

## Department of Public Works (Operating & CIP)

Honorable Mason K. Chock  
Honorable Gary L. Hooser  
Honorable Ross Kagawa  
Honorable KipuKai Kualii  
Honorable JoAnn A. Yukimura  
Honorable Mel Rapozo  
Honorable Arryl Kaneshiro

The Committee reconvened on March 30, 2015 at 9:02 a.m., and proceeded as follows:

Committee Chair Kaneshiro: Good morning. I would like to call back to order the Budget & Finance Committee and the Fiscal Year 2015-2016 Departmental Budget Reviews. On the schedule for today, we have Department of Public Works' Operating Budget, followed by the Capital Improvement Projects (CIP) if time permits. We allocated today and tomorrow for the Department of Public Works because it is a very large department. For today, we will be taking the Public Works Division in the following order: Administrative and Fiscal, Building, Automotive, Engineering, Highways and Roads, Wastewater and Solid Waste. There is a lot for today. As we do every morning, we will take public testimony in the beginning. Is there anyone wishing to testify on the Department of Public Works' Operating and CIP Budgets? Mr. Mickens, you may come up. I will suspend the rules.

GLENN MICKENS: Thank you, Arryl. Thank you B.C. Let me read my testimony for the record and maybe I will get a response from you. For nearly 20 years, I have, without received any meaningful response from the Councilmembers, testified to the irresponsible and illegal way County roads have been paved. Testifying about the same subject for so many years is being repetitive, but when the problem remains unresolved, it has to be addressed. Today I show you pictures and a piece of asphalt concrete (AC) that was taken from the lower portion of Hauiki Road in Wailua Homesteads where I live. Public Works told me this road was repaved in October of 2010, so the paving is only about 4.5 years old. As you can see, pieces of AC have come off the road and are cracking for about 200 to 300 feet; however, you can see from this piece of AC that I took from the road is about a 0.5 to 0.75 of an inch that we are not getting the 1.5 nor 2 inches that we are paying for. Thus, instead of this rural road lasting for 20 to 30 years, light traveling, it is falling apart in less than 5 years. In prior years, I took Mayor Baptiste, Jay Furfaro, and our Deputy County Engineers to other roads with this same problem, but this wrong method of paving has continued. My major issue today, as it has been in the past, is that we are paying millions of dollars of tax money for AC we are not getting. I have been told that an inspector is at the paving site to see that the proper amount of AC is delivered or core holes are drilled to see that proper amounts were laid down. When I can show you pieces of AC coming off our roads that are not 1.5 inches thick, then something is very wrong. Over the years, the County has been victimized for millions of dollars. The Council has continued to be inert. Is it not time to use Charter Section 3.17 and investigate the practice being allowed? I do not know if anybody here wants to answer this, but JoAnn, you and Mel you have been here. The rest of you have not been here as long, but I have testified over and over. People have seen my testimony and I still have not gotten answers. We are talking about millions of dollars here that we are

wasting. Either we are not getting the asphalt or it is getting there and going someplace else, but there is something radically wrong when I can show you pieces of this road. If you look closely at the pictures there, you can see...

Committee Chair Kaneshiro: Mr. Mickens, you can have another three (3) minutes if you want to come back.

Councilmember Yukimura: I have a question.

Mr. Mickens: Okay.

Councilmember Yukimura: Glenn, I thought that before we started this last repaving program, you praised Public Works for finally adopting your proposals.

Mr. Mickens: That I did, JoAnn.

Councilmember Yukimura: Well, if it was done in 2010, that was before the last repaving process, so how can you take something done before we started what you are now...

Mr. Mickens: But this is under your watch, JoAnn. Why have we not gotten answers to why it was done illegally?

Councilmember Yukimura: I am sorry, Glenn. I am asking you why would you take an example that was done prior to this new process that you have now praised and encouraged the thing that you have been asking for, rather than criticizing something that we cannot change?

Mr. Mickens: JoAnn, may I answer?

Committee Chair Rapozo: Was the question was that taken before they did the work, right? What was your question, JoAnn?

Councilmember Yukimura: Before they instituted the new process that Mr. Mickens has been asking for for years, and they finally did it, and you praised them for finally agreeing and correcting the situation.

Mr. Mickens: May I answer? I am praising Larry Dill because now supposedly, according to the bid, he is using 1 ton of asphalt per 108 square feet, which should give you 1.5 inches. Before it was 1 ton of asphalt per 90 square feet, which we should be getting almost 2 inches the overlay, and yet when you see pieces like this— that is what I am praising Larry for. I have not gone to the roads where Larry is doing it, but the main thing I am praising Larry for, he has taken and cold planing the old asphalt before he is putting down the new layer and before he is doing it. I highly compliment him because that is part of the bid thing. How long has Larry been on board? Do you know? He has been here for a while. The biggest point I am making is that we have been going through this exercise of futility for twenty (20) years without any resolution to it. That is all I am trying to find out.

Councilmember Yukimura: Well, would you not agree that there is beginning to be a resolution?

Mr. Mickens: Well, I would have to go out and see these roads under Larry Dill that are being paved and see that they are going to last. If he is doing it as per code, but these things were supposed to be done according to code prior to that time when we were supposed to be getting the 1.5 inches...

Councilmember Yukimura: We cannot change the past.

Committee Chair Kaneshiro: Councilmember Yukimura, do you have any more questions for Mr. Mickens?

Councilmember Yukimura: No thanks.

Committee Chair Kaneshiro: Okay. Thanks.

Mr. Mickens: Thank you, Arryl.

Committee Chair Kaneshiro: You are welcome. Anybody else? Mr. Taylor.

**KEN TAYLOR:** Good morning, Councilmembers. My name is Ken Taylor. Back on December 14th, there was an agenda item talking about Puhī Metals Recycling and I had stamped in some comments on that agenda. It seems to me that there are still outstanding questions about what is going on there, so I am asking what has it cost us to clean up Puhī Metals? Where has the money gone? Is the cleanup complete or is it half done? Who is responsible for this \$2,000,000 plus fiasco? Tell the taxpayers why it will not happen again. Where has the money gone? Yes, the taxpayers have a right to know where the money has gone and do not forget that your job is to tell the people where the money has gone. I think budget hearing time is an appropriate time to resolve this situation and let the people know where the money has gone. We keep talking about raising taxes and all of these kinds of things, but we never get the answers to some of these questions. A \$2,000,000 boondoggle is a tidy sum. The other issue I want to talk about is that I see the road crews often trimming stuff that is growing out of people's properties out into the roadway and it seems to me that we should be sending letters to people giving them 30 to 60 days to do this work themselves or the County is going to come in and do it and bill them for not maintaining their properties. Why should the taxpayers continue to clean the right-of-way when the property owner should be held responsible for that chore? I think this could be done; it just requires letter-writing and you have all of the property owners' names and addresses, and you can just take road by road every year and just send out the letters. If it is not taken care of, then send the crews in to do it, but do not just go out there and do it without requiring the property owner to take care of their own debris.

Committee Chair Kaneshiro: Any clarifying questions? No. Thank you, Mr. Taylor. Anybody else wishing to testify? Okay. No more testimony. I would like to bring up Larry Dill and Lyle Tabata for their presentation on the Operating Budget and CIP. Again, members, I ask that we please hold our questions until they are done.

Councilmember Yukimura: Chair, just in terms of questions, if we want to know what acronym they are using means, we can interrupt at the moment, right? Otherwise we are not going to know what they are saying.

Committee Chair Kaneshiro: Sure.

Councilmember Yukimura: Thank you.

LARRY DILL, P.E., County Engineer: Good morning, Committee Chair Arryl Kaneshiro and Members of the County Council. For the record, my name is Larry Dill. I am the County Engineer.

LYLE TABATA, Deputy County Engineer: Lyle Tabata, Deputy County Engineer. Good morning.

Mr. Dill: Thank you for the opportunity to present our proposed Fiscal Year 2016 Budget to you today. Lyle and I will be doing the majority of the presentation on behalf of all of the divisions of Public Works today; all 6 divisions. We will have the division heads for all the respective divisions available as their division comes up. I will begin with Public Works Administration. It will be very brief. There are not a lot of changes since last year. I will mention though that for the Department of Public Works, we did reduce our overall budget compared to last fiscal year by close to \$800,000 and we feel that we have contributed significantly to the County's efforts to keep our costs and overall expenses down, but keeping that down does not come without a price of course. Our ability to be responsive to the maintenance of our island's structures significantly responsible in large part due to the funding available to us, but we have cut where we think that there are cuts that are logical to make and continue to be responsive to the community. We have also made a significant effort to continue and to expand our opportunities to leverage funds in order to gain sources of revenues from outside of the General Fund and outside of the property tax base of income that we have in order to benefit for the County of Kaua'i. Specifically, in the Department of Public Works Administration group—in your presentation by the way, we have all of the goals and objectives for all divisions and I will cover those when the respective divisions come up, so we can speak to those specifically. I will take a look at our charts in Public Works. As many of you know, we lost our long time Personnel Officer to the Human Resources (HR) Department in the effort to consolidate HR to make Human Resources operations more efficient in the County. We also lost our Department of Personnel Assistant, who retired. We have replaced that, so whereas we had two positions, now we have one. The other one went to HR, so it was neither an increase nor a decrease from overall County perspective, but we are whole again as far as the Administration is concerned and that accounts for some of the decreases that you see in administrative costs for the Department of Public Works because we have a new person there as opposed to someone with many years of experience and tenure. That is building us up again as we have somebody there now who can help us with our personnel issues. We are the largest department in the County, personnel wise, with a little over 300 employees, so we have a lot of personnel issues to deal with and two respective unions to deal with. That individual is certainly helping us greatly to manage our personnel issues and will only continue to improve. She has only been around for about a month now, so that

has been a great asset to us moving forward. The HR Department has been very supportive of us in the interim and we continue to rely on them significantly when we deal with our personnel issues and our union negotiation issues. So summarizing our budget charts for Fiscal Year 15 as compared to Fiscal Year 16, you can see that our costs are down from about \$1.37 million down to about \$988,000, so we are down about almost 5% in our overall budget for the Department of Public Works Administration. Do you have anything to add administration wise?

Mr. Tabata: No, just that because the department has those six divisions, the challenges through the day— our administrative office becomes the clearinghouse for all community concerns, complaints, and needs. It is an exciting place to work and I would say that there is never a dull moment and never the same every day. We are having now fulfilled our staffing needs and we are better equipped for the challenges every day. I would like to give kudos to all of our staff in Administration, who supports Larry and me every day. Thank you.

Committee Chair Kaneshiro: Larry, I have a quick question. When you are referring to a table, what table in particular?

Mr. Dill: I am sorry, the table on page 7. Chair Kaneshiro, I will go through each division and I will stop for questions at that point, if that is okay with you. After we cover each group and each section in the budget, we will be happy to entertain questions.

Councilmember Yukimura: Can we ask questions about Public Works Administration? Are you done with that?

Mr. Dill: Please, yes.

Councilmember Yukimura: Okay. So you have said in Administration, you have cut by what? How much money?

Mr. Dill: Take a look at the table on the bottom of page 7.

Councilmember Yukimura: Yes. I am looking at that.

Mr. Dill: From \$1.37 million, down to \$998,000.

Councilmember Yukimura: Okay. Yes. You did it because of bringing in new personnel, who are entering at a lower level than your senior personnel who left?

Mr. Dill: Correct.

Councilmember Yukimura: Who did we lose? Excuse my ignorance.

Mr. Dill: Well, I would not say “lose.” That person moved from Public Works to HR, who was Crystal Fujikawa. She has since retired from the County, and then Marla Fernandez retired, who was the Department of Personnel Assistant.

Councilmember Yukimura: Okay. Now you have two new people and...

Mr. Dill: No, well, you have to speak to HR about what they did with Crystal's retirement. I assume they are filling that, but I do not. We have filled Marla's position.

Councilmember Yukimura: I see. She is in your department?

Mr. Dill: Correct. She is in Administration.

Councilmember Yukimura: Okay.

Mr. Tabata: But the cuts were in operation, so primarily travel was reduced.

Councilmember Yukimura: Did you feel that you could reduce it without hurting your operations?

Mr. Dill: We felt the cuts were appropriate. Whenever we travel, Lyle and I look at it hard to make sure it is justified and that it is going to benefit the County and the taxpayers. But we do feel that the cuts were appropriate and that we could do it without hurting the department and the services that we provide. I would like to say that travel is an expensive item, but it is something living and working on a remote island like Kaua'i where things are not always available to us to give us the training and expertise that we need to do the best job we can. So for travel, I feel it is often justified for professional development and enhancing of services. Nevertheless, we looked at it hard as an area that maybe we could cutback.

Councilmember Yukimura: I do remember, Larry, when I think you were within six months of being on the job and you came to the Smart Growth Conference. It was on the east coast, I believe, or maybe...

Mr. Dill: Yes, Charlotte, North Carolina.

Councilmember Yukimura: Okay. Out of that came the connection to Dan Burton and...

Mr. Dill: Yes, and our new Chief of Engineering.

Councilmember Yukimura: And Michael Moule.

Mr. Dill: Yes.

Councilmember Yukimura: When I look at just even the Hardy Street Smart Growth Project that is embodying what we learned there, I do not think it was wasted travel money at all.

Mr. Dill: Yes, I agree.

Councilmember Yukimura: The thing is that you were actively engaged at the conference. It is partly how our people are when they travel.

Mr. Dill: Yes.

Councilmember Yukimura: But you were (inaudible), as I recall, and I hardly knew you then in terms of being a County Engineer, but I was impressed and I think I can see actual benefit that came out of that trip.

Mr. Dill: Yes. Thank you.

Councilmember Yukimura: That is all I have to say, except one more thing: I just really want to thank both you for your leadership in Public Works because I have seen great improvements since you have come aboard and we really needed it in Public Works, and it is building our credibility out in the community. Thank you.

Mr. Dill: Thank you.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: I have a question for you. When Crystal left, she used to handle all the personnel issues in Public Works, basically?

Mr. Dill: Yes.

Councilmember Kagawa: She was the boss or the chief of personnel-related issues?

Mr. Dill: Right.

Councilmember Kagawa: Did she have an assistant as well?

Mr. Dill: Yes, Marla Fernandez.

Councilmember Kagawa: Marla Fernandez was her assistant and both were funded in the Administration budget.

Mr. Dill: Correct.

Councilmember Kagawa: So Crystal's position came out?

Mr. Dill: It got transferred to HR.

Councilmember Kagawa: But it is just a different location. Does the Public Works employee still goes to whoever takes Crystal's place now with their concerns? I guess my question is the responsibility of Crystal's job still being handled, just that it is no longer funded under your division?

Mr. Dill: As I mentioned, Crystal was a very senior employee. The person that we have now in Public Works is really more of the

Personnel Assistant, but we upgraded that position a little bit to try to help take more of the things that Crystal was doing. But the reality was a lot of what Crystal was doing went with the position to HR. There is a lot of day-to-day stuff and forms that they have to get filled out and pushed around that that Personnel Assistant takes care of now, but not to the degree that Crystal was taking care of things. Crystal helped us a lot in things like union negotiations, establishing policies, and things like that, but that position went to HR. What we have now in Public Works is that Personnel Assistant who handles a lot of the payroll certifications, recruiting, day-to-day stuff, and things like that; when you go through the interview and selection process. She handles the nuts and bolts of organizing all of that stuff.

Councilmember Kagawa: So now that they physically moved Crystal out of Public Works, have you felt a void now or a drop in the level of service that you can do because you do not control what that person does? I would say that backfired because Human Resources was trying to make things better and service you guys better, but all in a central location. If it took away from your department, then I would say we made a mistake.

Mr. Dill: Well, there was definitely a transitional period where we had to pick up some slack from Crystal's loss. I will say from the Department of Public Works' perspective, we lost a very strong asset, but from the broad perspective, I would say that the County gained a very strong asset. So Crystal's skills and support not only benefitted Public Works, but benefitted the entire County. I know there are a couple of departments that gave up some strong assets for the overall betterment of the County. For us, the good thing is that it has made us work a little harder and made us become a little more *akamai*, as far as personnel issues were concerned. Our division heads are a little more involved than they were in the past where you could say that Crystal spoiled us a little bit. I would say from the Public Works' perspective, I suppose you could make the argument that perhaps we are not as strong as we were in the HR Department, but HR has been supporting us a lot. I would say definitely overall the County benefitted as a whole from Crystal's move to HR.

Councilmember Kagawa: So basically right now, you have that new person that has been in for a month that is not at that level of Crystal's pay, so what position is that if I am looking at your budget?

Mr. Dill: 802.

Councilmember Kagawa: 802, the Departmental Staff Assistant II.

Mr. Dill: Correct.

Councilmember Kagawa: Okay. I guess all I can say is if there are any issues that we need to be aware of regarding lacking services for your employees regarding personnel things now that we made that move, let us bring it up to the Mayor's Office or us and try to fix it. When we tried to make Human Resources larger or more centralized, I think it was trying to better the overall services of the County. Like you said, there is good and bad, but I think with Public Works being so huge, I do not think we could even accept any "bad." I am a little troubled with



what I have heard that it is Public Works' sacrifice. Public Works is huge and we should not really be sacrificing.

Mr. Dill: There was one point when I thought we might not have the Personnel Assistant either, so now that we have that position, I think we are going to be okay. That person is working out well.

Councilmember Kagawa: You thought you may have lost Marla's too?

Mr. Dill: Yes.

Councilmember Kagawa: Okay. Thank you.

Committee Chair Kaneshiro: Council Chair Rapozo.

Councilmember Rapozo: Thank you for being here, Larry. When was your Personnel Assistant position created?

Mr. Dill: That has been in the budget since before my time. That was Marla Fernandez's position.

Councilmember Rapozo: Could you help repeat what you said about what she does? She does the day-to-day?

Mr. Dill: Yes.

Councilmember Rapozo: What was that again?

Mr. Dill: Payroll certifications. There is a lot of paperwork that somebody has to handle. She is also very involved in the employee recruitment process. I will let Lyle speak to that. He handles that.

Mr. Tabata: I actually take care of a lot of personnel requirements for the department. When we have a vacancy, we go to the Vacancy Review Committee and sit in that. If we are allowed to fill the position, then we start the process. With it being all electronic, there is a whole bunch of steps we need to go through: we post the position for approval; go through the approval process; and then we post it to the County website. When the posting comes down, she goes and helps me set up the interviews for the different divisions, set up the interview panel, go through the process, and the selection is made. She pretty much runs that whole function. Then the other part is assisting our division heads with their day-to-day administration of our Collective Bargaining Agreements. As they require assistance for the administration of the contracts, she becomes the support of that and helps process whatever information that needs to be sent up-and-down. The connection to the County's safety program, since HR has taken on the role of finding and delivering the safety program training, is that she assists in our department's needs in making sure that all divisions get the information for the available training, organizing the people, and scheduling our department with HR. That is the big-picture stuff and I am sure there is a lot of stuff day-to-day that she also assists us with.

Councilmember Rapozo:           What does HR do?

Mr. Tabata:                        They are the central...

Councilmember Rapozo:           Let us say in the recruiting process.

Mr. Tabata:                        They help us with all the position descriptions and making sure that with the position that we are posting, we follow the rules of it being internal, within a department, within the whole County, or external if we cannot find available personnel.

Councilmember Rapozo:           And payroll certification?

Mr. Tabata:                        HR also helps us with, as Larry mentioned, the union agreements and further administering the upper-end level of our union agreements and negotiations.

Councilmember Rapozo:           Okay. It is just surprising I guess because that was one of the selling points when we went to HR, and again, it is an 18 man department in HR. You are not the only department that handles a lot of personnel within their department. This I know because I have been informed, so it is quite troubling that really, did we in fact take personnel from the departments to create a new department or did we just expand HR?

Mr. Tabata:                        I believe that the HR function is separate from personnel. Personnel is dealing directly with ensuring that we have the right resources to help our guys out in the field. The Human Resources segment that I feel is a positive to what is going on in the County today is how we develop now these employees that we bring in. So they are providing the programs for safety, supervisory training, and I believe that at some point in time, we are going to be able to sit down with the employee and map what their future will be. They will come in and be able to sit down with us and say, "Hey, this is the future I want." So we help provide them that direction and added training for them to eventually... you do not want to stay in a job for 30 years. Many of them want to aspire to move up the ladder and do better things that they can for the County. That is the role that I feel HR will be helping us provide.

Councilmember Rapozo:           That is just not what we were told years ago and that is the frustration because we have basically increased HR personnel. We did not consolidate or save money. I guess that is my point. Thank you.

Committee Chair Kaneshiro:      Councilmember Kualii.

Councilmember Kualii:           Thank you for being here. Since Vice Chair Kagawa and Chair Rapozo pretty much asked my questions regarding positions, I would just ask one basic question about the statement that was made. Clearly, you are our largest department with 300 employees and two unions, but the statement was made that you are the clearinghouse for all community complaints. I am curious to what that means because I would imagine that many complaints go to the Mayor's Office, come to Council Services, and then I think they go directly

probably to Parks and Recreation, and maybe directly to Transportation. What is it that you do as the clearinghouse of all complaints?

Mr. Tabata: Many times, people do not know where to call, so the Mayor's Office does screen incoming also and send them directly to us. However, with as large as Public Works is, and while people do not realize that Parks and Recreation has been carved out of Public Works, we still get calls and we help direct the people in the right areas. With the six divisions, many times people do not know where to call and we end up getting a lot of calls.

Councilmember Kualii: Well, I think...

Mr. Tabata: Mostly, we receive calls directly for Public Works and the administration office then directs them to the proper divisions to get action.

Councilmember Kualii: A lot of it does end up getting handled by you because you have buildings.

Mr. Tabata: Yes.

Councilmember Kualii: Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: I have another subject other than Human Resources, but it is under administration and on the first page of their budget. The Kaua'i Soil Water Conservation \$50,000 contract— that is an ongoing thing during last year and this year, right? Is there an agreement or a written contract with them for the work that they would do?

Mr. Dill: There is an agreement, yes.

Councilmember Yukimura: Is the services that they provide the review for grading exemptions?

Mr. Dill: Well, yes. They review conservation plans to assure that they meet their best practices for agricultural best management practices.

Councilmember Yukimura: Is it your opinion that the system is working well?

Mr. Dill: Yes. It is not a perfect system. I will not try to say that it is a perfect system, but I believe it is working well.

