

Department of Finance

Honorable Arthur Brun
Honorable Felicia Cowden
Honorable Mason K. Chock
Honorable Luke A. Evslin
Honorable KipuKai Kualii
Honorable Arryl Kaneshiro

Excused: Honorable Ross Kagawa

The Committee reconvened on April 9, 2019 at 9:01 a.m., and proceeded as follows:

Committee Chair Kaneshiro: Good morning. I would like to call back to order the Committee of the Whole and the Fiscal Year 2019-2020 Departmental Budget Reviews on the schedule for today, April 9, 2019. We will hear from the Department of Finance as they take us through their divisions, including Kaua'i Humane Society and the Planning Department. As we do each morning, we will take public testimony. Is anyone in the public wishing to testify?

There being no objections, the rules were suspended to take public testimony.

SCOTT K. SATO, Deputy County Clerk: The first registered speaker is Walt Barnes, followed by Dan Giovanni.

Committee Chair Kaneshiro: Walt, just state your name for the record. You will have three (3) minutes, the light will turn green, when you have thirty (30) seconds left, it will turn yellow and when your time is up, it will turn red. Push the button.

WALT BARNES: *Aloha* Chair Kaneshiro, Councilmembers, staff, and guests. I am Walt Barnes of Wailua, my testimony today reflects my personal views, and I am not speaking on behalf of others or my employer, AT&T Labs. I support the Kaua'i Humane Society (KHS) and its funding by the County of Kaua'i. I endorse KHS' mission to care for and assist the community to care for all of Kaua'i's animals. KHS is there when animals are abandoned intentionally or unintentionally. They care for them, they try to reunite them with their families. If that is not possible, they find homes for them on and off Kaua'i. They fulfill their name, treating all animals humanely. Animals are able to transition to families; they are never needlessly euthanized. Those animals too injured, too sick to recover, or behaviorally unable to transition into families are treated humanely with love and compassion, even if their situation forces KHS to make the difficult decisions their welfare demands. KHS is forced to our community's conscience in these difficult cases. KHS supports the community directly with low-cost healthcare options for pets and education for pet owners. KHS staff is there with emotional support for grieving pet owners in all kinds of difficult situations. I have seen the staff interrupt their hurried tasks to take the time to comfort a pet owner after their longtime companion has died. I have seen them create solutions to difficult, complex problems, always balancing the best interests of the animal, pet owner, and community. They go to work every day, make no mistake, they are first responders, too. They do it with insufficient resources. KHS deserves our support and I humbly urge you to support them and their mission with as many resources as possible. Thank you for your attention.

Committee Chair Kaneshiro: Thank you.

Mr. Sato: Our last registered speaker is Dan Giovanni.

DAN GIOVANNI: Good morning, Chair Kaneshiro, Councilmembers. I am very happy to be here today. I speak as a private citizen, I speak for myself. First of all, I would like to echo and thank the former speaker for his remarks this morning with which I fully agree. Here on Kaua'i, we have a shared responsibility to care for and control the animals among us. In particular, the Kaua'i Humane Society plays a vital role in that process. Overall, their mission of activities are quite diverse and include an amount of work that costs about \$3 million per year. Of that total, the County of Kaua'i supports about one-third of that support. We encourage continuation of that support. It is a very important aspect of the overall program. In recent years, there has been a lot of turmoil around animal control and care and the Humane Society itself, and as a result of that in part, we feel that the society has been underfunded. The proposed budget that is before you now, that was submitted by the Mayor last month, recognizes this need and, in fact, is the first time in several years there has been a substantial increase in the proposed budget from the Mayor. We fully support that. You will hear later today a presentation by the new Executive Director of the Humane Society, with more details on the proposed budget and what it means for the animals, what it means for the society. We strongly encourage you to support the Mayor, and his proposals, and have an open mind for the additional considerations that will be put forth before you. We desperately need the County of Kaua'i to continue its support for the Humane Society. We thank you for your consideration.

Committee Chair Kaneshiro: Thank you. Anyone else registered to speak? Anyone in the audience wishing to testify on this? Seeing none, I will call this meeting back to order. For today, I would like to call up Reiko Matsuyama, Director of Finance, who will be taking us through their divisions. Also, Ken Shimonishi, Budget Administrator.

There being no further testimony, the meeting was called back to order, and proceeded as follows:

REIKO MATSUYAMA, Director of Finance: Good morning.

Councilmember Chock: Good morning.

Ms. Matsuyama: Finance is made up of very diverse divisions. We have many of the County's administration functions, but we have three (3) of the most public-facing operations as well with Motor Vehicle, Driver's License and Real Property Tax. Our total Finance operation is requesting an operating budget of \$12 million of which payroll and related costs are about sixty-seven percent (67%). The only position addition is an Information Technology (IT) Help Desk position, which we need to handle the increased call volume that we get with regular funding calls. This position is being moved from Public Works. Our Operations Budget is dominated by the contract with Kaua'i Humane Society and requesting a total budget of \$993,000 or twenty six percent (26%) of our overall Operations Budget, an increase of \$133,000 over the prior year. Our IT Division houses the majority of the remainder of the Operations Budget. Mostly, the annual subscriptions of software that are necessary for County operations. We are requesting additional moneys for upgrades to both the Laserfiche software, which should improve efficiencies and cut down on our paper usage throughout the County, as well as implementation of Office 365. This will move certain applications to cloud-based functions.

Committee Chair Kaneshiro: Thanks for that. With that, we will start with Administration. Do we have any questions on the Administration Budget? I have a question

on property insurance. Our insurance has been going up and down more noticeably, property insurance and general liability. Could you explain those variances?

Ms. Matsuyama: For property insurance, all of the insurances are basically based on the renewal amounts that we have in front of us. Yes, whether they are going up or down.

Committee Chair Kaneshiro: Based on the amount of claims we have, will it go down in some years or up in some years with the renewal?

KEN M. SHIMONISHI, Budget Administrator: Ken Shimonishi, Budget Administrator. On the premiums side, that is based on the most recent premiums that we have through our broker. To help offset some of the increases in the premiums, as well as the additional funding for Kaua'i Humane Society, we decreased the general liability claims account. This is where people file claims against the County, and it gets paid out of there. That is just an allowance of what we could expect. Obviously, if we have more, it will run more. If not, it will run less. Keep in mind that we also have the reserves that we are able to use through the general liabilities claims if it exceeds this budget amount. Obviously, we would have to come to Council for that approval to access that money, but that is kind of an additional stop-gap measure to govern that experience. That is our attempt to level-out some of the proposed increases.

Committee Chair Kaneshiro: Okay, the general liability is not actually insurance premiums, but just based off claims.

Mr. Shimonishi: Yes, the General Liability account, master page 40.

Committee Chair Kaneshiro: Page 750.

Mr. Shimonishi: Page 750, correct.

Committee Chair Kaneshiro: Okay any other questions? Councilmember Chock.

Councilmember Chock: Thank you, Mr. Chair. Good morning. In your narrative, you talk about inability to fill positions...it is at an all-time high or low rather, and I was wondering because you do speak with procurement in positions. Can you elaborate on what those requirements are?

Ms. Matsuyama: Well, I can talk about the most recent one (1)...it is kind of eliminating some of the exemptions, allowances that we have been able to kind of...we had some leeway in the exemption process and taking that away from us. So that is going to be super cumbersome for some of the smaller departments that kind of rely on some of those exemptions. It is just always changing.

Councilmember Chock: More work for the employees in order to process, okay.

Ms. Matsuyama: Yes.

Councilmember Chock: Then in terms of the exemptions, are you not allowed to acquire outside services also?

Ms. Matsuyama: Yes. It is super technical with the Hawai'i State Revised Statutes (HRS), but that is just an example of something that is making the Purchasing Division more labor-intensive, and would basically stop County operations completely if we were stuck in procurement. Further positions in general, we have been fairly lucky. Right now, I think we only have five (5) vacancies total throughout the department. Our Motor Vehicle Division is fully staffed right now, which is kind of amazing...not yet fully trained, but fully staffed. We have been lucky, but Countywide, we are competing against each other within the departments.

Councilmember Chock: All the positions that you are needing to fill are all at Administration?

Ms. Matsuyama: No, technically we do not have any in Administration.

Councilmember Chock: I am sorry, I might be reading this incorrectly. Where are they then?

Ms. Matsuyama: We have two (2) in Driver's Licensing and one (1) position II and III is labeled Motor Vehicle, but it is Driver's Licensing. One (1) of them is a new vacancy. That person went from Driver's Licensing to Purchasing. So we created our own...we do have another position open in Purchasing, but we are actually using that position number for an eighty-nine (89) day hire within Treasury, and then we have two (2) in Real Property. We have been fairly lucky recently with hires.

Councilmember Chock: Thank you.

Committee Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: Under Special Projects, what is the Kukui'olono Tank Site Remediation, \$50,000?

Ms. Matsuyama: This is a new...kind of a placeholder number. There is a water tank that is buried in Kukui'olono Golf Course and we are working with Department of Water to take out the tank and remediate the area around it. The \$50,000 is kind of a placeholder for now because we do not know exactly how much it is going to cost. The Department of Water is absorbing most of the costs related to that project.

Committee Chair Kaneshiro: Why would they not absorb all of it?

Mr. Shimonishi: Yes. I believe there was a Resolution that was passed several years ago about working in coordination with the Department of Water to assist it...this actually involves a land swap, where they fixed this area on the 9th fairway to get rid of this concrete structure, and it is actually an abandoned fuel tank underground. We had it tested and there are no contaminants or whatever. So the agreement was that we would pay half of the remediation costs because it involves the County. The Department of Water actually has a site off to the side of the golf course where they have a new water tank and we also put in the agreement that would allow us, if we wanted to or able to put a radio

tower for our communications in emergencies and so on. That was kind of like the deal that was worked on with the prior Administration.

Committee Chair Kaneshiro: Councilmember Cowden.

Councilmember Cowden: I like in the narrative how you talk about crosstraining your people. I think that is a really important element. You are foreseeing a number of retirements in the upcoming fiscal year and we learned how difficult that was in 2017. That was a really difficult year. Where are you anticipating the retirements?

Ms. Matsuyama: Potentially, we have three (3) in Real Property Assessment.

Councilmember Cowden: That is a big deal.

Ms. Matsuyama: Yes. We just recently got approval for a Section 3 hire, which is kind of like a "TA" position.

Councilmember Cowden: "TA"?

Ms. Matsuyama: "Temporary Assignment."

Councilmember Cowden: Okay. Maybe as the year progresses you might keep us abreast of how you are getting that covered or when that is anticipated because we saw the problem with prior year directorship with Treasury and we would not want that to happen in Real Property. That equally is a very, very important area.

Ms. Matsuyama: I agree. We learned the hard way.

Councilmember Cowden: How many people are in Real Property Assessment? Is it half the number?

Ms. Matsuyama: Nineteen (19).

Councilmember Cowden: Nineteen (19), okay. You are not losing three (3) out of six (6), but losing three (3) out of nineteen (19). Thank you so much.

Committee Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: In the second paragraph, operational highlights, the last sentence you say that future initiatives include expanding the capability of the kiosk, purchasing an automated queuing system, and accepting credit cards at the window. When is this happening and do you have money budgeted someplace to make that happen?

Ms. Matsuyama: For the extension of the kiosk usage, we have conference calls with the vendor every Tuesday and it is just a matter of doing more than just vehicle registration. When we talked to them earlier, they have capability throughout the nation...one (1) I think would be really handy for us is duplicate titles because we handle a lot of those at the window. If there is a way...but it is a statewide initiative...as far as the timeline, I do not know. It has to be driven by the State. But we are looking into that. As far as the queuing software, we have money and the Request for Proposal (RFP) is out and should be closed by the end of the month. We are trying to replicate what they are doing in Kona as

Councilmember Cowden: I think people are pretty excited about that. I think that will also lower the lines from traffic congestion and the business aspect even though I know people sit down now rather than stand in line. How about online business? How much are we processing for the best of business end you can do on the computer now? Is that creating more work or easier?

Ms. Matsuyama: It is much easier actually.

