee Chair and Committee Members.

CHAIR RAWLINS-FERNANDEZ: Jamba [sic]. Budget Committee Analyst Lesley Milner. Jamba [sic].

MS. MILNER: Aloha, Chair. Jamba [sic], Members.

CHAIR RAWLINS-FERNANDEZ: Legislative Analyst Kasie Apo Takayama. Jamba [sic].

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

November 4, 2021

MS. TAKAYAMA: Jamba [sic], Committee Chair and Members.

CHAIR RAWLINS-FERNANDEZ: Legislative Attorney Richard Mitchell.

MR. MITCHELL: Jamba [sic] and aloha, Committee Chair and Members.

CHAIR RAWLINS-FERNANDEZ: Aloha. And Council Services Assistant Clerk Lei Dineen. Jamba [sic]. This online meeting is being conducted in accordance with the Governor's most recent proclamation on COVID-19. Please see the last page of the agenda for information on meeting connectivity. We have three items on today's agenda: BFED-56(2) Amendments to Capital Improvement Projects for Fiscal Year 2022 (Department of Water Supply (Acquisition of 1888 Wili Pa Loop Building and Property)); BFED-56(4) Amendments to Capital Improvement Projects for Fiscal Year 2022 (Department of Environmental Management (Kahului Beach Road Sewer Line Upgrade)); and BFED-19, Establishing Chapter 3.17, Maui County Code, Relating to the Reduction of Administrative Fines. And I see that we have no one signed up to testify. So I will invite anyone wishing to testify to please unmute yourself and let us know, and then I can give the instructions; but, if not, I will forego the instructions and save us that time. All right. Hearing no one unmuting themselves, are there any objections to closing oral testimony?

COUNCILMEMBERS VOICED NO OBJECTIONS.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Members. And if we have written testimony, any objections to accepting the written testimony into the record?

COUNCILMEMBERS VOICED NO OBJECTIONS.

CHAIR RAWLINS-FERNANDEZ: Okay. We are moving right along. And before we begin, I just want to let Members know that my intention is to end today's meeting early. I know it's heartbreaking for you all, but I'm hoping to end by 11:30 today. I'm so sorry.

**ITEM 56(2): AMENDMENTS TO CAPITAL IMPROVEMENT PROJECTS
FOR FISCAL YEAR 2022 (DEPARTMENT OF WATER SUPPLY
(ACQUISITION OF 1888 WILI PA LOOP BUILDING AND
PROPERTY))**

CHAIR RAWLINS-FERNANDEZ: Okay. We'll start with our first agenda item, and that's BFED-56(2) Amendments to Capital Improvement Projects for Fiscal Year 2022 (Department of Water Supply (Acquisition of 1888 Wili Pa Loop Building and Property)). And we have with us Budget Director Yoshimura for opening comments, followed by Department of Water Supply. Budget Director Yoshimura.

MS. YOSHIMURA: Thank you, Chair. Members, this morning is an amendment to increase the bond authorization by \$4,020,000 for the acquisition of the Maui County Federal Credit Union Building. This will be utilized by the Department of Water Supply, so the

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

November 4, 2021

bond will be floated on their behalf. The debt service per year is \$265,000. They intend on moving their fiscal division from the fifth floor of the Kalana O Maui Building to that section, and then bringing those who are in rented space over at One Main Plaza in...to fill the fifth floor space. So I believe Deputy Director Helene Kau is available to answer any specific questions. And if you have any questions about the acquisition, I'm sure Scott Teruya, Director of Finance, will be available to answer those questions. But there's also a resolution authorizing the acquisition as well in the proposal. Thank you, Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Budget Director. Okay. Deputy Director, Helene Kau. Jamba [sic]. Okay. I think I need to turn on the video. Okay. Oh, there you are. Aloha. Okay. And is that Ms. Holly Ho? I can't tell with the mask. Okay. And let me see if I need to unmute you. Oh, I think it's on your end.

MS. KAU: Oh, yes. It's on my end, sorry. So I have...I apologize. I have Holly Ho and Mark Walker, who can also provide details on this opportunity. Did you have any specific questions?

CHAIR RAWLINS-FERNANDEZ: Okay. I was going to give you...if you wanted to add anything more to what Budget Director Yoshimura...

MR. WALKER: . . .*(inaudible)*. . .

CHAIR RAWLINS-FERNANDEZ: Sure.

MS. KAU: Sure. Okay. Thank you. Mark Walker has some further details on how we intend to proceed, and hopefully this will actually address some of the questions that you may have.

MR. WALKER: Good morning, Chair, Committee Members. I'm Mark Walker, Assistant Fiscal Officer. Following our...just some of the reasons that we believe taking advantage of this opportunity are worth the effort. First of all, I'm not sure how many of you have been to the...the fifth floor where our offices are currently located, but we're really...we have a staff of 30, and we're shoehorned into our space. We have no meeting room, and have an increasingly hard time creating the proper distance between staff members. Relocating to this building will decrease the daily customer traffic in the County Building for those making bill payments, and with a commensurate reduction in...in elevator use as well. The Maui County Federal Credit Union Building is already set up to take payments. As you know, it's a credit union, so it has...it has teller windows, a vault on a lobby area. I believe, moving forward, our physical division is going to be required, as part of a bigger effort within the County and Finance, to be taking more payments from other divisions within the County. So this...this move will allow us to grow under this increased responsibility. If we vacate our current offices, as the Budget Director mentioned, it would allow us to move different divisions back to the Kalana O Maui Building and reduce our...our rental overhead that we are currently paying. The...the Maui County Federal Credit Union Building, we think, is in a good location. It's easily accessible...it has...the building itself does have a conference room that would allow our

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

November 4, 2021

staff to meet for the various things we meet about, and we could also be a site for our future Board of Water Supply meetings, where they currently meet downstairs in Kalana Pakui, I believe. That...this could be a home for them in the future. But I think in general, those are the...the big items that we wanted to discuss. Again, we're happy that the Finance Department came to us with this opportunity. We've looked into it, and they've entered into a contract that we think is fair, and so we're hopeful that you are supportive of our request. Thank you so much.

CHAIR RAWLINS-FERNANDEZ: *(audio interference)* floor for questions. Really quickly, if you could state for the record the appraisal and any anticipated construction costs.

MS. KAU: Thank you. I believe the appraised value is 4 million, and I believe after we...we have toured the facility, and for us, anyway, it's fairly move in ready. I'm not anticipating us having to incur any substantive, anyway, construction related costs.

CHAIR RAWLINS-FERNANDEZ: Okay. Great. I'll put three minutes on the clock for Members. Okay. I saw Committee Vice-Chair Paltin with her hand up, and then Chair Lee, and then I think it was Member Sugimura, and then Mike Molina...Member Molina, and then Pro Tem Kama. Okay. Committee Vice-Chair Paltin, three minutes.

VICE-CHAIR PALTIN: Thank you. If I get my answer I might cut you off because I only got three minutes, and I don't mean to be rude. But I'm supportive, I think that's a good price. We can't build for that much. I was wondering, the double move is because of the vault at the County...the credit union location? Like you're moving folks from the County Building to the credit union from One Main to the County Building. You wouldn't just move from One Main to the credit union because of the vault?

MS. KAU: The...the...because the credit union, you know, is designed as a financial facility, it's...it's conducive to our fiscal operations. So, you know, because we have cashing and, you know, cash handling responsibilities, it was...it was a good fit. The...the building is a good fit for our financial operations.

VICE-CHAIR PALTIN: And what...

MS. KAU: Supposing...pardon?

VICE-CHAIR PALTIN: What divisions are currently at One Main?

MS. KAU: That would be Water Resources and Planning.

VICE-CHAIR PALTIN: Oh, okay. And then I really like the solar panel covered parking. How does that solar...will it reduce the electricity of the building?

MS. KAU: Yes. There are some costs associated with paying for that PV system, but I do believe that the electric costs are reduced, obviously, because of the existence of that PV system.

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

November 4, 2021

VICE-CHAIR PALTIN: And the public will be able to go to the credit union location to pay their bills and go inside?

MS. KAU: Correct. And as...as Mark Walker had mentioned, long-term, as we integrate cashiering...integrate the County's cashiering system, you know, the hope is for us, Water Department, to be able to receive other County payments, not just water payments. We would also...

VICE-CHAIR PALTIN: Is there...

MS. KAU: Pardon?

VICE-CHAIR PALTIN: Is there more than 30 folks from One Main Plaza going to be moved to the County Building, and what is the savings in rent?

MS. HO: So the Fiscal Division has 30 employees who are crammed in, if you come down to our offices, a small area. The Planning Division has nine employees if they're fully staffed. I'm telling the number of employees who are staff. Currently, the rent for One Main Plaza, an estimate for 2022, is about 126,000. We got the expenses from Maui County Federal Credit Union, and it looks like annually their expenses are about 112,000, but that does include, like, a good portion for custodian and...well, not much for property tax, refuse, landscape, maintenance and all these different items...

VICE-CHAIR PALTIN: How many employees in the Water Resources Division that are going to --

MS. HO: Nine.

VICE-CHAIR PALTIN: -- be moving?

MS. HO: There's nine.

VICE-CHAIR PALTIN: Nine?

MS. HO: Yes.

VICE-CHAIR PALTIN: Nine in Planning and nine in Resources, or is...are they the same nine?

MS. HO: Same nine. That's one...one group.

VICE-CHAIR PALTIN: Okay.

CHAIR RAWLINS-FERNANDEZ: Okay. Mahalo, Member Paltin. The timer...I don't know...can you folks hear the timer?

COUNCILMEMBERS: [*Shaking heads*]

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

November 4, 2021

CHAIR RAWLINS-FERNANDEZ: No, you didn't hear the...okay. I'll try to put it closer to the speaker...or the mic. Okay. All right. So that was three minutes. Mahalo, Committee Vice-Chair Paltin. And then it's Council Chair Lee, followed by Member Sugimura.