Councilmember Yukimura: Is there an actual connection between justification for exemption from the grading ordinance and the soil conservation plan that is reviewed by the advisory boards?

Mr. Dill: Yes. The process is typically an applicant, a farmer, needs to get a conservation plan. He works with the National Resources Conservation Service (NRCS) who provides the technical expertise to prepare the plan for them. They together approach the Soil and Water Conservation District and meet every month. Public Works is represented at all of those monthly meetings, so we are (a), familiar with what is going on, and (b), providing technical expertise as well; comments on the plan at that time. The Soil and Water Conservation District's role is to certify those plans at those meetings, and then for the plans that require an agricultural exemption, because some of them just ranching or something like that, that no grading or grubbing work is being done. Those who are doing grading and grubbing approach Public Works for an agricultural exemption. That is really a 30,000 foot overview of the process that works.

Councilmember Yukimura: Is there no conflict between providing assistance for the plan and approving the plan?

Mr. Dill: Do you mean from the Department of Public Works' perspective?

Councilmember Yukimura: Even the soil conservation— if everybody is involved in putting the plan together itself, and then they approve the plan.

Mr. Dill: The folks that are preparing the plan are the NRCS with the applicant, and then the Soil Water Conservation District approves the plans. I guess that is the applicant and regulator relationship, but they do work closely together to see that they put forth the best plan possible for approval. Once they do that, we exempt them from our grading ordinance.

Councilmember Yukimura: I am only looking at it from a process standpoint, but for the people who have to prepare the plan to then qualify it for an exemption; there is somewhat of... why would you reject your plan that you helped to develop?

Mr. Dill: No, the folks that develop the plan is the NRCS with the applicant. The Soil and Water Conservation District are the guys who certify it.

Councilmember Yukimura: Okay, so they do not have any part in creating the plan?

Mr. Dill: Well, I would say that they do not have any part in creating it, but they make comments on it and it gets revised. It is the same with what the Department the Public Works does for applicants that want to build a road. An applicant comes to us with a plan, we comment on it, they revise it, and ultimately we would approve it.

Councilmember Yukimura: Okay. When I visited with the Natural Resources Conservation Service, they said that they do not take part in any regulatory process and they would do a plan for whatever purpose that the landowner wants. Who makes sure that what the plan that the landowner does

actually addresses grading and grubbing issues and not just a plan to build a reservoir or for one portion of the land, but actually covers the whole land that is exempted?

Mr. Dill: That would be the Soil and Water Conservation District with input from the County at their meetings.

Councilmember Yukimura: Okay. Thank you.

Committee Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: My only other quick question is near the very end of the budget figures. There is a line item called "Uncollectible Grants" that was posted at nearly \$69,000 and is now at \$0. What was that?

Mr. Dill: Can you give me one moment, please?

Councilmember Kualii: Sure.

Mr. Dill: Thank you for giving me a moment there. I know those are old grants. One of them is from 1992 and the other one is over 10 years old. The reality is in going through our books, we found these still sitting on our books and we were unable to recover anything further against those grants, so the decision was made to write them off. Unfortunately, I just do not have a lot of information on those grants. They were old items that were sitting in our books and I think it was the Director of Finance's attempt to clear up these things, not only with our department, but anybody else and get them off the books.

Councilmember Kualii: Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: This is a follow-up to Councilmember Kualii's question. I think this is the part of the process that was signaled by the audits too that we were not closing some of our grants in a timely way and that we were not following up, etcetera. I think the good news is that you are actually cleaning your books off. I do not know that I have any...

Mr. Dill: I do not know if it was an actual audit finding. Was it an audit finding?

JAMES MATSUSHIGE, Budget / Fiscal Specialist: For the record, James Matsushige. I do not think it was really an audit finding recently; it was Finance telling us, "We have old grants, so clean it up before we start getting questions." We looked into it and it was real old and we could not find so much information, so since it was uncollectable for all of these years, we decided to write it off.

Councilmember Yukimura: Okay. I think the good news is that we are cleaning up stuff and I believe that the new administration organization with Ann

Wooton helping grants is going to make sure that we have timely closure for grants in the future. Hopefully, we will not see this problem reoccurring. Thank you.

Committee Chair Kaneshiro: Are there any further questions for HR? I had one quick question. It is an amount that we had last year and we have it again this year, which is the “Special Projects – e-Builder CIP Management System and Annual Fee.” I was wondering because it seems like a new system.

Mr. Tabata: Yes. When Mr. Dill and I came in, part of what was a major part of Public Works is the CIP Budget, and we looked at bringing all projects at the minimum to run through Public Works and we touch it. I believe Mr. Suga will be coming up later and he can update where we are in the software that we purchased to allow us to computerize all of the County CIP programs and be able to enter the projects into a system, a database, that will keep all of the information of our CIP projects and be able to create reports. This is our annual fee.

Committee Chair Kaneshiro: So it is just a fee to maintain the system.

Mr. Dill: It is for maintenance and license for the system.

Committee Chair Kaneshiro: Okay. Councilmember Yukimura.

Councilmember Yukimura: Since this is an annual fee, will we be paying it into the future for \$30,000 every year?

Mr. Dill: Correct. I would ask Mr. Suga during the CIP time because he is much closer to this than we are.

Councilmember Yukimura: Okay. Thank you.

Committee Chair Kaneshiro: Any further questions for HR Fiscal? Last chance. Okay, I think we can move on to “Building.”

Mr. Dill: Okay. Building Division. Beginning on page 9 of the presentation, I will just read the mission verbatim from the report: “The mission of the Division of Building is responsible for code enforcement, facility development, building construction and maintenance and janitorial services. All programs are responsible for providing the people of Kaua’i with safely constructed public and private facilities and well-maintained County facilities.” This division’s mission is basically life and safety of the residents of Kaua’i. Some of the significant things of note in your presentation this morning are completion of the Lydgate to Kapa’a Bicycle / Pedestrian Path Phase A. The second bullet is really interesting and a very creative manner of achieving another length of the bikepath; the Innovative Readiness Grant with the Department of Defense (DOD) for the Kawaihau elevated boardwalk. We are leveraging County funds and getting the DOD on board in order to construct this phase of the project for us that otherwise we did not have funding for and would not have been able to achieve. We are using Federal Highways money for the materials, but using Department of Defense for the services and our Engineering Division is also supporting this effort with

providing some survey and design work as well. It is really bringing a number of different resources to the table to accomplish this project. The third bullet there, the building permit system, you are all aware and somewhat familiar with the E-PLAN system. It is a work in progress to some degree. We have had a lot of successes, but not without its hurdles. But we continue to make improvements there and the system is improving, as we implement additional improvements.

We have had challenges in the Building Division with keeping employees and filling positions. We see that the economy is warming up a little bit and construction is getting busier, as often happens during those times we see some of our employees migrate to the private sector for opportunities. We have had challenges, for instance, with our plumbing personnel and keeping those positions filled. A lot of what those folks who maintain our parks systems and parks comfort stations, etcetera, so those are some of the challenges that we are facing in Building right now. Nevertheless, thanks to Lyle's involvement working with Doug, the two of them have done a lot to implement programs to stretch our thin resources as much as we can and keep those things covered. Our Chief of the Building Division Doug Haigh is here. Doug, may I please ask you for an update on where we are with the Building Code updates in the Building Division.

DOUGLAS HAIGH, Chief of Building Division: Douglas Haigh, Chief of Building Division. Basically, we are kind of on hold on adopting new codes for two reasons: one is we track with the State Building Code Council, so I have been participating in the council along with the other County Building officials and also members of the private and governmental sectors who are involved in the building permit process. Our support from the State has been lagging and we have not been able to process any new state codes for I think the last 4 to 6 years. Basically, the Department of Accounting and General Services (DAGS) no longer had the manpower to support. The legislative bodies would give us money to hire executive directors; the governors would never release the funds. That has been a challenge and we have been dealing with that, but we have been moving forward as a group working on proposed amendments for adopting new codes. One of our challenges has been in the 2012 International Building Code/International Residential Codes. There was a change in the basic methodology for addressing wind forces in the code, and because of that, we needed to update our wind maps. This is another creative solution where we, the County of Kaua'i, made the commitment to work with Federal Emergency Management Agency (FEMA) to get a Hazard Mitigation Grant to update the wind maps for the entire State and primarily County of Kaua'i. Unfortunately, the FEMA process and the State was very time-consuming, as it took us over 1.5 years to get our grant in place. In fact, we just got it in place the last month, but we did get it in place and now we are moving forward with those wind maps. That has delayed the technical work in our 2012 International Building Code and Residential Codes for about a year, but our consultant will start working on the wind maps. We are hopeful that maybe by the end of summer and certainly by the end of the year, we will have the upgraded wind maps. Simultaneously, the American Institutes of Architects (AIA) Honolulu has been working on reviewing their proposed amendments, which is what we do with the State Building Code Council. We have investigative committees that do the initial review and the Architect's Association does the preliminary review for us for the International Building Code/International Residential Code, and then also the Structural Engineers Association of Hawai'i (SEAOH), they do for us a review of the structural.

Of course, they are waiting for these wind maps to be developed also. All of that is in process, so I am hoping that by the end of the year, we will be ready to adopt the 2012 International Building Code/International Residential Code. Also for the State Building Code Council, we have completed our amendment work on the 2014 National Electrical Code and the 2012 Uniform Plumbing Codes. This kicks into the next problem for us right now, which is our staff. The position that normally does code development has been vacant since October and before that, that position was working primarily on trying to get our electronic plan review up to speed. Basically, we do not have the staff right now to dedicate full-time to that and we are still in the process of trying to find somebody to replace that position. I believe we are just getting ready to post again for that position. We did get approval from the personnel committee or whatever they call themselves to fill the position. We did get that and we are moving forward. In the meantime, I plan on trying to squeeze in some of the code updates within my own work, so I am hoping to go ahead and move forward with the electrical code because that is pretty basic. We really do not get very many amendments or much discussion on electrical code. I am hoping within the next 3 to 4 months to squeeze that one in. I am also looking forward to working on the 2012 Uniform Plumbing Code. The 2012 Uniform Plumbing Code is a significant change in the code in that it makes reuse much easier.

Councilmember Yukimura: Reuse of water?

Mr. Haigh: Yes, reuse of water much easier. It is a national issue that has gotten a lot of attention and so the codes have responded. It is much more flexible than Department of Health rules. The Department of Health told us that they will take their hands off and they will let us go ahead and proceed with that. We are the only County really willing to take on the reuse responsibility. There is kind of a kink in the system as far as the law, where the DOH will not regulate reuse for houses or commercial or residential facilities that are serviced by municipal wastewater treatment plant. The other three counties pick up those, but we went ahead and said, "We will go ahead and do the other ones, the ones that are serviced by the individual wastewater treatment facilities that are regulated by the Department of Health," and we have a Letter of Agreement with the Department of Health for us to regulate that. Our plumbing inspectors stood up and said, "We are willing to do this," because they see that it is important to the community. Once we adopted 2012, it will become even easier and hopefully wider spread reuse of water. On Kaua'i, we do not think of water so much as a limited resource, but I believe the Department of Water is our number two energy user for the County of Kaua'i, so we do have limited energy. Really, if we save water, we are saving energy. That is one of the reasons why we really want to emphasize that. It is not quite that short of an answer, but it was an update of where we are at with our codes.

Mr. Dill: Thank you, Doug. The Building Division is also responsible for managing several CIP projects, so I will note that here, but we will discuss that during the CIP portion of the budget session. If you take a look at the beginning on page 10, the graphs, charts, and tables regarding their costs—the Building Division basically is made up of three sections: inspection, maintenance, and custodial or janitorial. We have slight increases across the board. The inspectional section up 1.7% cost-wise; building maintenance is up 3.1%; and then finally on page 13, janitorial also up 3.1%. These increases are largely due to increased salaries and related benefits due to the negotiated union agreements.



Also in the maintenance section, there is a note that there is an increase in Repair & Maintenance (R&M) projects countywide that has been brought back to the Building Division. There was an attempt made in last fiscal year's budget to divvy up the maintenance to the respective agencies, but we felt it was more efficient if we simply house the entire R&M budget within the Building Division, so we can directly take care of purchasing any materials ourselves. We are the ones that have the contacts and relationships there and it makes for a more efficient way to do business. We bumped up their R&M budgets and you should see a respective decrease in the respective agencies when they do their budgets as far as their R&M is concerned. You can see overall on page 15; that table shows an increase of \$222,000 in Building Division's budget or a 2.8% increase. With that, I would be happy to entertain any questions on the Building Division.

Committee Chair Kaneshiro: Council Chair Rapozo.

Councilmember Rapozo: Thank you for being here, Doug. Which position you said has been vacant since October?

Mr. Tabata: 1527, the Code Enforcement Officer.

Councilmember Rapozo: 1527.

Mr. Tabata: Yes. The challenges are that we have not had qualified applicants.

Councilmember Rapozo: What is the requirement for that position that makes it difficult?

Mr. Haigh: Years of experience in code enforcement. This is statewide. All the counties are having this kind of problem recruiting.

Councilmember Rapozo: When do you anticipate... when was the last time we posted?

Mr. Tabata: Well, it has been open-continuous and we took it down to modify the position description and it got worse, so we went back to the old one and it should be coming out this week, I believe.

Councilmember Rapozo: Are you comfortable with that being filled by July?

Mr. Haigh: I am not optimistic.

Councilmember Rapozo: When do you think?

Mr. Haigh: I am clueless. It is a tough. Part of our problem is we have a lot of senior staff retire in the last 3 to 4 years, and we are bringing staff up, but nobody within has the experience to qualify for the position. That is the challenge we have. They are new in their new positions and they are doing really good work in their new positions, but they are gaining the experience. To find a qualified personnel— it is hard because as the County Engineer

mentioned, the private sector is very active right now. It is hard to get people to come to government at the salaries that we pay.

Councilmember Rapozo: Is this person responsible for the sign ordinance as well?

Mr. Haigh: Yes.

Councilmember Rapozo: Looks like the sign ordinance violations are rampant again.

Mr. Haigh: That reflects, too, where we are at with our personnel and our priorities. Right now, we are focusing on life and safety priorities and also on existing building permits. We are also slow right now on life and safety violations because we are just short on staff and having a hard time because that Code Enforcement Officer... one of the tasks of the Code Enforcement Officer was processing violations and managing the violation process. Without that position, it is making it very difficult to stay up to date. We have critical life and safety situations that at priority, we react, but for less critical items, we cannot respond that quickly.

Councilmember Rapozo: Okay. Thank you.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: Thank you, Chair. I am looking at page 204 of the budget. How many vacant plumber positions do we have right now? You lost several good ones, right? We lost (inaudible), Junior, and another one to an inspector position or something, right?

Mr. Haigh: Yes. We are down two plumbers right now. We are in the process of hiring our third plumber.

Councilmember Kagawa: If we hired that third one, we would just be down one?

Mr. Haigh: No, we will be down two.

Councilmember Kagawa: But I only see four plumber positions.

Mr. Haigh: There is the supervising plumber.

Councilmember Kagawa: Okay. It is Plumber II.

Mr. Haigh: Yes.

Councilmember Kagawa: 1539 is filled.

Mr. Haigh: Yes. We have done some creative shifting in order to be able to reopen the supervising plumber position shortly.

Councilmember Kagawa: It is an old joke that if you want to make good money, you should be a plumber. But it is not really a joke; it is kind of the truth. You can make good money being a plumber. Is that salary a problem?

Mr. Haigh: Well, we did have one of our plumbers leave for a better opportunity in the private sector. We have been having challenges filling positions, but we are happy that we are able to fill the third one. Just recently in the last three (3) months, we filled two positions so we are happy we were able to do that, but it is a challenge.

Councilmember Kagawa: So statewide, are we comparable with the other counties; this \$51,000?

Mr. Haigh: The pay rates are statewide per union agreement.

Councilmember Kagawa: Do the other islands experience the same problem?

Mr. Haigh: I have not checked with them, but I assume they do.

Councilmember Kagawa: Can you check, please?

Mr. Haigh: Yes.

Councilmember Kagawa: I really feel like if we are going to continue to have vacant plumbers out there, we are going to have a bunch of calls about our facilities at some point because I know if the light does not work, it is not too bad, but when the toilet does not work, it is a huge problem. I cannot see that the plumbers' salary being only a problem on Kaua'i. They have to do a dirty job, especially for government.

Mr. Tabata: The salaries are the same statewide because it is the same union.

Councilmember Kagawa: Can we check? Maybe we have to do something statewide. I do not want Kaua'i to suffer because we do not foresee finding a solution to...

Mr. Tabata: We were fully staffed until this summer. As Doug mentioned, we had two leave.

Councilmember Kagawa: Yes, I know the two guys who both told me that they left for better pay, and then one left...

Mr. Tabata: In all fairness to the people who remain, they are working very diligently and they do excellent work. They care about what they do and we eat the elephant one bite at a time.

Councilmember Kagawa: If this is going to continue to happen, can we look for a possible solution? Like I said, it is not something that anybody can do. If you tell me to go unplug a toilet, I would not know how to do it.

Mr. Tabata: The Parks caretakers have taken on some additional roles to do the initial troubleshooting. They have purchased plungers and so forth, and when it gets to the point where it is beyond their capability, they call.

Councilmember Kagawa: So we are kind of training them for the minor repairs?

Mr. Tabata: They have been very helpful in assuming some of the work themselves.

Councilmember Kagawa: When they do that type of work, do we compensate them?

Mr. Tabata: You will have to ask Parks.

Mr. Haigh: It is part of their job description.

Councilmember Kagawa: Part of their job description is to do plumbing work?

Mr. Haigh: Well, plunging the toilet and that type of minor maintenance.

Councilmember Kagawa: Okay. Thank you.

Mr. Dill: We have been in discussion with Personnel. As Lyle mentioned, these salaries are set by union contract. There is a point that we have discussed possibly... I think the terminology is when there is a designated shortage, we are allowed to bump the salary in order to try to attract more people to take the position. It is not something that I think we want to do lightly because we do not want to start raising salaries all over the place to attract people.

Councilmember Kagawa: Are we full with electricians? They are dollar-funded?

Mr. Haigh: Yes. We actually have been having one of our maintenance worker assisting electricians and he is looking at becoming an electrician. We do have at least one retirement coming up and hopefully we will be able to manage it.

Councilmember Kagawa: What about the rest going down from 119, all the way down to the maintenance workers— are there any vacant positions?

Mr. Haigh: My memory is that we may have one vacancy, but I think we may be all right. I met with staff about two weeks ago.

Councilmember Kagawa: Your maintenance worker is like your carpenter.

Mr. Haigh: Yes. A maintenance worker does everything.

Councilmember Kagawa: Okay. Thank you.

Committee Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: I share Vice Chair Kagawa's concern about the hiring of plumbers. I do not know how long now, but at the Kekaha Neighborhood Center, it is fine when the neighborhood center is open because you have the restrooms inside, but as far as the restrooms outside, the toilets there actually are out of commission. They are taped up and they look like it has been that way for quite some time. I would say that before we got these plumbing positions filled that they go out there immediately and get it working again because when the neighborhood center is closed for people playing basketball and they are at the park, that is their option. I noticed from these three different Building divisions, if you will: inspection, repair and maintenance, and janitorial; only in repair and maintenance do you have a line item for regular overtime. It is being increased by 56% or \$18,000. Do you not have any overtime in inspection or in janitorial? I would imagine especially in janitorial when you have to do coverage because people call in sick or go on vacation. Why is it that only repair and maintenance shows a line item for regular overtime?

Mr. Haigh: Part of repair and maintenance is we have a set standby policy, so that is funding the standby policy. We have 24/7 service, and in order to provide that, we need to pay our employees to be on standby. It is not inexpensive. That is the primary reason why that is funded. On the janitorial side, we have rovers and the rover position gives us flexibility to move people. I believe there is overtime, yes. We also have significant overtime for the janitorial estimated overtime and extra hours. It is not just overtime because when we have a 20 hour employee rover, we can work them more hours without having to pay the overtime premium.

Mr. Dill: Councilmember Kualii, we do have \$30,000 budgeted for overtime and extra hours for the custodial services.

Councilmember Kualii: Okay. The other thing was this electricity line item showing up under "janitorial." Does all of the electricity for all of our facilities show up in this one place?

Mr. Haigh: Well, some other independent agencies that have the facility that they are totally controlling and they may be paying electrical. We do not pay for the fire offices.

Councilmember Kualii: Fire, you said?

Mr. Haigh: Yes, for the different fire stations. We do not pay that because that comes out of their budget.

Councilmember Kualii: So what else did you mean by “independent agencies?” Department of Water?

Mr. Haigh: Wastewater is paying for their electrical. The Housing Agency, if they have a project that they are managing that they are solely responsible for, they would take care of electrical for that. I do not know if there are any...

Mr. Tabata: The street lights come under Roads Division.

Councilmember Kualii: Okay. This is basically our electric bill, right? Paying the Kaua'i Island Utility Cooperative (KIUC)?

Mr. Haigh: Correct.

Councilmember Kualii: All of our celebrations over conservation and reducing our use of energy— why is this budget line item increasing by \$32,000?

Mr. Haigh: Part of it is last year it was cut; a fixed percentage, less than what we needed and what we projected we needed. Yes, I think we are pretty much whole in the same as our original budget proposal last year. We are basing it on existing use. We are trying everything that we can to save energy. It is a challenge. We are fortunate now that the Office of Economic Development (OED) are being very proactive and helpful with us on that goal, but it is a constant struggle to find that.

Councilmember Kualii: This is like the new base level after realizing some of those energy savings and all of that.

Mr. Haigh: Correct, and we had expansions at the same time. We save energy here, but we have expanded offices there and therefore, we have more energy use.

Councilmember Kualii: Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: Thank you. I have a follow-up to Councilmember Kualii's question. Actually, because of the drop in oil prices, you did not have to pay out as much as you would have had to this year, right?

Mr. Haigh: That is correct.

Councilmember Yukimura: That is probably how you were able to manage with a cut budget for this fiscal year. Is that probably part of the reason? If you were given less than what you asked for last year and what you asked for was an accurate assessment of what you would need for the year, my question is how are you managing this year or are you coming back for a bill to add more money to that account? You are probably going to be able to survive because of the drop in oil prices.

Mr. Haigh: Lowered rates certainly help.

Councilmember Yukimura: If it goes up and the use also goes up, then this \$1.6 million might not even be enough.

Mr. Haigh: It is always an unknown what your electrical charges are going to be for the year because your rate is variable. You are absolutely correct.