Councilmember Cowden: What I am looking at, it is pretty telling to say that we have twelve thousand (12,000) more cars on the road with no more motor vehicle registration people. That is a big crush and saw how half the whole office area is. Is that going online as a computer element because you have those pieces of paper that we put in? Is that getting automated as well?

Ms. Matsuyama: We are slowly doing it on the back-end. It is a process.

Councilmember Cowden: The front-end is all automated now? Is it on the computer? Do you still have to keep all the pieces of paper?

Ms. Matsuyama: I think we have to keep some of the little pieces of paper.

Councilmember Cowden: I went in there and really had a new respect for the amount of effort that goes on in that. So when we have the online element for business, is that releasing some of the pressure on our staff?

Ms. Matsuyama: Yes, for sure.

Councilmember Cowden: Okay, thank you.

Committee Chair Kaneshiro: Any further questions? Councilmember Evslin.

Councilmember Evslin: Under Special Projects...and I understand you will talk about the Kaua'i Humane Society at the end...

Committee Chair Kaneshiro: Kaua'i Humane Society is at the end.

Councilmember Evslin: Just a question on the sewer credit, why is that under your Special Projects and not with Wastewater?

Mr. Shimonishi: I think the decision was made way back to have that as part of the Administration and not, penalize that as part of the Sewer Fund operations. That is where we are providing credit to low-income or qualified users of the sewer service. So I believe that was the basis on that decision. That has been there for I do not know how many years...

Committee Chair Kaneshiro: Any further questions in the Administration budget? If not, we will move on to Accounting. Councilmember Kualii.

Councilmember Kualii: On page 45, Other Services—the subcategory description, “City and County of Honolulu Driver’s License Computer Usage, \$98,400.” What

is that? Is that a contract for surveyors? It is multi-year. When do we renegotiate or go out for an RFP? How often?

Ms. Matsuyama: This is actually statewide software. Every jurisdiction uses this in Motor Vehicle and Driver's Licensing. Why it is in the Accounting budget, I am not really sure. It is the software that they use in Motor Vehicle and Drivers Licenses and it is a statewide thing. I think they just recently started discussions on improving that software and making it such to tie to the cashiering system, but that is in the very, very early stages.

Councilmember Kualii: The State and all of the Counties use the same software.

Ms. Matsuyama: Yes, DIT.

Councilmember Kualii: It has been in place for several years now. So there is a particular vendor that supports this software.

Ms. Matsuyama: Yes. It is called "DIT" and I have no idea what that stands for.

Councilmember Kualii: Basically, continues that way year-after-year until a group of folks that make the decision to change to a different software.

Ms. Matsuyama: Correct. I believe this is just our County of Kaua'i allocation for the contract.

Councilmember Kualii: It is an allocation. Thank you.

Committee Chair Kaneshiro: Councilmember Cowden.

Councilmember Cowden: If you could just clarify for me that negative large balance of minus \$2.68 million...it says "Indirect Costs Central SE", what does that mean? Where does...I am assuming something got moved.

Ms. Matsuyama: Yes. This is what we charge the other funds for Administration and overhead costs.

Councilmember Cowden: Oh, okay.

Ms. Matsuyama: We basically reimburse the General Fund for Accounting and IT services for the other funds.

Councilmember Cowden: That is their expense out of the other area on the line item, they are paying you, and they are paying Finance for the services.

Ms. Matsuyama: It is an allocation of the services that we provide.

Councilmember Cowden: Thank you.

Committee Chair Kaneshiro: Any other questions in Accounting? If not, we will move on to IT. Any questions for IT? Councilmember Kualii.

Councilmember Kualii: In your narrative, you talk about a Help Desk position. That is the Computer Support Technician II, position 836?

Ms. Matsuyama: Yes.

Councilmember Kualii: Is that position currently occupied, filled?

Ms. Matsuyama: No.

Councilmember Kualii: No. So what is the recruitment status?

Ms. Matsuyama: We have to get it approved in the budget first.

Councilmember Kualii: It is basically newly created and it is not submitted to the Department of Human Resources (HR) yet for recruitment?

Ms. Matsuyama: No, it is coming from Public Works.

Councilmember Kualii: The position is. So what about the body that is going to fill the position? Is it an internal promotion possibly?

Ms. Matsuyama: Not yet.

Councilmember Kualii: HR needs to do recruitment?

Ms. Matsuyama: Yes.

Councilmember Kualii: And are you going to hire within the sixty (60) to ninety (90) days?

Ms. Matsuyama: I hope so, yes.

Councilmember Kualii: That is the intent. Thank you.

Committee Chair Kaneshiro: Councilmember Cowden.

Councilmember Cowden: Under "Dues and Subscriptions," we see a substantial jump from 2018. I am assuming that is software dues and subscriptions.

Ms. Matsuyama: Correct. That is both included in there is both the Laserfiche upgrades and the Office 365 implementation.

Councilmember Cowden: What we saw on the budget the General Administrative Budget, when we had almost \$6 million for IT numbers, is this in addition to those \$6 million?

Ms. Matsuyama: Yes. That would have been Capital Improvement Projects (CIP) asks.

Councilmember Cowden: Yes.

Ms. Matsuyama: Yes.

Committee Chair Kaneshiro: Is the software licensing going to be a recurring item or is it a one-time cost? I am looking at Microsoft Enterprise licensing that went up \$180,000.

Ms. Matsuyama: Part of it is a one-time cost for the actual implementation of 365, but we will have attached to it a recurring cost. But it will reduce other recurring costs because it is replacing some other software functions.

Committee Chair Kaneshiro: I have a question and it might be for Del. Premium Pay increased \$35,000. What was the reason for that increase?

Ms. Matsuyama: We are trying and we have already run a pilot program, but it is basically creating a tiered system for standby. As you folks know, some of our IT...well, we always need to have standby people for IT 24/7 for emergency services. In the past, what has happened is that person that has been on standby is too much of a rookie to answer some of the questions. So we have developed a tiring system such that there is a more technical person to support the other person. There are actually two (2) people on standby. It is worked to be able to resolve some of the questions more timely. So we are trying to keep that through this budget process and that is why the increase is there.

Committee Chair Kaneshiro: Okay. Thanks. Councilmember Evslin.

Councilmember Evslin: Master page 52 is Computer Replacement \$260,000. Is there IT support for computer replacements for Finance or other departments also?

Ms. Matsuyama: Throughout the County.

Councilmember Evslin: Throughout the County. Thanks.

Committee Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: So is there a formula that you use? How many computers are you replacing or anticipating to replace?

Ms. Matsuyama: I do not know the answer to that. I know that when there are new employees, the departments are responsible for new computers. Then IT will do any kind of replacement.

Councilmember Kualii: Maybe can you follow-up.

Ms. Matsuyama: Okay.

Councilmember Kualii: The last question, you are talking about premium pay—so you mentioned 24/7 and the tiered system. You said one (1) or two (2) people instead of one (1). Are people physically here overnight or are they on standby in case something goes wrong?

Ms. Matsuyama: Correct. They are on standby and they have to be accessible by phone. They can answer...they can respond to the call remotely or would physically need to drive to the location at any given time.

Councilmember Kualii: The regular call center hours, what have you is the regular work day?

Ms. Matsuyama: Yes. No standby pay is paid for the regular work day.

Councilmember Kualii: Then these people are just being called for the system, not to support staff after hours?

Ms. Matsuyama: Correct. There are only certain people that have the Help Desk number after hours.

Councilmember Kualii: But it is meant to be internal for the system.

Ms. Matsuyama: Yes. So calls have to involve either the 911 system, a real emergency type of call.

Councilmember Kualii: Okay.

Committee Chair Kaneshiro: Any other questions for IT? Councilmember Kualii.

Councilmember Kualii: Under Dues and Subscriptions that is a lot of money for dues and subscriptions, but there is a lot there, the million dollars. On the second page, what is Superior Sungard Support for \$177,000?

Ms. Matsuyama: That is our accounting software that is AS400.

Councilmember Kualii: Is that negotiated every few years?

Ms. Matsuyama: Yes, and you will see within these Dues and Subscriptions a lot of these are not necessarily IT related or Finance-related, but they could be for other parts of the County as well.

Councilmember Kualii: Right. My last one (1) under this area is R&M Computers. There are a couple line items, Fiscal Maintenance \$85,000 and Granicus Maintenance \$130,000. So each of those is a contract with a provider of this maintenance?

Ms. Matsuyama: Correct. Unfortunately, these are separated, but R&M Computers is basically more annual software costs. Maintenance costs.

Councilmember Kualii: Is it our fee for providers every so many years?

Ms. Matsuyama: Yes.

Councilmember Kualii: Thank you.

Committee Chair Kaneshiro: Councilmember Cowden.

Councilmember Cowden: I am curious about the closed captioning underneath all these meetings. That has to be some kind of cost. Where do we see that reflected? Is that in IT?

Ms. Matsuyama: Yes. Scott said Granicus.

Councilmember Cowden: I wondered if that was the same thing. What we see there is for the closed captioning on anything that the County does. Subcontractor. So will Granicus be in a number of different locations or just in Finance?

Ms. Matsuyama: Scott said Granicus. Thanks.

Committee Chair Kaneshiro: Any other questions for IT? If not, we will move on to Treasury. Councilmember Kualii.

Councilmember Kualii: I see you have only three (3) positions here. Do you have any vacancies?

Ms. Matsuyama: Yes.

Councilmember Kualii: There is nothing on the vacancy report so it must be a new vacancy.

Ms. Matsuyama: Very recent.

Councilmember Kualii: What is it?

Ms. Matsuyama: Treasurer.

Councilmember Kualii: What is the plan to replace that position?

Ms. Matsuyama: We are exploring options to kind of recreate the wheel in terms of Treasury to make sure that we have someone in there that will be very meticulous and do the job well, and ensure that we do not have recurring findings as we have last year for the Comprehensive Annual Financial Report (CAFR).

Councilmember Kualii: Is it a priority to do that fairly quickly?

Ms. Matsuyama: Yes.

Councilmember Kualii: In sixty (60) to ninety (90) days?

Ms. Matsuyama: Yes.

Councilmember Kualii: Thank you.

Committee Chair Kaneshiro: Councilmember Cowden.

Councilmember Cowden: Well, that is a loss. I really liked that Treasurer. There were three (3) positions in Treasury. So we are just missing one (1)?

Ms. Matsuyama: We are missing one (1). We are borrowing a position right now from Purchasing. We have an 89-day hire. It is coming up towards the end of her 89-day contract and we will renew her for another 89-days.

Councilmember Cowden: I saw in the Administration there was a bump in your salary cost, it looks like you have someone from Purchasing, but that is a different person?

Ms. Matsuyama: Yes.

Councilmember Cowden: Is that you?

Ms. Matsuyama: Yes.

Councilmember Cowden: Okay, so you are in Finance?

Ms. Matsuyama: Administration.

Committee Chair Kaneshiro: They just moved the budgeting position from Purchasing to Administration.

Councilmember Cowden: You are not the 89-day hire?

Ms. Matsuyama: No.

Councilmember Cowden: So you moved that one (1) and there is another one (1) coming out of Purchasing?

Ms. Matsuyama: Yes.

Councilmember Cowden: So is Purchasing okay?

Ms. Matsuyama: They are fine for now as long as it is a temporary borrow.

Councilmember Cowden: Okay. What kind of skills are you looking for on that, like if people who are watching, what do we need in that? Someone with an accounting background? Is that a highly skilled position that you are looking for?

Ms. Matsuyama: Yes. Detail oriented, highly skilled. They do have to work with the bond issuances. They basically manage our cash, to make sure that we are only allowed to invest our money in certain very secure, not risky investments.

Councilmember Cowden: You need a skilled financial manager, right?

Ms. Matsuyama: Yes.

Councilmember Cowden: That is not something that is easy to come up with.

Ms. Matsuyama: Yes.

Councilmember Cowden: Do you have some applicants? Are we working on it?

Ms. Matsuyama: Yes, we are working on it.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: The increase in salaries are attributed to that position, the Treasurer's position? It is up twenty (20).

Ms. Matsuyama: Actually, the increase is due to one of the lower positions. We had it in the prior year position as an Accounting Technician. When we had the person in there, we promoted her to Accountant III because she earned it and we left that position as Accountant III. In Treasury, we have a Treasurer and two (2) Accountant III positions under the Treasurer.