COUNCILMEMBER LEE: Thank you. Helene, again, you have a total of how many...not counting the ones at the baseyard in Naska, how many employees?

MS. KAU: . . .*(inaudible)*. . .

COUNCILMEMBER LEE: Can you hear me?

CHAIR RAWLINS-FERNANDEZ: She's muted.

MS. KAU: Sorry. The Fiscal Division has a total of 30 employees. And as we had mentioned, moving Water Resource and Planning, if it's only eight or nine and they don't occupy all of that space, there is an opportunity for some of that space to be utilized by Engineering. Although Engineering occupies more space on the fifth floor, they also could utilize additional space.

COUNCILMEMBER LEE: Okay. So my original question was, how many employees do you have, not including the field employees at the baseyard? Like, how many in Engineering?

MS. KAU: 25 in Engineering, 30 in Fiscal, and 9 in Water Resources and Planning, and 8 in Admin.

COUNCILMEMBER LEE: And so are you folks looking, at some point, to move all of your employees out of the fifth floor?

MS. KAU: No.

COUNCILMEMBER LEE: Okay.

MS. KAU: At this point we were...we were...

COUNCILMEMBER LEE: Okay. But I think that's a good consideration, you know, if you think about it. The other thing is over the years we've wanted to take the fifth floor, and there was always that argument about the County owing the Water Department money for the fifth floor. Is that argument still in play?

MS. HO: It's not.

COUNCILMEMBER LEE: Because now you're asking us for \$4 million, right, to buy the other building?

MS. HO: It's hard to say because the...I mean, back when the Water Department was semi-autonomous, they did put money to...into the building to...for the fifth floor. But

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

November 4, 2021

now we're under the County, there's a...that...saying that we're part of the County. So yes, the Water Department did put money into the fifth floor back in the '70s, but...that's all I can say on that.

COUNCILMEMBER LEE: Yeah, okay. Good. We don't have that argument and...good, I'm glad we don't have that stumbling block any more so that if an opportunity arises, the whole department can move from the fifth floor, right?

MS. KAU: But the whole department would not be able to move into this building. The building, as we were told, was designed to accommodate about 29 or 30, and we're just...

COUNCILMEMBER LEE: Yeah. I'm not saying that. I'm not saying that. I'm saying in the future because we don't have this stumbling block anymore . . . *(timer sounds)*. . . it's possible that the whole...the rest of the employees could move. Okay. Thank you. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Council Chair Lee. Budget Director Yoshimura, did you have something that you wanted to add?

MS. YOSHIMURA: Chair, thank you. I just wanted to add that the debt service is going to be paid for by the Department of Water Supply, so it'll come out of the water funds and not the general fund. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Budget Director. Okay. Member Sugimura, followed by Member Molina.

COUNCILMEMBER SUGIMURA: Thank you. How many parking spaces does that credit union building have? I use it, so it doesn't look like there's enough for 39 employees, or what are your...are there additional parking spaces as well as for the customers that would want to come in and out to utilize the services?

MS. HO: We were told there was 38 parking stalls plus two for handicap. So total of 40.

COUNCILMEMBER SUGIMURA: So there's going to be no employee...there's going to be no parking for the customers, or for our residents then? It's only for employees?

MS. KAU: We would anticipate using 30...up...25 to 30 of the stalls for employees, and we would retain 10 for customers.

COUNCILMEMBER SUGIMURA: Wow, that's not enough. Plus handicap? How many customers do we have with...that you service that come in and drop off checks? Because I see that periodically in the building.

MS. HO: Right now, because of changes with COVID...but it's, I would say, possibly 10 to 20, and not all at once.

COUNCILMEMBER SUGIMURA: I think that's a problem. And then take payments...I thought

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

November 4, 2021

we were trying to do a lot of our payments online because of COVID, but you're now saying that the County is going to convert to having the Water Department receive payments, physical payments. So I think that's a...if you could let us know? And how big is the conference room? Can it accommodate the number of people that are currently using the Planning Department's conference room...if you're thinking that it's going to be a future location for Board of Water Supply meetings.

MS. HO: First of all, regarding the payments, currently DMV and...and Real Property take Water Department payments. Our anticipation, once we get into the Countywide cashing system, is that we would then also reciprocate and take Real Property, as well as trash and the different type of payments that people do still come in and pay, whether it be over at the...the service center or our location. And then there's also a thought that there is a...a ATM there that we could put in, like, one of the County's ATMs to also do licenses and stuff like that.

COUNCILMEMBER SUGIMURA: Okay. How big is the conference room?

MS. HO: I'll have to get back to you. I don't have the square foot of that. I know the second floor has about 3,200 square feet but that's . . . *(timer sounds)*. . . have to let you know.

COUNCILMEMBER SUGIMURA: Okay. If you could get back to us before it comes up before Council for any kind of decision? So how are you going to have your Board of Water Supply meetings with...how many people can it accommodate, and how would you do that versus the Planning Department? As well as parking, I see is a problem and...okay. Thank you.

CHAIR RAWLINS-FERNANDEZ: Okay. Mahalo, Member Sugimura. Okay. Member Molina, followed by Pro Tem Kama.

COUNCILMEMBER MOLINA: Thank you, Madam Chair. I appreciate your generosity of giving us three minutes. Good morning, Director Kau, and thank you for your opening remarks. My question will just require short responses, so I'm trying to squeeze in as much as I can before my three minutes are up. First, how much will the Department need in additional funds to renovate the building, or is everything good to go as is? Any estimated costs to move in and get fully started?

MS. KAU: From what we saw and what equipment they're going to leave, it looks like there will be very minimal amount of costs to move in. It has cashing stations and other offices. So we're not anticipating major costs on the move in.

COUNCILMEMBER MOLINA: Okay. And getting back to the parking. I know that area...now this is the Maui County Credit Union that's across where Tamura's is and the Wailuku Post Office...that's the site, yeah?

MS. KAU: Yes.

COUNCILMEMBER MOLINA: Yeah, because I think they're...depending on if you have Board

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

November 4, 2021

of Water Supply meetings and, you know, your typical customers who like to pay in person, there might be some challenges on those days when you do have Board of Water Supply meetings as it relates to parking. How many customers...what's your average amount of customers that come in to pay their bills? I don't know if you have those numbers, but...

MS. HO: I don't have exact numbers with me, but it has reduced since COVID. But we still have, I would say, at least 20 a day. I could get you better numbers.

COUNCILMEMBER MOLINA: Okay. Yeah, you know, some people still like to pay in person no matter what instead of mailing it in or doing it online, yeah. So, okay. And as far as initiating the proposal, was it the Department that reached out to Maui County Federal Credit Union or was it the Credit Union that approached the County?

MS. HO: The Finance Office came to us, so I'm not sure where that all...

MS. KAU: I think they...the Finance Department became aware of the opportunity, and we pursued it because we're probably the best fit for that location and it was...you know, it's a good opportunity for us.

COUNCILMEMBER MOLINA: Okay. And once the purchase is made about how roughly how soon do you think you can move in and start business? January, February?

MS. HO: I think their building isn't anticipated to be done until, like, mid of next year.

COUNCILMEMBER MOLINA: Oh, okay.

MS. HO: I'm not...but, yeah. So probably next...mid of next year, I would say.

COUNCILMEMBER MOLINA: More like summer, yeah? And I think it's important to get the word out as soon as possible for those who continually come to the County Building to pay their bills, yeah, so that way they're not, you know, surprised. But nonetheless, you're still going to have people that are not going to be aware, so I don't know if, maybe, some signage outside of the building to remind people that, you know, this is not the place to make payments. You got to go to this new site. So, okay. That's about all the questions I have. Thank you very much for your responses. Thank you, Madam Chair.
...*(timer sounds)*...

CHAIR RAWLINS-FERNANDEZ: Perfect timing. Okay, Pro Tem Kama, followed by Member Johnson.

COUNCILMEMBER KAMA: Thank you, Chair. So my question is, does the Department intend to expand their Staff to be able to develop more water source?

MS. KAU: I'm sorry, Member Kama, but the development of water sources is strictly related to Engineering and Resources and Planning Divisions.

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

November 4, 2021

COUNCILMEMBER KAMA: Okay. Okay. But at some point in time, Chair, can we get that to that Department...to that division, to answer? And then my other question, I think is, you know, we're buying some really awesome pieces of property and buildings already in existence. Does the Administration have any plans to figure out how much more buildings that we're going to need to be able to accommodate our Departments? For the Administration, yeah.

CHAIR RAWLINS-FERNANDEZ: I don't -- I think that's a broader question than the --

COUNCILMEMBER KAMA: Okay.

CHAIR RAWLINS-FERNANDEZ: -- agenda item.

COUNCILMEMBER KAMA: Okay. Okay. Well, maybe we can get that later on. But those are my questions; water source development and how much more we're going to need. So thank you, Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Pro Tem Kama. I think for the water source question, that doesn't fall under this item either. Maybe Member Sinenci, under the APT Committee, could take that up as the subject matter Chair.

COUNCILMEMBER KAMA: Thank you. Thank you, Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Pro Tem Kama. Okay. Member Johnson.

COUNCILMEMBER JOHNSON: Thank you, Chair. Okay. Some of my questions were already answered so I'll just go in there really quick. So first off, how old is the building?

MS. HO: Was built in 1997, so it's about 24 years old...24.

COUNCILMEMBER JOHNSON: It's a beautiful building, when I drive by and I see...I just Google Earth it just to double check exactly if I knew where it was and I like the...it's a beautiful building. So about the vault...now, in change of ownership, is there a special thing, procedures...I'm assuming you're going to change the code, but I mean, is there any specialized work that needs to be done on the vault?

MS. HO: You would have to see the vault there. The vault would...should be fine. Inside we can put another...a smaller safe or whatever is needed to be....I'm not sure exactly what they're going to leave and what we'll need to take with us, but it shouldn't be a problem.