Councilmember Yukimura: What you are saying is that the \$1.6 million is reasonable for the upcoming year because it was what you really needed last year?

Mr. Haigh: Well, it is kind of also what we are tracking this year of how much we are paying and projected out.

Councilmember Yukimura: Do you have any substantial new buildings?

Mr. Haigh: Not coming on this year, so we do not have any new facilities coming online this year. We should not be surprised that way. We are continuing to work for energy savings.

Councilmember Yukimura: Right. Okay. Good. Thank you. May I go further? To your mission, to what extent is the Building Division involved with the design and construction of new buildings in the County? These are County facilities.

Mr. Haigh: We are directly responsible for all building facilities that are for multiple agencies. Also typically for the Fire Department and Police Department, we manage their CIP projects. We do not manage the Housing Agency's projects.

Councilmember Yukimura: In your mission statement, you are talking about safely constructed and well-maintained County facilities and I wondered whether you considered part of your mission to design user-friendly and beautifully designed buildings?

Mr. Haigh: Clearly, that is what we would like to do. User-friendly is a challenge nowadays because agencies have security concerns and that tends to go against user-friendly and you will see that in a lot of our facilities. For Driver's Licensing, we are putting up a barrier between the customer and the workers, so that is a challenge and we try to implement those in the least unfriendly manner. That is a challenge. I think our number one goal in our building's new facilities is energy efficiency because your energy costs really is a major cost for your facility over the lifetime of the costs. We also look for minimum maintenance because your maintenance and energy costs greatly outstrip your initial capital improvement costs over the life of that project. Those are really our fundamental goals for new facilities, which is minimum maintenance and energy-efficiency. Of course, we need to meet the user needs, so all projects and new facilities that we do, our first step is to develop the user needs because we have

to satisfy the users' needs, which in most cases we would also go over to the customers that are serviced by that agency or facility.

Councilmember Yukimura: I am so glad you mentioned maintenance as a concern in how you design the building. I am just wondering when architects get our scope of work that these issues are included in the scope, so that they pay attention to them, too.

Mr. Haigh: They do. It is in the very initial documents. We have had a project where a material that was not appropriate for the location was specified and use and we actually forced the engineer to pay for the replacement of that material because they did not fulfill the contractual requirement. We do not do that very often, but we do. For us, we tell them the parameters and they have to design to our parameters. If they do not, we do not want to pay the bill when we clearly in our direction to them in our contract, they are responsible to make an appropriate design.

Councilmember Yukimura: So the aesthetics of design, the user-friendliness of the design, and the issues of maintenance long-term are included in our scope of work.

Mr. Haigh: Correct. Aesthetics is really not something that we spell out.

Councilmember Yukimura: I know it is hard.

Mr. Haigh: It is hard to be innovative for government facilities as far as design and extra costs.

Councilmember Yukimura: I am not talking innovation; I am talking basic ascetics. I know that is hard, but I also know that some of the most beautiful buildings in the State are some government buildings that were built more at the turn of the century. I just wondered about that. Our mission is not just safe, sterile buildings, but buildings that are nice to look at and they meet the needs of the users: both the employees in the building, as well as the public users.

Mr. Haigh: That is somewhat inherent in projects being led by architects because architects are artists to some degree and they are the ones who really help us make sure that the design is aesthetically pleasing. I think Kaiākea Fire Station is an example. It is a very functional building at the same time. They were able to add interests and make it a pleasing building.

Councilmember Yukimura: I think that is what we are looking for, so that is good. But what you do not pay attention to often does not get done, so that is why I am just asking whether those things are included. On your successes, "completion of pedestrian path Phase A," but Phase B was completed last.

Mr. Haigh: Correct.

Councilmember Yukimura: So B was completed before A?



Mr. Haigh: That is correct.

Councilmember Yukimura: Okay. For the Innovative Readiness Grant, which Larry mentioned— the achievement was in obtaining it and now it needs to be implemented. Is that going to be in your CIP project list?

Mr. Haigh: I would believe it should be listed: Kawaihau elevated boardwalk.

Councilmember Yukimura: Okay. Good. For that position you are having a hard time filling, is there any possibility of looking in the retired community for somebody with code experience?

Mr. Haigh: Well, that is how we filled the position last time.

Councilmember Yukimura: It is?

Mr. Haigh: Yes. Actually, the person came from retirement to a different position and moved up into that position.

Councilmember Yukimura: Who was your code person who left?

Mr. Haigh: Ron Darville was our last Code Enforcement Officer.

Councilmember Yukimura: Yes. In the way that you are announcing the position, are you getting it to people who might be part of the retirement community here?

Mr. Haigh: Well, we work with Human Resources and they take the lead in that. I hope that with this next posting, if we do not get responses soon, to broaden the reach. There are certain publications on the mainland and whatnot where hopefully we might be able to reach out, too.

Councilmember Yukimura: Okay. For example, I do not know that anybody in the rotary club of the Hanalei Bay would consider any of this kind of work, but the expertise that it took to build that pier roof was phenomenal. You do not usually get that quality of work from volunteers, but you did in this case. I know there is a lot of expertise there. I do not know if a connection is feasibility. Anyway, my last question on your page 12 of your report “Operating Budget Discussion”— I did not quite understand when you said, “Increase in operations is due to increase in R&M projects countywide has been brought back to the Building Division.” Can you just explain that to me?

Mr. Haigh: Larry, do you want to?

Mr. Tabata: In last year’s budget, the different departments’ budgets were... the cost of R&M was placed in the different departments.

Councilmember Yukimura: Oh, I see. Doug mentioned that.

Mr. Tabata: So the costs have all been brought back under the Building Division. Along the way, we had some hiccups of projects not getting carried out or placing orders was a challenge, so we brought all of the money back into the Building Division.

Councilmember Yukimura: Parks has a large R&M fund.

Mr. Tabata: Yes.

Councilmember Yukimura: Is that part of what is being used?

Mr. Tabata: No. If we say we have a facility like last year when the Po'ipū West Comfort Station was rebuilt, they purchase all of the materials and they contracted the project out. But for some of the other facilities that are day-to-day needs, we pay for that. For the longer term projects, they fund their own materials.

Councilmember Yukimura: They fund their own materials, but you supervise the projects?

Mr. Tabata: Right. They have their own project manager now. In the case where it is determined to be a CIP project, their own project manager supervises the project. However, we do have task forces in the County and one of them is what we call our "Super Parks Task Force," and we meet weekly to go over all the parks' needs. We have this connection between the Parks Department and Public Works and the building maintenance group that we work closely with and we also sit with our CIP Manager. Doug is also in this committee and we lend contract expertise to help them carry their projects through.

Councilmember Yukimura: Okay.

Committee Chair Kaneshiro: I have a follow-up question on the Building repair and maintenance. What is the line item for that? I really did not see much of an increase in the repair and maintenance. Maybe I just overlooked it.

Mr. Haigh: It is "projects" and it is not really increasing that much.

Mr. Tabata: It is 012-0226-01.43-01.

Mr. Dill: I believe our page numbers are different than yours. As you can see, in the last item, it has "Various Other Facility R&M Allowance - \$300,000."

Mr. Haigh: Last year, we had a major project that we are still working on, which is the Lihū'e Civic Center chiller replacement, which was a \$500,000 line item within this budget. It has not gone up compared to last year because we in the Building Division do not have any large projects that we are

pushing, but we are picking up some projects from other agencies. We cut back greatly on our projects that we were putting in for our budget.

Councilmember Yukimura: I am sorry. What page was that?

Committee Chair Kaneshiro: Page 205.

Councilmember Yukimura: Thank you.

Committee Chair Kaneshiro: Although you had a big increase and R&M from other departments, you were able to reduce what you guys did last year.

Mr. Tabata: Right.

Committee Chair Kaneshiro: So it does not show. It was just a big increase...

Mr. Tabata: Yes.

Committee Chair Kaneshiro: Yes.

Mr. Tabata: In the final summary, you see the labor increase drove the increase in the Building Division. If you were to compare last year's line-by-line projects, as Doug mentioned that we have a large project that came up and was supplanted with the \$300,000 that Mr. Dill just mentioned.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: On your building permit system, which you mentioned as a success and achievement, "Improvements to the electric plan review and partnership with Information Technology (IT)— that was your success and achievement last year as well. As Larry said, it is a work in progress. How is it working? What percentage of building permits are being processed electronically? What has the user feedback been?

Mr. Haigh: The big achievement this last year is that we upgraded to new software, which made it easier to access and use. That was a major achievement there. We have not done a comparison recently on what percentage is electronic plan review. The last time we did it, I believe we were at 30%. We did our review. We have mixed response from users. There are users who love it and the people who use it regularly tend to appreciate it. When we get our survey, the vast majority of users said they appreciate the program. Users who only use it intermittently or just starting to use it, sometimes the initial learning experience is difficult. Part of our problem interagency is that we lost our champion, the Code Enforcement Officer, and the Code Enforcement Officer was also head of training for other agencies. With that position gone, we no longer have anybody available to train other agencies. Also, our staff who was kind of our leader in helping outside users resigned from the Building Division. Right now, we are down from four clerks to as of last week Friday, we gained one, so we have two out of four clerks today. It makes it a challenge for us to provide as much training for outside people as we could. We are just fortunate with our office manager

having the skillset to be able to go and supplement and help out on the clerical side for the building permit process. There are challenges there. From the last survey that we did, we got very positive responses from the users who were using it.

Councilmember Yukimura: Okay. Thank you.

Mr. Tabata: One of the major things that I think really took us to the next level is that the upgrade in the software included map computers now, where before it was only pc-based.

Councilmember Yukimura: When you increased the software, that allowed Mac users and Mac is the design?

Mr. Tabata: A lot of architects use Mac.

Councilmember Yukimura: Yes. I hear that was a really good improvement. Last year, you started the system, but the system did not have the software that allowed Mac users, so this year you upgraded the system to allow that.

Mr. Tabata: Right.

Councilmember Yukimura: How much did it cost us?

Mr. Haigh: I do not know exactly. IT was managing that for us. I believe it was in their budget that they had the money for that upgrade.

Councilmember Yukimura: To me, that would have been designed at the beginning into the system, given that the Mac system is used by so many drafters and designers.

Mr. Haigh: Correct.

Councilmember Yukimura: Okay. I just wondered how much it cost for that oversight. Maybe nothing. We will see. Thank you.

Mr. Haigh: The product was not a unique upgrade just for us; it was an overall product upgrade. So clearly, we were not the only place that had that issue. It is nationwide. They responded to the market.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: Thank you, Chair. Every December, we get the Comprehensive Annual Financial Report (CAFR) from our Certified Public Accountant (CPAs) and they show the amounts lapse for the prior year. So for 2014, if I add up everything under the Building Division, you lapse about \$233,000. I was wondering if you knew the reason why we had... not the reason why every dollar, but some significant reasons why that much was lapsed in 2014. Can you get back to me later?

Mr. Haigh: I would have to study that.

Councilmember Kagawa: Like whether it was money for positions that were not filled. Can you have that breakdown for R&M, janitorial, and inspection; all of those different divisions?

Mr. Haigh: I assume you will be submitting these questions.

Councilmember Kagawa: Yes. I just wanted...

Mr. Haigh: I am not writing them down.

Councilmember Kagawa: In a lot of times, Councilmember Kualii said that the Kekaha bathrooms are busted up and closed up. I was wondering if we look at these amounts that we can foresee being lapsed. That way, we may be able to move moneys prior to the year ending and go take care of some of those big repairs, instead of saying, "We do not have money to fix it."

Mr. Haigh: My suspicion is primarily positions, but I would have to study it.

Councilmember Kagawa: Thank you, Doug. It is a question that I will be pretty much asking every department. Yours is \$233,000, but Police had \$2,000,000 lapsed. It all totals up to \$15,000,000 when last year, the Finance Director told us that he did not foresee a large number being lapsed and here we are back to that same. Alvin Honda told me historically that \$13,000,000 to \$14,000,000 lapses, as long as he has been handling the budget. Last year, it was like, "It is a tight budget; do not cut." Then we see another \$15,000,000 last year. I am just saying that we have to be more efficient and not holding things out there in the community if we can anticipate these lapse amounts and using them to benefit the public and what have you. You can moneys within your department, right? Is there some protocol that you have to go through...

Mr. Haigh: There are restrictions on personnel moneys.

Mr. Tabata: I suggest doing a quick review of our lapsed budget for last year, primarily in salaries and benefits. The benefit side was a pretty big amount because I believe we were charged less than what our estimate was.

Councilmember Kagawa: Thank you.

Committee Chair Kaneshiro: Council Chair Rapozo.

Councilmember Rapozo: What was the Moloa'a fencing, \$70,000, for?

Mr. Tabata: It is not Moloa'a.

Councilmember Rapozo: That is what it says.

Mr. Tabata: Larsen's Beach. We are working with the Planning Department to do a separation between the private landowner and the County. We are still going through the shoreline setback process to establish that location, so it was not installed yet because we need to certify the shoreline.

Councilmember Rapozo: Okay. Do you expect that to be done this next fiscal year?

Mr. Tabata: We are in the process. We are working on it right now.

Councilmember Rapozo: Thank you.

Committee Chair Kaneshiro: There is a follow-up question.

Councilmember Yukimura: So the fencing is to allow for a clear public access way through the private property to the beach. Is that correct?

Mr. Tabata: No, it is to section-off between the private property and the County's Right-of-Easement.

Mr. Dill: But it does define the public access way down to the beach.

Councilmember Yukimura: Yes. You could have used Open Space moneys for it, I would guess.

Mr. Tabata: No. I was told that I had to use our own County maintenance money to install the fence.

Mr. Dill: We will look into that. Thank you.

Mr. Tabata: I did ask. The Planning Department told me no.

Mr. Dill: Okay.

Committee Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: I may have missed something, but earlier when we were talking about the \$300,000 under R&M Building for "Various Other Facilities R&M Allowance"; there is also a line item for "Islandwide Plumbing Fixture Upgrades" and it is only \$15,000. Is their budget also on the Parks and Recreation side for a lot of the plumbing fixtures?

Mr. Tabata: This is everything outside of the Parks Department.

Councilmember Kualii: They budget for them, but you still do all of the work because you have the plumbers.

Mr. Tabata: Right, unless it is a major project like as mentioned earlier, the Po'ipū Beach West Comfort Station where they contracted the work out.

Councilmember Kualii: The other thing in that section I notice is a \$30,000 Access Security Camera System Maintenance Contracts." That is there under "Building and Repair." Under "Building Inspection," there are "Security Services for Līhu'e Civic Center - \$15,000." What are both of those and how do they support or relate to each other?

Mr. Haigh: For Līhu'e Civic Center, we are hiring a private security company to come by and to ensure safe working conditions for our janitors when they start work first thing in the morning at 5:00 a.m. We just get a walk-through like an hour a day, so the private security guards walk through the Civic Center to make sure that the grounds are safe. That is that. The other one is...

Committee Chair Kaneshiro: I have a quick follow-up to that. We already have security to monitor during the day, and then the additional \$5,000 was for that early morning walk-through?

Mr. Haigh: No, we do not need security during the day because we are all there at the Līhu'e Civic Center, so the need is not there. The need is for our janitors who show up in the very early morning hours when nobody is there, except possible un-desires.

Committee Chair Kaneshiro: I think the line item says Monday through Friday evening, so we already have them contracted to do walk-throughs in the evening?

Mr. Haigh: I am sorry. I do not know about evenings. For us, it was always in the morning. This fiscal year is the first year that we have funded that. For the previous fiscal year, we did get some assistance from Parks toward the end of the year because we identified the problem, but this fiscal year is the first year we funded that Līhu'e Civic Center security.

Committee Chair Kaneshiro: Okay. I guess the \$10,000 was budgeted last year and maybe did not get paid, and then it is \$15,000...

Mr. Haigh: During this current fiscal year, we funded \$10,000, Fiscal Year 2015. That we are managing. It was not enough and we managed to deal with that in a way that I do not want to make public, but we have managed to deal with that. Next fiscal year, looking at our current budget, what we need to do this service is we need \$15,000.

Committee Chair Kaneshiro: Okay. Thanks.

Mr. Haigh: The other line item is for our equipment, so that is within the Building Maintenance side and that is where we are contracting out services to help us with our security systems, and also providing equipment and what not.

Councilmember Kualii: Throughout the County?

Mr. Haigh: Yes, throughout the County.

Councilmember Kualii: And the facilities?

Mr. Haigh: Yes.

Councilmember Kualii: Thank you.

Committee Chair Kaneshiro: Council Chair Rapozo.

Councilmember Rapozo: It is a follow-up to the security funding. It states “Līhu‘e Civic Center,” right?

Mr. Haigh: Correct.

Councilmember Rapozo: Are there any other facilities that janitors go in at 5:00 a.m. or 4:00 a.m.?

Mr. Haigh: There are, but they do not have the same concern. We were responding directly to our janitors’ concerns.

Mr. Dill: There were issues at this facility, so we addressed the issues at this facility only.

Councilmember Rapozo: At Līhu‘e Civic Center?

Mr. Dill: I am sorry, that facility, yes.

Councilmember Rapozo: That is the “round building?”

Mr. Dill: The round building is part of Mō‘īkeha, Kapule, and Pi‘ikoi, yes.

Councilmember Rapozo: Are the others experiencing any undesirables at the other places?

Mr. Dill: This is a response to specific concerns that were brought to us by our custodians.

Councilmember Rapozo: Just that one facility?

Mr. Dill: Yes.

Councilmember Rapozo: Okay. Thank you.

Committee Chair Kaneshiro: Any other questions? Councilmember Yukimura.



Councilmember Yukimura: In your goals and objectives, you talk about “exploring and identifying new performance metrics to assess permission of building performance, construction, custodial, inspections, plan review and approvals; and that higher performance standards and greater efficiency should result from those standards.” That was in your last year’s as well. The question is what have you found that works and are you getting higher performance and greater efficiencies?

Mr. Haigh: The reason why it is continuing— to be honest, we have not been able to get to it. We do not have the staff to work on that goal. We just cannot get to it.

Councilmember Yukimura: Part of the role of government, in which is why it bothers me that seeing sometimes our only goal is to cut costs, is that we have to prepare for the future and we have to prepare to get better and better at what we are doing, which sometimes can result in lowering costs, like your overtime management in Solid Waste. I see this as part of our mission what you are talking about doing, so that is why I am asking about it. Have you been able to do anything in terms of how would you structure it, how much it would cost, and what kind of personnel you would need, if at all?

Mr. Haigh: We have identified the personnel, and the personnel would also help us with our succession planning, which we do not have, and the upper-level of the Building Division. For the last two or three years, we have been trying for a position. This year, we did not even try because we knew that was not an option, but it is. So the first step is getting the personnel that can help us work on that.

Councilmember Yukimura: It would also help with your succession planning because when you talk about your code enforcement person, that really requires succession planning. You need to be able to train somebody and give them that experience and so forth. It would be best in the context that Lyle described earlier, which is a young person with a lot of energy and good background, who would like to have a career path and you form that. As a follow-up, I am going to ask for a description of a proposed position and program that would accomplish this goal of improving performance and efficiency, and that would also serve in your succession planning.

Mr. Haigh: You are spot-on that that is where we are lacking and where we need it, particularly Building and Maintenance side. That position also, Building Maintenance side, has been kind of has been a source for filling my position also. In looking at adding strength there, that would help us look at performance plus also look at succession.

Councilmember Yukimura: Okay. So related to that, I have wondered if janitors and even Parks and Recreation personnel... that is a cross-division issue, but whether they become your eyes and ears in terms of repairs needed, leaking faucets, energy-saving opportunities, and things like that. I am guessing that some of what you are identifying here as the goal and objectives could reach into those areas and have them both trained and alert to these. Maybe you already have that. I do not know.

Mr. Dill: A lot of what the Building Division does is code enforcement and maintenance. The third thing that Doug is also very involved with is project development and construction, so I will set that aside. As Doug has mentioned, we are definitely are limited because of our resources, especially not having a Code Enforcement Officer position available hurt us. The one thing about the Building Division that everybody would always like to see improvement on is getting building permits out. Implementation of the E-PLAN has helped us move in that direction, but we have been hamstrung because of the lack where the positions are vacant. The position also, as part of that, was establishing those metrics, so we can track the improvements in the processing of that. We are doing what we can in that regard, but lacking the positions has made it difficult. On the maintenance side, you are absolutely correct that a lot of our work that happens on the maintenance side is because of work orders that get issued by the Parks Department. As Lyle mentioned, we have the “Super Parks” meeting once a week where we go over all priorities and part of that is establishing an algorithm for prioritizing these things, which is also something that helps us with the performance metric to determine how we are doing, how fast are we getting the backlog out, and things like that. There are things happening along those lines, but again, because of some lack of resources, it is difficult to establish formal programs.

Councilmember Yukimura: Yes, that is why I do not like this kind of across-the-board, “no new positions” because sometimes we need those positions to actually achieve our goals. I will do a follow-up question on that. Thank you.

Committee Chair Kaneshiro: I just had a quick question. We talked about it a little earlier. As far as parks goes and comfort stations, I just wanted clarification— janitorial cleans, maintains, and repairs? For instance, if the toilet is broken, is that under Parks?

Mr. Haigh: We have Park Caretakers who are the primary person on the ground at the parks and they maintain their comfort stations as far as cleanliness; janitorial. They can do some minor repairs. One of the things that they have been helping us on is troubleshooting and plunging toilets. It is something that they have not always done, but they are capable. Then we have our janitors who maintain our facilities like restrooms and offices. They are in close communication with our maintenance side, but they do not do any kind of maintenance as far as fixing toilets, light fixtures and switches, and really not even changing light bulbs too much. Our electricians are the primary light bulb changes. That is kind of the division of labor. We do work very closely together. The Park Caretakers are the ones who should be initiating the work orders that go up through their system and get sent to us. It is all computerized now, so as soon as they issue the work order as they fill in the work order, it shows up on our side. We added computers to all of our baseyards, so now actually our managers are filed supervisors at the baseyards and they are getting their work orders electronically. They are responding and inputting in on the system when they complete work orders, so that system is there. For our Super Parks meeting, we look at certain projects that we are working together on and we also look at high-priority work orders that we may have an issue with that we need to put extra attention to. There is a system there and our janitors put in work orders for our maintenance guys also. There is a system there that is working and we implemented this probably about... I am thinking about four or five years ago, and we have been

getting better and better at it. Like I said, last year we expanded with computers to all of our baseyards to get our working men directly involved in the work order system.