Councilmember Chock: Okay, so it is that lower one that needs to be...

Ms. Matsuyama: Yes. We have a warm body in there as an Accountant III.

Committee Chair Kaneshiro: Councilmember Evslin.

Councilmember Evslin: We had some issues on the last transition with the Treasurer. Do you anticipate now that we have an open vacancy that we might have those same type of issues again?

Ms. Matsuyama: I hope not. I sat with the Treasurer for hours on end before he left. I am carrying the daily stuff and we do have that extra 89-day hire in there. So whereas, the entire division is two (2) positions, we have had had four (4) for a good part of the time. But now we are again back down to three (3). Granted, that is a loss, we are missing our key person but we think we have enough coverage to try and "band-aid it" until it gets fixed.

Councilmember Evslin: Thank you for being proactive in trying to do the work of two (2) there, appreciate it. Good luck.

Committee Chair Kaneshiro: Councilmember Cowden.

Councilmember Cowden: When you have four (4) though, that was because you had very significant catch-up, correct?

Ms. Matsuyama: Yes.

Councilmember Cowden: Are you caught up? Is everything square from where it was in deficit from the time the last Treasury area...are we up-to-date?

Ms. Matsuyama: Yes and no, I think is the correct answer. No in that we are still working in January right now, but that is far better improved.

Councilmember Cowden: We are three (3) months behind?

Ms. Matsuyama: Yes.

Councilmember Cowden: And is every night, are we three (3) months behind but tonight is okay?

Ms. Matsuyama: Correct.

Councilmember Cowden: Okay, tonight is okay, yesterday, tomorrow.

Ms. Matsuyama: Yes.

Councilmember Cowden: We are three (3) months behind in terms of catch-up that was there.

Ms. Matsuyama: Yes.

Councilmember Cowden: Is that catch-up still pen and paper?

Ms. Matsuyama: No.

Councilmember Cowden: That is passed.

Ms. Matsuyama: Yes.

Councilmember Cowden: Okay.

Committee Chair Kaneshiro: Any other questions for Treasury? If not, we will move on to Driver's License. Councilmember Kualii.

Councilmember Kualii: First, there is one (1) vacancy, Position No. 213, Senior Motor Vehicle Responsibilities Clerk. I have one (1) question—this position has the motor vehicle wording in the description, but it is in Driver's License.

Ms. Matsuyama: Correct.

Councilmember Kualii: That is correct?

Ms. Matsuyama: That division is incorrect. We actually have both positions, 213 and 234, in Driver's License.

Councilmember Kualii: Position No. 213 was vacant since December, three-and-a-half (3.5) months. What is the plan for filling that position?

Ms. Matsuyama: We are trying to promote from within for that position. Essentially, trying to move people up within the division, which will create another Senior Clerk position opening. Senior Clerk is on continuous recruitment. I think there are three (3) applicants right now on the closed list. We are still waiting for HR to see how many qualify.

Councilmember Kualii: You anticipate filling that within sixty (60) to ninety (90) days?

Ms. Matsuyama: We hope so.

Committee Chair Kaneshiro: Any other questions for Driver's License? They have a pretty flat budget. If not, we will move on to Motor Vehicles. Councilmember Kualii.

Councilmember Kualii: I think I read someplace, maybe in your narrative, that you have 12,000 more vehicles on our roads, but you have not added a full-time position since 2007. Are there any proposed added positions?

Ms. Matsuyama: No.

Councilmember Kualii: It will just be another year without?

Ms. Matsuyama: Yes, moving things online and the things we were talking about before should relieve the window a little bit.

Councilmember Kualii: Thank you.

Committee Chair Kaneshiro: Any other questions for Motor Vehicles? If not, we will move on to Real Property Tax Assessment. Councilmember Kualii.

Councilmember Kualii: Position No. 2108 Tax Clerk, Vacant since October 16th, so five-and-a-half (5.5) months. What are the plans for filling that position?

Ms. Matsuyama: We are actually reallocating that position to a Valuation Analyst. We have a warm body that is going to TA into that position.

Councilmember Kualii: What kind of analyst?

Ms. Matsuyama: Valuation Analyst.

Councilmember Kualii: Is that another existing position or is that a new position?

Ms. Matsuyama: It is a new position for the County of Kaua'i.

Councilmember Kualii: It will be in this division as well?

Ms. Matsuyama: Yes.

Councilmember Kualii: Valuation Analyst—what is the timeline for all of that? Like, doing the reallocation takes some time, right? Once it is done, will you recruit or will you promote someone?

Ms. Matsuyama: We have someone from within that will TA into that position.

Councilmember Kualii: Okay. Thank you.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: I know with this budget we are investing a lot into upgrading some of our systems. In Other Services and Accounting Services, we talked about you submitting that. Can you give us a little bit of an overview of what we intend to see in improvements?

Ms. Matsuyama: In Other Services, this is like Geographic Information System (GIS) software costs. It includes the legislative modifications, if we were to move to the tiering scale that we were discussing yesterday. This would accommodate for such change. That is why the increase.

Councilmember Chock: That is the only option. Everything else is pretty much static.

Ms. Matsuyama: Yes.

Committee Chair Kaneshiro: Councilmember Cowden.

Councilmember Cowden: I have a couple of questions about the structure of these jobs, and how it works with the Real Property Appraisers; are they out in the vehicle driving around the island looking at it or just looking at it on paper?

Ms. Matsuyama: Both. They physically go out to the property to visually see, but they also have software where they can look from their desk and basically see the plots from all angles.

Councilmember Cowden: Like Google Earth.

Ms. Matsuyama: Real-time.

Councilmember Cowden: Real-time. Is their background typically real estate? So they are actually doing the Real Property Tax appraisals as to how an appraiser would come in like if you were trying to sell your house?

Ms. Matsuyama: I believe so. Real estate is part of the minimal qualifications for Appraiser I.

Councilmember Cowden: Then is it the same person who drives around and looks at it and does the paperwork on it?

Ms. Matsuyama: Yes.

Councilmember Cowden: Do we have them set up regionally? Are they looking at regions or are they around the island as-needed?

Ms. Matsuyama: I believe they are set up by region. We will have to get back to you.

Councilmember Cowden: I am curious about how often properties are appraised and reappraised. Sometimes there are these very big jumps and I do not know if people basically get a break for three (3) years and all of a sudden "boom," even though it feels like incredibly caught up with the market, or also whether we have these depressions in the market. Do we have a senior person in the Real Property Tax Assessment office that is keeping an eagle eye on that?

Ms. Matsuyama: Yes, I believe that they are assigned properties. Those properties are assessed every single year. Every single property is assessed every single year.

Councilmember Cowden: Do you have an estimate of how many properties are on the island?

Ms. Matsuyama: About 33,000.

Councilmember Cowden: 33,000 houses or any kind of property?

Ms. Matsuyama: Parcels.

Councilmember Cowden: Parcels. So we have 33,000 parcels a year assessed by about five (5) or six (6) people.

Ms. Matsuyama: Correct.

Councilmember Cowden: We can do the math on that and figure it out. Thank you. I was just curious about the efficiencies of the office and how it is...so people are typically out in the morning or doing their paperwork in the morning or as they see fit?

Ms. Matsuyama: As they see fit.

Councilmember Cowden: Thank you.

Committee Chair Kaneshiro: Councilmember Kualii. Any further questions for Real Property Tax Assessment? If not, we will move on to Collections. Councilmember Kualii.

Councilmember Kualii: Two (2) vacancies—226, Tax Collection Supervisor vacant for about four (4) months now. Any plans for recruitment?

Ms. Matsuyama: The Real Property Tax Collection Supervisor used to be the new Deputy Director. That is the reason for the four-month lag. We do have one (1) applicant. We are about to do the test for the position, but we anticipate being able to hire very soon.

Councilmember Kualii: Thank you. The next one 233, Account Clerk. This has been open for a while, like a year-and-a-half (1.5).

Ms. Matsuyama: It has been filled.

Councilmember Kualii: It has been filled?

Ms. Matsuyama: Yes.

Councilmember Kualii: Did that person start already?

Ms. Matsuyama: Yes.

Councilmember Kualii: Thank you.

Committee Chair Kaneshiro: Any other questions for Real Property Tax Collections? Councilmember Evslin?

Councilmember Evslin: What is the Hilo Foreclosure Sale under Airfare?

Committee Chair Kaneshiro: Bottom of page 71.

MICHELLE L. LIZAMA, Deputy Director of Finance: Good morning, Michelle Lizama, Deputy Director of Finance. That line item is potentially for training so the new Tax Collection Supervisor can be onboard on foreclosure processes. Hilo is our number one County that has been doing foreclosures for years and years and years and they are one of the most expert counties to learn from.

Committee Chair Kaneshiro: Councilmember Cowden.

Councilmember Cowden: Do we buy any of the foreclosures? Do we ever do that? I wonder if we would be looking at these foreclosures and buying them for our affordable housing because when we have these dips in the market, a lot of times properties come on the market and you can short-sell it or buy it really low. It might be more of a Housing Agency question, but when we go and do foreclosure sales training, I would be looking at learning to purchase because that is really a very smart way to make purchases and keeps the housing in our community, instead of having it being a fix-and-flip and moving off-island. So that is just my instinct of part of doing it. Maybe Housing and the part of Real Property Tax Collection can consider a cross-dialogue because that certainly seems like a good choice.

Ms. Matsuyama: We can look into it.

Councilmember Cowden: Especially with dips in the market. Thank you.

Committee Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: On page 73...72. Printing. I see that the \$44,000 is the same amount budgeted from last year. But when I look at the history, it was \$26,000 in 2016, \$32,000 in 2017, and \$28,000 in 2018, and made a big jump in 2019. It says new contracts beginning on May 2019. We are just about to go with a new vendor that is much more expensive or have we increased our volume that much as well?

Mrs. Lizama: It is an annual contract with the option to renew, but we are not going out for a new vendor. We just have to encumber the funds to proceed to the next year.

Councilmember Kualii: Do you have a sense of why it jumped so much? From 2018 to 2019 or are you...is it 2019...we have not really spent the \$44,000? With just a couple of months left?

Committee Chair Kaneshiro: We can send that over as a follow-up question if you want to get back to us.

Ms. Matsuyama: I think it is a placeholder as an estimate that we need to print and send bills. So that is the bills.

Councilmember Kualii: So a fund that could have to cover unanticipated printing costs?

Ms. Matsuyama: Correct.

Councilmember Kualii: For Real Property. Thank you.

Committee Chair Kaneshiro: Any other questions for Collections? If not, we will move on to Purchasing. Do we have any questions for Purchasing? Councilmember Kualii.

Councilmember Kualii: Position No. 232, Procurement and Specifications Specialist I, vacant now for two (2) years. What is your intention to fill? What is the recruitment status?

Ms. Matsuyama: That is the position that we were talking about before that we have been borrowing from Treasury. There is currently one (1) body in there, just not in Purchasing; it is in Treasury.

Councilmember Kualii: What is the amount of salary that you pay to the 89-day hire? Is it a similar position or is the other position paid a lot lower?

Ms. Matsuyama: It is a completely different position. As far as the rate, I am not sure. I think it is a little higher than that high salary range.

Councilmember Kualii: What is the intention to stop borrowing it and fill it in this division?

Ms. Matsuyama: Not within the next three (3) months.

Councilmember Kualii: Not within the next three (3) months?

Ms. Matsuyama: We have to figure out what is going on in Treasury before we release that position back to Purchasing.

Councilmember Kualii: Not in the next three (3) months, but in the next year.

Ms. Matsuyama: Hopefully, yes.

Councilmember Kualii: In this fiscal year?

Ms. Matsuyama: I hope so, yes.

Councilmember Kualii: Okay. Thank you.

Committee Chair Kaneshiro: Any other questions for Purchasing? If not, we will move on to the Kaua'i Humane Society. Councilmember Evslin.

Councilmember Evslin: Can I just go back to Accounting?

Committee Chair Kaneshiro: We are not going back, no. Just kidding.