COUNCILMEMBER JOHNSON: Okay. And the last question is, is when I was Google Earthing it, I noticed they had electric vehicle stalls. Is there...the plan and the intent to still...to keep the electric vehicle stalls, and are they operational still?

MS. HO: I'm not sure. We'd have to follow up on that question.

COUNCILMEMBER JOHNSON: Okay. Okay. Thank you, Chair. Thank you, Department. I

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

November 4, 2021

have no further questions.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Johnson. Member Sinenci.

COUNCILMEMBER SINENCI: Thank you, Chair. I just had a clarifying question for Budget Director Yoshimura. She mentioned the debt service will be paid by the Department's revolving fund; however, the price would be paid by the bond fund?

MS. YOSHIMURA: Chair, Councilmember Sinenci, a bond would be floated for the acquisition of this property. The debt service, which is \$265,000 per year, will be paid for by the water supply fund.

COUNCILMEMBER SINENCI: What is that? Like the interest on the bond fund?

MS. YOSHIMURA: Interest and principal for...it's going to be a 20-year bond.

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

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Sinenci. Okay. I'll ask a few follow-up questions, and then if Members still have questions, we can do a round two. My first question is, Member Paltin asked in the chat, earlier Ms. Ho said...you talked about installing the County's ATM to take payments. Is it an ATM, or is it the kiosk that they have?

MS. KAU: Sorry. I believe that it will be a kiosk. I...I may have misspoken.

CHAIR RAWLINS-FERNANDEZ: Okay. Mahalo, Deputy Director Kau. Okay. And then, I think you were assuming that the Board of Water Supply would be meeting at that building; is that the plan?

MS. KAU: That is the plan.

CHAIR RAWLINS-FERNANDEZ: Okay.

MS. KAU: They have a...there's a beautiful conference room upstairs, and it's certainly large enough to accommodate that meeting.

CHAIR RAWLINS-FERNANDEZ: Okay. Mahalo. Budget Director Yoshimura.

MS. YOSHIMURA: The conference room is on the second floor. It's 650 square feet.

CHAIR RAWLINS-FERNANDEZ: Mahalo for tracking down that information for us. Okay. I think that's all the follow-up questions that I have. We'll go to round two, and I see Member Molina eager to ask more questions. Member Molina.

COUNCILMEMBER MOLINA: Thank you, Madam Chair. And actually, I was spurred on by your question about the Board of Water Supply meetings. Very quickly. So the Board,

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

November 4, 2021

is it...the Board currently meeting in person, or via BlueJeans?

MS. KAU: They are currently meeting via BlueJeans. We're...we're hoping that, you know, in the near term future that we will be able to meet in person again.

COUNCILMEMBER MOLINA: Okay. So when you do meet in person, just by the space of the conference room, there's enough for social distancing protocols to accommodate everybody comfortably?

MS. KAU: I believe that there is, yes.

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

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Molina. Members, questions for round two?
Council Chair Lee.

COUNCILMEMBER LEE: Michele, you said the debt service is \$265,000. Is it, like, one payment a year?

MS. YOSHIMURA: Yes, it's the...that's the annual debt service, 265.

COUNCILMEMBER LEE: And the rent that was being paid was 126,000 per year?

MS. YOSHIMURA: I believe that's what Director...Deputy Director Kau had indicated.

COUNCILMEMBER LEE: Okay. All right. Are there any other expenses that the County is going to incur other than the Department?

MS. YOSHIMURA: Any expenses that are incurred will be the responsibility of the Department of Water Supply and the water supply fund --

COUNCILMEMBER LEE: Okay. Thank you.

MS. YOSHIMURA: -- to pay all the expenditures. Thank you.

COUNCILMEMBER LEE: Yeah. That's all.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Council Chair Lee. Committee Vice-Chair Paltin.

VICE-CHAIR PALTIN: Couple more questions. Is it a 30-year bond?

MS. YOSHIMURA: I believe it was calculated on 20 years.

VICE-CHAIR PALTIN: Okay. And then when you were saying that the operating expenses was janitorial, is that going to be then through Public Works and it comes out of the Water Department's revenue as well, or is it Public Works out of the County general fund or however it is?

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

November 4, 2021

MS. YOSHIMURA: Being that the Department would own the building, it would be out of the water supply fund.

VICE-CHAIR PALTIN: And would it have to be Public Works or could they contract with whomever they want?

MS. YOSHIMURA: I think it would have to...I don't think we can contract it, but it would be a water supply employee.

VICE-CHAIR PALTIN: Okay. So it's going to be, like, 139,000 more a year, but in 20 years they'll own it, so then there's no rent after that, and it is nice. I mean, even for 24 years, it's...is there opportunity for a tandem parking for the employees?

MS. YOSHIMURA: I'm not sure. I would have to check with Director Teruya.

VICE-CHAIR PALTIN: Okay, cool. Thanks.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Committee Vice-Chair Paltin. Okay. Any other questions, Members? Okay. Seeing none, the Chair will entertain a motion to recommend passage on first reading of the proposed bills and adoption of the proposed resolution entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2022 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES; DEPARTMENT OF WATER SUPPLY, WAILUKU-KAHULUI COMMUNITY PLAN AREA, WATER SUPPLY, BOND FUND, ACQUISITION OF 1888 WILI PA LOOP BUILDING AND PROPERTY; TOTAL CAPITAL IMPROVEMENTS PROJECT APPROPRIATIONS; TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)"; "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2022 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO APPENDIX C - CAPITAL IMPROVEMENT PROJECTS, DEPARTMENT OF WATER SUPPLY, WAILUKU-KAHULUI COMMUNITY PLAN AREA, ACQUISITION OF 1888 WILI PA LOOP BUILDING AND PROPERTY"; "A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. 5219, BILL NO. 48 (2021), RELATING TO THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI ISSUANCE, SALE AND DELIVERY OF SAID BONDS (DEPARTMENT OF WATER SUPPLY - ACQUISITION OF 1888 WILI PA LOOP BUILDING AND PROPERTY)"; and "AUTHORIZING THE ACQUISITION OF APPROXIMATELY 29,712 SQUARE FEET IDENTIFIED AS TAX MAP KEY NO. (2) 3-4-020-049 SITUATED AT WAILUKU, MAUI, HAWAII, FOR AN AMOUNT NOT TO EXCEED \$4,000,000.00," incorporating any nonsubstantive revisions.

VICE-CHAIR PALTIN: So moved.

COUNCILMEMBER MOLINA: Second.

CHAIR RAWLINS-FERNANDEZ: Moved by Member Paltin? Okay. Seconded by Member Molina. Members, discussion.

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

November 4, 2021

VICE-CHAIR PALTIN: You know, we could never buy property and build a building for \$4 million, and that it's already set up for financial transactions does seem like a good fit. You could...they're in good shape run from that building to the County Building. So it's not super far away. So yeah, supportive.

CHAIR RAWLINS-FERNANDEZ: Supportive. Mahalo, Member Paltin. As the seconder of the motion, Member Molina, did you want to speak to the motion, followed by Council Chair Lee.

COUNCILMEMBER MOLINA: Yes, thank you very much, Madam Chair. I stand in full support, and I'll try squeeze in a question...my second to support. ADA compliancy, the building is fine; you don't see no additional accommodations or expenses for ADA compliancy?

MS. KAU: I believe we were advised that there may be about \$1,600 worth of work that we would...we would be required to do; nothing substantive.

COUNCILMEMBER MOLINA: Okay. Thank you. Thank you very much, Madam Chair.

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

COUNCILMEMBER LEE: Helene, did you say that 39 people are moving into that building, the new building, 39?

MS. HO: Thirty.

COUNCILMEMBER LEE: Which is it, Helene? You're muted.

MS. KAU: I apologize, 30.

COUNCILMEMBER LEE: Thirty. So...and these 30, are these the same 30 that were in One Main Plaza or a combination?

MS. KAU: No, that's just Fiscal Division. And the eight or nine that would move from One Main Plaza, that's Water Resources and Planning. So we would move out the 30 and move in 9 --

COUNCILMEMBER LEE: Nine.

MS. KAU: -- leave some space possibly for Engineering to expand.

COUNCILMEMBER LEE: Okay. Oh, my God. You were paying 126,000 in rent for nine people?

MS. KAU: [*Nodding*] Um-hum.

COUNCILMEMBER LEE: Okay. Thank you.

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

November 4, 2021

CHAIR RAWLINS-FERNANDEZ: Very eye-opening. Mahalo, Council Chair Lee. Anyone else wishing to speak to the motion? Member Sugimura.

COUNCILMEMBER SUGIMURA: We're spending a lot of money buying things, so kind of interesting and amazing how everybody was squished where they were. It looks like the objective of Administration is to reduce paying rent outside and having our own buildings that we will own over a period of years. I would like to know if the Department can come up with what your parking plan is going to be. Because if you're going to have 30 employees there and...the number of parking stalls do not look like it's going to be sufficient. So are you planning on renting elsewhere for our employees, or do the public have to park on the street? I think we're pretty familiar with that area. And then I would like to know if I could have a site visit and visit the conference room upstairs, the 650 square foot conference room. I think we all know how the planning conference room looks. So I just wanted...if I could have a comparison, and if you could ask the credit union if I could have a site visit...and if not, I'll ask Bobby from the credit union. Thank you.

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

COUNCILMEMBER KAMA: Thank you, Chair. You know, I really am supportive of the purchase of this building. It makes good sense, and I think we're being fiscally responsible to our constituents. And so my question is, is there an elevator in that building? Thank you, Chair.

MS. YOSHIMURA: Chair. Yes, there is an elevator in the building.

COUNCILMEMBER KAMA: Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Pro Tem Kama. All right. Seeing no other hands, I'll call for the question. All those in favor of the motion to recommend passage of the bills and adoption of the resolution, please raise your hand and say "aye."