Committee Chair Kaneshiro: Okay. Thank you. Any further questions for Building? Councilmember Yukimura.

Councilmember Yukimura: This is a question that I think the former Council Chair initiated. Was there an electrical submeter installed for the Kaua'i Historical Society?

Mr. Haigh: No there was not. The primary reason why we did not do that is because they are receiving air conditioning from the central air conditioning plant here at the Historic County Building. We actually did setup their electrical service such that it was fairly independent and would not be that hard to do it if it was decided to do that. But you still would not get the true energy costs because you would not be capturing the air conditioning costs, which is a very high cost for offices in Hawai'i.

Councilmember Yukimura: There must certainly be a way to allocate the costs by building space.

Mr. Haigh: Well, it is the same thing with the electrical. You could allocate by square footage. The office functions are very similar. You are turning on computers, lights, and air condition. So to allocate electrical use by square footage is an appropriate way to do it.

Councilmember Yukimura: Their office hours of operation may vary though and that would affect it.

Mr. Haigh: You could also calculate for that if you wanted to.

Councilmember Yukimura: Is that something that you would be able to do?

Mr. Haigh: Well, certainly we can make calculations and do that. Of course, our energy office in the Office of Economic Development could be doing that also.

Councilmember Yukimura: So the central air conditioning is just for this building though?

Mr. Haigh: That is correct.

Councilmember Yukimura: Okay. Does it cover Elections as well or is that separate?

Mr. Haigh: It is actually tied in to this air conditioning system, yes. The chilled water comes from here.

Councilmember Yukimura: Okay, but then is that an intact entity?

Mr. Haigh: Yes

Councilmember Yukimura: The two buildings?

Mr. Haigh: Yes. The air conditioning plant here services both buildings. Just like at the Civic Center, we have an air conditioning system that services all three buildings.

Councilmember Yukimura: Right. Thank you very much.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: Thank you. I just had a question on the "Islandwide Cesspool Conversion." It looks like it is a loan and that we are in our 10th year, with \$100,000 more budgeted here. Can you offer an update on where we are with that?

Mr. Haigh: Well, we completed the project many, many years ago and it is a very low-interest rate loan from the State and we are paying it off. In fact, actually we are processing some update document with them recently on that. I am not sure of the full timing of when that loan will be completed.

Mr. Dill: The budget says "tenth year totals."

Mr. Haigh: Okay.

Councilmember Chock: Okay, so ten more years.

Committee Chair Kaneshiro: Are there any further questions for Building? I think Building is done for today. We will take a ten minute caption break.

There being no objections, the meeting recessed at 10:53 a.m.

The meeting reconvened at 11:04 a.m., and proceeded as follows:

Committee Chair Kaneshiro: Welcome back. We are going to have a presentation by Public Works Automotive Division.

Mr. Dill: Chair, our Superintendent is with us to answer any detailed questions you may have. I want to mention that the mission of auto shop is to manage and maintain the equipment and vehicle fleet of the Department of Public Works, as well as other County of Kaua'i agencies enabling the County to provide core services to all districts and communities. Dwayne runs a very lean and mean operating. He has been successfully meeting the demands of the agencies with a facility that has a lot of age onto it and a lot of size and space limitations. He is also responsible for procurement of new vehicles and equipment to modernize the fleet. You see in your presentation the list of new equipment and vehicles that we are proposing for this fiscal year, so if you have any questions on those specifically, we will be able to respond to those. We have been working for a

while on expanding his second floor storage area in the auto shop. The Engineering Division is doing the design in-house and the construction of that space will free up some space on his lower floor for more operational sort of items. He is also managing the fuel site renovation project and the project is scheduled for completion actually this month. The Kapa'a Baseyard will see new fuel storage facilities and dispensing facilities there. Moving forward with the next phase as we plan to roll through all of our fuel storage and pumping services islandwide, so Phase 2 will be on the north shore; the Princeville/Hanalei Baseyard in this fiscal year. You will see that in the budget as a CIP project.

We have established an agreement with the new car wash in Lihu'e to wash all of our vehicles. Washing all of our vehicles has been an issue and a challenge for us because there has been no designated facility, so it kind of has been left up to agencies on their own to see when they can do it, which leaves us for a very inconsistent washing of the vehicles. The Suds program allows us to provide specific car washing for every vehicle, certain number per year, so it will help to maintain our fleet. That is not only for pride of operation, but also actually helps to keep those vehicles serviceable. As he mentions in the last note on page 16, he has a 36 year old facility, so that facility requires maintenance every once in a while, specifically his roofs has had some issues in the past that we are working on.

The challenges he has, like everybody else especially when the economy gets good, he has a difficult time keeping staff. So hiring of qualified employees, his mechanics down there and heavy equipment mechanics is a challenge for Dwayne to find them and keep them. Nevertheless, he has managed to keep up with the resources that he has. Besides vehicle and maintenance support, he is also responsible for helping to modernize the fleet. You know that there is a Hawai'i Revised Statute (HRS) requiring that the County seek first to look to hybrid or electric vehicles when you look to procure new vehicles for our fleet. That makes more technical burden on Dwayne because those are items that we do not have a lot of background in maintaining, so we have to be creative in the way that we maintain those sorts of vehicles, in response to the Hawai'i Revised Statute. Also Dwayne's office services in support of other County facilities in the event of disasters—he is the guy who basically maintains and manages our fleet of generators. A lot of those come out of his shop in the event of a power outage due to some sort of event.

He has done a good job of his manpower needs and keeping employees hired through succession planning and training those at the lower levels to be able to move up to the upper levels of his management staff; looking at his workplace and his spatial needs over there and the limited capacity that he has. He keeps a log of his repair and maintenance, so he sees how he is doing as far as his backlog and how long vehicles and equipment have been in his shop. He is always looking to continue to improve that performance metric. Currently, he is looking at about four days as his turnaround time to get equipment in and out of his shop. Of course, safety is also a high priority department-wide, particularly in a shop like Dwayne's where they are working with a lot of power, pressure, and other equipment that requires use of Personal Protective Equipment (PPE) in order to maintain safety. Fortunately, he is averaging just one industrial accident per year, as he is keeping his costs down and morale up in that regard.

In looking at page 18 on the various charts and tables, you can see an increase there of about \$299,000 or 8.6%. A lot of this is driven by similar to when the Building Division made an attempt last year to budget to repair and maintenance of County vehicles in the respective agencies. After trying it for a while, it has been decided that it is more efficient for us to move that back into the auto shop. We are moving all of that back into the auto shop, as you will see a respective increase in that line item for operations. You can also see that there is an increase in salaries, wages, and benefits, in which those are all of course based on the negotiated union agreements. That is our presentation for the auto shop. I would be happy to entertain any questions.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: Thank you for your presentation. Are there any vacant positions listed? I am looking on page 286. I see a dollar-funded "Body and Fender Repairer," but I am wondering which ones are vacant.

DWAYNE ADACHI, Public Works Auto Superintendent: Dwayne Adachi, Automotive Division. Good morning, Council Chair and Councilmembers. We have one vacant auto mechanic position right now.

Councilmember Kagawa: What number is that?

Mr. Adachi: That would be 1337, I believe.

Councilmember Kagawa: 1337, Auto Mechanic I?

Mr. Adachi: 1332 is a vacant position.

Councilmember Kagawa: Where are we in filling that?

Mr. Adachi: We are working with HR right now to try to get the position filled.

Mr. Tabata: We are recruiting.

Councilmember Kagawa: We are recruiting right now? Okay. How fast do we expect that position to be filled if everything works out?

Mr. Tabata: There are no qualified applicants at this time.

Councilmember Kagawa: So we have to repost it?

Mr. Tabata: I believe it is continuous recruitment.

Councilmember Kagawa: Okay, so there are no other vacancies besides that?

Mr. Adachi: No.

Councilmember Kagawa: For body and fending repairs, have we done that for a while?

Mr. Adachi: Yes.

Councilmember Kagawa: For the past ten years or something?

Mr. Adachi: You mean repairing...

Mr. Tabata: Our own? Yes we do. We have one.

Councilmember Kagawa: Do we even do large jobs?

Mr. Tabata: We have welders in the shop too, so they work together.

Mr. Adachi: We maintain equipment like patching and painting and whatever we own. We make use of the body and fender.

Councilmember Kagawa: Okay. Do we have the facility?

Mr. Adachi: We do.

Councilmember Kagawa: Okay.

Mr. Adachi: Last year, we just purchased a 70 foot spray booth, so we are using that spray booth.

Councilmember Kagawa: Dwayne, I remember that last year in the budget, you were saying that you were looking at what ways we could open up another stall for the mechanic to work with.

Mr. Adachi: We are trying to get the second floor addition, so it is more storage for us so we can store tires and stuff that takes up a lot of space on the ground.

Councilmember Kagawa: Then that will open up another stall?

Mr. Adachi: Yes. We can use the space on the ground for vehicles and we could store the tires and stuff overhead.

Councilmember Kagawa: Okay. Sounds good. Thank you.

Committee Chair Kaneshiro: Council Chair Rapozo.

Councilmember Rapozo: Thank you for being here. I thought we were close last year to get the second floor.

Mr. Adachi: Yes, Engineering is currently working on that right now for us.

Councilmember Rapozo:                      Actively? Is it not a priority? Last year, it seemed like it was going to happen.

Mr. Dill:    Engineering has been working on it, certainly out of Dwayne's hands in that regard. We had hoped that it would happen right now, honestly, but due to other priorities, the Engineering Division just has not been able to complete it yet.

Councilmember Rapozo:                      Is that going to happen?

Mr. Dill:    When we speak to Engineering, if you do not mind, we can ask them specifically to that project and what their schedule is for that. It will happen this fiscal year.

Councilmember Rapozo:                      Are you sure?

Mr. Dill:    Yes.

Councilmember Rapozo:                      Usually, I have your last year's presentation—I did not do that this year, but that one I remember because we were all excited about that; you were very excited about that. We know that you do not have enough room down there. We have known that for many years, so I hope we can move that along. We will ask Engineering. The other question is that for auto maintenance, we have a separate tab here, which is from page 285 and 286, and that is where you list all of the positions, but on our budget page 215, it is in the Public Works' budget, the auto maintenance, and you are showing a line item of \$197,108 for regular salaries and the text is "Labor to Repair Equipment and Vehicles Including Police." What is that? In addition to the \$843,000...

Mr. Adachi:    You are looking at the General Fund first line item?

Councilmember Rapozo:                      Both of them are in the General Fund, but one is in the Public Works budget for auto maintenance; and then of course you have your own... the account I am looking at right now is "001-2077-624.01-01, Regular Salaries." Our page 215; they have different page numbers and I am not sure why that is even... we should have the same page number.

Mr. Adachi:    I believe that is the labor...

Mr. Dill:    Council Chair, you recall the audit that was done on the Highway Fund a couple of years ago, I believe. It was determined that any moneys how we fund revenues should only be spent on how we fund related expenses. Dwayne's shop is largely funded by the Highway Fund because a lot of his work is done on how we fund equipment and vehicles, but he also has a lot of stuff that he does on general funded vehicles like police cars. We created a line item so that whenever he does not work on a General Fund-type vehicle like that, that he bills his time to that General Fund Account.



Councilmember Rapozo: Okay, but on the budget that has all the positions, on the bottom is says, "Reduction for services to other departments or divisions," and you have a credit of \$277,000, almost \$278,000.

Mr. Tabata: Right.

Mr. Dill: So that gets reallocated out.

Mr. Tabata: Into the General Fund. We have another page that shows where the General Fund funding is and that is...

Councilmember Rapozo: Is this not all General Fund?

Mr. Tabata: No, this is all Highway Fund.

Councilmember Rapozo: Which one is Highway Fund?

Mr. Tabata: The whole auto shop budget is Highway Fund. The auto shop was previously part of the Roads Division and it serviced the entire County, and after the audit, we had to carve out the general funded portion of the repair and maintenance. When you see Solid Waste, they will have their funding in the Solid Waste. It is in there for Wastewater. All the other departments that are not large enough, we lump it into a general funded line item. Police bring their cars to the auto shop for us to do the maintenance and some repairs. They a line item on their own.

Councilmember Rapozo: So last year, it looks like your budget was... this year, \$107,750. Correct? For your General Fund?

Mr. Dill: Right, and then we found that it was not enough, so we had to increase it.

Councilmember Rapozo: Year-to-date, you only had \$20,000. It is way more than enough.

Mr. Tabata: There is a lag in payroll.

Councilmember Rapozo: How much lag?

Mr. Tabata: About six months.

Councilmember Rapozo: Six months?

Mr. Tabata: Approximately.

Councilmember Rapozo: So what is the amount? You are upping the thing almost double; you are almost doubling it. I do not see...

Mr. Tabata: Because of results that we got from last year.

Councilmember Rapozo: Where is the problem with the backlog?  
Somebody help me because it is not making sense.

Mr. Matsushige: James Matsushige for the record. The reason why that one increased was because when we were going back and forth and switching things around, for some reason, I missed adding the Police salaries to it, so for this year's budget, we have to find moneys, which I think we can covering other sections. So that we are not short next year, I added it to the budget. That is why it increased a lot because we have two dedicated mechanics to fix the police cars.

Councilmember Rapozo: So the two dedicated mechanics are part of the mechanics that is listed on your Highway Fund positions?

Mr. Matsushige: Yes.

Councilmember Rapozo: So the Highway Fund basically pays their salary.

Mr. Matsushige: Yes.

Councilmember Rapozo: When they do work for the Police, do you bill the Police?

Mr. Matsushige: Not the actual billing, but we do a general entry taking out of the money... I mean charging the expense to Police, which is in the General Fund.

Mr. Tabata: So what James is saying is that in the Fiscal Year 15 that we are in now, we short-funded because of all of this back and forth that we did not budget for last year, but we are accounting for it in Fiscal Year 16.

Councilmember Rapozo: Okay. Help me understand this: again, your budgeted amount was \$107,750.

Mr. Matsushige: Yes.

Councilmember Rapozo: Year-to-date expenditure and encumbrances are \$20,684. If you are six months behind, then even if you are six months behind thinking that \$20,000 is what your averages for... we are nine months into the budget, so if we are six months behind, this would be three months. For the Police amount, we do not charge by each job because there are two dedicated, so we are going to do a journal entry for the full amount at once. We will increase that when we finally do that general entry.

Councilmember Rapozo: How much is that?

Mr. Matsushige: Probably about \$90,000 something because it is two auto mechanics' salaries.

Councilmember Rapozo: Okay. Thank you. I will send something over in writing. I think I understand what you are saying, but this is not accurate, I guess, is what I am trying to say. We should be accurate, especially during the budget.

Mr. Matsushige: Yes, it is not accurate.

Councilmember Rapozo: Do you think we can get accurate?

Mr. Tabata: Well, that is where the electronic payroll system is supposed to... hopefully the goal is to be able to be more accurate and current.

Councilmember Rapozo: How long do we have that electronic payroll system?

Mr. Tabata: It is not implemented yet.

Councilmember Rapozo: We did not implement that yet? Does anybody know when we are going to implement that? That is alright. Nobody knows. Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura has a follow-up question.

Councilmember Yukimura: So to be more accurate, you would actually have to do something call "job-costing," right?

Mr. Matsushige: We do, but it is depending on how fast we can get the information from the repair shop.

Mr. Dill: I think we are accurate, but we are not current with the information when we presented it to you today.

Councilmember Yukimura: Really?

Mr. Dill: Because Dwayne, when he does a job on a vehicle, he tracks the costs against that vehicle.

Councilmember Yukimura: Both labor and materials, which is job-costing?

Mr. Dill: Correct.

Councilmember Yukimura: So you are actually getting accurate data, but you have a time lag?

Mr. Dill: Yes, in the way it gets recorded. That is correct.

Councilmember Yukimura: So the accuracy is not in question, but just the timing of the information.

Mr. Dill: Yes.

Committee Chair Kaneshiro: Council Chair Rapozo.

Councilmember Rapozo: You said that two of the mechanics are dedicated to the Police.

Mr. Matsushige: Yes.

Councilmember Rapozo: If you take the Police salaries for those two positions... because they are dedicated...

Mr. Matsushige: Yes.

Councilmember Rapozo: We do not have to wait for work orders or jobs because they are dedicated.

Mr. Matsushige: Yes.

Councilmember Rapozo: So the mechanic salary of \$51,054— basic math tells me that we automatically should have \$102,000...

Mr. Matsushige: It depends when we do it. We can do it at the beginning of the year, and then it would look like we spent the money early...

Councilmember Rapozo: You are asking me for double your budget. I think it would help to... it says, “Year-to-date expenditure and encumbrances.” “Encumbrances” meaning money that you need to put there, right? We have to put it there. We have no choice. It is encumbered.

Councilmember Rapozo: I do not understand how we can be six months behind because it is real simple. You just take the encumbered money, your double salary and the benefits, and you put it into that account.

Mr. Matsushige: I know what you are saying. We can start doing that on a monthly basis.

Councilmember Rapozo: Yes, or do it annually because we have to put the money there from what I am hearing anyway.

Mr. Matsushige: Yes.

Councilmember Rapozo: Okay. Thank you.

Mr. Tabata: To answer that question about the mezzanine, the bidding for the repair, the construction, is supposed to go out by the end of this fiscal year; the bid package.

Councilmember Rapozo: For what?

Mr. Tabata: For the construction of the mezzanine floor.

Councilmember Yukimura: The second floor storage.

Councilmember Rapozo: Okay, that is different. You threw me for a loop there. Got it. Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: Back to the payroll thing— James is gone, but if those two mechanics are used only for police work... no?

Mr. Adachi: Basically, they get paid by Roads' salary... they are paid by the Highway Fund.

Councilmember Yukimura: Yes.

Mr. Adachi: When we do work for the Police Department, we get reimbursed from the department for the work that we do. Based on the vehicles they bring in and the repairs that we do, that is what we get reimbursed from them for the time we spend repairing their vehicles. It is not a fixed amount every month, depending on how many vehicles they bring for repairs.

Councilmember Yukimura: They must do other work as well then?

Mr. Adachi: They do.

Mr. Tabata: Yes.

Councilmember Yukimura: Which they can do because they are Highway Funded. If they were solely only for Police, you would have some accounting problems.

Mr. Dill: Their first priority is Police, I guess, is a better way to put that. Dwayne, how much do you think their time is spent on police cars?

Mr. Adachi: Eight hours a day normally.

Mr. Dill: So 90% of their time is police work?

Mr. Adachi: Yes. I would say 95%.

Mr. Dill: Okay.

Councilmember Yukimura: Okay. The way that you have chosen to do the accounting is they are part of the highway budget and therefore can do highway work as well, but to the extent that they do police work, you are being reimbursed

by the Police Department, so essentially you are not spending Highway moneys to pay for work on police cars.

Mr. Tabata: As we go and experience each year moving forward after that audit, and we had to carve out, we are going to get better and closer. I believe two years ago, Dwayne did a presentation showing that we have not increased the manpower or shop space since the 1970s, but the fleet has grown 300%. I believe we stated that.

Mr. Adachi: Yes. The police fleet vehicles since 1980 has increased about 300%. The workload on us for us to maintain those vehicles is a 300% increase in workload.

Councilmember Yukimura: As we move toward the situation where police use their own cars, is your maintenance work going to increase?

Mr. Adachi: It is reducing.

Councilmember Yukimura: It will reduce your work because they will get compensated for maintaining.

Mr. Adachi: Right, we do not see those vehicles.

Councilmember Yukimura: So there will be some drop in that.

Mr. Adachi: Yes.

Mr. Tabata: It will reduce your work? Just for keeping track of what he does and the work that they have put out is an accomplishment that I believe Dwayne and his people altogether should be credited for, for keeping the fleet out there.

Councilmember Yukimura: No matter what the proportion of work is; keeping track is the main thing

Mr. Tabata: Yes. He does a very good job. I send out a weekly update of status to all the departments that we serve.

Councilmember Yukimura: Okay. Thank you. I have other questions, but not on this.

Councilmember Rapozo: Please do not take our questions as inferring that we are not satisfied with the work. All we know as we go into deliberations is what we are provided, so we are not privy to know what goes on in the individual departments like you folks do. When we see something like that, I think it is responsible as well to ask the question. You have not spent one-fourth of the budget and yet you are asking to double it, so I think that is a fair question. Not me, but you said that that was dedicated to the Police Department. "Dedicated" to me means "that is all they do." So that is why I ask the questions that I asked because we have to make some tough decisions. I appreciate the answers. Dwayne, you always get commendations every year you come up here because what you do with

what you have is insanely ridiculous. We talked about giving the police their own facility and their own mechanics because of that. Maybe we are getting to the point where that is going to be necessary. I do not know. I appreciate what you guys do. Thank you.

Committee Chair Kaneshiro: I have a question. It came through on the presentation a few times, but the inadequacy of the facilities conditions— can you say anything more on that? I know there is a big line item for roofing. Is that going to satisfy the conditions or is it a combination of others?

Mr. Tabata: We have multiple issues. Part of it was trying to increase floor space. Two years ago, I believe Dwayne came in with a proposal where, for one, we just moved the column and he gained an extra bay. There are a lot of things, and then he was asking for this mezzanine. When he came in, we said, “Okay, let us look at it.” We had Engineering working on it. Like I just mentioned, it is going out to bid by the end of this fiscal year and that should greatly improve his floor space. We also have some money that we put in into the Roads budget to look at resurfacing some of his shop areas...

Mr. Dill: Whose budget?

Mr. Tabata: I am sorry, Dwayne’s budget for resurfacing and fixing up around the facility, so that they are working on a good, solid surface. Then the roofing— we are looking to repair whatever we can versus replace the whole roof. People might say it is a “band-aid” but that is what we can afford right now.

Mr. Dill: So we have \$150,000 in roof repairs and \$180,000 in lot repaving.

Committee Chair Kaneshiro: So we are moving more towards being adequate?

Mr. Dill: Yes.

Committee Chair Kaneshiro: Okay. I have another question. The diesel budget went down \$88,000. Is there a reason for that?

Mr. Adachi: Just the reduction in fuel costs pretty much. That fuel cost fluctuates, so sometimes we might be short and sometimes we might have a little bit extra, but it should all balance out in the end.

Committee Chair Kaneshiro: I was not sure if we were doing something different to get away from diesel. It is just based on the cost. Thank you. Councilmember Kagawa.