Councilmember Evslin: How come overtime for Accounting is much higher than in the other divisions and it looks like there was a big jump in 2018 to \$63,000. Then sorry, really quick, for 2019 budget it is \$45,000 and looks like we are still on track with the higher number.

Ms. Matsuyama: The 2020 budget is just a repeat of 2019. I will say that 2018 was significantly higher than it has been in the past and that has to do with the

CAFR. Unfortunately, it was the accounting staff going into Treasury and figuring out what was going on there, and you are all aware of that problem.

Committee Chair Kaneshiro: I know there are rules for Governmental Accounting Standards Board (GASB) also, yes?

Ms. Matsuyama: Yes.

Committee Chair Kaneshiro: I think they anticipated it was going to take a little more time for staff to put together.

Ms. Matsuyama: Yes.

Committee Chair Kaneshiro: All this overtime is pretty much having to do with our audit?

Ms. Matsuyama: Yes.

Councilmember Evslin: The \$45,000 that we are budgeting might be an overestimate?

Ms. Matsuyama: I hope so.

Councilmember Evslin: Alright. Thank you.

Committee Chair Kaneshiro: Any other questions for Finance? We will move on to Kaua'i Humane Society. Kaua'i Humane Society's numbers are on page 39 of our budget in Administration. We just have gotten the information right now and we will just take a ten-minute caption right now and we will not need to stop. So ten-minute caption break.

There being no objections, the meeting recessed at 9:59 a.m.

The meeting reconvened at 10:09 a.m., and proceeded as follows:

Committee Chair Kaneshiro: Welcome back. Again, we have the Executive Director of Kaua'i Humane Society here. She will go through a brief overview and we have her info in front of us. After the presentation, we will ask any questions. We do know what the budget looks like for Kaua'i Humane Society and I think we increased the funding by \$110,000 from last year, and that is on page 40.

MIRAH HOROWITZ, Executive Director, Kaua'i Humane Society: My name is Mirah Horowitz, I am the Executive Director of the Kaua'i Humane Society. It is an honor to be here today and before I get started, I want to thank my staff who are in the room. These are the frontlines of the animal care for this island and I appreciate them taking time out of their incredibly busy days for this budget request. I started in October of last year. It seems like yesterday and like a million years ago. I took this role because I see so much potential in this organization and this island and the way we can care for our animals. I know we had a slightly troubled history, but I really have seen an incredible amount of progress in the short time that I have been there. Both in terms of how we are viewing the organization, which is a nonprofit, and while we have a mission to serve the animals and the people of this island, we are a business and we have to make ends meet. Trying to marry those two (2) things which sometimes are competing is one (1) of my primary goals. The other primary goal that I have

is to save every single animal that we possibly can. Right now, we are resource constrained, but I very much want the question when any animal walks into our shelter, to no longer be, "Can save this animal?" but "How can we save this animal?" In order to do that, the Kaua'i Humane Society needs the support of the County, and more importantly, the funding from the County. That is why I am here today and why we are asking for the budgetary allotment that we are asking for. We do have a new management team in place. We are very proud of the direction that we are going. Our metrics across the board are improving. We are greatly appreciative of the Mayor recognizing this in the budget allocation that he has made. We are however asking and we have spoken to the Mayor's team about this as well for their supplemental budget, but we are asking for the current allocation to be raised by \$70,000. We are also asking that the allocation not be broken out into Barking Dog Ordinance and reimbursement for cruelty and Mobile Animal Sterilization Hospital (MASH) clinic, but all put into one lump sum. So we can make the determinations how to best serve the animals and people of this island with the allocation that we get from the County. I am happy to answer any questions that you may have. One other thing is that many of our supporters wanted to be here today and could not be. So they have sent me letters of support, which I compiled for you. That is what is in the handout in addition to our one (1) page summary.

Committee Chair Kaneshiro: Any questions for Kaua'i Humane Society?
Councilmember Cowden.

Councilmember Cowden: Thank you. Well, are we going to see a presentation first? Okay. I want to start by saying I recognize what a difficult job it is for the Humane Society to be handling things, especially when we have these crisis housing situations, housing crises for the people and families especially with children, even more so those with animals. We have a lot of household pets with their families still on the beach. Many people are reliant on the food bank and I am thankful that there is animal food in the food bank, too, because people will recognize it. In these times of stress, the people who have crises going on in their lives, their animals are their family and they are highly attached to their family. I have a question coming, but I want to frame it because I am respecting everyone in the room. The people who are living in the parks, those animals are not allowed in the parks. Then there is one more layer of crime going behind them. When these pets are taken and sometimes killed or sent to the continent or somewhere else away from them, it destroys people, where they have nervous breakdowns and lose their will to live and this is even happening recently looking right at you now...and I just own the fact that I have watched her grow up and I appreciate her. How much are you getting paid this year?

Ms. Horowitz: Zero (\$0).

Councilmember Cowden: Zero (\$0). I appreciate that you are doing this as an act of the heart. I happen to know that you have an incredible background, you could be doing anything, but you are doing this. So what a gift that is. So I look forward to partnering with you. Are you willing to partner with us? Because it is hard for me to give more money. I am just going to be honest, because I have seen so many people injured and hurt profoundly by harsh treatment at the Humane Society. I am looking on page 23, "areas for expansion and improvements." Can you explain that just a little bit? You have seven (7) really good elements and I want to hear about it and I want people on the television to hear about it. If and when I vote "yes" on this, I will get lambasted by many people and unfriended. I want them to hear and I want to know your commitment to these partnerships and these future improvements.

Ms. Horowitz: Absolutely. I am pulling it up.

Councilmember Cowden: I can read them out.

Ms. Horowitz: I have it right here. Absolutely. I would like to address your overall point and say, absolutely, we are committed to working with the Mayor, the Council, and the County. I think our biggest goal is to become a resource for this community on how to best care for and keep their pets. The last thing I want is to have animals coming into my shelter, quite honestly. I want the animals to be able to stay with their families, and personally I have a family member who has an emotional support dog that literally saved her life and I am not exaggerating. I understand completely where you are coming from. These are areas for expansion that we would like to work with the County on. The first is the affordable spay and neuter program. Providing a shelter and adoption program and a transfer program is like slapping a band-aid on the problem, the problem being the pet overpopulation and the only way to actually stop the problem is with spay and neuter. We, as the Humane Society, for funding reasons had to cut back dramatically on our spay and neuter operations. I am not talking about the feral animals, but for those community members that simply cannot afford it. At one time, we were able to offer free spay and neuter, but are no longer able to offer that and spay and neuter is currently excluded from the County contract. Something we would like to work towards is providing those people who are struggling to get by and do not have the resources or desire to be caring for litters upon litters of animals that help to be the responsible pet owners that we know they want to be. With respect to the second, the fee structure for programs and services—working out a fee structure for infractions, leash law, citations, and things like that, that both acts as a deterrent, provides revenue and also serves the purposes of the County and maybe perhaps working on forgiveness in certain circumstances. Right now, it is a pretty black-and-white regulation and we are more than happy to help work with the County on how to revise those. There are also inconsistencies in the County Code. So we would love to be able to help resolve those inconsistencies as well. The partnership with the Kaua'i Community Correctional Center...there are many studies showing that working with animals is mutually beneficial, both for the inmates and also for the animals. So taking animals that may have stigma attached to them, like for example, the "bully breeds", pit bulls, and having them work towards canine good citizenship, standards or qualifications makes them more adoptable, more attractive to transfer partners, and gives the inmate working with the animal a great deal of responsibility, gives them purpose, and quite frankly often that emotional connection that they need. So this is a proven program all over the mainland and we would love to see something like that started here. Helping to create a pet-friendly community, as you mentioned, pet-friendly housing is almost non-existent on this island if you are renting. We get surrenders all the time because landlords say the person cannot have pets. We would love to be able to work with the County to help provide incentives and help educate landlords and pet-friendly restaurants allowing people to take their pet on the patio, have drinks and dinner. There are pet-friendly towns and cities all over the United States that make this work, and quite frankly, it would be a great thing for the people of Kaua'i to be able to take their dogs places and also greatly benefit our fieldtrip program, which is something that many, many tourists say is the highlight of their experience. But when we send them out for the day, we cannot tell them where to get lunch. It would be a great program that would be able to help us drive the economy and we would be able to send people to businesses that would benefit from that as well. We would love to be able to work with the County in that area. Affordable housing at the Kaua'i Humane Society—this is a new idea that we have just started floating with the County. We have checked our lease with Grove Farm and we believe that we will be able to put together some sort of affordable housing for the employees of the Kaua'i Humane Society and potentially for other employees on the island as well. We have the space and we have the desire. We would love to see that process move forward in terms of a feasibility study, etcetera, and potentially offering housing. We know that it is one of the

challenges that everyone heard in testimony this morning which is recruiting employees, fully staffing, and being able to provide housing to our staff and would be a huge asset in terms of our ability to recruit people. Volunteer tourism is something that is picking up. Airbnb has actually approached us about providing through volunteer experiences that we could offer on their site and also gain some revenue from creating programs for that. People want to be able to go to wonderful locations and at least one day giving back, and so volunteer tourism is a way we can do that and we are happy to partner with other non-animal-related nonprofits on the island to make it a cohesive opportunity for tourists who want to give back to the community. Finally, a partnership continuing what has become a very strong partnership with the hunting community. Those are the seven (7) areas that we outlined in our proposal.

Councilmember Cowden: Thank you. I want to let other people ask questions and see if their questions naturally answer the questions that I would have based on what she shared, so I do not dominate this experience.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: Thank you, Councilmember Cowden. It is a follow-up to some of what you asked. We had the opportunity, most of us, to meet with the Kaua'i Humane Society over the past week. I understand that there is a request for additional funding through the Mayor's Supplemental Budget as outlined. When I look at the presentation, one of the things that really struck me was that the fundraising efforts for this organization has diminished significantly. I have a question and I would love to hear the explanation. When I hear Councilmember Cowden, and this is really more of a challenge here, because when someone comes and asks for funding, as Councilmember Cowden said, it would be tough for this Council to raise any...there are many organizations asking us for additional funds. What is the organization also going to do in terms of responding to this? I put this more on the KHS Board rather than you right now, Mirah, because when I hear stuff like you are not getting paid, that is an issue. I understand that yet any healthy organization would need to take this very seriously in how it is that you folks respond to it. It is a challenge to the Board to say that if you want the County to step up, there needs to be a commitment as well. I am happy to hear anything that you have to say. I know Diane is your President, I would love to see what else could be done as a response to how you folks would like to get funded.

Ms. Horowitz: Yes, absolutely. I think the fundraising stayed fairly level. Since I have started, it has actually kicked off. For example, we did not have a way to use E-mail and electronic campaigns as a fundraising device, which we have now implemented. We did not have a service to E-mail our supporters. So I started in October, we did a huge push on "Giving Tuesday," and raised \$22,000, which for one (1) day, given no history with any E-mail funding, is actually a very good result. We have continued to be able to raise money through that electronic means. We have also just brought on a brand new Development Director. He started on Wednesday of last week. Not quite a week in, but we have really great plans, I think, in terms of the fundraising. I think what you are looking at is the cash reserve, which dropped significantly from 2017, January of 2017 to July of 2017. Obviously, I was not involved with the Humane Society at that time. I believe what happened was the Executive Director at the time was attempting to raise the level of care and raise the level of operations for the organization, and quite frankly, did it in a fiscally irresponsible way and while I think the intentions were good and the desire to help the community and animals was there, there was no concept of, "We need to bring in this amount of money to spend this amount of money," that is why the reserves are gone. That would be my answer.

Councilmember Chock: Thank you.

Committee Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: I just wanted to get a clear sense of the numbers.

Ms. Horowitz: Sure.

Councilmember Kualii: We see...I think the Mayor has in his submittal added \$130,000 and then I think you mentioned an additional \$70,000.

Ms. Horowitz: Correct.

Councilmember Kualii: Is this the current numbers? It really only shows an increase of \$40,000.

Ms. Horowitz: If you look at the one (1) page summary on the back side.

Councilmember Kualii: The green one?

Ms. Horowitz: The green one, yes. The Mayor's budget is the top part of the second...of the bottom slide.