COUNCILMEMBERS: Aye.

CHAIR RAWLINS-FERNANDEZ: Okay. I see all ayes, and that is seven ayes, two excused, Member King and Member Johnson.

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

NOES:	None.
--------------	--------------

ABSTAIN:	None.
-----------------	--------------

ABSENT:	None.
----------------	--------------

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

November 4, 2021

EXC.: Councilmembers Johnson and King.

MOTION CARRIED.

ACTION: Recommending **FIRST READING** of bills, and **ADOPTION** of resolution by C.R.

CHAIR RAWLINS-FERNANDEZ: Okay. Mahalo, Members, and mahalo, Water Department, for being with us today.

MS. KAU: Mahalo.

**ITEM 56(4): AMENDMENTS TO CAPITAL IMPROVEMENT PROJECTS
FOR FISCAL YEAR 2022 (DEPARTMENT OF
ENVIRONMENTAL MANAGEMENT (KAHULUI BEACH ROAD
SEWER LINE UPGRADE))**

CHAIR RAWLINS-FERNANDEZ: Members, the next item is BFED 56(4) Amendments to Capital Improvement Projects for Fiscal Year 2022 (Department of Environmental Management (Kahului Beach Road Sewer Line Upgrade)). Again, we have Budget Director Yoshimura for opening comments, followed by...Director Nakagawa--oh, there we go, okay--followed by Department of Environmental Management Director Eric Nakagawa. Budget Director Yoshimura.

MS. YOSHIMURA: Thank you, Chair. So the request is to increase the carryover savings from the sewer fund by \$250,000. A certification of the additional revenue is attached to the amendment. This would allow the Department to start the design and planning for the upgrade of 800 feet of sewer line that is...we have it as Kahului Beach Road, and it also extends into Waiehu Beach Road. So if we could make that change, we will send a revised bill to include Waiehu Beach Road in the description to make it clear where exactly this...upgrades are going to be. But Director Nakagawa can give you more information on the project itself. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Budget Director Yoshimura and jamba [sic], Director Nakagawa.

MR. NAKAGAWA: Jamba [sic]. Aloha. Morning, everybody, Chair, Members. Yeah, so this is...this is just another CIP project that we had it kind of in the future we're going to do it. We had some alternatives that we thought potentially we could put it off, that's why. But because of the...I guess the, you know, high demand in affordable housing and that kind of stuff, we figured we'd better kind of take care of it sooner than later. So this was a bottleneck that we've always known about. Right around that Jack in the Box area, right on the corner, Waiehu Beach Road across from Y. Hata's and it's a...it's a short run right to our Wailuku town station. So other than that, yeah, it's...it's pretty

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

November 4, 2021

straightforward.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Director Nakagawa. Okay, Members. Again, I'll put three minutes on the clock for questions. I see Council Chair Lee with her hand up, followed by Member Molina.

COUNCILMEMBER LEE: I have a question for you, Eric, and then one for Michele. Eric, is this going to connect to Lower Main at all? No?

MR. NAKAGAWA: Yes. So...oh, I should say no. I know...I know you don't like my yes and noes so this is from Lower Main into Wailuku...Wailuku Pump Station.

COUNCILMEMBER LEE: Okay.

MR. NAKAGAWA: So no, not Lower Main.

COUNCILMEMBER LEE: Okay. Because we've had so much construction on that road, yeah. So hopefully you guys are done. Michele, you recognize carryover savings from where? Cannot be DEM because they were short last year, right?

MS. YOSHIMURA: No. So the...this one is from the sewer fund, and they did have additional revenues. It was the solid waste one that we were concerned about last year. They're two different funds.

COUNCILMEMBER LEE: Okay. All right. Thanks for the clarification. Thank you.

MS. YOSHIMURA: Thank you.

COUNCILMEMBER LEE: That's all I have.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Council Chair Lee, and mahalo, Director Nakagawa for helping answer questions the way the Members find most helpful. Member Molina? And then I think I saw Pro Tem Kama's hand?

COUNCILMEMBER LEE: *[Indicating no]*

CHAIR RAWLINS-FERNANDEZ: Oh, okay. Member Molina.

COUNCILMEMBER MOLINA: Thank you, Madam Chair. Good morning, Director. I'll just try to squeeze in a couple of questions in one. First, the age of the existing sewer line, and will the Department be completing the work themselves after the permit and design phase, or do you anticipate hiring a contractor?

MR. NAKAGAWA: Okay. Let's see. I'll take the easy question first. So no, we...this is definitely outside of our wheelhouse, so it'll be contracted out. So to expedite the process, that's why we figured we'd do the budget amendment, right, so that we can get the permitting and the design done. The design should be really fast. It's just a replacement of existing.

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

November 4, 2021

Just the little permits will take a while. The age...I mean, I think that was probably built in the original...so it's got to be at least 20 to 30 years old, but let me try to see if I can...

COUNCILMEMBER MOLINA: Okay, that's fine.

MR. NAKAGAWA: I'll get back to you on that.

COUNCILMEMBER MOLINA: Yeah, yeah. No worries. And you know, when the contractors do work like this, do they warranty...the equipment comes with warranty and all. So like if it...they going to guarantee it'll last 30 years and it breaks before 30 years, is there a warranty? Like they would do the repairs instead of the County?

MR. NAKAGAWA: Yeah. Thank you, Chair. Yeah. That's a great question and if you guys could put a 30-year warranty, I'd love that you do that on all my improvements. But unfortunately, based on all of our typical contracts, right, they have a one-year...a one-year, I guess, bond, I should say. So if anything goes wrong within that one year, they're responsible of replacing it. So...and then I do see that this thing was the...it was built in 1975.

COUNCILMEMBER MOLINA: Oh, so long time ago, yeah?

MR. NAKAGAWA: Yeah.

COUNCILMEMBER MOLINA: No problems, yeah? I mean, any recent sewer line problems in that area? Because I know it's a heavily travelled road too, yeah?

MR. NAKAGAWA: Yeah. So no, no problems so far.

COUNCILMEMBER MOLINA: Okay. Knock on wood. Okay. Thank you, Mr. Director. Thank you, Madam Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Molina. Member Sugimura.

COUNCILMEMBER SUGIMURA: Thank you, Chair. I support this, and I just had a question. The construction that Chair Lee talked about going on on Lower Beach Road, I remember that when the Wailuku Apartments were going through their approval process and waiting for work to be done, on this they had given three...I think it was \$300,000 to the County or something like that to help with this process. Is this the same area?

MR. NAKAGAWA: All right, Chair. Yeah, Member Sugimura, no, this is a different...so the one that...you're talking about the Wailuku Apartments.

COUNCILMEMBER SUGIMURA: Yeah.

MR. NAKAGAWA: That was, like, in the upper...in the middle of Lower Main, yeah. So that

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

November 4, 2021

was...that was another bottleneck that we've identified for this, I guess, central area or Wailuku area, yeah. So we did that one in...so what happened with that one is they didn't give us \$300,000. What happened is they kind of did the design and permitting for us. What that allowed us to do was expedite the process, and then we...we scheduled the actual CIP portion, the construction portion, in the next fiscal year. So that helped us expedite it, as well as they, kind of, I guess, put in a little share, a fair share, whatever they want to call it, like. I think their...their concern was just that we didn't have enough capacity, and they were on a...on a affordable housing clock that would expire. So that's why they kind of did their . . . *(inaudible)*. . . to help expedite the process.

COUNCILMEMBER SUGIMURA: Okay. So that was more like the Home Maid Bakery side, not the Y. Hata side, I guess, if you're talking about middle versus *(audio interference)*

MR. NAKAGAWA: It's even further...even further up. Yeah, so...

COUNCILMEMBER SUGIMURA: Okay. Thank you very much. I support this.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Sugimura. Committee Vice-Chair Paltin.

VICE-CHAIR PALTIN: Thank you, Chair. Thank you, Director Nakagawa. I was wondering if you could share with us what you meant when you referred to upcoming affordable housing projects.

MR. NAKAGAWA: Thank you, Chair. Oh, I just meant that this is a bottleneck, and so I know this Council's always talking about affordable housing and that kind of stuff. So kind of like Wailuku Apartments, right. The difficulty with us is...as you know is we have large infrastructure, and the timelines doesn't always match. So it's almost identical to Wailuku affordable housing, right. So we knew that there's...we know that there's a bottleneck, and so if we take care of it now and we just do it, then people in the future, whoever is going to tie in, whoever...whether it's within our service area or outside of our service, they would be able to continue on without any delays from us, on our end, right. So we're just kind of...it sounds like...almost like...you know, I know it's not on this agenda, but the Waikapu plant, right. I mean, it's almost like we try to put in the infrastructure first, and then that way development can come in and they pay their fair share when they...when they tie in. That's what I mean.

VICE-CHAIR PALTIN: So then this is going to go to the Kahului water treatment plant, not the Waikapu. Would it ever be redirected?

MR. NAKAGAWA: Thank you, Chair. Yeah. So Member Paltin, so this one actually is for the...it does go to Kahului treatment plant. The...the redirection from the...how do I say it? It's...it's...it was only from...where would you guys know? Oh, from the cemetery, yeah, right where...right across where TJ Gomes baseyard, kind of little bit down the road from the prison, yeah. So what is that? Maui Lani Parkway, I guess, or come from the hospital, yeah, onto that one road. So that's kind of where the diversion would come in. So anything from there...where's Waikapu would go, but the rest of these will still continue go down to Kahului Treatment Plant. And in the future, I mean, wherever we

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

November 4, 2021

decentralize would go to that one, right. So I mean, that's a different topic, but anyway, yeah.

VICE-CHAIR PALTIN: Okay. And so this is going to be out of the Department's within their own, or is it general funds?

MR. NAKAGAWA: Yeah, thank you, Chair. Yeah. So Member Paltin, so all of our...right now, currently all of our sewer . . .(timer sounds). . . projects have all been from . . .(inaudible). . . no general fund subsidies so far.