Councilmember Kagawa: Thank you. I want to echo what Mel said about the work that you guys do. *Mahalo*. I have seen it with my own eyes, as I used to work for the County in the 90s and the amount of cars compared to in the 90s is just unbelievable how much we have now. There are white cars all over the place, but times have changed. Your staff has not grown that much compared to...

Mr. Adachi: It is the same guys.

Councilmember Kagawa: Yes. Thank you for your work. Where does the gasoline show up? What line item? Is that page 288, the gasoline for \$430,000?

Mr. Tabata: Yes.

Councilmember Kagawa: Last year, we had \$427,000, so we have a \$3,000 increase. I know there has been a bunch of accusations or what have you about employees stealing gas and I just wanted you to clarify if there is a process that when you fill up gas, there is some kind of internal control where we are making sure that the gas is going to a vehicle and the vehicle is logging how much miles they have at the time that they are filling, so that if they are audited, one could see that, "Okay, the amount that they are filling up matches with the previous time that they logged in the miles." I am not expecting you guys to perform the audit, but I am just saying that it is the job of accounting or what have you when the CPAs are called in that if they do testing, they would be able to see whether in fact there are some unusual circumstances in gas. I am wondering, have we done any improvements to what we had?

Mr. Adachi: All you are asking is what the fuel master system can provide for us right now. We use an electronic system to control the dispersing of fuel from the dispenser pumps that we have. So every transaction is logged electronically. We know who the user is and how much fuel they took into what vehicle the fuel went. We have all of the information stored in the system, so we can retrieve reports from the system to satisfy whatever questions come up about where the fuel went.

Councilmember Kagawa: Is the system already in place?

Mr. Adachi: That is what we have right now.

Mr. Dill: That is a recent system that was just in place... how long ago, Dwayne? A year ago?

Mr. Adachi: Two years now.

Councilmember Kagawa: Okay. Good.

Mr. Adachi: We had a system before that we used to use that was old and obsolete, so we had problems with support from the manufacturer and problems with consistency of the reports because of the equipment failure. So we were in the process of looking for a system to replace what we had. Two years ago, we found this system and we replaced our old system with this new system. Basically, it is the same thing: it controls the dispersing of fuel, records the transaction, and logs all of the data in the database; in the computer. It will not allow fuel to any unauthorized personnel. If you do not have a fuel card or a vehicle that is a County vehicle authorized, you cannot get fuel.



Councilmember Kagawa: Yes, because in the old days anybody could just fill up by writing down your vehicle and mileage, but now without that fuel card authorization, you cannot fill up.

Mr. Adachi: Yes, you cannot fill up.

Councilmember Kagawa: Also, if the employees need to fill up gas cans for lawnmowers or what have you, can they fill it up and attribute it?

Mr. Adachi: Yes, with the same process. We have authorized five-gallon gas cans that we fill five gallons at a time.

Councilmember Kagawa: Would that be a separate log from the one like say they fill up their truck, and then they needed to fill up the gas cans. Would they just fill up everyone at one time or would they...

Mr. Adachi: The cans can only get five gallons in 24 hours.

Councilmember Kagawa: Okay.

Mr. Adachi: You can get five gallons a day.

Councilmember Kagawa: Okay, so it is a separate transaction to fill up the can.

Mr. Adachi: Yes.

Mr. Tabata: The individual is held accountable for the volume.

Mr. Adachi: That is a manual log that we keep. That is the only way we can do that.

Councilmember Kagawa: Thank you.

Mr. Dill: The vehicles have an electronic receiving module, so when you fill on it, that automatically records it. The cans do not have that, so that is a manual log, but we still know who the person is that is pumping the fuel. We keep track from that standpoint.

Councilmember Kagawa: Thank you. I think having the proper controls built it is the deterrent in itself, so *mahalo* for that upgrade.

Committee Chair Kaneshiro: Any further questions from the members?  
Councilmember Kualii:

Councilmember Kualii: I just have a quick one. I noticed on the charge-back portion to General Fund, there is a line item of "Car Washes" for \$20,000 under "R&M Vehicles," but in the main budget, the Highway Fund part, I did not see anything along those lines. Do we have like a car wash on site?

Mr. Adachi: We have a car wash program right now. What we did was we contracted the services of Suds Car Wash, so we entered into an agreement with them for washing about 180 vehicles a month. We issue tickets for car washes.

Councilmember Kualii: But the \$20,000 I see on this one side budget; that is the Police portion. Where is the rest in the bigger budget, Highway Fund budget? In the Police, you have it under "R&M Vehicles" where you have "Parts and Supplies for Equipment and Vehicle Repairs" at \$75,000 and car washes at \$20,000. In the bigger budget, the Highway Fund piece, under...

Mr. Adachi: The car washes is a general funded item, \$20,000, but Police vehicles are not included.

Councilmember Kualii: So that \$20,000 represents all the car washes?

Mr. Adachi: County vehicles.

Councilmember Kualii: Of County vehicles, 180. Okay. It seems so small. Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: Thank you. The Budget Chair asked the question about the roof, which I was interested in. You have it as a success and achievement that you have fixed roof leaks and structural repairs. Is that something you have done over this past year?

Mr. Adachi: Roof leaks are an ongoing thing. What we have done was we have temporarily repaired the leaks we had, just to immediately address the issue, but for long-term, we need to seal the whole roof.

Councilmember Yukimura: Well, should you not do that before you create a mezzanine?

Mr. Adachi: Luckily for us right now, the area where we are planning to construct the mezzanine is not leaking.

Councilmember Yukimura: It is not leaking? Okay, that is good.

Mr. Adachi: Yes, so we will be constructing in a non-leaking area. Basically, what we need to do is seal the whole roof.

Councilmember Yukimura: Right. Have you found out how much that would cost?

Mr. Adachi: Roughly, \$150,000.

Councilmember Yukimura: But that is nowhere in the budget right now.

Mr. Dill: It is.

Mr. Adachi: Yes, it is.

Councilmember Yukimura: Okay, it is. Excuse me. Is that in CIP or special projects?

Mr. Dill: It is in the Auto Shop Operating Budget. There are two items there that I mentioned earlier: the roof repairs and lot paving.

Councilmember Yukimura: Okay. I was not here in the beginning.

Committee Chair Kaneshiro: Page 287.

Councilmember Yukimura: Okay.

Mr. Adachi: Roof patching and lot paving.

Councilmember Yukimura: Okay, so you are getting that done. Wonderful. Thank you. Sorry. Your lack of qualified applicants, which I think you have cited as an ongoing problem— is that because there is no people on the island with the skills that you need or because the working conditions, including salary, are not enough to attract people to apply for the job?

Mr. Adachi: I cannot say. I am really not sure.

Councilmember Yukimura: Well, do you not know of anybody on Kaua'i that have the skills that you need?

Mr. Adachi: We have had successful recruiting in the past for this position and the same requirements still apply, so I am not really sure why there is a lack of applicants now.

Councilmember Yukimura: One of the thoughts to my naïve perspective is, is the community college turning out enough people in this area because I know they have a pretty robust program.

Mr. Adachi: Basically, what we are looking for are truck and heavy equipment mechanics.

Councilmember Yukimura: Kaua'i Community College's (KCC) program is mainly vehicles.

Mr. Adachi: Yes.

Councilmember Yukimura: So truck and heavy equipment. I know that when the plantations were alive, there were those kinds of mechanics.

Mr. Adachi: Right, but things have changed since the plantation days because of the technology now and the evolution of the diesel engine

and truck. The repairs are basically the same as an automobile in that it is computerized and everything, so maybe the qualifications might be a little bit higher now for a truck mechanic than in the past.

Councilmember Yukimura: Well, many, many jobs are like that, which is why we are encouraging our young people to go beyond high school education. Have you thought to put your announcements out at schools where people are being trained for this, whether it is in Honolulu?

Mr. Adachi: If we continue to have a lack of applicants, we may have to go that route.

Councilmember Yukimura: Yes, because it is a critical piece for our County in terms of our operations. I would encourage you to look at everything possible. Now you have under your goals and objectives, and Dwayne, you were far ahead of anybody else in Public Works, which is why we took notice when you first came forward with your measurement system of turnaround time and so forth. We have all been really impressed with that and I noticed that you know last year you were at 80% in terms of repair and maintenance service interval on time completion percentage and also average vehicle and equipment repair turnaround time at 4 days. I am not sure if your industrial accident rate currently averaging 1 per year—was that true last year, too?

Mr. Adachi: Last year, I think we had two.

Councilmember Yukimura: So that is an improvement.

Mr. Adachi: Yes.

Councilmember Yukimura: Do you think that you have peaked in your performance or do you think that there is still room for improvement? I understand that as you get closer and closer to the 100%, it gets harder and harder. I was just wondering.

Mr. Adachi: I do not think we can... 4 days... I think you are looking at an average like there are many different types of repairs that come through and some of them can get done in one day and some of them take longer. I think at 4 days, based on the procurement process and availability of parts on the island, I do not think we can realistically expect more than that. Our goal is to strive to meet that 80%. That is the challenge just to stay at that level.

Councilmember Yukimura: Yes, especially if you have a greater workload. Thank you very much. It is your department that tracks County fuel use and includes Police, right? It includes everybody.

Mr. Adachi: It does.

Councilmember Yukimura: With this new system now in place, you feel that we are getting a pretty accurate accountable fuel usage.

Mr. Adachi: I believe we are, yes.

Councilmember Yukimura: That is a great improvement from about 4 years ago.

Mr. Adachi: The system we had before was obsolete, so we were having a hard time just keeping the system running.

Councilmember Yukimura: Right.

Mr. Adachi: I think with this new system, we plugged a lot of the holes and the system is reliable and working the way it is supposed to.

Councilmember Yukimura: That is good news. Thank you. I think that is all the questions I have.

Committee Chair Kaneshiro: Are there any further questions from the members for automotive? If not, thank you, Dwayne. Good job. Next up, we have Engineering and it is my hope that we can get through Engineering before lunch. It is my hope.

Councilmember Yukimura: It is good to have a goal.

Mr. Dill: Joining us now is Michael Moule, the Chief of the Engineering Division. Again, I am reading from the beginning of their section of the report: "The mission of the Engineering Division is the protection of the public's health, safety, and property, as well as the environment through proper planning, design, development operation and maintenance of the County's infrastructure and through administration of the sediment and erosion control storm water run-off system driveway approach, land use, and complete streets codes, resolutions, and ordinances." The Engineering Division is basically a regulatory agency. They review many submittals for subdivision plans, roads, drainage systems, etcetera, that come through and also play a part in the building permit review process. They also take care of floodplain management ordinance; all of these things that are regulatory in nature, so they spend a lot of time reviewing and approving these items so that these projects can get out and people can proceed with their projects. The first bulletin under "Successes and Achievements" is significant in that they have done an excellent job in reducing their review time specifically for subdivisions that developers come in with. A lot of them, for whatever reason, have been sitting in past and had not made a lot of progress. Under Michael's leadership and new staff there, we have that turnaround now down to 30 days or less for review, which is quite a significant achievement. They have also processed the grading permit numbers, road permits, and driveway permits, etcetera. Also listed in your report— I am not going to go through all of these in detail. A lot of them are CIP types of projects, so we can cover those during the CIP portion of the review if you are interested in that. The Engineering Division is a workhorse for managing and getting out on the street; a lot of our CIP projects. They would handle the majority, I would say, Countywide. We have done a lot of work and this is partially thanks to our current Managing Director's proposal when she was a Council member to get a Transportation Planner on board. Having filled that position, we have seen a lot of greater synergy and interaction between the Planning Department and the Public Works Department. It has

realized some goals as far as getting new projects done in a different manner and getting done more efficiently, and also leveraging some funds that we had not been able to take advantage of in the past. One of the big projects that the Engineering Division is pushing forward with is implementation of complete streets. We are working on a Living Streets Manual, which has been in the works for a while now, but we hope to bring that to fruition, hopefully in the next fiscal year. That is going to be consistent with the Planning Department's efforts to move forward with their form-based code updates to the Comprehensive Zoning Ordinance, so it will be consistent with them, working side-by-side with them on both of those efforts. The department also does survey work, as you can see a number of surveys listed there on page 21, specifically that the Engineering Division has assisted with or provided to support the Engineering Division, but also other agencies that are doing survey work.

On page 22 are some of the challenges. As I mentioned with other divisions, staffing has been a challenge for this division. We lost about five engineers all at once in 2013, and then a couple more in 2014, but those positions have been largely filled. I think we have got one more to fill, I think, and then we will be fully staffed. Is that correct? Two more? Okay. Thank you. We do have somebody on an extended medical leave now, which makes it a challenge for us to fill the work that was being done by that position. We do see that due to the recent turnaround in the economy, there is an increasing number of projects requiring our review and inspectional services, so getting us fully staffed in the Engineering Division is important for us in order to be able to keep pace to support that and support the economy moving forward to get those projects out. So far, they have been doing a good job of that. I think there are more projects to be done and more reviews coming down pike as well that we see. Another thing that I want to mention, that under Michael's leadership again, we have been proposing, supporting, and encouraging him to try to do more work in-house. The Engineering Division used to do a lot of the smaller projects in-house like the design work, and we are seeing that happening again now, thanks to new staff that are there and new leadership. A good example was that last week, we did the blessing ceremony for the collector roads resurfacing project, a federal highways funded project, that thanks to our ability to get that out ourselves, we do not have to go through the procurement process. It is a relatively small project from an engineering perspective. We can get that project out and satisfy the Hawai'i State Department of Transportation (HDOT), as well as Federal Highway's criteria, and get the plans approved and get that out onto the streets in a relatively quick manner, which allows us to take advantage of Federal Highways funding that may be available on fairly short notice at the end of their federal fiscal year. So that is something that we are able to get a \$2.7 million dollar project out, 80% federally funded, and we are hoping to do the same thing again with another collector roads project by the end of this federal fiscal year. I think I have kind of summarized most of those: improving in-house design capabilities, implementing complete streets, and revamping our survey capability. We have a succession plan issued there, coming up probably within the next year or two, if not sooner. We are also looking at reviewing of permit fees. Many of the fees that we charge in Engineering have not been updated for quite some time, so we are in the process of reviewing those fees to see if there is an opportunity if it is appropriate for us to look at those and increase those.

In looking at page 23, the charts and graphs, you can see an increase of \$42,000 on their \$1.8 million dollar budget; about a 2.3% increase. You can see that is basically due to salaries, wages, and benefits, due to union-negotiated contracts/agreements. Operations actually reduced, as you can see that we reduced the number of software licenses necessary to support the Engineering Division. We did some work this fiscal year that are not in next year's budget; purchasing some traffic counters and replacing the office carpet, which was done this fiscal year, so it is not going to be in next year's budget. That is my quick overview of the Engineering Division in order to help us get done by lunch. I will be happy to entertain any questions.

Committee Chair Kaneshiro: Are there any questions from the members?  
Councilmember Kagawa.

Councilmember Kagawa: Thank you, Chair. I am looking at the vacancies and 1429 is an Engineering Support Technician II, and it says that we are recruiting for that position right now?

MICHAEL MOULE, Chief of Engineering: My name is Michael Moule. I am the Chief of the Engineering Division. Thank you, Councilmembers and Chair, for having me today. It is actually the Engineering Support Tech III position. There is a little error on that.

Councilmember Kagawa: Okay.

Mr. Moule: But we are recruiting that position. We will be filling within a week or two.

Councilmember Kagawa: Did you pick somebody out?

Mr. Moule: We have gone through the recruitment process and we picked somebody, but now we are just waiting on the final...

Councilmember Kagawa: Does that person have to be an engineer?

Mr. Moule: No. They have to have engineering-related technical experience, and equivalent education and experience for so much technical experience, essentially.

Councilmember Kagawa: If it is a III, obviously there is some kind of experience needed.

Mr. Moule: Yes, it requires a certain level of education and experience in technical work, but not actual engineering work, if that makes sense. It is more analysis and number crunching, but not actually doing engineering itself.

Mr. Dill: The candidate is a strong one that he is actually interested in growing into the Engineering series. He has a Math and Physics, I think.

Mr. Moule: That is correct.

Mr. Dill: He is very well technically qualified and a good guy to grow into our Engineering Division.

Mr. Moule: Once that takes place, we just have one vacancy left and we will work on that one, too.

Councilmember Kagawa: The Civil Engineer V, SR-26— what is the status on that one?

Mr. Moule: We are about to go into the recruitment process on that position.

Mr. Dill: Yes, we are just about to post for that one. For that one, we lost a Civil Engineer I, who had just been promoted to a II, I think.

Mr. Moule: Yes.

Mr. Dill: That is another example of a construction company locally that needs staff and looks to the County to fill that need. He just left our employment to go to the private sector, so we took a look at where we are in the Engineering Division and where the needs are, and we reallocated that from a II to a V, so we are hiring at the V level; that will be just going out. We just lost an individual... when did that person leave?

Mr. Moule: February 15th.

Mr. Dill: So just last month, so it is a pretty recent vacancy.

Councilmember Kagawa: Who left that position?

Mr. Moule: Lance Delos Reyes.

Councilmember Kagawa: Okay. We have some people in the public watching and they are saying that salaries are not the issue about vacancies; they are saying there is another problem. When I look at a Civil Engineer V— my dad was a Civil Engineer as well, and at \$60,000, that just seems very low to me. That is why I have some issues with like Police and Fire, their beginning officers and firefighters are making more than this kind of position, education, and skill. That is why I wish the County had more say in the Fire and Police salaries because to me, why go to school if you can be police or firefighter? To pass a license for a Civil Engineer is very difficult. Would we require a person that is a Civil Engineer V to have that license?

Mr. Dill: Yes. Everything from a Civil Engineer IV and up requires a license.

Councilmember Kagawa: I think salaries are an issue.



Mr. Dill: Councilmember Kagawa, if you look, position 1434 is also a V and because at SR-26 is a range there, that one is higher on the range at \$81,000.

Councilmember Kagawa: Okay, so this might go up a little bit.

Mr. Dill: Yes.

Councilmember Kagawa: You are saying it is a III and it is going to go up— wait, it is listed as a V...

Mr. Dill: No, it is a V.

Councilmember Kagawa: But there is a range.

Mr. Dill: Yes, correct.

Councilmember Kagawa: The rest are all dollar-funded, so I will not ask about those. For those positions, are you just going to go with your staff for now? Is that the reason for the dollar funding?

Mr. Dill: Correct. The dollar fund allows us if we have a project that can fund them, then we can pick them up under the dollar fund and then we fund them out of the project instead of the General Fund.

Councilmember Kagawa: Okay. My last question— the engineering lapse for 2014 looking at the CAFR, about \$368,000 for 2014. I am wondering in general if that is because of vacant positions or...

Mr. Moule: Yes, it is largely because of the vacant positions. We had these vacant positions for all this time and we had to keep them funded, so there has been a lot of savings this year.

Councilmember Kagawa: Thank you.

Mr. Dill: Nearly all of that is salary-related and benefits-related.

Councilmember Kagawa: Thank you for your work, Michael.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: Thank you for being here, Mr. Moule. I am just looking at the amount of projects that were discussed here and it was quite a few, so you must have your hands full and need to get these positions filled. My question is regarding sort of a broader perspective and I guess it would overlap the Planning. There have been a lot of questions with the current community plans that we have been looking at recently about drainage as related to roads and so forth. My question was about how do we take that broad perspective in Planning from an engineer's perspective— I have read that there is a need for plans and surveys to be done on a much larger scale. For instance, when it comes to drainage

or water management—I wanted to get a better sense from you on how we intend to address that on the front side of any growth.

Mr. Moule: I am not sure I fully understand the question, but I will try to answer. With respect to drainage issues and storm water control, every project that is done, whether it is a small project or a large project, it has to comply with our drainage standards. Now, the challenge I think is that with small projects, there are not significant requirements. If you have a bunch of small projects in one area, it is difficult to see the cumulative effects and calculate that. This is a problem nationwide, honestly, with storm water is that the larger parties will address their issues more clearly, but the cumulative effects of a few houses going in and driveways being paved and all of those things is a challenge to continually monitor the way both here and Kaua'i, and really all over the country, storm water management system.

Councilmember Chock: So do we typically hire a consultant to look at a region when we do something like that? I always feel like we are not as proactive, but what you are talking is that we have this cumulative effect of not being able to see our waterways managed properly or the drainage, and then we end up with issues. I just want to know what it is we are doing proactively in order to address that.

Mr. Moule: With respect to some of the Planning documents from the County Planning Department, we do not do a large-scale study of the entire area. In those cases, they are often recommending or there is discussion of areas for future development. When a big subdivision comes in, they will do a large drainage master plan that will look at that area. We do not do it directly with respect to the Planning documents from the County Planning Department, but for the large-scale projects at least, it is covered reasonably well through the normal review.

Councilmember Chock: Okay. I just think that it is a growing concern as we look at the continued growth and being able to look at it from a whole watershed perspective, as it is already outlined in plan as I read it, but no real solution was actually offered in it.

Mr. Moule: At this point, I do not think so. We could look at that changing it, as we do with Planning documents in future potentially, working with Planning on having part of that document be a drainage study.

Councilmember Chock: Thank you for letting me bringing it to your purview. Thank you.

Committee Chair Kaneshiro: Are there any other questions from the members? Councilmember Yukimura.

Councilmember Yukimura: First, I have a follow-up on Councilmember Chock's question. Do you mean to say that governments do not do neighborhood drainage or town drainage plans? Then, as part of that plan setup site requirements for each lot?

Mr. Moule: If you are speaking of existing neighborhoods and older neighborhoods where there might be some vacant lots, we do not go back and do that. I think that these days, most developments are occurring in new subdivisions where that is done as part of the subdivision review process and plan review.

Mr. Dill: If I may add to that, our County has not done a master drainage plan and there are jurisdictions that do that. The closest we come to that are large developments like Kukui'ula and Grove Farm, where they do master plans (inaudible) that they send to the County where you get approval and we make sure that they manage their drainage in accordance with that. On more of a micro scale, whenever any development comes in, we review it for drainage to make sure it complies with our floodplain management ordinance. We do not have an overall master plan of drainage for the entire County.

Councilmember Yukimura: Well, I remember that being on the 6-year CIP plan for many years, and then somehow it got dropped. In days of yore, there used to be major cementing of riverbeds and so forth, which is not a desirable solution long-range. But I ask my question to see whether the planning technology has evolved such that now using natural drainage ways, you do not create an overall plan for a town or neighborhood. You do you same for new developments; all new developments have to create it, and when they do, is it not the basic rule that they cannot allow any overflow to go off property?