Councilmember Kualii: Okay.

Ms. Horowitz: His total is \$925,000 as a lump sum. Anyway, it is proposed right now as \$890,000 and \$20,000 to enforce the Barking Dog Ordinance and \$15,000 in reimbursement for Cruelty and MASH Clinic. The other two (2) line items here are a little deceiving because that is not actually money coming from the County. It is money paid to KHS for licensing, that we give to the County that the County gives back to us. It is not actually, an allocation from your budget. It is more of a pass-through. Then there are \$14,000 in payments for two (2) animal control trucks, which we purchased last year as part of the agreement that County would pay \$14,000 a year for six (6) years to cover the cost of the two (2) animal control trucks. Before we had the trucks, we only had one (1) vehicle to cover the entire island. Now we have enough vehicles to cover the island. The total that is coming out of the County budget is \$925,000 and we are asking for an additional \$70,000.

Councilmember Kualii: Thank you.

Committee Chair Kaneshiro: We will let Councilmember Kualii finish his question first.

Councilmember Kualii: Yes. That explains it, just that chart there.

Committee Chair Kaneshiro: Councilmember Cowden.

Councilmember Cowden: Since we have some board members in the room, I am wondering if we have the board members come up, because as you said, you are not being paid and our plan is for you to be able to be paid. There is a longstanding board, and it would be good to have them come up. Is that okay? Can they come forward?

Committee Chair Kaneshiro: Do you have a question for them?

Councilmember Cowden: Yes, sure.

Committee Chair Kaneshiro: For the board?

Councilmember Cowden: The board makes a lot of the decisions.

Committee Chair Kaneshiro: Do you have a question for the board?

Councilmember Cowden: I could. I mean it seems they would be able to have help, if not, then not.

Committee Chair Kaneshiro: If you want to ask Mirah a question and if she thinks the board might be better suited to answer it, we can do it that way. I guess, I am not understanding if we have them sit up there.

Ms. Horowitz: The board approves the overall budget, but the actual budget requests comes from me and my staff, and how the budget is used also comes from me and my staff.

Committee Chair Kaneshiro: Councilmember Evslin.

Councilmember Evslin: Thank you, Mirah, for coming today and thank you and everyone in this room for all that you do. I have gotten six (6) animals from the Humane Society in the last six (6) years, maybe.

Ms. Horowitz: That is one (1) a year, that is great.

Councilmember Evslin: We have a bad track record on our part. We have gotten two (2) rabbits that died pretty quickly. To explain, our dog, which we also got from the Humane Society, was the perpetrator. I have a quick question on the robust spay/neuter program and one of the key lines in there is overtime or program to help moderate costs for KHS and County of Kaua'i.

Ms. Horowitz: Yes.

Councilmember Evslin: Would you walk us through how that would work?

Ms. Horowitz: Sure, absolutely and if the Council is interested, I can get you some studies that have been done in other municipalities on the mainland for how implementing a robust spay/neuter is a long-term tax savings. If there are less animals coming into the shelter, the cost of care for the animals, the number of employees needed to care for the animals, the number of animal control officers needed to cover the island, all of that decreases. If you do not address the reason that the animals are procreating and coming in, then you are just constantly adding animals to the pipeline. If you look at our intakes, that has stayed fairly flat. If you look at Maui Humane Society or any of the many places on the mainland with a robust spay/neuter, there is a drop over time. That is the short answer.

Councilmember Evslin: Would an additional \$70,000 allow you to provide free spay/neuter?

Ms. Horowitz: No, unfortunately not. We have a supplemental request of \$170,000 for a robust spay/neuter program which is one (1) veterinarian and two (2) vet techs in order to do that. Right now, the proposal that we have before you is only for the County contract services. It is actually, to be honest, a scaled-back version. Even if we received the additional \$70,000, we cannot execute the contract as written last year. There is just not enough funding to adequately staff and cover everything.

Committee Chair Kaneshiro: Councilmember Cowden.

Councilmember Cowden: Follow-up on the contract, which is right here. In the very first paragraph “whereas, the provisions of Hawai‘i Revised Statutes (HRS) state says that the County is directed to contract with the society for the seizure and impounding of all unlicensed dogs, and for the maintenance of a shelter impound for unlicensed dogs and for the lost, stray, and homeless dogs and for the destruction or disposition of seized dogs not redeemed and provided under HRS Chapter 143.” Why I am emphasizing that? For the sake of everyone working there our contract is basically with them to get rid of problem dogs. They are put in a very difficult position because what we fund them to do is to capture the dogs that are problematic, and deal with them the quicker the better. By the nature of the contract, that is part of what creates some of the difficulties. We pay them to do the most difficult aspect of it. So I am recognizing that the soft, kind, and warm elements of it is what is needing to get funded from the outside community, correct?

Ms. Horowitz: Exactly. From a fundraising perspective, it is much easier to fundraise for the care of animal than for people to go out and write leash law citations. That is not something that is appealing to a funder in terms of where we make and the difference from what we get from the County and what we are able to fundraise. I would highlight that while the contract says “destruction or disposition,” we are heavily focused on disposition, making sure that the animals are going to adoptive homes or transferring off-island. We have ramped up our transfer efforts in the last four (4) months and we have brought on-board transfer partners that are willing to reimburse us for some of the costs of sending these animals. They have been taking some of our more difficult animals quite frankly, that probably would have sat in our shelter for four (4) or six (6) months before we found something for them. They are transferring out now in three (3) to four (4) weeks, which is an incredible improvement for the sanity of the animal and financial situation of the shelter.

Committee Chair Kaneshiro: Councilmember Evslin.

Councilmember Evslin: To follow-up on that last question—to be clear, the \$70,000 in supplemental funding is just the amount necessary for you folks to fulfill the contract to the County?

Ms. Horowitz: It is what is needed to fulfill most of the contract for the County. Our budget proposal to the Mayor outlined \$1.5 million of costs associated with fulfilling the contract as written. We proposed doing it on a best effort basis of \$1.2 million. If we were able to get slightly over a million, which is what our request is, with the supplemental, we would be able to do everything pretty much, except barking dogs enforcement, and some of the citation enforcement. When looking at the budget, and saying if we were able to get this amount of money, what are the services that KHS can provide and quite frankly, what are the services that only KHS can provide? Where is our expertise? That is in caring for and handling of the animals—picking up strays, dealing with dangerous dogs, and caring for the animals at the shelter. There are other aspects of our contract that do not

require someone specialized in animal care to do and that is what we tried to shave off. To be able to best serve the community and animals with the amount of money that we are able to get from County.

Committee Chair Kaneshiro: I have a follow-up on barking dogs. How is that program working or not working? Is there success in it? Are you finding stumbling blocks to it?

Ms. Horowitz: Well, quite frankly, the Barking Dog Ordinance does not work, and I apologize to anyone who voted on behalf of the ordinance. The problem with the Barking Dog Ordinance is it sets up an expectation that KHS can somehow stop a dog from barking, and that is just not possible, or somehow we are going to repossess an animal who is barking and annoying. We are not going to do that either. It takes a lot of staff time to be the mediator between two (2) neighbors about the barking dog and usually ends up going to legal mediation anyway and either not being successful or successful. If you are looking at resources, it is a waste of resources because we are not speeding along the results. We are not getting people to where they are both happy and we are upsetting both parties. We are upsetting the complainant because we cannot solve the barking itself and upsetting the person with the dog, who does not understand why the neighbor would not just go to them in the first place. Why are they involving law enforcement? We are more than happy to work with the County to revise the ordinance into something that will work and set expectations that are reasonable for the members of the community. At the end of the day, dogs bark and we cannot stop them. We need to have it be a community problem-solving exercise and a neighbor solving exercise.

Committee Chair Kaneshiro: Thanks for that. Councilmember Cowden.

Councilmember Cowden: I have a few little questions there, policies like that that will reduce your costs and reduce your intake. You do chip identification when a dog is called in the neighborhood? You just call the parents right there?

Ms. Horowitz: Absolutely, yes, we call it return to field out in the community. There are many dogs that never enter the shelter. We had a fundraiser on Saturday night and my staff and I were returning and saw two (2) dogs on the side of the road and put them in our car, scanned them for a chip, and forty-five (45) minutes later they picked up the two (2) dogs from my condo.

Councilmember Cowden: Perfect. That is one way we can reduce costs. There are other policy changes, one of which is not demanding that all the other pets in the household be brought to adoption.

Ms. Horowitz: We no longer do that either. That was one of the first changes that I implemented.

Councilmember Cowden: Okay.

Ms. Horowitz: There are only two requirements right now. One is that we want to verify with your landlord that you are allowed to have pets on the premises and we want to check with your vet, if you have pets to make sure that they are up-to-date on vaccines and well-cared for. It is an educational opportunity for us to say, "Hey, did you know that cats need vaccines every year" and some people do not. It is a great learning point and they can adopt.

Councilmember Cowden: I heard you make the mention that across the board with everything like needing land for housing possibilities. You folks have been generously given land with a lease by Grove Farm. We have a favorable lease?

Ms. Horowitz: Yes, we have a favorable lease.

Councilmember Cowden: Is there enough land if there was any kind of policy changes at the County that there could be...is there enough land for housing?

Ms. Horowitz: We believe that there is. I think we need a feasibility study and part of the thing we would need to build is a new septic and other technical things that would need to happen. We are ready to invest in that if the County is ready to invest in that effort.

Councilmember Cowden: When you are looking at these partnerships I would presume these partnerships do not cost money, but partnerships providing services without cost. When I hear about the barking dog challenge, even partnering with Kaua'i Economic Opportunity (KEO), for example, for pet mediators, so when people call up and complain, it can be done, something like that. That is a way to limit that, even if you have an animal daycare partner in here. I know we are all working two (2) and three (3) jobs, people say, "My dog never barks." "Yes, they never bark when you are home."

Ms. Horowitz: Exactly.

Councilmember Cowden: When you have three (3) jobs, they do not bark.

Ms. Horowitz: Right, because you are not home.

Councilmember Cowden: There are policy elements...what I would like to see is an indicator package that we get quarterly, where...how would you place animals and how many go down that cannot stay alive. Where are you seeing successes? Then we can help to champion your successes. The goal is not to punish your mistakes, but it is to champion and if we are funding partners, we need to be able to not be oblivious to your challenges. If we know what the challenges are, we can be of better help, even with policies on this end. I am happy to partner, but I strongly want to see the community happy who wants to donate.

Ms. Horowitz: I absolutely 100% agree with what you just said. We have made a real commitment to being more transparent with both our volunteers and supporters. Every week, we post on our social media pages and we send an E-mail to volunteers with all of the animals that have been adopted, transferred, and returned to owners so that people can see their efforts are leading to good results. That is what brings them back as volunteers and brings them back as donors. You are 100% correct.

Councilmember Cowden: Thank you.

Committee Chair Kaneshiro: Councilmember Evslin.

Councilmember Evslin: Sorry, my final question. I am operating a little slow today, I just need some clarification. Right now, your annual operating budget is around \$3 million?

Ms. Horowitz: Correct, yes.

Councilmember Evslin: The County provides less than a third of that.

Ms. Horowitz: Correct.

Councilmember Evslin: Then for your supplemental funding request, it is \$70,000, but I believe you said it earlier, but just so I am clear, how much additional on top of that \$70,000 would you need to implement the spay/neuter program as you would think would be necessary to bring down the population of stray animals.

Ms. Horowitz: I believe \$185,000.

Councilmember Evslin: \$185,000 in addition, to the \$70,000?

Ms. Horowitz: Correct.

Councilmember Evslin: Thank you. That is all.

Councilmember Kualii: \$174,000?

Ms. Horowitz: For the spay/neuter?

Councilmember Kualii: Yes, affordable Spay/Neuter Program.

Mrs. Horowitz: That was a typo.

Councilmember Kualii: Supplemental funding, \$174,000.

Ms. Horowitz: Yes.

Councilmember Kualii: It is not that? It is \$185,000?

Ms. Horowitz: Yes, \$185,000, thank you for pointing that out.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: Thank you, Chair. Mirah, I just want to get an understanding on what happened and why the total amount was not in the initial request.

Ms. Horowitz: From the Mayor's Office.