VICE-CHAIR PALTIN: Okay. Thank you.

MR. NAKAGAWA: From 1994, I think it was.

VICE-CHAIR PALTIN: Okay. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Paltin. Okay. Can you hear me okay? I know my video...

VICE-CHAIR PALTIN: Yeah.

MR. NAKAGAWA: [Motioning thumbs up]

CHAIR RAWLINS-FERNANDEZ: Okay.

VICE-CHAIR PALTIN: We can hear you; we can't see you.

CHAIR RAWLINS-FERNANDEZ: Yeah, okay. Mahalo, everyone. Sorry. It's telling me that its reconnecting video...but as long as you can hear me then we can (audio interference). All right. Any other questions, Members?

VICE-CHAIR PALTIN: I just had one more.

CHAIR RAWLINS-FERNANDEZ: Oh, okay. Oh, you can see me now. Okay. I see no other hands. So we'll go back to Committee Vice-Chair Paltin.

VICE-CHAIR PALTIN: Is this within the SLR-XA?

MR. NAKAGAWA: Thank you, Chair. I assume you mean within the sea level rise?

VICE-CHAIR PALTIN: Sea level rise exposure area.

MR. NAKAGAWA: Yeah. I...I think...yes and no. So...yeah. So I...I think the bottom portion towards Wailuku...Wailuku Pump Station is within it, and so this is a valid yes and no, and the rest is not. So there's a real small portion that is; and then the others it's not, so...

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

November 4, 2021

VICE-CHAIR PALTIN: And it will be okay to operate underwater?

MR. NAKAGAWA: Yes, that's not a problem. So always remember, yeah, like...oh, Chair, yeah. So always remember, so all of our South Kihei Road, Front Street, right...all...where...always at low lying areas, those are all underwater, yeah. So it's not a problem.

VICE-CHAIR PALTIN: Okay. Got it. Thank you.

CHAIR RAWLINS-FERNANDEZ: Okay. Mahalo, Committee Vice-Chair Paltin. All right. I'm not seeing any other hands for questions. So the Chair will entertain a motion to recommend passage on first reading of the proposed bills entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2022 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES; DEPARTMENT OF ENVIRONMENTAL MANAGEMENT, WAILUKU-KAHULUI COMMUNITY PLAN AREA, SEWER, SEWER FUND, KAHULUI BEACH ROAD SEWER LINE UPGRADE; TOTAL CAPITAL IMPROVEMENTS PROJECT APPROPRIATIONS; TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)"; and "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2022 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO APPENDIX C - CAPITAL IMPROVEMENT PROJECTS, DEPARTMENT OF ENVIRONMENTAL MANAGEMENT, KAHULUI BEACH ROAD SEWER LINE UPGRADE," incorporating any nonsubstantive revisions.

COUNCILMEMBER SUGIMURA: So move.

COUNCILMEMBER KAMA: Second.

CHAIR RAWLINS-FERNANDEZ: Moved by Member Sugimura; seconded by Pro Tem Kama. Discussion, Members?

COUNCILMEMBER SUGIMURA: Nope.

CHAIR RAWLINS-FERNANDEZ: All right. I'll call for the question. All those in favor, please raise your hand and say "aye."

COUNCILMEMBERS: Aye.

CHAIR RAWLINS-FERNANDEZ: All right. I see all ayes, no noes. Two excused, Member King and Member Johnson.

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

NOES: **None.**

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

November 4, 2021

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmembers Johnson and King.

MOTION CARRIED.

ACTION: Recommending **FIRST READING** of bills by C.R.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Director Nakagawa.

MR. NAKAGAWA: Thank you, Chair. Thank you, Members.

CHAIR RAWLINS-FERNANDEZ: Aloha. Have a great day.

MR. NAKAGAWA: Aloha.

CHAIR RAWLINS-FERNANDEZ: Okay. All right. Budget Director Yoshimura, are you staying with us for the last item?

MS. YOSHIMURA: I wasn't requested, but I can if you want me to stay.

CHAIR RAWLINS-FERNANDEZ: Okay. I think...Member Paltin, do you need Budget Director Yoshimura?

VICE-CHAIR PALTIN: *[Muted]*

CHAIR RAWLINS-FERNANDEZ: Oh, you're muted.

VICE-CHAIR PALTIN: I don't want to hold her up if she's super busy, but if she is just cruising, I'd love to have her.

CHAIR RAWLINS-FERNANDEZ: I don't know Budget Director to ever just cruise, but if you think it would be helpful, I can ask Staff to contact Budget Director Yoshimura if we do find a need to have input from her for the next item. So we'll let Budget Director Yoshimura go from the meeting, and mahalo for being with us.

MS. YOSHIMURA: Thank you, Chair. Thank you, Members. Got to plan Christmas.

CHAIR RAWLINS-FERNANDEZ: Other important work. Okay, Members, it's 10:06. Would you like to take an early morning break and then we come back and finish off the last item, or would you like to start and then take our normal time?

COUNCILMEMBER MOLINA: Power through.

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

November 4, 2021

COUNCILMEMBER LEE: Do you expect this to be long?

CHAIR RAWLINS-FERNANDEZ: Not sure.

COUNCILMEMBER KAMA: It's short. Power through.

CHAIR RAWLINS-FERNANDEZ: All right. Sounds good. I like your enthusiasm.

COUNCILMEMBER MOLINA: Recommendation.

COUNCILMEMBER KAMA: Move to approve.

CHAIR RAWLINS-FERNANDEZ: You hear that, Member Paltin? That was easy.

VICE-CHAIR PALTIN: Sounds great. Yes, Ms. Yoshimura. I mean, we always second, but...

CHAIR RAWLINS-FERNANDEZ: All right. I'll introduce the next item.

**ITEM 19: ESTABLISHING CHAPTER 3.17, MAUI COUNTY CODE,
RELATING TO THE REDUCTION OF ADMINISTRATIVE
FINES (CC 20-595)**

CHAIR RAWLINS-FERNANDEZ: BFED-19 Establishing Chapter 3.17, Maui County Code, Relating to the Reduction of Administrative Fines. I will go to the introducer of this legislation, Committee Vice-Chair Paltin, for some opening remarks, and then we have Department Directors online who were requested. Committee Vice-Chair Paltin.

VICE-CHAIR PALTIN: Thank you. This is actually something that I've been working on since I first got into office, and I'm so glad that it finally came up and that I'm here when it does. You know, being new to this role and having to have Corporation Counsel come to us for settlements greater than 7,500 or more, it kind of surprised me that when other Departments settle fines, which can be, you know, up to 100,000 or more, we don't have any knowledge or say in the matter. And maybe it's not happening now, but in the past some have felt that, you know, it depends on who you know and whatnot, and so there wasn't the type of transparency that you would expect. This wouldn't apply to, like, Planning Commission, I think, because it's talking about administrative but, you know, the...so it's the types of fines where it can accrue daily. And you know, I mean, obviously if it's within the County is the reason that the fine is accruing daily, and we didn't check it. And they said, like, you know, we fixed it as of this date, and the Planning Department didn't get around to checking the thing until two weeks later. Obviously, we'd want to waive those fine because if it checks out because it was the County's fault that they couldn't get there right when they addressed the issue. However, each case is unique, and I think that this type of transparency is in line with what we ask of Corporation Counsel, and it just makes sense. I know that Public Works, in the past, has said, you know, sometimes they're not sure when they should waive fines. Sometimes, you know, it's a big corporation; sometimes it's, you know, like

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

November 4, 2021

kupuna, tutu, somebody's tutu, and they didn't...weren't aware, and do we treat them all the same? Or, you know, are they being treated the same? It's questionable because we don't know. And so this legislation, you know, gives the same kind of leeway as Corp. Counsel has. Anything below 7,500 is within their jurisdiction, and it also allows for reporting. Any agency that reduces a fine must file with the Council a quarterly report of all fine reductions for the current quarter and all succeeding quarters, and any administrative rule that conflicts with this chapter is void. As used in the chapter, reduce means accepting payment that is less than the full amount of an imposed fine or accumulated imposed fines, arising from the same notice of violation or set of circumstances, but does not include to partial payments if the full amount remains due. And this chapter does not apply to fines issued for misdemeanors. So it's just, you know, kind of setting up transparency and, you know, I think transparency is good. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Paltin. So I shared my screen so the Committee is able to read it, as well as the public. Hopefully it was big enough for the public to be able to read. Okay. I see questions. I just wanted to add a couple things. So the 7,500, that's the trigger to come to Council for authorization is pursuant to the charter. And then I believe there's...I'm just going to try to look it up again, but perhaps Member Paltin knows...there's already a stipulation for Department of Finance to request authorization from the Council when reducing fines. So this would kind of make it inconsistent...

VICE-CHAIR PALTIN: Same. [*Motioning*]

CHAIR RAWLINS-FERNANDEZ: Right. So it...and then we have Managing Director Sandy Baz on, and Planning Director Michele McLean won't be able to join us until 10:30. I see Managing Director Sandy Baz. Jamba [*sic*]. Aloha.

MR. BAZ: Jamba [*sic*]. Yeah, interesting. I was getting thirsty over there hearing you guys. No, I'm just joking. So you know, actually if...if we don't mind hearing from Corporation Counsel first as far as their input on the bill, I think that would be appropriate, and then I can provide some comments after that.

CHAIR RAWLINS-FERNANDEZ: Okay. Mahalo, Managing Director Baz. Okay. We have Deputy Corporation Counsel Toshikiyo, then we'll hear from Managing Director Baz. And then I saw Council Chair Lee's hand up, and I think Member Sugimura. So Deputy Corporation Counsel Toshikiyo.