Mr. Moule: The general rule is that the predevelopment drainage condition, the amount of flow off the property should not be more than the predevelopment; post development should be no more than predevelopment. That is the general rule of thumb with drainage and including in our storm water manual.

Councilmember Yukimura: We had testimony on the South Kaua'i Plan that drainage in Po'ipū affecting our public property of Po'ipū Beach Park is an issue and that the South Kaua'i Plan is not complete without solving that drainage problem. I think that is some of the origin of our concerns with drainage. I guess we are asking whether the Engineering Division or Public Works in any way can impact or bring about the kind of planning and implementation that is needed to solve that problem. Is that in our CIP somewhere?

Mr. Dill: It is not our CIP to do anything specifically about the South Kaua'i Community Plan, but we will work with Planning on that and look into it and see how we can support it.

Mr. Moule: Of course, in as much as the proposed development in that plan is larger-scale projects, there will be detailed drainage studies that need to be done and have to address that, and any additional run-off has to be dealt with not increase the flow, and that is being pertained, treated, and all of that for large-scale developments.

Councilmember Yukimura: Except that it is already happening, so if it is the baseline run-off, then based on what you said the standard is, nobody is going to have to address it.

Mr. Moule: Yes and no. There is a good example; for example with Kukui'ula, with their project, they are retaining water that would otherwise have not gone through their property. They have actually done more than the minimum, essentially, or taken it away... the flow off their property is similar, but they are taking it away from areas where there were. In Kōloa Town for example, flooding issues— in larger projects, often times you will see more done essentially because the way to make it work is to detain it property as opposed to running off and (inaudible) natural flow that might have been worse actually.

Councilmember Yukimura: So it represents an opportunity to actually address some of the ongoing problems, as long as we who regulate and review their plans can make sure we maximize or optimize the opportunity.

Mr. Moule: We do tend to know where some of these biggest challenges are, like you mentioned Po'ipū Beach Park; we are aware working with the Roads Division that yes, there is a drainage problem there existing, so if there is an upstream development, we would say, "Okay, this is something that we need to make sure we are addressing, and as much as we can, reduce the existing problem will do that with working in working with the developer.

Councilmember Yukimura: Okay. Very good. Thank you. That was a follow-up to Councilmember Chock's question. On my list of things that I want to ask, first of all, I just want to commend you for the work that has been done. I appreciate the detail that has been given here in your presentation and report, and as Councilmember Chock said, it reflects a lot of work done. Thank you for that. Your review of subdivision plans is below 30 days now on the average.

Mr. Moule: On average, yes. Some larger ones will take longer.

Councilmember Yukimura: Yes.

Mr. Moule: But typically, if there is something longer than 60 days, it is very unusual. We just had one that got lost in the shuffle the other day and I was really embarrassed honestly because it just got buried and never was reviewed and it was months old. I told the developer, "Look, if you ever give something that is not back to you in two months, call us immediately because I do not want this to happen again." This was something that we started long before I got here honestly. Stanford Iwamoto in the office taking over regulatory review— that is where it really started getting improved and we have maintained that since I arrived, and like I said, I want to keep it that way and we are working hard to make sure of that.

Councilmember Yukimura: It is a very measurable improvement, so thank you. I did want to ask what your baseline was prior to this attention and new programming. How many days was the average day of turnaround?

Mr. Tabata: We are somewhat embarrassed to say.

Councilmember Yukimura: You can be embarrassed, but you can also, I presume be proud because you have cut it down so much.

Mr. Tabata: Right.

Councilmember Yukimura: Well, just tell us. I think Larry once mentioned it, but I forgot.

Mr. Tabata: We had some projects in excess of 300 days.

Councilmember Yukimura: Okay. So 300 days is 10 months and now you are down to less than one month.

Mr. Moule: On average, a month or two.

Councilmember Yukimura: Yes, on average.

Mr. Tabata: Let us qualify that— it is per review because some consultants come in with plans that need multiple reviews.

Councilmember Yukimura: Yes.

Mr. Moule: Right.

Mr. Tabata: So for us, they have turned it around within the 30 days for each review, so we send back comments and they send their drawings back for re-review, and then if they miss things, we have to send it back again. In some instances when we first came in, there were plans in excess of.

Councilmember Yukimura: Some of the horror stories from applicants are that the County has told them “this and this and this needs to be changed,” then they change it, resubmit it, and there is another list of “this and this and this has to be changed.” I am hearing that you are not doing that to the applicants, that you are trying to give them a comprehensive report back, unless there is something that is contingent on them doing something else. In general, you are doing your part in a responsible way and not just dragging them on and on, giving them a little at a time of what needs to be changed. That has been a complaint in the past. I just want to let you know that when Robbie Alm was the head of the Department of Commerce and Consumer Affairs (DCCA), he took on a challenge from the Chamber of Commerce. At that time, business registration took 20 weeks or five months, and under his tenure, they got it down to 20 days. Then, they got it down to three days for an accelerated review where people were willing to pay another \$100 or something, but because they needed it quickly for some reason. So you are not the only one to have dealt with extraordinarily long timeframes, but the main news is that you are reducing it. Thank you for that. In your Operating Budget, you talk about a cut in software.

Mr. Dill: Number of licenses?

Mr. Moule: Actually, not number of licenses. The main software expense we have is for AutoCAD Design Software. This current fiscal

year, we had... I do not remember the exact amount, but a larger budget for software licenses and we are just working on using the budget that we currently have to purchase enough licenses that will keep us for the foreseeable future with new licenses. Five AutoCAD licenses is what we are looking at getting. Once we have done that, the way licenses currently work is that you pay a maintenance fee every year, essentially a subscription every year, and then you no longer ever have to buy brand new licenses again. From a County perspective, it is much easier and ultimately cheaper, if you are going to replace software every few years anyway, to budget for the subscription that includes the upgrades to the latest software once it is created.

Councilmember Yukimura: Right.

Mr. Moule: We are buying a couple more licenses using our current budget because we have that money, and then we budgeted for next year enough money to maintain the subscriptions for the future. That is what we have done with that and that is why it is lower because we do not need to buy new licenses in the next year. We have a little more money in case we need to buy something else and if there are other kinds of software we may need, but we reduced it a lot because we did not need as many new CAD licenses of the main AutoCAD type.

Councilmember Yukimura: Okay, that sounds very efficient. You say you have additional staffing challenges due to extended medical leave. I am just curious as to what the options are available to departments where this happens. Are you able to hire temporarily or does it mean that everybody in the office just has to cover? How does that work?

Mr. Dill: We have not arrived at a solution for that yet. It is a fairly recent occurrence that happened with this individual and we have been working with HR to try to find out what our options are in that regard.

Councilmember Yukimura: I see.

Mr. Moule: The other problem in this case is that it is an off and on again thing. This individual is able to work some, but it is inconsistent. Honestly, the challenge is that the health issue is not fully known, so we are trying to work that out.

Councilmember Yukimura: I see.

Mr. Moule: Hopefully we will have a sense, one way or the other, soon enough so we will be able to move forward. We just have not (inaudible) because it is still in flux.

Councilmember Yukimura: I have some questions about the feasibility study for the Līhu'e/Hanamā'ulu *mauka* bypass, but I can ask it when we come to the CIP.

Mr. Dill: Please, yes.

Councilmember Yukimura: Wailana Bridge— I just wanted to know where that is. I am sorry, I do not have any point of reference. I think you mentioned it.

Mr. Moule: The Wailana Bridge is the pedestrian bridge that connects the park to Kōloa Town. It has gone to bid and I think we are waiting for the shop drawings and things from the contractor, so we can approve their final design of the structure and get that built. They are going to take off that old wooden structure that is attached to the main road bridge and rebuild it so that it is a completely independent structure for pedestrians on the same side of the road.

Councilmember Yukimura: That is the bridge that comes at the entry to Kōloa Town that connects the park with the commercial town area.

Mr. Moule: That is correct.

Councilmember Yukimura: That would be much appreciated by the residents. Will that be done before the next Kōloa Town Celebration?

Mr. Moule: When is the next Kōloa Town Celebration?

Mr. Dill: Summer.

Committee Chair Kaneshiro: The ending of July.

Mr. Moule: It could be. I cannot promise, but I think it could likely be done by then. We should look at that and see if we can make that happen.

Mr. Tabata: It will be updated in the CIP.

Councilmember Yukimura: Okay, great. I think that is all I have. Thank you.

Committee Chair Kaneshiro: Councilmember Kualī'i.

Councilmember Kualī'i: Thank you. Just a quick one. Can you explain the helicopter rental requirement for aerial inspections and whether you have access to the County helicopter, whether you are working with other departments like Real Property Tax and Planning that are doing some new software, pictometry, and what have you, and taking advantage of new technology? What is that?

Mr. Moule: It has not happened since I have been here, but in the past we have rented a helicopter to go out to inspect to see if there is grading work that is occurring that is not permitted. That is what it is for. Honestly, just recently I found out about the potential access to the County's helicopter. That is something that I have not yet found out if and how we are able to use that, but I understand that other departments do. That is something that we are going to look at as an option to maybe save some of this money, but at this time, I am not sure if that is something that we are going to be able to do.

Mr. Dill: We have spoken to Fire about that and they are limited as to what they can do, but there is an option for us to use their helicopter within certain parameters. But there is still a cost, so we still have to cover their costs, fuel costs, pilot costs, etcetera, so we will need to budget for that. We asked the same question about the pictometry and how that might be helpful to us and these sorts of things. It turns out that the pictometry that they do is very good work, but it only covers the developed areas, but we are looking for violations out in more remote areas a lot of times, so that does not cover that purpose for us.

Committee Chair Kaneshiro: Any further questions from the members on Engineering? No more questions. Okay. We will take an hour lunch and when we come back, we will go to Highways and Roads, Wastewater, and Solid Waste.

There being no objections, the meeting recessed at 12:20 p.m.

The meeting reconvened at 1:30 p.m., and proceeded as follows:

*(Council Chair Rapozo was noted as not present.)*

Committee Chair Kaneshiro: Welcome back. Up next we have Public Works Highway and Roads.

Mr. Dill: Thank you, Committee Chair Kaneshiro. This is Larry Dill, County Engineer. Joining us now is Ed Renaud, Chief of the Roads Division, highways and road construction. The mission of the Roads Division is to maintain County roadways in a manner that will safely convey vehicular and pedestrian traffic and to maintain drainage facilities and provide countywide support with equipment and labor. The Roads Division is one of the larger divisions in Department of Public Works. They have a wide variety of responsibilities, including maintenance of roadway pavements, shoulders, bridges, sidewalks, driveways, curbs, and gutters. They maintain our levees at Hanapēpē and Waimea on the west side in accordance with the United States Army Corps of Engineers' specified criteria. They are responsible for installation and maintenance of all of our traffic and safety devices on all of our County roads, which there are about 301 lane miles. They are also responsible for installation and maintenance repair of signs and road markings. The roads maintenance division is also a significant supporter of other efforts of the County, particularly the Solid Waste Division. They still supply a fair amount of support and also the Department of Parks and Recreation with some of their projects. They also play a key role in disaster response. I am not going to go through in detail the successes and achievements. What I would like to do is provide you with a presentation that we had actually anticipated coming before you in the next couple of weeks with our next list of islandwide resurfacing roads. I understand that there was an issue that came up in discussions on Friday, so over the weekend we accelerated putting together a presentation, so they could bring that list to you today, hopefully for a blessing as part of this budget process, but also to give you some information about the overall program and how that is working. As I said, we did it since Friday, so it might be a little rough, but it is going to have all of the information there, I think. So we have provided all of you with a copy of that presentation and I will go through that now. This will be your only PowerPoint from the Department of Public Works, so enjoy.



So just a little background for the County of Kaua‘i— we have a little over 300 miles of County-owned roads: 134 of those are local roads and 167 are classified as “collectors,” which are therefore, eligible for federal aid funding. Just a way of the reference, the Department of Transportation has about 154 lane miles of roads and highways that they maintain and are responsible for. Again by way of background, we have three County baseyards in Hanalei, Kapa‘a, and Hanapēpē, and those are the base of our operations for all of our roadway maintenance issues.

Particular to Islandwide Resurfacing, this is an overview of how we select the roads that we recommend for maintenance and repair in these projects. We start with the Road Condition Survey and establish a priority index. This presentation was made to Council some time ago. We had a contractor (inaudible) go out there and inspect all of our roadways. They established, based on the condition of the road, a Remaining Surface Life (RSL), and they do that in years, and also a Pavement Condition Index (PCI), which basically is a yard stick that we can use to compare roads to another as far as the condition of the pavement. The next step, because that is an overview, we then take those priority indexes and take a look at some of the worst ones we want to attack. Now, we do some fine tuning with some field reconnaissance; we do some core sampling do determine the foundation and structure, and we also get some accurate measurements of the segment that we need. This morning during public testimony, some questions came up about the methodology we are using about repairing these roads. The example that was given was in 2010, before Lyle and I came on board— and I do want to say that since we have come on board, our approach has been, “I cannot speak to what was done in the past,” but by virtue of doing all of this priority indexing and field reconnaissance, we apply the particular and appropriate maintenance treatment to that road. I will get to that on next page. We are not simply resurfacing over problem areas; we actually doing repair work as part of our resurfacing projects. Finally, the third item there, the additional factors that we use when we try to prioritize these roads is that we look at the type and magnitude of travel. We look at population densities, which is our best way to assess sometimes average annual and daily traffic. We do have a traffic counter system in our Engineering Division that actually is looking at growing that system to get a lot more data for traffic counts, which helps us in a lot of areas, including this one. Since we do not have traffic counts for all of our local and collector roads, population density is another way that we can approximate traffic levels on those roads. Of course, the higher traffic with that road bears is a higher priority it would be for us to maintain. We also take a look at destinations because if the destination... let us say the road leads to a hospital, an airport, a school, or some important facilities like that; then that would help to raise it on the priority list for us as far as potential roadway maintenance work is concerned.

The maintenance treatments— we start with reconstruction. This would be a road that has pretty much failed, very little service life or none at all left. We go out and we actually remove not only the asphalt, but actually the base course section. We may even, depending on the core sampling, rework some of the subbase under the roadway section. This is our most intense and most expensive level of maintenance treatment that we do to our road. Second is overlay resurfacing. Typically, now what we will do is we actually cold plane or mill out the existing asphalt, and then in those situations where we have determined that the base

course is still structurally good, we can just put down new asphalt over the existing base course. There is also a possibility, though I do not think we do it too much where we would actually overlay over existing asphalt, but I think that would be the exception to the rule based on the particular circumstance. Pavement preservation— recognizing that this roadway maintenance represents a significant investment of County resources on roads, we are looking more and more into not just resurfacing a road and then letting it go until it is time to resurface again, but we can extend the life of that pavement without having to do major repairs by doing crack shield treatment. Sometimes the pavement will experience cracking and if you get that early enough, we can seal that crack up, which prevents water from intruding into the base section, which causes a lot more damage. We do a seal coat, which is again, a method of keeping the water out because that keeps the fines in the pavement. When you start losing fines, water intrusion becomes more an issue or a slurry seal, a heavier duty seal coat, which includes a tiny bit of aggregating I a more substantial seal coat. We put all of these under the category of pavement preservation to lengthen life of that investment we made by resurfacing roads a few years ago. When you think of those maintenance treatments and you apply those to the 301 miles of County roads, this is the way it breaks down per treatment and by category of local or collector. So you can see about 67 miles of reconstruction; 31 miles of overlay; 153 miles of pavement preservation; 48 miles, and we are not recommending any maintenance; and then we do have a couple miles of dirt roads somewhere on our island.

Now, this part of the presentation is an update to a presentation I made to the Council, I believe, a little over a year ago. If I back up, these couple of pages, pages 5 and 6; we did some very rough estimates what this entire backlog of repair work would cost and I am sure the Council remembers that we threw out a number of roughly \$100,000,000 in repair work that is backlogged on our island. Of course the challenge becomes, “How in the world are we going to find \$100,000,000 to take care of these roads?” You will see in our budget request for \$100,000,000 this fiscal year— I am kidding. You are not paying attention. We are not going to request \$100,000,000, but we do have a plan over a series of time and it does not go all the way to \$100,000,000 because... well, I will get to that in the end. Starting with where the funding comes from— the Highway Fund is funded from three sources of revenue: we have a Public Utility Franchise fee, which is basically KIUC; fuel tax; and vehicle weight tax. So these numbers here tells us what our current revenues are in the Highway Fund. Our current Highway Fund expenses are about \$14.1 million in this year’s budget, which includes \$1.2 million as earmarked for the Islandwide Resurfacing. This year’s budget from the Highway Fund— there is a contribution to the Transportation Agency, proposed at \$2.9 million. Also, the projections that I am going to go through, this assumes that there are federal highway funds that are available and that we will go out with a biennial Islandwide Resurfacing project.

At the Council recently, there was a bill that did not get passed on first reading where we proposed some annual weight tax increases. I will go over that here for a couple of slides. That proposal was to increase passenger vehicle weight tax from \$0.02 a pound to \$0.025 in this fiscal year, and then to \$0.03 in the next fiscal year, and for freight vehicles to go from \$0.03 per pound to \$0.035 per pound in Fiscal Year 17. Again in these draft funding projections, I am not including any bond funding. Bond funding would be something that we could use if we do entire

reconstruction of a roadway, but generally speaking, bond funds are not eligible for repair and maintenance type of work, at least not the type of funds that we have pursued at the County so far. This is a difficult slide to read, but this is basically the same slide that was provided by the Mayor's presentation on Friday. This is to illustrate that the fifth pair of columns shows you what Kaua'i's weight taxes are currently. If you take the columns just to the left of that, which is the fourth pair of columns, it shows the average of the other three counties. You can see that our Kaua'i County weight taxes are less... I would say significantly less than the average of the other three counties. The second to last pair of bars shows if we implemented the weight tax increases that I just showed on the other slide this fiscal year, and then the last pair of bars shows what it would be in fiscal year or January 2017 when it would actually go into effect if we implemented the changes that I covered on the previous slide. By comparing that far right pair of columns two years from now, January of 2017, to what the current average is of the other three counties, we would still be at or below that average. At least from that perspective, I do not think that these are unreasonable weight tax proposals. I want to stop and ask for any questions, just to make sure that that is clear what I am trying to convey there. If not, I will move on. Thank you. Here is a lot of numbers on this page. Basically, the very top number there, I show a balance forward of about \$1.1 million. That is the proposal in this year's budget from the Highway Fund. What you will see that actually there is about \$1.4 million and then we are transferring \$300,000 into a roadway project, so that leaves a balance forward of \$1.15 million. Each year, I show the Public Utility Franchise fee revenue of \$4.5 million— that staying flat all those years, the fuel tax revenue... this does not assume any fuel tax revenue increases. The weight tax revenue is incorporating the proposals that I have gone over in the last couple of slides, so that shows an increase on the weight tax revenue. Nothing else increases here. Also, the roads operations, I show flat for this entire period. Obviously, those costs over the next five to six years are going to increase. I have made the assumption that any increases in the highway operations expense will be offset by possible increases in fuel tax or franchise fee revenue. It is just an assumption on my part, but there is some give and take there. I am not showing any increase in those operational expenses or in those revenues, but I will assume for the sake of discussion, that those will more or less offset one another. Now with those assumptions in mind, I have highlighted in red there one, we would do an Islandwide Resurfacing project. I am presenting to you for Fiscal Year 15 today what we are proposing to do and Fiscal Year 17; two years from now would be the next, and then Fiscal Year 19, etcetera, would be the next. Based on these numbers, in Fiscal Year 17 we would have about \$5.6 million available through road resurfacing work; Fiscal Year 19, up to \$8.9 million, and then you reach a "steady state," if you will, of \$8.9 million every other year. This also assumes a continued flat contribution to the Transportation Agency of \$2.9 million per year. It is another big assumption. That, of course, can change. I see that expression. I will take those numbers now and roll them into this table. The key numbers are in the left hand or second to left column; the first one being the fiscal year; and next one shows county funding. This just transfers from that previous table, \$5.6 million, \$8.9 million, for those three events. Then we are leveraging, as I mentioned earlier, the Engineering Division completed in-house design for a few of our collector roads and we were able to leverage those funds through a \$2.7 million project with 80% Federal Highways funding. So what we are proposing to you at the end of this presentation, you will see our next collector road project that again we are planning to leverage those county funds to get Federal

Highways funds. Say in Fiscal Year 17, county funding is \$5.6 million, but take a million out of that and use it as the county match for Federal Highways funds, we would do a \$5 million federal highway 80% funded project and a \$4.6 million local road project for a total funding of \$9.6 in the far right column. If that is our plan, we show just in these three events by Fiscal Year 21 about \$37,000,000 worth of roadway maintenance work. So not at \$100,000,000 by any stretch, but the ideal would be in 15 to 18 years, we would have done \$100,000,000 worth of roadway resurfacing work based on these assumptions. I will stop there again in case anybody has any questions on any of that.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: What was the interval of years you said we would be able to come up to a preventative maintenance schedule? You said in 18 years?

Mr. Dill: I would say 15 to 18 years, yes.

Councilmember Yukimura: Have you included in your calculations a continued deterioration of the roads?

Mr. Dill: No. These are very “broad-brushed” sort of number and that is a good point that the longer we wait, the further we fall behind.

Councilmember Yukimura: And the more expensive it will become.

Mr. Dill: Exactly, yes.

Councilmember Yukimura: How many miles are you going to be able to pave under this plan every year?

Mr. Tabata: You will see more information on the following slides.

Councilmember Yukimura: Okay.

Mr. Tabata: I wanted to make a point under the FHWA funds on the collector roads. Federal Highway Administration (FHWA) funds. You recall two weeks ago when the Department of Transportation came out and they said that on Kaua'i, our share of the total state dollars is between \$8 million to \$10 million. If we take \$4 million to \$5 million a year of our share, that means that we will only have the other half for \$5 million a year to complete our bridge construction, which is also Statewide Transportation Improvement Program (STIP)-funded. If we have other projects that we wanted to develop, it would pretty much severely limit our capacity as far as just on the roads. You will see more information in CIP of all of the different STIP projects that we have on the books right now. As Mr. Dill points out, this is for discussion purposes just to show what you ideal, but the real world is that we are constrained.

Councilmember Yukimura: When you say the “other projects” you mean actual new roads and new road widening?