Councilmember Chock: Yes. Maybe it would be good to have the Director of Finance or the Mayor's Office here. From your standpoint, what occurred?

Ms. Horowitz: I would not want to speak on behalf of the Mayor's Office on why they chose the number they chose.

Councilmember Chock: Can I ask the Director of Finance or Mike to respond?

MICHAEL A. DAHILIG, Managing Director: Mike Dahilig, Managing Director. The number we chose in terms of the delta that is there, when they came to give us their budget presentation, it was clear that some of the County programs that they were actually

conducting on our behalf were leading them into deficit spending based on their...what they presented to us. In terms of trying to at least meet them part of the way to cover deficit spending for the County programs, we have correspondingly given the increase amount based on that.

Councilmember Chock: It was a conscious decision to go with what you folks...

Mr. Dahilig: The contract, but we understood that based off the previous audits that there was not any kind of findings regarding faulty operations per se. We took the number as-is based off what was presented to us at budget hearing.

Councilmember Chock: As I recall, we have always been a little bit short-funded on this budget annually, is that correct?

Mr. Dahilig: Yes. In previous conversations with both the Executive Director and the leadership on the board, we understood there were more asks than need, like with any other department. We correspondingly said "Okay, we will take a look at those programs and at least make you whole on those."

Councilmember Chock: Are you folks aware of the request?

Mr. Dahilig: We are aware of the additional request, but given what is in their wheelhouse right now, we would like to focus on what is in their wheelhouse at this time.

Councilmember Chock: Thank you.

Committee Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: On your handout on page 12, you show the historical financial performance of the County contract and how from 2015-2016 the funding shortfall has just increased and increased.

Ms. Horowitz: Yes.

Councilmember Kualii: You estimated it for 2019 to be \$156,000/\$157,000.

Ms. Horowitz: Yes.

Councilmember Kualii: The initial \$130,000 would address that forecasted shortfall, but the thing you said about in addition to the \$130,000—so that was put in the submittal by the Mayor. Are you asking for an additional \$70,000?

Ms. Horowitz: Correct.

Councilmember Kualii: Basically, to cover existing costs with the full contract to continue doing what you have been doing and getting shortfall as a result or going into deficit. When you said the additional \$70,000, you would have to...as far as scaling back the scope.

Ms. Horowitz: Yes.

Councilmember Kualii: Remove the barking dog ordinance and what was the other thing you said?

Ms. Horowitz: Some enforcement, leash law citations, and dangerous dog citations where they do not meet animal handling.

Councilmember Kualii: No animal handling.

Ms. Horowitz: Correct.

Councilmember Kualii: Dangerous dog—the police could respond to the call and the owner could get the dog under control, lock them up, cage them, or crate them and you would not be part of that call.

Ms. Horowitz: Part of that is, quite frankly, that would serve the community better. We have one (1) officer and one (1) officer in training to cover seven (7) days a week the entire island. If it is a day that we only have one (1) officer on-duty and that person is in Waimea and we get a dangerous dog call in Anahola, by the time we get there, the situation has either really escalated badly or completely diffused. If we can share that burden with another organization, who is there, if it is KPD or someone else, then we can respond and help take care of that situation. It is a better service to the community than waiting for us to get there. I should also note that the budget deficit that we are predicting for this year, after we receive the amount of funding that we were going to get from the County, our...we slashed our budget and we cut and cut, and quite frankly, our care of the animals and our care of our employees has suffered. We have not be able to recruit. We have had massive staff gaps because we are not paying a workable wage. The folks that are here in this room do a yeoman's task for not very much money and we really want to be able to pay them close to actually...we could never get close to...but pay them more what they are worth to us every day. When we put together our budget requests, I wanted to put together a request based on realistically what we should be paying people a living wage to be doing this job.

Councilmember Kualii: I think just the last piece that would be helpful, and you can come back with this, because it probably involve putting the information together.

Ms. Horowitz: Okay.

Councilmember Kualii: Is that the budget you have shown us the chart with the funding piece and the shortfalls?

Ms. Horowitz: Yes.

Councilmember Kualii: You have shown us the budget and now we have got an understanding of the three (3) different pieces of the Mayor's submittal, including the additional \$130,000.

Ms. Horowitz: Yes.

Councilmember Kualii: Then your additional request today for the \$70,000. Then if we could do this program, it would save money in the long-run.

Ms. Horowitz: Yes.

Councilmember Kualii: I appreciate your approach to managing it all the best way possible to make the society successful indefinitely going forward. But in addition to the funding piece and the budget piece, could we see what aligns with each of those costs?

Ms. Horowitz: Sure.

Councilmember Kualii: As far as the services that are provided?

Ms. Horowitz: I would be happy to.

Councilmember Kualii: Basically, we will have to make the decision of if we want these services we have to pay for them.

Ms. Horowitz: Absolutely.

Councilmember Kualii: If we do not pay for them, that is what we are going to lose.

Ms. Horowitz: Right.

Councilmember Kualii: I want to know what we are going lose if we fund at one level or another?

Ms. Horowitz: Absolutely. I would be more than happy to prepare that for you.

Committee Chair Kaneshiro: Councilmember Evslin.

Councilmember Evslin: As far as what we are going to lose, also what about what we could gain? The breakdown. If say we could provide \$250,000, would you implement the affordable Spay/Neuter Program with these levels of funding?

Ms. Horowitz: Sure.

Committee Chair Kaneshiro: Councilmember Cowden.

Councilmember Cowden: I am looking, but I have not seen...is there a facilities charge? Do you have a mortgage on that building? Is there a lease rent or anything?

Ms. Horowitz: There is. I can include that in the line item for each of those. I can provide that for you.

Councilmember Cowden: That would be interesting for me to be able to see, because when we give \$780,000 for the contract, I am wondering how much of it goes towards just keeping the lights on...not even the lights on, but keeping the building there. I know we spent a lot of time on the \$70,000 stretch...just to me, this is a lot more than \$70,000 or the total amount we put is the service certainly to our animals and I thank all of you who do it. It also services our whole community. The animals are a part of our...for some people they are part of their families. This is a service in crisis, and so how do we efficiently get it through

that crisis so that you are all taken care of? I want to thank you, even though I am being a little bit hard, I want all of you to thrive and I know it happens together. Thank you.

Committee Chair Kaneshiro: Historically, the Kaua'i Humane Society has had high turnover in their Executive Director; as far as financials go, there was not a clear indication of how the costs were being split for how the costs were being recorded. That has been the difficulty in the ask in prior years. I think recently within the last two (2) years, there was an audit done that really concreted what should be a County expense or County share of expenses. What should be Kaua'i Humane Society's share of expenses? They have a spreadsheet broken out and Save Our Shearwaters expenses. Coming from that is where last year they came with the numbers and our give was we finally are a little more comfortable with the numbers. Last year, the ask was \$14,000 for a vehicle, and prior years' expenses were being recorded all over the place and there was no consistency on what the splits were. So that was some frustration on both ends in the past, but I think it is cleared up now.

Councilmember Cowden: This is on their website, the financial transparency?

Ms. Horowitz: There is a funding methodology that is not on the website, which is how the allocations are broken down between the County and KHS, which I think that was agreed to at the last contract. It is up for negotiation with each contract.

Committee Chair Kaneshiro: It might come through with your quarterly reports. I remember seeing it recently.

Ms. Horowitz: I can absolutely get that for you.

Committee Chair Kaneshiro: Maybe if you have the budget for this upcoming year with those breakouts, so we can see what has changed from last year to this year?

Ms. Horowitz: Sure, yes, absolutely happy to share that.

Committee Chair Kaneshiro: Councilmember Evslin.

Councilmember Evslin: My final question. If the Barking Dog Ordinance did not exist, would that free up more than \$20,000 for you folks?

Ms. Horowitz: Yes. Well, yes it would because \$20,000 only covered approximately two (2) to three (3) months of enforcement. For us to enforce the Barking Dogs Ordinance for the entire year was an additional \$65,000 to \$70,000. I think that originally the \$20,000 was intended to be a staff person to address. \$20,000 is not enough for a staff person, not even a part-time staff person for a year.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: Just a follow-up on that. Are you suggesting, Mirah, that we actually stop the program completely?

Ms. Horowitz: The Barking Dog Ordinance?

Councilmember Chock: Yes, the Barking Dog Ordinance and go back to the books? I am just thinking about what you are servicing now because what I am hearing is to shift the money. What is your suggestion?

Ms. Horowitz: I think it should be enforced in the interim as a noise nuisance and give us time to actually come up with something that works. But even if the line item stayed in at \$20,000—as I said, that is two (2) to three (3) months and that is not feasible for us to take that on.

Committee Chair Kaneshiro: Any other questions? Do you want to stay on Barking Dog? We can stay on that all day. We have done it before. I will ask a couple more questions. As far as enforcement goes, do you see a lot of success in the initial stages with just sending information to the owners and letting them know their dog is barking. I think a lot of times, the owner does not know their dog is barking and the neighbor is just getting mad the entire time. Do you see a lot of success just in sending that information out?

Ms. Horowitz: Yes, the most success that we have is with that mediation between the neighbors. I will just look back...she just stepped out. She is on a call.

Committee Chair Kaneshiro: She knew we would have a barking dog question.

Ms. Horowitz: She probably knew and she bailed on me. The problem...here we go...Jessica, they have a question about barking dog enforcement, which I think you are much better positioned to answer.

Committee Chair Kaneshiro: The question was do you see a lot success on the front end sending information to the owners so they know their dog is barking?

JESSICA VENNEMAN, Director of Field Services: Yes, absolutely. I would say probably sixty-five (65) to seventy percent (70%) of the cases resolve with just education and providing some perspective to each party.

Committee Chair Kaneshiro: How much time does that take?

Ms. Venneman: Usually, that is going to be one visit and a couple of phone calls. We go out and check on the dog, make sure they are okay, from there we report back to the caller to let them know what the situation is and mediate from there.

Committee Chair Kaneshiro: It is just the twenty-five percent (25%) that the neighbor is just never going to get along and be mad at each other and it takes up the majority of the time, you would say, for the barking dog?

Ms. Venneman: I would say twenty-five percent (25%) of the time it is a recurring issue or it is a situation where there maybe it is not going to be a resolution, because someone is very sensitive to the dog barking. It can be a variety of things. But it tends to get very complicated and very emotional for the parties involved. It is something that we do work with KEO mediation on. I know we mentioned that before and it is just even with their total dedication, sometimes it is unable to be resolved.

Committee Chair Kaneshiro: Councilmember Cowden.

Councilmember Cowden: Very quick. This past couple of weeks I have distressed calls about someone complaining about a braying donkey. Do you deal with donkeys there is not an ordinance that I am aware of? The person who has the donkey on a pretty big piece of acreage, the neighbors do not like to hear them at all. What do they do? Who do they call? Do they call you folks?

Ms. Venneman: Oftentimes, we will get those phone calls because we get any calls that is animal-related. In most situations unless we know otherwise, we will send an officer out to check on the animal, to make sure everything is okay.

Councilmember Cowden: Are you an officer?

Ms. Venneman: I am.

Councilmember Cowden: You did not say your name and your role.

Ms. Venneman: I am sorry, I am Jessica Venneman and I am the Director of Field Services for the Kaua'i Humane Society.

Councilmember Cowden: You are an officer?

Ms. Venneman: I am the Chief Humane Officer for our County.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: I wonder if you could do this, because it sounds like what is working most effectively is the educational piece...

Ms. Venneman: Yes.

Councilmember Chock: Something that we always talked about from the very beginning. Would you be able to sort of look at what the cost of the program just focused on that?

Ms. Venneman: Yes, absolutely.

Councilmember Chock: My fear is that we step back from the Barking Dog Ordinance thing and there is nothing there to address any of the concerns coming up.

Ms. Venneman: Just to interject there, we have always, even prior to the Barking Dog Ordinance being instated, we have always provided welfare checks and education for any barking dog complaints. As was mentioned, braying donkey, we always go out and check on the animal and provide education to the owners.