MS. TOSHIKIYO: Hi. Thank you, Chair, and thank you, Sandy. I do have to apologize. The deputy that was assigned this one, I'm trying to reach out to find out what the input is. I'm hoping if we do have a recess then I can run out of my office and...and grab the deputy who's been assigned to it. I don't have any comments right now. Thank you.

CHAIR RAWLINS-FERNANDEZ: Okay. Mahalo, Ms. Toshikiyo. Managing Director Baz and then we also have Director...Public Works Director Rowena Dagdag-Andaya joining, and Planning Department Director Michele McLean has signed on as well. Managing

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

November 4, 2021

Director Baz.

MR. BAZ: So thank you, Chair and Members. And I read through the proposed bill and, you know, I guess, initial comments are that, you know, these are administrative fines and an administrative function of negotiations of those fines. You know, if...if we make it more challenging, sometimes it'll be a little bit more difficult to...to actually settle on fines and get people up to compliance because the...the idea of fines, in general, is to enforce and ensure compliance. And so when...you know, when we charge fines, we really like to do that to...to make sure that people are...are complying with whatever law they're...they're not complying with, and why we've issued a notice of violation. So that's the...the main purpose of this. So in that negotiation, it's...it's important for us to be able to talk to them about that and incentivize their...their compliance. Generally, that's why we...we work towards that goal, and why we do it at an administrative level. If...if it's required to go to Council, you know, every time...especially at, like, a \$7,500 level, your Committee--I guess GREAT--would be bombarded with additional items that I...my...I know Mike can handle the...Councilmember Molina can handle additional items, but just, you know, in consideration of...of that, it might be something to...to discuss and...yeah, I had some preliminary discussion with Corporation Counsel and they...and...so they'll provide some input, I guess, a little bit later. But really, the idea is that we're trying...we're trying to ensure compliance, right, fines are trying to ensure compliance. So, you know, we...we try to do that in the best manner possible, and us having the flexibility to do that at an administrative level is beneficial.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Managing Director Baz. Okay. And then Director McLean and Director Dagdag-Andaya. Okay, I see...okay, I see them. Director Dagdag-Andaya, jamba [sic]. Did you have any opening remarks you would like to share before I open the floor for questions?

MS. DAGDAG-ANDAYA: Yes. Aloha, Chair, and aloha Members of the Committee. I wanted to just...in reviewing the...the proposed ordinance, you know, I...I think one of the questions that we had was, you know, what...well, I guess, basically what are we...is there a specific target or goal in mind with the ordinance? And understanding the impacts to...to those who are assessed the fine. In most cases, with the Department of Public Works, when you have...when we have violations to the grading on...or mostly building and...and plumbing, electrical grading ordinances, if a...if a fine is imposed on...on a specific violation, it...a lot of times it's with just regular homeowners trying to get compliance. So for example, you know, I'm just thinking offhand, there was...I know there was a resident out in Kahului who had an extension done on their home, and it was just a additional bedroom. An RFS was filed, and then the Department went and investigated, issued a notice of violation and, you know, it required that the property owner bring the...the additional...the addition into compliance within six months. So they went out and got an after-the-fact permit needed to engage with a consultant to do the building permit application, and...and draw up the plans. And six months went by and, you know, they weren't able to obtain a building permit within six months. It went another six more months because there were other issues that needed to be addressed on the property. So the daily fine started to accrue and...and had over...I think, in one case there was over maybe 20,000 in fines for that...that one homeowner. So I'm

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

November 4, 2021

thinking of, you know, those...those property owners that might be impacted by...by this legislation. I think maybe, you know, defining how we implement fines and how we...we settle in reducing fines, it's a good thing for us to...to look into our process and determine a solid process for doing that and a transparent process for doing that. I...I...that's something that we are wanting to...to do, especially now that we have a new DSA Administrator on board. But also, you know, trying to understand what the impacts are to...you know, to just regular homeowners who probably didn't know what the...the building code rules were, and are trying to get into compliance but, you know, just needed some extra time in order to get into compliance. Do we want to...you know, how do we want to reduce fines or negotiate fines with them. And I guess at this point, that's -- what I'd like to do is just have a little bit more time to discuss this with Staff and come up with some good ideas to present to the Committee. But, you know, for today's discussion, I...I am happy that we're discussing this because it is something that, you know, we...we need to get a better handle on, I...I believe. And, you know, I...if there's any questions that you have for me today that I can't answer, I'd be more than happy to discuss them either at a later time or through written correspondence. So thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Director Dagdag-Andaya. And then Planning Director, Michele McLean. Aloha and jamba [sic].

MS. MCLEAN: Aloha, good morning. I just have a few things to add. I concur with what Mr. Baz and Ms. Dagdag-Andaya said. We tend to try to establish really accurate initial fines, and then daily fines that are in line with how long we think it will take to achieve compliance. Sometimes that can be done quickly. If it's an illegal use, they can just stop. Sometimes it takes a long time. If it's unpermitted construction and they want to get an after-the-fact permit, that can take longer. It's important to us to allow those daily fines to accrue. They keep that person in check, to keep them on the path to compliance. But if they're doing that diligently, fines are still going to accrue; but when they ultimately achieve compliance, we don't necessarily want to levy that entire amount. We'll reduce it back to when, you know, they met that first milestone, for example. So having to take those to Council will age that process and, you know, we would have to rethink how we do our current practice. I don't think we reduce fines recklessly or irresponsibly. I think we do it commensurate to the situation, and I...it's an important tool, we think, to keep violators on the path to compliance. The only other thing I want to point out is that we require full compliance before we can issue any new permit unless that permit is what's needed to achieve compliance. And so...and that includes paying fines. Achieving compliance includes paying fines. And so if the settlement has to go to Council, we would still have to withhold issuance of a permit until that process can transpire. So it would...this...be a time delay for that person to proceed with whatever they're doing. It could be something completely unrelated; but if there was a violation on that property, that violation has to be cured and fines paid before we will issue a new permit. And so having to go to Council could...you know, would just add time to that. So those are my comments. Thank you, Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Director McLean. Okay. And then I saw that Finance Director Scott Teruya just signed on.

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

November 4, 2021

MR. TERUYA: Good morning, Members, Chair. I don't have any comments at this time. To date, I don't know of anything that the Finance Department has gotten on regarding fines. We...more for the Finance Department, we deal with penalties and interest; but as far as administrative fines, to this date, I've never dealt with any. Thank you, Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Director Teruya. Okay. I don't see Deputy Corp. Counsel Toshikiyo, so I'm assuming that she's still tracking down the Deputy Corporation Counsel that was assigned to this bill. It's 10:25. We can take our morning break now if you'd like since it sounds like it'll take a little bit more time. Any objections to that course?

COUNCILMEMBERS: [*Shaking heads*]

CHAIR RAWLINS-FERNANDEZ: Okay. Council Chair Lee.

COUNCILMEMBER LEE: Yeah. Were you planning to...what was your plan for this item today?

CHAIR RAWLINS-FERNANDEZ: Mahalo for that question. My plan for this item was to allow for whatever decision this Committee wanted to make. So we posted so that we can take legislative action if that's what this Committee would like to do. We can defer it and have further discussion if that is the preference. So I don't think there are any timelines. Member Paltin, are there any timelines associated with this bill?

VICE-CHAIR PALTIN: Just I've been working on it for three years. I mean, I got a list of RFSs that some people pay 100 percent on, some people pay .3 percent, some people pay 25 percent. And I think kind of like Ms. Dagdag-Andaya said, you know, they don't have a set procedure. And I'm not trying to say that there's favoritism going on with Directors' friends or acquaintances, but without a set procedure, there's nothing protecting them either from those types of accusations. I mean, we're up to here with the Nāpili Beach House LLC. I don't know if you guys are getting emails everyday but, you know, it's just something that needs to be looked into because there's no rhyme or reason. There's no set procedure, there's no reporting. And so, you know, it could appear as though a Director knows somebody and they got away with a .5 percent one, and somebody else had to pay 25 percent or 100 percent. So I mean, it's not only for transparency and fairness across the board, but it's to protect our own appointed directors as well. And I don't want to call out the list of RFSs and the people, you know, but I got them...former...former worker, you know. So it's not like it doesn't exist. And if folks want to challenge, I can provide the information.

COUNCILMEMBER LEE: Yeah, well, I'm just hoping it's going to take more than one meeting because, like, this thing needs to be investigated and vetted. So that's my concern. And I'm assuming it's not being brought up over one project.

VICE-CHAIR PALTIN: Yeah, not over one project.

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

November 4, 2021

COUNCILMEMBER LEE: Right. Okay.

VICE-CHAIR PALTIN: . . .*(inaudible)*. . .

CHAIR RAWLINS-FERNANDEZ: Yeah, this is something that I had looked into and thought about working on legislation on as well back in 2019 before...

COUNCILMEMBER LEE: I know, but you folks have been working on it for a couple years, you know what I mean? And we're just hearing about it, so...

CHAIR RAWLINS-FERNANDEZ: Well, no, I...yeah, yeah. I stopped. I just...I was getting complaints as...same as Member Paltin from 2019, and so we...I...my office looked into it, and then we heard that Member Paltin's office was working on legislation, so we stopped. So that's the process. I wasn't going to open up questions for directors yet. I wanted to take a recess. But Member Sugimura, if you have a question on our process, then I'll give you the floor. And my last comment to Council Chair Lee was just that I heard Director Dagdag-Andaya offer some suggestions to improve the bill, so I'm also open to receiving those for our discussion so that we can pass the best legislation possible. Member Sugimura.

COUNCILMEMBER SUGIMURA: I'll wait until after then because I just have a...it's about the process. I'll wait.

CHAIR RAWLINS-FERNANDEZ: Okay. It's 10:30 exactly. So we'll take a ten-minute break...is that cool? Or you want 15? I do plan to end by 11:30. We'll just do ten minutes then. Okay. 10:40, so we'll take a ten-minute break. It's 10:30 on November 4th, and the Budget Finance and Economic Development will reconvene at 10:40. . . .*(gavel)*. . .