Mr. Tabata: No, projects that we already have on the STIP in process right now. For instance, one of them is the Complete Streets and our resurfacing for Hanapēpē Town. We have another project for Po'ipū Road; one in Kawaihau in the school district over there, and the three bridges that we have; not to mention that we have other bridges like Hanapēpē Bridge also on the STIP and so forth that you will see in the CIP presentation.

Councilmember Yukimura: So you are talking about...

Mr. Tabata: We are competing for that \$10 million rounding up with the rest of our projects and trying to also address collector road needs. Our challenge will be how we are going to balance all of that and still try and get this every two years.

Mr. Dill: Generally speaking like Lyle says, we have a budget that we need to do with the DOT and Federal Highways in the neighborhood of \$10 million a year. What we are hoping and it looks possible is that towards the end of every federal fiscal year, projects that were scheduled to happen by the State and by the four counties do not happen, so the State and the Feds are looking to spend that money.

Councilmember Yukimura: They reprogram it.

Mr. Dill: Exactly. That is how we got this collector road project that we are just starting work on now.

Councilmember Yukimura: Right.

Mr. Dill: We are hoping that some of these moneys will come through that.

Councilmember Yukimura: In fact, I think Kaua'i has a pretty good record of stealing those moneys from other counties because you have been so good in planning.

Mr. Tabata: "Shovel-ready" is the key word.

Councilmember Yukimura: Planning to the point of being "shovel-ready." We like that. Thank you.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: So I guess my simple question is we have a \$100 million backlog basically in roads that need repaving— I am not talking about \$100 million of sidewalks and curbsides, but I am talking about a \$100 million in roads where the vehicles travel, repair. Is there any way of using federal moneys to fix roads instead of doing curbs and cement? Like what we got planned for Puhi Road, how much is that being funded by the federal government?

Mr. Dill: That is 80%.

Councilmember Kagawa: 80% totals roughly \$1.5 million?

Mr. Dill: \$3,000,000 is the total about, 80% of \$3 million.

Councilmember Kagawa: What I am saying is that I like the idea of having that complete streets bike paths on both sides and what have you, but if we are \$100 million backlogged on our current roads, it just makes sense to me that we try and maximize the federal dollars to fix the roads first, and then the amenities, we do later. Is there not a way we can accomplish that?

Mr. Tabata: Councilmember, that is a good question and to answer that, we are mandated by HRS and our own Resolution that everytime we touch the road in something significant like this, we need to look at Complete Streets initiatives and accessories.

Councilmember Kagawa: When was this changed? For Hanapēpē Heights, you repaved the road, but you did not put complete streets in Hanapēpē Heights.

Mr. Tabata: We tried to leverage whatever federal funds we have when we have them available.

Councilmember Kagawa: Okay, so the Hanapēpē Heights one was County-funded.

Mr. Tabata: Yes.

Councilmember Kagawa: So that is only when we go for federal moneys, where we have to do...

Mr. Tabata: Not necessarily. Whenever we can make it available, we will be looking at it. Some of it will include some shoulder widening versus just paving the paved surface. We look to expand and it is case-by-case.

Mr. Dill: That is the key; it is a case-by-case basis. If there is an opportunity... if it is an area that we know that gets a lot of pedestrians and cyclists, and there is room in the road to do it, we will do it. Hanapēpē Heights has pretty narrow right-of-ways, so there is no way you can really add a sidewalk or something in that area. It just did not happen.

Councilmember Kagawa: Okay. I guess my concern is that if we are trying to catch up this \$100 million, and obviously County funds are kind of low, I want to see if we try and maximize that \$8 million to \$10 million as much as we can to fix the roads first, and then go after the amenities. If that is not possible, then I would say we are going to have trouble catching up. When you get one short road like Puhī Road eating up \$2 million right there... I am troubled and I do not know how we are going to catch up. It is like you pointed out the blame on us for not raising the vehicle weight tax when we just raised the tax last year. That is our reason; that is why it got a 6:1 vote against. We did it last year already and we are

going to back, after the public complained about last year's raise, we are going to raise it again on them? We have to try and increase reasonably. I think increasing every year is not reasonable and that is the only reason we did it. We did not do it to prevent you from paving roads. I guess if you have a plan in the near future to repave, I think part of what we mentioned we would consider is that the Council would be willing to use some of the surplus to pave roads because we want to show the public that paving the roads are important. If we have to use County funds to start on that plan, whether it is \$4 million or \$5 million, let us do it. It does not have to come from the Highway Fund is what I tried to say last week. We are willing to use General Fund moneys to give the public what they need. If you have that plan, do not sit back and say, "You cut our proposal, so we are not going to be able to do it." No, bring it. As the Public Works Chair, I am willing to bring it to the body and have that discussion. If it is going to benefit the public and use our savings to get these roads fixed— like Councilmember Yukimura said, as roads deteriorate, it is going to be even larger. Let us move.

Mr. Dill: Those are all good points. We will be proposing to you... I have not finished the presentation yet, so we do have our new plan for Fiscal Year 15 that is based on available funds that we have right now. You are right— in all of this, I did not show any General Fund moneys as funding highways. I guess I was thinking whether it comes from property tax or weight tax, is the public paying for it all anyway. I think the direct nexus between the highway revenues is that it is related to wear and tear on the roads.

Councilmember Kagawa: What I did not want you to do is belabor the vehicle weight tax because with a 6:1 vote, I think the Council sends the message that we are not going to go there, not this year. So we will see how we can forward because the vehicle weight tax is dead, 6:1. It is *make*. So how we are going to go forward I think is a better way of approaching how we are going to get the road repaving going forward. I am saying that the other option is to bring me the plan and expectations, and I will do my best to fulfill what you need to do to get the roads repaved. *Mahalo*.

Committee Chair Kaneshiro: Councilmember Hooser.

Councilmember Hooser: Good afternoon. Just to get a little clearer on Councilmember Kagawa's questions— so the Puhi Road example is 80% federal funds.

Mr. Dill: Correct.

Councilmember Hooser: Okay. The reason for that is because it is complete streets?

Mr. Dill: No. The road is in bad shape, so we are going to do an entire reconstruction of that road, and doing the entire reconstruction, because of the community that is along that road and uses that road, it was an opportunity for us to implement complete streets to benefit the community there.

Councilmember Hooser: Right. What triggers the federal funds?

Mr. Dill: Our request. It is eligible for federal aid by its classification.

Councilmember Hooser: Okay, so there are other roads eligible for federal aid also?

Mr. Dill: Yes.

Councilmember Hooser: Okay. Complete streets was a judgment call because of the use of the...

Mr. Dill: Excuse me, judgment call, but as Lyle said, there is an HRS and a Council resolution.

Councilmember Hooser: I think the language that was used was the HRS and Resolution means that we have to look at it.

Mr. Dill: Correct.

Councilmember Hooser: It does not mean we have to do it.

Mr. Dill: Correct.

Councilmember Hooser: I support complete streets, but I just want to get clear for everybody else what is obligated and discretionary, if you would. I like what we are doing with it. There was another question that I have that may or may not fit into this part of the presentation, but I want to plug it in somewhere, so I might as well put it on the table. In the budget, is there something to address the emergency bypass cane haul road situation on the eastside by the golf course to Hanamā'ulu? We have been talking about that for years and it seems like the County goes in and out, "We are going to fix it. We are going to keep the gate open, pave it, and maintain it," and all of a sudden it was not. Is there anything in the budget or needs to be in the budget to ensure that road is open and ready to use?

Mr. Dill: Well, let me verify when you say, "All of a sudden it was not."

Councilmember Hooser: The perception is that we had a disaster and it did not seem to work and people are calling me.

Mr. Dill: I understand. I will respond to that particular one... and I cannot speak for the Police, but they are not here, so I will. They were a few items that they were concerned about safety of users of the road, so we have since done a site visit down that entire road with the Kaua'i Police Department (KPD). There are a few things about signage, adding a couple of concrete barriers in a couple of places, and filling in a low spot that will alleviate their concerns. There is no line item in this budget dedicated for that purpose, but in budgeting for our Roads Division repair and maintenance budget, that work is included in the overall budget. It is not identified separately. We do not perceive a lot of work out there. We perceive that it is a low-speed... I think it is going to be



posted 15 or 20 miles an hour, so it is a low speed road. It will have signage out there to protect people. It will not be used at night because it is not suitable for use at night. We will maintain it at that level, so there are not a lot of funds that we are proposing to use for that purpose.

Councilmember Hooser: Thank you very much. When do you anticipate that happening?

Mr. Dill: I think some of it has happened already. We have to post a lot of signs up there and bring in materials. We are working with the State. They have some cold plane material we can use. I am not sure when the availability of that is. We have to bring in a couple of concrete barriers in one particular culvert location. If I had to guess, I would say within the next couple of months that would be done.

Councilmember Hooser: Thank you very much. Thank you, Chair.

Committee Chair Kaneshiro: I see a few more pages in the presentation, so let us go through that without any questions, and then at the end we will ask questions.

Mr. Dill: Previously, our annual funding for Islandwide Resurfacing was \$1.2 million per year. We found that going out with that limited amount of money, it was difficult to attract folks and get good prices. We were not getting a good “bang for our buck,” if you will, with that. We proposed, in order to get more “bang for our buck,” that we appropriate \$1.2 million every year, but only expend it every other year. So essentially, now that Islandwide Resurfacing is in the Operating Budget, where as it used to be in the CIP Budget, those funds would lapse and then be re-appropriated in the following year, along with the additional \$1.2 million to make a \$2.4 million contract. We also got increased expertise in-house now in the Roads Division. We have somebody who is better able to make the assessments for us on more of a full-time basis on the field reconnaissance and also to manage the projects when they are being done. We have some of our issues addressed there. So we can do the reconstruction and overlay better, we are doing milling and filling streets becomes some had become too high in the past, which is resurfacing and built the roadways up. Now, we are also able to monitor the tons per square yard a lot more closely than we have in the past due to training that was done with some of the personnel.

In 2012, we had a \$6.3 million Islandwide Resurfacing Project where we resurfaced 17 miles. We have a project we are going to present to you today, which includes collector roads, which would be 80% federally funded and 20% county funded. Also, we are looking at a strategy— you are talking to the contractors... at times in past, we have attempted to spread the work around the island and there are good reasons behind that, but the ramifications of that is that we cause our contractor to mobilize and demobilize a lot more than what would be desired. A significant portion of this cost is not in the road we are resurfacing, but time to move his equipment from place to place. For that reason, we are taking a look at some of the areas and we are trying to focus more in a particular area per contract, so we are not making him move all the way around the island to different locations. We put some maps up here just to give you an idea. We are working with the

Planning Department and their GIS system to overlay on top of our roadways system some of the population densities, as well as some of the critical locations. You see under the legend: Police, Fire, hospital, shopping centers, etcetera. This is some of our key destination criteria, and the red areas show some of the census blocks, the population densities. The combination of this information helps us to prioritize which roads are more important. It should be prioritized to fund in our Islandwide Resurfacing Project. I am not going to go through these in particular detail, but you can see some of the things that we are using in order to determine our priorities. So here we have Puhi. These locations, Kapa'a and Puhi, we are planning to focus our efforts for this Islandwide Resurfacing Project. Here is the list of roads. Our collector roads, Kawaihau, Maluhia, and Halelio Road, we are proposing as part of this Islandwide Resurfacing. For the local roads, you can see that we have the different treatments here: reconstruction Hanalima and Puhi; these are the first two in Puhi. Specifically, these will benefit the Puhi Industrial subdivision, the road going in and out of there. It is in very poor shape. They receive a lot of heavy traffic due to the nature of the tenants in the Puhi Industrial subdivision. Treatment number two is the overlay. Those roads are all in Kapa'a: Kāhala, Kuapapa, Kualono, Luana, and Kuamole Street. The next page is some of the pavement preservation techniques that we are proposing to use to reinvestment in those roads that we have already invested significant resources in, with the seal coat. Depending on how the bid goes, we have a couple of additive alternates there that we hope to get in, depending on the price that we get back from our bidders. I think that is our presentation. We are hoping to get your approval on this list of roads and hopefully that added some information to you as far as how we are choosing and assessing these roads for reconstruction and resurfacing.

Committee Chair Kaneshiro: Thank you for the presentation. Any questions from the members? Councilmember Kualii?

Councilmember Kualii: Mine is probably quick and it is a follow-up to Councilmember Hooser's question because after the recent traffic disaster where the roads were closed for several hours, and I know personally, because I sat in myself for several hours; I talked it over with the Chair and we actually have some questions coming over, different questions to Public Works versus KPD and what have you. But I remember, too, that when I was on the Council before in 2011 and 2012, there were some upgrades done to that emergency bypass road, so that it could be used. What happened this past time was the decision was made that it cannot be used because it was not in good enough condition? So in just a year or two, did the rain or whatever just caused further deterioration?

Mr. Dill: I guess yes is a short answer to that. When the recent event happened with the accident on the highway, KPD made the determination not to open the road and unfortunately there was not proper communication between the two departments, Public Works and the Police Department, to make sure that the road maintenance was being done so they felt comfortable opening up the road. As I mentioned, that has been corrected now and we have a plan going forward, so that is not going to happen again.

Councilmember Kualii: So that is happening pretty quickly?

Mr. Dill: Yes.

Councilmember Kualii: I know when I brought it to the Chair's attention, he was pretty upset because he said they assured us that this was not going to happen, and it happened. Now you are telling me that you are getting on it and it is not going to happen again.

Mr. Dill: Correct.

Councilmember Kualii: Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: I want to say that I am quite pleased with the report and I feel like you do have a plan, and it sounds like we are going to at least see this variety of treatments in the next repaving budget, so that is very good and I appreciate all the work that has gone into this. When did you say you came on board, Larry?

Mr. Dill: December 1, 2010. I think it was December 1st.

Councilmember Yukimura: Okay. The reconstruction is the most expensive of the three treatments: reconstruction, overlay, and pavement preservation.

Mr. Dill: Correct.

Councilmember Yukimura: Is pavement preservation the least expensive of the three as well?

Mr. Dill: Yes.

Councilmember Yukimura: Okay. Is pavement preservation available for pothole treatment as well?

Mr. Dill: Pavement preservation is usually adding a thin coat to the surface of the road. Pothole treatment actually would be... depending on the severity of the pothole, it would be either total reconstruction, but in a very limited area or it might just be removing the asphalt lettering and putting down new asphalt.

Councilmember Yukimura: When we see grass growing in the roads a year after repaving, does that not contribute to water seepage into the road?

Mr. Dill: Yes.

Councilmember Yukimura: Does the pavement preservation help to prevent or slowdown that kind of seepage?

Mr. Dill: Yes, it does.

Councilmember Yukimura: Are there ways to prevent grass from coming up so soon? I think I asked this once before. But in our construction of... or the repaving and reconstruction, those two other treatments, is there a way to prevent grass from coming through again so soon?

Mr. Dill: Yes. It is usually in the scope of work, which is to provide treatments there to kill herbicides, yes.

Councilmember Yukimura: Have we considered like the State has when we build new roads, making them from concrete rather than asphalt?

Mr. Dill: The Puhi Road project that we have been speaking of, that will be our first concrete road project.

Councilmember Yukimura: That is right.

Mr. Dill: It is like a pilot for us, as well, to see how that goes. As you have seen, the State has been using that a lot with some success, so we are also looking at that.

Councilmember Yukimura: Although the lowering of oil prices does not help the comparative advantage that concrete was starting to have.

Mr. Dill: Yes.

Councilmember Yukimura: On page 7 of your assumptions, you say "current highway fund." Can we put that up, Yvette? Page 7. Your current Highway Fund expenses remain flat at \$14.1 million.

Mr. Dill: Yes.

Councilmember Yukimura: And that is for our road crews and baseyards? Is that what "current Highway Fund expense" is?

Mr. Dill: Correct, and also a significant part as you mentioned earlier is the auto shop expenses as well.

Councilmember Yukimura: Okay. I know that a recent Garden Island article seemed to imply that most of our Highway Funds were going to the Transportation Agency, but that is not accurate.

Mr. Dill: No.

Councilmember Yukimura: What is our total Highway Fund right now about?

Mr. Dill: As I mentioned, I think that tiny number at the top shows that our balance forward, we anticipate would be about \$1.1 million into the fiscal year, and then our revenues are right there.

Councilmember Yukimura: So it is \$15.8.

Mr. Dill: Yes, \$15.8.

Councilmember Yukimura: So say \$16 million is what we get every year.

Mr. Dill: Correct.

Councilmember Yukimura: \$14 million goes for our baseyards, automotives, and road maintenance, that is whether it is potholes or controlling vegetation or drainage, I presume.

Mr. Dill: Yes.

Councilmember Yukimura: And then \$2.9 million or almost \$3 million goes to the Kaua'i Bus.

Mr. Dill: Yes.

Councilmember Yukimura: So that is about one-eighth of the fund going to the bus, but most of it is seven-eighth going to road maintenance right now.

Mr. Dill: Yes.

Councilmember Yukimura: Okay. I may have another, but go to other members, please.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: I am looking at pages 16 and 17 of your proposal and I am looking at Maluhia Road, the first one on the top, the "Tunnel of Trees." Kaumuali'i t end and it is 0.83 miles... depends on the map is how far it goes.

Mr. Dill: We do not have it on the map.

Councilmember Kagawa: So it does not cover the whole road?

Mr. Dill: I am not sure that is correct actually. I think that is from the highway down to the eskers.

Councilmember Kagawa: Right down to the eskers...

Mr. Tabata: That is the really bad section.

Councilmember Kagawa: It is in bad shape?

Mr. Tabata: Not the entire way needs to be reconstructed...

Councilmember Kagawa: Is it from the roots of those trees?

Mr. Dill: No, I do not think those roots are causing problems. Those trees have not caused uplift to the pavement.

Councilmember Kagawa: So the road is just kind of old and highly traveled?

Mr. Tabata: One of the things that we have instituted since coming along and (inaudible) was the one who set the structure towards doing the reconnaissance is to go out and not simply repave over existing pavement, but to look at the failures and identify the root cause of failures, and then we go in and investigate and we just measure off sections that need to be reconstructed. Then if other areas need to just be overlaid, then we will go and “mill and fill.” We call it “mill and fill.” So we put an overlay after we mill down, say 2 inches, then we refill with overlay. Primarily as Mr. Dill said, a lot of our failures are due to water intrusion. Several sections of highway that you see water seeping in on roads is because the base is creating an aquifer with the constant traffic, so we have to go in there and dig it up and put French drains to drain the water away from our roadways.

Councilmember Kagawa: My second question follows a little bit what the City and County of Honolulu tried, where they tried to do a pothole repair crew with hot mix...

Mr. Tabata: I heard that.

Councilmember Kagawa: We have the hot mix...

Mr. Tabata: We do not have hot mix readily available. We have hot mix only when the plant makes a run. If nobody is paving, we cannot get hot mix.

Councilmember Kagawa: In those instances for bad potholes, we always use the cold mix?

Mr. Tabata: If it needs immediate attention, yes.

Councilmember Kagawa: I thank you guys. One time, I had a request for Olohena when it was really bad at that same spot with huge holes and I sent a personal request and a week after I saw the Public Works crew make it nice and smooth. But a heavy rain came back about two weeks later and the holes came back. I know how you talk about the difficulties with doing pothole work because there are areas that I guess it just erases the good work that they do really quickly sometimes. What is the only cure for those really problematic areas?

Mr. Dill: Some of those areas, as Lyle says, if there is no hot mix available because the batch plant is not operating, we will have to go a cold patch (inaudible) with cold patches until we can get hot mix repair down. Some of those areas where there is water in the base core or subgrade, it may need a bigger solution in order to get that done. We may have to do some things with the drainage in that area in order to repair the road.

Councilmember Kagawa: Is there no other way, engineering-wise, that is using another method that perhaps we can use instead of the cold mix? Are there any other new methods that perhaps can help us with potholes because there are a lot of potholes here and there, that if that were fixed, the road is pretty good actually?

*(Council Chair Rapozo was noted as present at 2:17 p.m.)*

Mr. Tabata: So you might see some sections of highway and roadway, where you see, like, a patch that is kind of turning white. We have access to a cement type of fill, but it is pretty expensive, very costly.

Councilmember Kagawa: It is very costly, but it proves a little bit more durable.

EDMOND P. K. RENAUD, Chief of Highways and Road Construction  
Division: For the record, Ed Renaud. It is more durable.

Councilmember Kagawa: But it is more than double the cost?

Mr. Renaud: Yes.

Councilmember Kagawa: Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: You related to what Councilmember Kagawa was asking about. You say that hot mix is not readily available if there is not an ongoing paving job. Is that right?

Mr. Tabata: Yes.

Councilmember Yukimura: I am not sure what the minimum quantity is that is required, but is there a way that the County could coordinate all of their repaving or their pothole efforts and contract for a batch of hot mix every quarter or something like that?

Mr. Dill: We will look into that. I have to put some thought into that. It would be basically sort of taking out our Islandwide Resurfacing and focusing their efforts on pothole repairs. We will look into that.

Councilmember Yukimura: Well, you are not going to be repaving every road, so the roads that are not going to be repaved in any of these three methods may have to get pothole treatment until it is their turn.

Mr. Dill: I am just saying that we have a certain amount of funds for roadway repair for islandwide resurfacing, so we would have to take from that fund and put an obvious separate pothole repair contract. It is something worth looking in to.

Councilmember Yukimura: What do you do now for repairing potholes?  
Where is that money coming from?

Mr. Dill: That is from our repair and maintenance  
budget in-house. We may be able to use that to outsource some repair work  
perhaps.

Councilmember Yukimura: Or just coordinate when you do all those  
potholes when you are doing the repaving, but that is only every two years, unless  
there is another company doing it, right? You can still piggyback on a private  
company?

Mr. Dill: Yes.

Councilmember Yukimura: Thank you.

Committee Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: I might have missed you saying this, but on  
page 266, the Islandwide Resurfacing for Fiscal Year 2016, shows \$1.2 million. Is it  
that \$1.2 million because in your proposed plan, you show on slides 16 and 17 all of  
these different planned repairs for road repairs by all three methods? That \$1.2  
million pays for that?

Mr. Dill: \$1.2 million, plus the rollover from the  
previous year.

Councilmember Kualii: How much is the rollover from the previous  
year?

Mr. Dill: I do not have that exact number.

Councilmember Kualii: Any guess? \$1 million? \$10 million? \$100  
million? I know it is not that.