Ms. Horowitz: I think the challenge we would really like to see addressed is the expectation setting in the community that we can stop the barking, which puts our officers and the Kaua'i Humane Society in a really difficult position and while we are trying to rehabilitate our reputation, which is lagging behind the reality of what we are doing, anything that we can do to make sure we are not setting ourselves up for failure at the outset is much appreciated.

Committee Chair Kaneshiro: Any other questions for the Kaua'i Humane Society? Councilmember Kualii.

Councilmember Kualii: Will you provide us a dollar figure of basically what would need to be added if we wanted at least that first part of the barking dogs?

Ms. Horowitz: The education piece?

Councilmember Kualii: The one call, the visit, and follow-up with that first part of the question.

Ms. Horowitz: Yes.

Councilmember Kualii: I would imagine by our Ordinance we have to do, unless we passed a different law. Thanks.

Committee Chair Kaneshiro: Any further questions for the Kaua'i Humane Society? If not, thank you, and thank you for your time.

Ms. Horowitz: Thank you.

Committee Chair Kaneshiro: We will take a ten-minute break again. We will give Planning some time to come over here, they are our last department. Ten (10) minutes.

There being no objections, the meeting recessed at 11:01 a.m.

The meeting reconvened at 11:11 a.m., and proceeded as follows:

Planning Department

Committee Chair Kaneshiro: Welcome back. Next up we have the Planning Department. Do we have any questions for the Planning Department? Councilmember Kualii. You can ask questions on the narrative, if you have questions on their narrative.

Councilmember Kualii: I was looking at vacant positions and I see 2008 is dollar funded. It has been vacant for four (4) years. Do you anticipate filling it?

KA'AINA S. HULL, Planning Director: *Aloha*, Chair, members of the Council. Councilmember Kualii, 2008 actually has been vacant only for the last time it was filled, about three (3) months ago, and quite honestly, that is my position in taking the role as Deputy and then later subsequently asked by the Planning Commission to take the role of Planning Director. I was more than willing to do it. However, at the end of the day, in order to take that position, I did request return rights. We are dollar funding that position until I choose to resign or the Planning Commission has had enough of me, quite honestly.

Councilmember Kualii: The Position No. 2017, CZM Shoreline/Subdivision Management Specialist—how is that funded? It says 100% funded by another source.

Mr. Hull: We qualify for Coastal Zone Management grants, it is a Federal grant that is administered by the State Office of Planning. They have essentially leveraged roughly...they have award \$280,000 in grant moneys for these three (3)

positions: One being the Account Clerk, one being the Land Technician, and one being the Planner...excuse me, there is a fourth position, which is our CZM Enforcement Officer which has been filled for several years. We leveraged roughly \$75,000 of our own moneys to get access for roughly \$280,000 to \$290,000 in Coastal Zone Management grant moneys for these three (3) positions and the fourth Enforcement position.

Councilmember Kualii: You said four (4) total. I see three (3). Where is the Account Clerk?

Mr. Hull: No, an Account Clerk, Land Technician, and Planner that are currently on the vacancy list. However, there is also a CZM Enforcement Officer which has been filled for several years.

Councilmember Kualii: That is 2020?

Mr. Hull: Correct.

Councilmember Kualii: In this list of position, where is the Account Clerk position?

Mr. Hull: Are you looking at the vacancy review?

Councilmember Kualii: Page 82, the budget.

Mr. Hull: Okay. We have the...

Councilmember Kualii: You mentioned the Land Use Permit Technician.

Mr. Hull: 2021.

Councilmember Kualii: 2021 and CZM Shoreline.

Mr. Hull: 2017. I am sorry, 2017 is the Account Clerk.

Councilmember Kualii: Okay so it is not the CZM position?

Mr. Hull: It is the CZM position that has been reallocated to the 89-day contract.

Councilmember Kualii: Account Clerk. Then vacancy 2017 is currently being filled with an 89-day hire. Is there plans to fill that position?

Mr. Hull: Yes, we are actively recruiting right now.

Councilmember Kualii: Actively recruiting. Expected to fill in sixty (60) to ninety (90) days?

Mr. Hull: I can say we hope to. We are actively out there. However, we are not at the point where people qualified have applied.

Councilmember Kualii: Then you are also using the funding for the 89-day hire or have you budgeted elsewhere for that?

Mr. Hull: We do not fund for the 89-day hire.

Councilmember Kualii: The other two Positions, 2021 Land Use Permit Technician, and 2019 Planning Inspector III, six (6) months. I saw from the vacancy report that it had twenty one (21), it had a "T" in front of it and zero (\$0) dollar for the State. What is the plan to fill 2021 or is it filled?

Mr. Hull: Land Use Permit Technician. That is one of the three you mentioned.

Mr. Hull: We are actively recruiting on that one as well.

Councilmember Kualii: Expected to fill in 60 to 90 days?

Mr. Hull: We hope to. It is a fairly specialized service that quite honestly, the pay is below the private sector pay for this use. A few years ago, we filled the Land Use Permit Technician position that had the skills to qualify and worked out wonderfully. I had a conversation with that technician several months ago and was asking, "Why did you give up significant amount of pay in the private sector to come to this position?" His response was essentially, "I really wanted to be part of what you are doing here. Talking with the family and working through, I want to be part of the movement in the planning realm." I guess what I am getting at is given the specialized needs that are necessary for the position and the relatively low pay it gets, we have to get an applicant that is really essentially civil-minded to want to take that pay, given the expertise that they have. We are hoping to fill it. We are actively out there trying to get people to fill it. I am attempting...I would love to fill it in next days, whether we are able to meet sixty (60) to ninety (90) days I cannot guarantee that, Councilmember.

Councilmember Kualii: You are saying this is a potentially hard-to-fill position. Are you working with HR and could that shortage pay that they mentioned come into play here?

Mr. Hull: I have not had the discussion with HR on the shortage pay and also the discussion on the grant-funded position.

Councilmember Kualii: Right, the State gives you a chunk of money and you break it up between. So what the likelihood of getting more from the State because these positions are requiring money does State expect you to use just two (2) positions?

Mr. Hull: We can break it up. We will have to see, quite honestly—the Coastal Zone Management Program is a grant program, an application process with that all City and Counties are part of. The City and County of Honolulu made comments to the effect that they intend to look to applying to the grant process within the next year or two (2). It is a competitive grant that we want to be folded into the picture, we may lose access to some of these funds.

Councilmember Kualii: The last position is 2019. I saw it was like a change position...vacant...it shows that you are budgeting it for six (6) months. In your narrative, you said something about one hundred thirty (130) CZO Code Violations and it takes twelve (12) to eighteen (18) months to clear the backlog with current staffing levels and you will need help with the compliance of the zoning code and collection of civil fines. So this

position was reallocated and put in place to do that. You are funding it for only six (6) months because you do not anticipate hiring it until January 1st?

Mr. Hull: Correct. It is going to take some recruitment, should we be approved for and the funding is contingent upon six (6) months we would not be able to hire until then, but indeed, that is one (1) of the big asks in our budget, we are asking for a new position, Planning and Enforcement Inspector III. I think the presentations in the past, before you folks were really focused on the Vacation Rental Enforcement Program which we have ramped up and actively out there, to somewhat of the detriment of regular zoning violations like everything else has one (1) inspector. It is ultimately up to you folks, with respect to the wishes and where you are going to move the body. I just need to put on for the record that right now, there is a backlog of one hundred (130) cases. It takes about thirteen (13)...twelve (12) to eighteen (18) months for our CZO Officer, our one (1) CZO Inspector for the entire island, to get to the backlog of complaints and it has become the issue of people complaining about Zoning Code Violations. We have to tell them it is a backlog and first-come, first-served and you have to wait three (3), four (4) months to get out there and inspect the property, and once he inspects the property, he looks to have further investigation to come up with determinations. That investigation can be anywhere after getting on to the property one day to one year. It just depends on how intensive the violations potentially are, getting access to various sites, what have you. So we have a considerable backlog, even to the point of where we have one (1) caseload and we have essentially made an administrative decision to shift some of our Transient Vacation Rental (TVR) enforcement folks over there, to help allay the backlog. But there is a hope and clear set of parameters that those TVR positions really are for vacation rental enforcement. I know my predecessor in the Planning Department, the Planning Director, had to make those adjustments to allay the concern about the backlog. Ultimately, we are asking for that other position but I leave it to you folks to discern whether or not we warrant it.

Councilmember Kualii: We saw the list of positions and you were talking about this new Planning Inspector III, budgeted for six (6) months, would be assisting the CZM Enforcement Officer.

Mr. Hull: No, the CZM Enforcement Officer...we already have one.

Councilmember Kualii: What was the other position you were talking about just now? You said you only have one.

Mr. Hull: We only have one (1) Comprehensive Zoning Ordinance Enforcement Officer. We have one (1) CZM Officer that is funded by grant moneys.

Councilmember Kualii: Right.

Mr. Hull: He goes out and just inspects those coastal potential violations.

Councilmember Kualii: I think I have seen it on the list. On the list, is it listed as Planning Inspector III?

Mr. Hull: The CZM?

Councilmember Kualii: The other position, the one you just said.

Mr. Hull: Planning Inspector II.

Councilmember Kualii: It is 2022. It is one of those.

Mr. Hull: Yes.

Councilmember Kualii: One of those three. Then when you talked about shift some of our TVR Enforcement folks, are those the others?

Mr. Hull: Correct.

Councilmember Kualii: Also, Planning Inspector IIs. How many TVR Enforcement Officers are there?

Mr. Hull: There are officially two (2) dedicated TVR Enforcement Officers, one (1) dedicated Enforcement Supervisor, one (1) dedicated Enforcement Chief, one (1) CZM Enforcement Officer, and one (1) CZO Enforcement Officer.

Councilmember Kualii: Thank you.

Committee Chair Kaneshiro: Follow-up on that? Councilmember Cowden?

Councilmember Cowden: Thank you, I want to comment when I see the \$3 million, to me the Planning Department is almost front and center of my radar screen for what the County does. Are a number of your costs imbedded elsewhere or do you really only spend \$3 million?

Mr. Hull: The really only other significant chunk is when we do our community planning. We have in the CIP budget, which we are not asking for any increases this year, but previously approved for the West Kaua'i Community Plan was about \$500,000.

Councilmember Cowden: Okay. That was one of my pieces where we have the General Plan and all of that and I just do not see these plans in here. So those are CIP.

Mr. Hull: The plans are done through the CIP process and I can say that all plans are done through the CIP process, the funding. I can also state the Planning Department this past year embarked on a significant reduction in the cost of those plans by taking...generally, when you do a plan, General Plan the Lihu'e Plan, South Kaua'i Plan, all of these plans throughout the State and the country, Planning Departments will generally hire a consultant to be the prime on those plans. This year, very different from what the rest of the State is doing and very different what we have done historically—Marie Williams and her team decided to take on the task of being prime in-house, which was a considerable amount of savings for the taxpayers.

Councilmember Cowden: My guess is that we are going to have a better job done, too, because the people are more aware of what they are working on. I am happy to see that. The Land Information Management System (LIMS), where are we on along in that implementation status, is it mostly outwardly implemented, mostly in front of us?

Mr. Hull: Much of both of that, I will have to refer to Del and follow-up with IT Loans is within the Planning purview as well. I can say that we have a list of potential vendors that we are reviewing.

Councilmember Cowden: We do not have it in place?

Mr. Hull: We do not have the vendor in place yet at this point.

Councilmember Cowden: I just wondered if you already somewhat had some pieces in there, but none. When I look at the Sea Grant Services, is that sea-level rise? What is the Sea Grant Services?

Mr. Hull: Sea Grant is provided with a partnership and funding coming from Kaua'i essentially, but it is a partnership with the University of Hawai'i (UH), that provides an in-house specialist.

Councilmember Cowden: Ruby Pap.

Mr. Hull: Correct. That individual was involved in everything from sea-level rise to coastal zone management to shoreline setback. It is a position as we begin to get the data and it becomes much more the forefront of having to deal with climate change and the coastal impacts of climate change, watching what our CZM planners and our Sea Grant consultant, you are watching the work ramp up exponentially just given the amount that is happening in the inundation zone.

Councilmember Cowden: Okay.

Committee Chair Kaneshiro: Councilmember Evslin.