RECESS: 10:30 a.m.

RECONVENE: 10:42 a.m.

CHAIR RAWLINS-FERNANDEZ: . . .*(gavel)*. . .Will the Budget Finance and Economic Development Committee please come to order. It is 10:42 on November 4th, and we are on BFED-19, Establishing Chapter 3.17, Maui County Code, Relating to the Reduction of Administrative Fines. Okay. So we have all of our resource on the line for questions. I will put three minutes on the clock. I'll go back to Member Paltin, and then I'll go to questions from Council Chair Lee, followed by Member Sugimura. Committee Vice-Chair Paltin. Oh, you're muted. Okay.

VICE-CHAIR PALTIN: Thank you. I guess, you know, if we're going to take longer on this, would it be okay to just pass the reports part out today, you know, so that there would be some measure of transparency? And I think that, you know, if...if that...if directors know that we're looking, you know, maybe they would be able to start developing a formula or a process or a written procedure. And that's for any of the directors or our resources to comment on, passing out 3.17.020.

CHAIR RAWLINS-FERNANDEZ: Okay. Any Director, specifically, you'd like to call on? I don't

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

November 4, 2021

see any of them talking...their videos on.

VICE-CHAIR PALTIN: I guess that means they're okay with it.

CHAIR RAWLINS-FERNANDEZ: I see Managing Director. Managing Director Baz.

MR. BAZ: Sure. Yeah, I think reporting of it is something that's valid, and the requiring a report to the Council...the problem with that. I mean, there's logistical issues with that...passing just that section out of this because it's a new chapter. So, you know, between OCS attorneys and Corp. Counsel, they'd have to figure out a way to...to accomplish that so that the bill is correct. But yeah, I...I don't see problem with that as, you know, effective date of whenever that we...we put that in.

CHAIR RAWLINS-FERNANDEZ: Okay. Mahalo, Managing Director Baz. Director Dagdag-Andaya.

MS. DAGDAG-ANDAYA: Yes. We...Department of Public Works doesn't have any concerns with the reporting as well, and the Council quarterly report of all fine reductions. I guess maybe just getting an understanding of what would be required in the report. If you need names and fines, dates, and that kind of information, that...that will be helpful to us too, to understand.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Director Dagdag-Andaya. Oh...

VICE-CHAIR PALTIN: My answer would be the RFS, the TMK, initial fine, final amount paid.

CHAIR RAWLINS-FERNANDEZ: Do you want comments from Director McLean?

VICE-CHAIR PALTIN: Sure.

CHAIR RAWLINS-FERNANDEZ: Director McLean.

MS. MCLEAN: Thank you, Chair. We don't object to having the reporting requirement go through. Quarterly seems pretty frequent to me, that's up to you. Twice a year maybe instead, but whatever the Council decides.

VICE-CHAIR PALTIN: I'd be amenable to twice a year.

CHAIR RAWLINS-FERNANDEZ: Okay. That was the timer. And then I'll just...before I go to the next Members, I'll call on Mr. Mitchell as far as process...legislative process goes. Would the title of the bill be okay if we're only establishing one of the proposed sections of the bill? Is that okay for the Members to consider doing today?

MR. MITCHELL: Thank you for the Chair...question, Chair. The title is a Bill for an Ordinance Establishing Chapter 3.17, Maui County Code, Relating to the Reduction of Administrative Fines. The title would not reflect what you are discussing at the moment. It refers to reduction in...what you're discussing is reporting. So the title would need to

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

November 4, 2021

be updated. Whether or not it would be part of a new chapter or added to an existing chapter, we are discussing internally as you speak. So we're trying to concurrently figure out how you might proceed. So I don't have an immediate answer for you at this moment on the legislative process.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Mr. Mitchell...okay. Mahalo, Mr. Mitchell.

MR. MITCHELL: Thank you.

CHAIR RAWLINS-FERNANDEZ: Okay. We'll go to Council Chair...oh, okay. Thank you. We'll go to Chair Lee, followed by Member Sugimura.

COUNCILMEMBER LEE: Thank you. I don't have any problem with the reporting requirement every six months, but yeah, let's make sure that the procedure and the mechanics of this is correct. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Council Chair Lee. Member Sugimura.

COUNCILMEMBER SUGIMURA: So the bill that we have before us is not signed by Corp. Counsel, and I just wondered if they have now, and if Corp. Counsel Toshikiyo was able to find the Corp. Counsel person that is taking this on, if they could comment on this?

CHAIR RAWLINS-FERNANDEZ: Deputy Corp. Counsel Toshikiyo.

MS. TOSHIKIYO: Yes. Thank you, Member Sugimura. No, he is not in today. I do know that he has worked on this and does have comments, and we can submit those in...in writing.

COUNCILMEMBER SUGIMURA: And is there a signed bill now from the posting date until now? Did he...is it signed?

MS. TOSHIKIYO: I'm not aware of any signed bill in its current form.

COUNCILMEMBER SUGIMURA: Oh, okay. Unsigned. So...thank you. So Chair, I would like to look at a more comprehensive bill rather than just taking that one section. I can see the intent of it, and I would rather look at a bill that's signed by Corp. Counsel...that is approved, we have the right title of what we're trying to achieve today, rather than us trying to pass one section of this then...so that's where I am. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Sugimura. Member Molina.

COUNCILMEMBER MOLINA: Thank you very much, Madam Chair. You know, for me, I think I would like at least one more meeting to review this point, just maybe do a little bit more information gathering. And I think the intent that Member Paltin has...is good because I think we do want to emphasize transparency and at least find out what the criteria is from all of our departments, or establish one, how the determination is made to reduce funds [sic], yeah. So if I could get some information, maybe under your signature, Madam Chair, from Corporation Counsel, how many fine reductions were

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

November 4, 2021

more than 7,500, say, over the last one or two years. And if I may ask, maybe Member Paltin, if she has this answer or the departments, what is the criteria that...is there any criteria established in this bill to evaluate whether a fine reduction is appropriate? I don't know if you have that in there, Member Paltin, if you can answer it, or if any of the department directors want to share that? From what I heard earlier, doesn't seem like there's nothing really set, it's just more, you know, take it as it goes depending on the amount of the fine, who the person that's being fined. So there's no clear path, yeah, at this point. So I don't know if, Member Paltin, you can answer that.

VICE-CHAIR PALTIN: Member Molina, I cannot, but I think those are all great points and great information to ask of our Public Works and Planning Director. And I would go back to 2015 and...just to see the scope of what we're dealing with, how many fines have been reduced more than \$7,500.

COUNCILMEMBER MOLINA: Okay.

CHAIR RAWLINS-FERNANDEZ: And then I --

COUNCILMEMBER MOLINA: I can live with that.

CHAIR RAWLINS-FERNANDEZ: -- I see Director Dagdag-Andaya turned on her video. Maybe she has some feedback.

MS. DAGDAG-ANDAYA: Thank you, Chair. Yes, the departments have administrative rules established with criteria. So there is language in there that the departments use. Sorry. My automatic light shuts off. Where it says, you know, there...there is criteria established in the administrative rules in the waiving of daily fines, and what's considered are things like the type and degree of the violation, any previous violations by the same person. You know, whether it's necessary to obtain a permit or other authorization to carry out corrective action. Costs associated with the corrective action required, any other violations...or any other circumstances beyond the control of the violator which may justify such a waiver. So in...in cases where property owner purchases a home, and the previous owner had improvements made without a permit, and the...the home was sold to the new person without that information being disclosed. I mean, those are things that we look at as well. But you know, just a review of any administrative rules...I mean, there is also existing legislation in the ordinances. We have language in our building code, electrical code, I mean, that make reference to enforcement and...and fines and penalties, and there's also a section in Chapter 19 as well that talks about fines. So it's...it's stated in various places throughout our Maui County Code, and also embedded in administrative rules. So if the...I mean, that's something that perhaps the Council, the Committee, also needs to investigate and get a understanding of as well. Because it's not just Planning and Public Works. I believe that other departments have this ability to assess administrative fines as well, so they might need to be included in this discussion.

COUNCILMEMBER MOLINA: Okay. Thank you, Madam Director. Madam Chair, just maybe if something...no response needed now unless anybody wants to respond to this, but in

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

November 4, 2021

writing would be good. Mr. Teruya brought up the subject of interest and penalties. So I was just curious, once a settlement is agreed upon, does the Department engage in payment plans, or are the total fine...the total amount of the fine due immediately to do away with the enforcement of the case. So that's basically what I want to know, if there's payment plans offered, and if so, are the interest and penalties tacked onto that as well, or is that subject to waiver by the Director? So anyway, that can be submitted in writing or under your signature, Madam Chair. Director Teruya wants to respond.

CHAIR RAWLINS-FERNANDEZ: Okay. The timer did go, but I'll permit the response.

COUNCILMEMBER MOLINA: Thank you.

CHAIR RAWLINS-FERNANDEZ: Director Teruya.

MR. TERUYA: Thank you, Chair. And thank you for that question, Member Molina. As far as I know, payment plans, if...if allowed, does not provide waiver of penalty of interest...penalty or interest. It continues to accrue. The payment plan is only so that we would avoid foreclosure. So that...you...you say that you're going to pay this by then, we will accept that, but that is only to waiver the foreclosure proceedings, and that if failure to fulfill the obligations would be basically cutting off that one bite of the apple. So that's the only reason why we would accept the payment plan. But everything else, penalty and interest, would remain. Chair, under that topic, in regards to real property tax, Maui County Code 3.48, specifically, .1...010L, refers to compromises. Those compromises, according to real property tax, any item less than \$500 would need Corporation Counsel's approval. Anything over \$500, according to our portion of the code, requires Council...Council action. So just...just a comment there. Thank you, Chair.

COUNCILMEMBER MOLINA: Thank you, Mr. Director. Thank you, Madam Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Director Teruya. Mahalo, Member Molina. Okay. Members, questions? If not, I have a question for Director Dagdag-Andaya and Director McLean. So I...I understand Member Paltin's request and idea to pass out the section of reports today so that it's something that we can start getting information on right away. I agree with her. I was wondering if perhaps the departments would do that on their own accord without us passing legislation mandating them to do so. So Director Dagdag-Andaya?

MS. DAGDAG-ANDAYA: To do it on our own, yes. That's...absolutely. Just to even...yeah, we can do it on our own.

CHAIR RAWLINS-FERNANDEZ: Okay. Great. And then Director McLean, the Committee can request that information, and then you can send it over?

MS. DAGDAG-ANDAYA: Yes.

MS. MCLEAN: Same with Planning...same for Planning.

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

November 4, 2021

CHAIR RAWLINS-FERNANDEZ: Okay, great. Okay. Member Paltin, like I said, I...I understand that idea of possibly just passing out that section to have that report transmitted to Council. Instead of piecemealing your bill, would you be open to us just doing a transmittal to request that information for now while we work on the full legislation?

VICE-CHAIR PALTIN: Yes, I think getting that information ahead of time would help us to craft the legislation better. Right now it's been like, you know, trying to snoop around to find some answers, and this way they'll just give us the information. So that would be great.

CHAIR RAWLINS-FERNANDEZ: Okay. Sounds good. Mahalo, Member Paltin. Member Sinenci, you had your hand up for a question?

COUNCILMEMBER SINENCI: Thank you, Chair. Yeah, I just wanted to mahalo the departments for their willingness to provide those to us. I think, you know, on top of...as Member Paltin said, receiving a lot of phone calls, just in general now, as particularly with social media, you see a lot of governmental projects that are being, you know, touted out on social media. So now, you know, it's...it adds to...and sometimes negatively...to a lot of these types of projects. So I'm happy that the departments are willing to...you know, to be transparent moving forward supportive of the...them putting in for those reports. Thank you, Chair.

CHAIR RAWLINS-FERNANDEZ: Okay. Mahalo, Member Sinenci. Okay, Members, any further questions? Okay. I see no hands. So the plan of action for BFED-19 is we'll defer today, and we'll request additional information, and I will look for a date to schedule this again. It may be in December, or maybe in January, and that'll give the departments time to gather the information that we're requesting. And hopefully we can also give the Members time to...we'll get it up on Granicus. Ms. Milner, if we were to request information by the end of November, for example, some of the questions that were asked, would we be able to post it on Granicus for the Members to review before we have this item on the agenda again?

MS. MILNER: Yes, Chair. Responses to Committee inquiries will be uploaded to Granicus for the Members to review.

CHAIR RAWLINS-FERNANDEZ: Okay. Member Paltin.

VICE-CHAIR PALTIN: I just was wondering if we could include not only the fines and then the amounts paid, but any open amounts, you know, of people who have been fined, but their case hasn't been closed yet, so they haven't settled, like, however much they're going to pay.

CHAIR RAWLINS-FERNANDEZ: Okay. Director McLean.

MS. MCLEAN: That is extensive. And until we have resolution, there might be concerns with disclosing that. There might be some that are pending an appeal with BVA. So that

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

November 4, 2021

might be a little more sensitive.

CHAIR RAWLINS-FERNANDEZ: Member Paltin, maybe we can figure out how to word the request.

VICE-CHAIR PALTIN: Yeah, I guess because, you know, of what we're trying to do is we're only going to be getting, like, a forensic kind of audit, like, after the fine was assessed and after it was paid, but we're trying to, you know, standardize the way it is so it's fair and transparent. And so, you know, it would help to have some real time information about how the thing is going through the process. But, you know, if we can't get it, we can't get it. It just makes our legislation not as good, I would imagine.

MS. MCLEAN: I would like...not today because we don't have any of our Enforcement Staff here, but we can discuss that in a lot more detail about, you know, how the investigation is conducted, how the initial fines are established, the daily fines are established. Sometimes there are two tiers to give the Council, you know, a fuller understanding of how we currently do this, rather than taking a snapshot of things that are open right now that, you know, putting...what I'm getting at is putting those things in a report form of just, you know, a couple lines for each one might not give the whole picture of the situation. And so if that's ultimately what we do, then that's fine, but I think it might be helpful to have a fuller discussion of how we even get to that point in the first place. And through that maybe we'll determine there's no problem in disclosing that information while cases are still open, or it may be that no, some of things shouldn't be disclosed until the situation is resolved. That's all I'm trying to say.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Director McLean. Director Dagdag-Andaya.

MS. DAGDAG-ANDAYA: Yes, thank you, Chair. I would have to echo Director McLean on that as well. Fuller discussion with our Staff, how the administrative rules come into play, how it relates to the sections in the Maui County Code, what language we rely on that's existing that's been approved, the criteria that we use. I think having that information would be helpful in understanding, you know, how best to...you know, what...what changes would be needed for this bill because...yeah, you're only looking at a snapshot with that...that data. I...you know, there was one more thing that I wanted to add with respect to, you know, just...just having that review, but I can't think of it right now. But I do...you know, I would appreciate a...a more comprehensive review of...of just the process, and how enforcement is handled, and then how it translate into administrative fines, collecting and calculating them as well. And then also, understanding...I think...I know what you're trying to do is establish transparency in the process and...but getting a good understanding of what the goal is in mind, are you trying to collect more fines or, you know, having to...you know, are we trying to do...or make sure that people are in compliance. I...I guess that's...yeah, those are things that we should be discussing.

VICE-CHAIR PALTIN: In hearing both of the Directors' responses, it may be also helpful for us to get a copy of both administrative rules.

CHAIR RAWLINS-FERNANDEZ: Yes, that...yeah, that will be part of the request that I've been

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

November 4, 2021

working with our budget analyst on. One clarification for you, Member Paltin, is 19.530.030 also includes Director of DEM and DWS. Would you like to request reports from them as well, or just PW and Planning?

VICE-CHAIR PALTIN: Yes, because you know, we got to go across the board. We cannot just cherry pick. Make it fair across the board.

CHAIR RAWLINS-FERNANDEZ: Mahalo for that clarification. And...okay. All right. So we got that. And I think Member Sugimura had her hand up?

COUNCILMEMBER SUGIMURA: So I was just wondering if this has any impact, if Sandy Baz is still on, with the MAPPS Program in terms of this information that's being asked for? . . .*(inaudible)*. . .

CHAIR RAWLINS-FERNANDEZ: Managing Director Baz? I think he might have had to leave. Was there something that you had in mind, or is that just a broad question?

COUNCILMEMBER SUGIMURA: I just wonder if the MAPPS Program is going to be presented in my Committee whenever they're ready, and it's been something that the County has been working on. And I just wondered if what we're asking for we can gather it from the MAPPS Program once it's launched? That's my question.

CHAIR RAWLINS-FERNANDEZ: Okay. Think we can add that to our correspondence or...okay. Any other questions Members would like to add to the transmittal to the departments in preparation for the next meeting we have on this agenda item? Okay. Any last comments? If not, we're going to...okay. Member Paltin.

VICE-CHAIR PALTIN: On the transmittal part, I mean, insomuch as if they have a process or procedure that they could put in writing of determining...you know, if we get this transmittal of, like, a \$3 million fine reduced to \$1,000, or whatever the case is, if they could go through the process with us in writing. Like they're saying, you know, if they have it. Or if they don't have it, they want to bring in Enforcement or whoever to explain it to us...but if they can get it to us beforehand in writing, and then when they bring the Enforcement in, we can ask clarifying questions of what was written --

CHAIR RAWLINS-FERNANDEZ: Okay.

VICE-CHAIR PALTIN: -- to save everyone time.

CHAIR RAWLINS-FERNANDEZ: Okay. Yeah, I...it also sounded like to me, and Directors, please correct me if I'm wrong, that they wanted to kind of do like a...like a presentation on the whole process, or we can request that. Okay. Any other requests? Okay. Seeing no hands, are there any objections to deferring BFED-19?

COUNCILMEMBERS VOICED NO OBJECTIONS.

ACTION: DEFER pending further discussion.

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

November 4, 2021

CHAIR RAWLINS-FERNANDEZ: All right. Very good. Okay. That brings us to the end of our meeting. It's...any...well, so I guess we'll see everyone at tomorrow's Council Meeting at 9:00. Oh, and 1:30, Pro Tem Kama's Committee meeting on Human Concerns and Parks. Anything you want to announce, Pro Tem Kama?

COUNCILMEMBER KAMA: No, but it sounds to be very interesting. We're going to do a study on the parks, that's what we're doing today, and the CORA permits. So if it interests you, please stop by. Thank you.

CHAIR RAWLINS-FERNANDEZ: Wonderful. Mahalo, Pro Tem Kama. Okay. So for those in the Committee we'll see each other at 1:30, and then for everyone else, we'll see everyone tomorrow at 9:00 for the Council Meeting. It's 11:11 on 11/4/21, and the Budget Finance and Economic Development Committee is now adjourned. . . .(gavel). . .

ADJOURN: 11:11 a.m.

APPROVED:



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

bfed:min:211104:sl

Transcribed by: Susan Leong

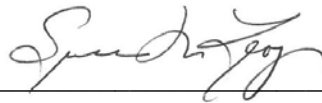
BUDGET, FINANCE, AND ECONOMIC DEVELOPMENT COMMITTEE MINUTES
Council of the County of Maui

November 4, 2021

CERTIFICATION

I, Susan Leong, hereby certify that pages 1 through 39 of the foregoing represents, to the best of my ability, a true and correct transcript of the proceedings. I further certify that I am not in any way concerned with the cause.

DATED the 3rd day of December 2021, in Wailuku, Hawai'i

A handwritten signature in cursive script, appearing to read "Susan Leong", is written over a horizontal line.

Susan Leong