Councilmember Evslin: Is that money to Sea Grant reimbursed? It is not?
Okay.

Committee Chair Kaneshiro: Councilmember Cowden.

Councilmember Cowden: Equipment—I have compared that to other departments, it seems like you are not looking to buy anything new...not asking to you do it, but I am kind of surprised for as much work as you folks do, you are not getting big new printers or big...None? Okay...because you are already taken care of.

Mr. Hull: Yes. I will put on the radar since we are speaking on the record and it is part of my narrative sent to you, and I think you will see it, Councilmember, when you come and do your tour of our office...

Councilmember Cowden: Yes.

Mr. Hull: We are definitely lacking office space. Our hallways are file cabinets and it is extremely cramped and I am not here to ask for CIP moneys, but over the course of the next few years, we will be looking at trying to re-hatch a plan to optimize the actual workplace in which our staff currently works.

Councilmember Cowden: Thank you for bringing that up. I did notice that in the narrative here. I tried to get over there earlier and I feel like it is so important in this job to be physically looking at what you folks are dealing with. As I have gone around from department to department, it really gives me a much deeper grasp of what you need. I will see where you folks are. Are you looking to move?

Mr. Hull: We are looking at working with the administration on the priorities of what is on their...on our list as far as other agencies. But yes, I have put it on your agenda, anticipating in a year or two (2) being back before you folks, but at this point not asking for anything concrete.

Committee Chair Kaneshiro: Maybe your Managing Director will have a little heart for you and your space. He never did come in and ask for more space. You would think he would be incorporating something, coming from there. Obviously, you do not need the space. Just kidding. As far as operational challenges, your e-plan review—will LIMS or any other of the other proposed investments in technology updates resolve your e-plan integration issues?

Mr. Hull: Definitely, there is hope for that. Right now, e-plan is primarily set up within the Building Division and processed in the building permits and the fact that our planning and zoning side is so antiquated, we are still on many paper files. Somewhat going back to our space capacity, we have files in five (5) different parts of the County. When someone submits an application, depending on what property it was and when permits were processed, our land use technicians may have to run to five (5) different offices and pull those files before they can get an understanding of how to process a permit. With the LIMS program and integrating the system with GIS and all of our antiquated maps, there is a hope that could be relatively quick in real-time on the computer system with LIMS.

Committee Chair Kaneshiro: Councilmember Brun.

Councilmember Brun: Was that the million dollars in IT's budget?

Mr. Hull: Yes.

Councilmember Brun: Thank you.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: Follow-up, Ka'āina, right now you folks are separated into three (3) areas.

Mr. Hull: Our department's staffing is separated in three (3) areas. One is by design, quite honestly. One is the Transportation Planner, who unfortunately is resigning this year, and I hope that the Transportation Planner is kept in Public Works, so there is that interface, that is by design. Our other staff...some of our CZM folks are located in a completely different office. Our files though, are in five (5) different areas. I have files in Public Works, I have files in Housing, and storage and files in IT. There is no rhyme or reason.

Councilmember Chock: Looking to the future, other than the transportation piece, you are interested to have it all housed in one area.

Mr. Hull: Correct.

Councilmember Chock: Meaning files and all?

Mr. Hull: Correct.

Committee Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: In your narrative, you talked about the Statewide Transportation Improvement Program (STIP) funding for 9754 Open Space Planner IV. It says funding for 2020 Open Space Administration and budget will be reduced. What happens to this position? 9754 Planning for...in the budget it is showing a line item for fifty percent (50%). Is the Open Space part of the funding is going to go away, will this amount double in order to maintain this full-time position or will this become a half time position. What is happening with that position?

Mr. Hull: Yes, so under the Open Space Ordinance, we are allowed to use five percent (5%) of the fund itself for administrative purposes. The fund is anticipated to be about \$1.7...\$800,000 right now. We anticipate it after July 1st to be at \$1.7 million. Given the five percent (5%) out of that, we can use it for administrative purposes to fund some of the salary of our Open Space Planner. It should be all fine and dandy. The exception being if the Open Space Fund is tapped this coming fiscal year, then it would reduce the amount.

Councilmember Kualii: Excuse me, spent out?

Mr. Hull: Whether it is spent out all the way to zero (\$0) or reduced, it can affect what that five percent (5%) will be.

Councilmember Kualii: On this particular position, 9754 says fifty percent (50%). So \$26,478 in the General Fund budgeted and the other fifty percent (50%) was coming from the Open Space Fund and will not be in this new budget year?

Mr. Hull: Correct.

Councilmember Kualii: Will that position be reduced to half-time or will this budget amount of \$26,478 be doubled to fill?

Mr. Hull: The \$26,000 is for salaries and another amount for fringe and benefits from the five percent (5%)...then the other portion...she is not working half-time and the other portion from the General Fund, because a lot of her responsibilities are not just Open Space, but she is actually a long-range planner.

Councilmember Kualii: I am just trying to say, what did you mean by this comment, when you said, "Based on the planned purchase of property on the North Shore with the Public Access Open Space Fund, funding for Fiscal Year 2020 Open Space Administrative Budget will be reduced"?

Mr. Hull: Yes. I apologize.

Councilmember Kualii: Were you speaking about that position in particular?

Mr. Hull: Yes. I apologize, that was one of the typos that I meant to correct. It is not a north shore acquisition. There is no north shore acquisition being entertained at this point, but if an acquisition is proposed during this fiscal year, the Administrative fund itself would have to be reduced.

Councilmember Kualii: This position, as budgeted, fifty percent (50%) from the General Fund will be just as that, there is no change?

Mr. Hull: Correct.

Councilmember Kualii: That dollar figure is \$26,478 and the other half of that position will still be funded by Open Space?

Mr. Hull: Correct.

Councilmember Kualii: Thank you.

Committee Chair Kaneshiro: Follow-up.

Committee Chair Kaneshiro: Councilmember Evslin.

Councilmember Evslin: That five percent (5%) is five percent (5%) of the total fund and that is per the Charter?

Mr. Hull: Yes. Also, to point out to Councilmembers Evslin and Kualii, should it be reduced and there is a potential acquisition, it is not in its final terms and we have been looking at a Hanapēpē site, which if done on appraisal to reduce the fund by quarter million or \$300,000 I want to say would reduce Administrative costs. We would still be able to fold in with the five percent (5%) that we are afforded to fund that fifty percent (50%) of the Open Space Planner. Should there be another proposal, and there is nothing on the horizon that we are aware of at this point, that is the full \$1.7 million that is anticipated to happen in the fiscal year. Should that proposal happen, it would happen ultimately with your authority and action. The department would explain that you have \$1.7 million available and you can take it as your prerogative. However, just be clear, to spin out a money bill in order to cover that fifty percent (50%) that we can no longer use Administratively from the fund.

Committee Chair Kaneshiro: Councilmember Evslin.

Councilmember Evslin: In your operational highlights, you mentioned the General Plan, and I just want to give you credit because last week the American Planning Association awarded Kaua'i's General Plan the best comprehensive plan in the country. Quite the achievement. I do have a question though, you had mentioned that potential of contracting out to do TVR scouring of the internet and I do not see that here.

Mr. Hull: That comes out of our Enforcement Account. Right now, we have an Enforcement Account...that is what I was correcting when we said we only spent \$26,000 since the ordinance was adopted. In our narrative, I apologize, there is a section on page 7, number 5 talks about the fact that the Enforcement Account was established back in February of 2013. That Enforcement Account has a cap of \$100,000. This past fiscal year, we expended \$26,000, some of it on a consultant to handle TVR renewal and some on equipment purchases. We also point out that that fund went into roughly \$102,000

this past year. So anything over \$100,000 gets sent back to the General Fund. I think there is some that say keep on spending and make sure that the General Fund does not get anything and we are saying we do not need it and the money was sent back to the General Fund, but a significant amount of that \$100,000 has been put on reserve for the procurement of the host compliance services for third-party host monitoring. So none of that comes out of General Fund, essentially. It all comes out of the fines from TVRs.

Councilmember Evslin: Thank you. I have a question, what is the Rice Street Community Procuring Activities?

Mr. Hull: A lot of that went into fostering the business association that is beginning to form its legs over there. The desire is to help get them fully formed so they become their own self-monitoring, regulating, implementation organization so it is essentially seed money to help that organization prop itself up.

Committee Chair Kaneshiro: Councilmember Chock, then Councilmember Kualifi.

Councilmember Chock: The Enforcement Account...I am not sure what we are projecting forthcoming, but I was wondering if the threshold of \$100,000 is something that I know was kind of up in the air. I know you have the report audit and it might help us in forecasting the expense some of this or what we can look forward in order to validate increasing the amount or a cap on it?

Mr. Hull: Yes, Councilmember and sorry there is actually a bill that we transmitted to you folks that the Planning Commission took action on last month. There is a couple of enforcement things, but one (1) thing it does is in anticipation of procuring the host compliance services, the fact that we hope...we have not gotten the product yet, but we hope it will help us shut down several hundred illegal vacation rentals, and with that we anticipate more fine moneys coming in. Which is why we are asking one thing, to increase enforcement limit to \$500,000 and on flipside with more enforcement actions we also anticipate that much more litigation of lawsuits against us, to increase the cap to \$500,000 and allow expenditures among other things to be explicitly used for the hiring of special counsel for us to defend our actions to the court system.

Councilmember Chock: That was what the fund was set-up for initially, right? It was to fund those.

Mr. Hull: It was set up to fund enforcement actions. It does not explicitly state for special counsel purposes, and among other things to tuck that in there, so it is clear to use the moneys for special counsels. I think when the fund was originally set-up, that was when the department was really just at its infancy of ramping up its vacation rental enforcement operations. I do not think we janticipated how litigious it would be essentially and that you know, right now we have roughly forty (40) lawsuits against us. In TVR enforcement and all land use enforcement, the landowner and violator have the due process rights. When the game involves as much money in some of these operations do with TVRs, we are going to go to court. They are not going to wave those due process rights and hence, we are in contested case hearing after contested case hearing dealing with these. I do not think when the fund was initially set up special counsel was not called out, but going through the process after several years right now forty (40) lawsuits and if host compliance works out, and talking about it with the County Attorney, it could be another one hundred

(100) to one hundred twenty (120) lawsuits against the County and that is just part of the nature of enforcing against lucrative illegal operations.

Councilmember Chock: The bill and annual report is coming our way. Will you be providing a projected budget?

Mr. Hull: I can attempt to. It is going to be hard do that, just because a host compliance...the company we are looking at procuring or companies that we are looking at procuring they purport eighty (80) to eighty-five percent (85%) successful identification rate. If we are talking about a thousand TVRs, that is eight hundred fifty (850) units that we are shutting down, right? Whether or not they are actually going to be able to deliver on that, we are going hold their feet to the fire and whether or not they are going to deliver will depend on how they use their mechanisms and strategies on Kaua'i. Then how many of them will actually appeal? How many of them will readily pay the fine as opposed to going through the court system before they pay the fines? There are a lot of different "x" factors that it is going to be hard to anticipate and that is why we are asking for in the bill up to \$500,000. The Council has definitely made it known that you support our efforts in TVR enforcement. Giving it a solid number is going to be hard until we have the product in-house.

Committee Chair Kaneshiro: Councilmember Kualii? Councilmember Evslin? Councilmember Cowden. Third time is a charm.

Councilmember Cowden: I just have a short final question. Sorry to hear that we might...sounds like we are losing our Transportation Specialist. I ask these questions because tomorrow we are dealing with more salary issues, and late in all of the budget, salary issues. Is that an amazingly creative person who goes to different departments? Why are we losing someone so important?

Mr. Hull: I cannot speak to his personal...I can say he is resigning.

Councilmember Cowden: He is resigning?

Mr. Hull: From the County.

Councilmember Cowden: Alright.

Committee Chair Kaneshiro: Any other questions for Planning? If not they are our last department. Thanks again. I would like to recess the Departmental Budget Reviews and reconvene at 9:00 a.m. on Thursday, April 11, when we will have reviews for the Kaua'i Emergency Management Agency, the Department of Human Resources, the Office of the County Attorney and the Agency on Elderly Affairs.

There being no objections, the meeting recessed at 11:47 a.m.