Mr. Dill: I am sorry, if you could send that over, I  
want to make sure I give you the right answer.

Councilmember Kualii: Yes. Basically, that proposed plan is two  
pages worth and in all the different areas, like we were talking about the Tunnel of  
Trees and it represents five miles. I would be interested to know what the rollover  
piece is to know how much we are paying total for those five miles. The other thing  
is that I think this might be the same kind of thing where we are talking about with  
auto maintenance and you are charging it back to the General Fund for Police. Is  
that what this one page of what looks like a position or two? You have Regular  
Salaries, \$77,000; Other Post-Employment Benefits (OPEB), \$49,000; Other  
Services, \$100,000; and Other Supply, \$75,000. In the line items on the budget  
there, under "road maintenance," it just says salaries for special projects, fringes for  
special projects, and then the \$100,000 is various special projects and the \$75,000 is  
supplies for various special projects. I think for me least when I see all of these



generic terms, I kind of want to know or have a little bit of an explanation. I am assuming that if it is salaries, that means it is either a new position or a temporary position because it is a special project. I do not know. Then under “Other Services,” maybe it is consultants. On our page, it is 213, roads maintenance.

Mr. Tabata: Our budgets do not coincide, so we have carved out a General Fund budget and our line item is 2076624.01-01 and 0-5, 0-10, and 3-0. Those are costs that were carved out to service parks, parking lots, driveways, and so forth, and also lookouts that really have no real ownership because Parks does not take care of things like that. Previously, it was just taken care all under Highway Fund, so we had to carve out these different, specific projects as we encountered them. I guess that is the reason why certain things have not been done, and we are accounting for them now in these budgets moving forward in a general funded line item.

Councilmember Kuali'i: When you say “Parks” you mean County Parks and Recreation; our parks.

Mr. Tabata: Right.

Councilmember Kuali'i: And parking lots at our facilities like the stadium?

Mr. Tabata: Yes.

Mr. Dill: That was also a result of the Highway Fund Audit because the Highway Fund needed to be dedicated to roadways, so whenever we do work on parks or any non-road, we need to fund it with general funds.

Councilmember Kuali'i: The lookouts you said with no real ownership, meaning the State is not going to do it, so we have to?

Mr. Tabata: It has been taken care of in the past by the County. So because we have done the repairs in the past, we are obligated to continue. Some of them are within our right-of-way or we have easements to those areas— I am sorry, not right-of-way, but easements.

Mr. Dill: An example is the Queen's Bath parking lot in Princeville. It is County-owned property; not a Road's facility or Park's facility, so there is not really any official maintenance entity. It needs maintenance, so we put some General Fund accessible to the Roads Division, so they can go in and take care of the parking lot like they have done. Nobody is really responsible for maintaining.

Councilmember Kuali'i: Thank you.

Committee Chair Kaneshiro: Any further questions? I have one, too. For the “Other Services” and you have the Islandwide Resurfacing Project, last year we budgeted \$2.4 million. Currently, we have \$1.3 million, but year-to-date we have \$306,000. Are you anticipating on spending?

Mr. Dill: We plan to go out... that is the list of roads we showed you just now and spend that money this fiscal year. We plan to get out with that contract this year.

Committee Chair Kaneshiro: Okay, those are all this year.

Mr. Dill: Yes. Sorry for the confusion.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: In following up, you were pitching the additional \$800,000 with the half percent tax because we have so many roads to fix, why would we ask for only \$1.37 million in this fiscal when we had \$2.46 million last year? Because we go every other year? Is that the reason?

Mr. Dill: Yes, right.

Councilmember Kagawa: Even in the off year, we are going to try to do some?

Mr. Dill: No, in the off year, we still appropriate to show it in the budget, but we do not spend. It essentially lapses back into the Highway Fund, and then we appropriate the same amount again the second year. We essentially go out with a double project every other year.

Councilmember Kagawa: So what you are saying, if I can try and clarify, is that you add the \$2.46 million and the \$1.37 million. Is that how much County money we are using for that Other Services account?

Mr. Dill: We would go out this year with a \$2.46 million, whatever the number is that remains, and spend that money. That is what is going to be spent on that list of roads that we just showed you earlier for 2015, and then the \$1.217, we plan to appropriate this year, but then we would not spend it. We would lapse it and then re-appropriate the following year with an additional \$1.2 through a project in the fiscal year two years from now.

Councilmember Kagawa: For 2016?

Mr. Dill: No, 2017.

Councilmember Kagawa: It says for 2016 on the budget line item.

Mr. Dill: Yes. This is the amount that we are requesting Council approval to appropriate for 2016, but we are not going to spend it. We are going to lapse that. Then in 2017, we would re-appropriate that same money, in addition to another \$1.2 million in Fiscal Year 17, and that is when we would do the project for \$2.4 and change.

Councilmember Kagawa: Can we amend that at a later point and increase it? I mean you as the Administration?

Mr. Dill: Can we?

Councilmember Kagawa: Would you say “this was not enough and we want to add more” at some point?

Mr. Dill: Yes, but we budget based on Highway Fund revenue, so if the Highway Fund revenue is not there to support that, it would be difficult, I think, to testify a greater expense.

Councilmember Kagawa: I think I told you guys you can always come here for General Fund help.

Mr. Dill: Okay.

Councilmember Kagawa: We have got a job to do and we have moneys available, so do not restrict your actions based on Highway Fund amounts available, is what I am saying. That is just what my one vote and voice is saying. To clarify this vehicle weight tax for the public, last year when we approved the vehicle weight tax, it added \$1.19 million to our Highway Fund— that was last year now, starting January 2015 it went into effect. Now that tax is not a onetime tax that vehicle weight tax that we did. Next year, it is going to earn \$1.19 additional and further. That is why I was reluctant and we had a solid body that rejected the \$800,000 addition. We just raised \$1.19 million last year in the vehicle weight tax on passenger cars and the public. It was clearly, for us, too much, too soon. That did not get rejected because we object to resurfacing more roads, so I am saying that we want to resurface more roads and there are other funding avenues. Please, if \$1.217 is not going to help us catch up, and as Councilmember Yukimura said, if it is going to worsen the condition of the roads and add to more heavy duty work, then bring forth more wiser decisions, so we can eliminate large costs down the line. If we have to use the General Fund surplus, then so be it. We need four votes to do that.

Mr. Dill: Okay. Thank you. We will look into that. I guess I need to talk to the Finance Director because I am not aware that we have any General Fund surplus.

Councilmember Kagawa: We have \$13.9 million. The Mayor said that in his speech, State of the County. Thank you.

KEN M. SHIMONISHI, Director of Finance: *Aloha.* Ken Shimonishi, Director of Finance. Thank you, Councilmember Kagawa. It is true that the General Fund has an Unassigned Fund Balance sitting there of recent when we consider all bills being passed or to be passed to approximately \$13.7 million, I think is the number. I understand the passion behind not raising the vehicle weight tax, but again, we are not looking at just trying to fund one more year of road improvements and what have you, and we are trying to get to a program that will go forward. Now, I understand also the concern with the public and the impact of the increases. I think I showed the example of what it would cost for 3,600 pound car and basically the increase would be \$18 for the year for that particular car; \$1.50 a month to go towards this road improvement initiative. What also concerns me is that if we get back into this habit of saying, “We have a surplus. Let us use

this \$5 million and do this roadwork,” then what happens tomorrow? I think we have a lot of new members on the Council that was not part of I think a lot of budget, at least three or four years before where we showed significant declines in the General Fund fund balance: four consecutive years of declines, three years which the decline totaled more than \$30 million, and the last year we still had a decline of \$1.5, albeit less, it was still a decline. We have not yet gotten to a point to cover our expenditures and transfers out of the General Fund with our revenues being sustained until this year’s budget, which is the first year we have submitted a budget where our revenues can cover our expenditures and transfers out. Going back into a position of, “Well, let us just use the Unassigned Fund Balance,” is a little concerning for me. Again, the Council passed a resolution back in 2011 trying to establish some sort of reserve, and that reserve number was calculated at the most recent year’s completed CAFR, and based on that calculation, 20% to 25% would be \$25 million to \$31 million, and here we are sitting on \$13.7 and we are already saying we can use that money. Keep in mind that we have not budgeted for our Bargains Units 2, 3, and 4, and 14 impacts. I think we made that clear in the address to the Council. I just bring those points up, before we assume that we will simply tap this fund balance again, that what has gotten us to this point.

Councilmember Kagawa: I guess in response, the \$13.7 million could go higher. The Council could institute more cuts to the budget. In our CAFR, we showed \$15 million of lapse, so I think I am comfortable with making more significant cuts. I am saying that it is all priorities. When a bill is sent in to expand more roads, we will see what happens. I am just saying do not be close-minded to your bill not passing at 0.5% and say, “We are not going to resurface any more roads on the list because you did not pass the bill.” To me, that is being foolish. If there are more roads that need to be repaved and you wanted to do more with \$800,000, then present it. That is the Council’s job to fund whatever we feel is important. That is the only point I was trying to make. I am not trying to get into a debate with you on this issue. It is dead. The vehicle weight tax is dead. Thank you.

Mr. Shimonishi: Just for clarification again, Councilmember Kagawa; the lapse last year in the CAFR was more like \$10 million on the General Fund. I can understand looking at that and saying, “We lapsed \$10 million; we need to budget tighter.” I would agree that that is, in fact, a very good argument. But I think when you look at that, you also need to look at what would we have done had we tightened up the budget on the expenditure side? The reason why I bring that up is because if you are saying that we are going to budget tighter and therefore, we would have reduced the taxes being charged and the fees being charged, in that particular year, 2014, we used \$11 million in Fund Balance to balance the budget, so basically, we had budgeted higher expenditures and transfers out, then our revenues coming in; therefore, we made that up with the Fund Balance. If we said we were going to budget tighter, we could have budget tighter and we could have reduced taxes and so on; that would not have put the Fund Balance in a better position because you still would have used \$11 million. What you would have done is decreased the revenue coming in, and then put the Fund Balance in actually a worst position at the ending of the year. We just need to be cognizant of those things and assumptions that we make. Again, also keeping mind that we know we have some really big challenges coming up. The need to do a bond float probably in the next year and how do we fund that Debt Service as well.

We are all trying to work together and try to come to a solution that is hopefully palatable to all.

Committee Chair Kaneshiro: I think we have a few more questions, but I want to make sure we can tighten up the conversation a little bit. We need to get moving a little more, too. Councilmember Hooser, and then Councilmember Yukimura.

Councilmember Hooser: This will be very tight because it piggybacks on the existing conversation. I want to say that I understand the need to maintain a healthy balance just for good practices and I certainly want to support that and head down that path. At the same time, I want to agree with Councilmember Kagawa that the vehicle weight tax is something that I would not spend any time discussing it further, given the position of a good majority of the Council already. That is one point. The other point is that similar to what Councilmember Kagawa said was if there is a point where you are out of money and you have roads you want to pave, it is our obligation to step up to the plate and find that money in some way. So when we get there, that is the option you will have, I guess, is that you spent all your money, you have these roads you want to pave, "Council, we need funds. How do you help us?" Third, I am three out of four so far Councilmember that we are on the same page here, that I also intend to look for greater cuts to create either a greater surplus or shift those funds to other areas that are in need. The lack of a vehicle weight tax option should not preclude moving forward with planning and scheduling and looking at roads that we need to pave. I guess that is the point I wanted to make. Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: Ken, thank you for your presentation. You did not mention our bond rating, but last year we got some signals from the bond community that we were "treading on dangerous water" with the narrowing amount of our surplus, right?

Mr. Shimonishi: I unfortunately did not have a chance to go back and revisit the bond rating, but my recollection was that we held an "AA" rating and that we were stable, but the outlook was projected as negative. Again, that was due to our ability to balance our budget along with the declining fund balances, but balance our budget to be able to support structurally our expenditures and transfers out with the revenues. Again, this year we have technically achieved that without the caveat of the Bargaining Units, 2, 3, 4, and 14 impacts.

Councilmember Yukimura: So I am hearing you say that we need a sustained funding in order to address this \$100 million backlog and taking the money from our unassigned surplus is not going to provide that kind of sustained funding.

Mr. Shimonishi: I think that would only add more pressure to the real property tax payers because ultimately, 80% of the revenues coming to the General Fund are, in fact, from real property taxes. Again, unless there are other \$800,000 or \$1 million cuts that are going to be made throughout the Highway or General Fund combination, that would be my thinking.

Councilmember Yukimura: But if we take money from the General Fund, it is going to be everybody paying for what road users are causing.

Mr. Shimonishi: I think that is a fair statement— well, at least real property tax owners.

Councilmember Yukimura: Right.

Mr. Shimonishi: Right. I think another philosophical discussion is should the General Fund be supporting yet another fund because we know that the General Fund already has to support our golf, solid waste, debt service...

Councilmember Yukimura: Police and Fire.

Mr. Shimonishi: Contribution to open space... our core services, Police and Fire. That is expected.

Councilmember Yukimura: Okay. Thank you.

Committee Chair Kaneshiro: Council Chair Rapozo.

Councilmember Rapozo: Police and Fire, that is core; that is what we do. It is not another fund. That is General Fund. I think that is our basic...

Mr. Shimonishi: That is correct. I was not suggesting another fund.

Councilmember Rapozo: Yes, that is for Councilmember Yukimura.

Mr. Shimonishi: Okay.

Councilmember Yukimura: I understand that as core.

Councilmember Rapozo: That does not fund another fund like what you mentioned. The \$100 million backlog, and I apologize, I was on the phone with some representatives on O'ahu, but the \$100 million backlog— where did that number come from?

Mr. Dill: Council Chair, that number came from an assessment that was done by a contractor that we hired, (inaudible), who did an assessment of all 103 miles of County roads and assigned them a pavement condition and applied an appropriate maintenance treatment to those roads, in order to get them back to respectable conditions. If all 301 miles either has to be reconstructed fully or resurfaced or some sort of surface treatment— it is a fairly broad-brushed estimate.

Councilmember Rapozo: Overall, what period of time?

Mr. Dill: Of what period of time did the \$100 million take place?

Councilmember Rapozo: Yes. What period of time does these roads need to be... because they are in various state of disrepair, right?

Mr. Dill: Yes.

Councilmember Rapozo: Some roads do not need paving.

Mr. Dill: Correct.

Councilmember Rapozo: But were listed as needing paving at some point.

Mr. Dill: No. This is only a snapshot. So at this particular moment in time, this road is okay; this one needs to be resurfaced; and this one needs to be reconstructed.

Councilmember Rapozo: Out of the 300 miles of County roads, how many miles, according to the study, do we need to pave now?

Mr. Dill: Well, the study did not give that sort of recommendation. It just recommended that it needs to be reconstructed, resurfaced, or a maintenance treatment, surface treatment, or it is okay.

Councilmember Rapozo: How did they come up with the \$100 million number? I think that \$100 million number is a big number and the people panic. I think we had this discussion the other day. I just do not see where the \$100 million... it is obviously not broken down by road, right?

Mr. Dill: It is.

Councilmember Rapozo: Is that available to us?

Mr. Dill: Yes. We provided that to the Council in the past.

Councilmember Rapozo: Okay. With the \$100 million?

Mr. Dill: Yes.

Councilmember Rapozo: So you are saying that all of the roads that the \$100 million...

Mr. Dill: If I may, I think I know where you are going.

Councilmember Rapozo: I do not know where I am going. I am just asking questions.

Mr. Dill: Okay.

Councilmember Rapozo: I am just trying to figure out where the heck we got \$100 million.

Mr. Dill: The \$100 million is based on a snapshot of the current condition of County roads or initially when the survey was done a couple of years ago. Just looking at this road today, this road needs to be reconstructed; this one needs to be resurfaced; and this one is okay. The costs to reconstruct this road would be “x,” the cost to resurface this would be “y,” and if you add all of those numbers up, we get \$100 million. There is nothing in here about timeframes. There is nothing that says that, “This road is okay now, but in ten years you are going to have to resurface it.” That costs on \$100 million would be zero because it is okay today. In ten years, it might be something more than zero.

Councilmember Rapozo: I apologize again if this may have been asked and if it has, then just tell me because I do not want to waste any time, but when was the last time we paved a road on Kaua'i?

Mr. Dill: Ed, can you answer that question?

Mr. Renaud: 2012-2013.

Councilmember Rapozo: I am sorry?

Mr. Renaud: 2012-2013.

Councilmember Rapozo: So Fiscal Year 12-13. So that was the money that we appropriated in the 2012 budget?

Mr. Renaud: Excuse me. The question was when was the last road we resurfaced?

Councilmember Rapozo: Yes.

Mr. Renaud: That was when we finished the contract in 2012-2013.

Councilmember Rapozo: Right. Fiscal Year 12-13, right?

Mr. Renaud: Yes.

Councilmember Rapozo: So I am saying that that would have been... in 2013 is when we would have been having the budget discussions and that was when the Council funded the paving, right? It actually would have been in 2012, so that you could have started paving in 2013.

Mr. Renaud: Correct.

Councilmember Rapozo: So three years ago?

Mr. Dill: Yes.



Councilmember Rapozo: So we have not paved a road in three years now.

Mr. Dill: Correct.

Councilmember Rapozo: How long have we been using this micro pavement or MMIS contracting, consulting, or management? How long have we been paying those guys?

Mr. Tabata: The initial assessment was done in 2013, so if you can refer to the slides that we presented, you will see that in the Fiscal Year 12-13, which finished in I believe January of 2014, we resurfaced 17 miles of roadway at \$6.3 million, if you look at slide 13.

Councilmember Rapozo: Okay, so that was last time?

Mr. Tabata: We have been in the last year and a half organizing the present roads that have been selected that was presented in our PowerPoint.

Councilmember Rapozo: That was based on the Micropaver?

Mr. Tabata: On the criteria that we have listed in our slide, if you can refer to the slide, please.

Councilmember Rapozo: The public is not going to see the slides.

Mr. Tabata: They saw the slides because we put them up.

Councilmember Rapozo: Again, I apologize. My question is...

Mr. Tabata: We do it based on our assessment of condition of index and remaining service life. Then we go do field reconnaissance, where we do more accurate measurements and some core sampling of the foundations of these roads. Then we look at population and the destinations. So we are breaking our treatments down into three types of treatments now: reconstruction work, overlay, and pavement preservation.

Councilmember Rapozo: I am trying to determine...

Mr. Tabata: So...

Councilmember Rapozo: Lyle, hang on. Let me ask the question. I am trying to tie it into the Micropaver. How does that tie in with the Micropaver? I notice that there is an annual fee for Micropaver.

Mr. Tabata: Micropaver is the software that is a database that keeps our information of each road.

Councilmember Rapozo: There is a continuing cost...

Mr. Tabata: No, that was a onetime deal.

Councilmember Rapozo: What is this management here, \$24,000?

Mr. Tabata: That is for the maintenance software that we (inaudible) to catalog all the rest of the County assets that Roads is responsible. So that is the Four Winds Software, where we also have the data on our canals and bridges, along with the roads all folded in to do maintenance scheduling, much like what we do for the auto shop and building maintenance.

Councilmember Rapozo: I am just trying to get an understanding the Micropaver. Did we buy the software outright?

Mr. Tabata: Yes.

Councilmember Rapozo: But we pay annually?

Mr. Tabata: No.

Councilmember Rapozo: What is \$24,000?

Mr. Tabata: I guess it is incorrectly listed. It is actually for the Four Winds maintenance software.

Councilmember Rapozo: What is the MMIS?

Mr. Tabata: That is Four Winds.

Councilmember Rapozo: Well, that is listed too and that one is \$36,000. Between MMIS and Micropaver is \$60,000. That is not onetime if we are paying every year. That is what I am trying to figure out.

Mr. Tabata: Okay, I am sorry. It is the licensing fees.

Councilmember Rapozo: So there is an annual cost for the software is what I am trying to say.

Mr. Tabata: To maintain the license and if there are any upgrades, they upgrade our software.

Councilmember Rapozo: \$24,000 a year for Micropaver.

Mr. Tabata: Yes.

Councilmember Rapozo: What was MMIS?

Mr. Tabata: Four Winds.

Councilmember Rapozo: What is that? Is that the ones with the canal?

Mr. Tabata: That is a database that takes everything else that we maintain, like I mentioned roads, bridges, canals, drains, and storm drains.

Councilmember Rapozo: Okay, so beyond the resurfacing.

Mr. Tabata: Yes.

Councilmember Rapozo: Okay. Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Mr. Tabata: I guess on slide number 5, we had the breakdown of the different treatments.

Councilmember Rapozo: My only question was the annual fee. I have seen the presentation for Micropaver and I supported it because I thought it would put us on the right track and it sounds like it has. I was just curious about this annual fee and what we are getting for that annual fee. That is all. Thank you.

Councilmember Yukimura: So just following up on Chair Rapozo's question; you were asking about of the 300 miles how many miles need to be fixed. I think that is answered here...

Councilmember Rapozo: JoAnn, I will get it later. I was not here and I apologized.

Councilmember Yukimura: It is basically 250 miles out of the 300 that need to be fixed.

Mr. Tabata: Right.

Councilmember Yukimura: So 66 of them need to be constructed and 153 of them need to be repaved.

Mr. Tabata: No, 31 just resurfaced.

Committee Chair Kaneshiro: Do you have any more questions?

Councilmember Yukimura: Yes.

Mr. Tabata: The 153 is to use some pavement preservation techniques, which we mentioned we can slurry seal or sealcoat.

Councilmember Yukimura: You are right. The repaving is actually 31. Thank you for correcting me. Also following up on these license agreements, you mentioned something about other facilities, so does that include buildings as well?

Mr. Tabata: No. All of our County bridges have been entered into this database. Roadside maintenance like grass, trees, and vegetation.

Councilmember Yukimura: That is allowing you to setup schedules and...

Mr. Tabata: Yes, maintenance schedules so that the people at the baseyards can count on certain weekly responsibilities and they rotate around. They start from one end of their district, do a circle, and come back.

Councilmember Yukimura: So creating kind of a systematic way to maintain our non-pavement properties.

Mr. Tabata: Right.

Councilmember Yukimura: So that includes stop signs and different signs as well?

Mr. Tabata: Yes.

Councilmember Yukimura: Thank you.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: I was wondering about the disposal of abandoned vehicles, \$300,000.

Mr. Tabata: That money is in Highways' budget, but it is administered by Solid Waste, so that is our program of derelict cars.

Councilmember Yukimura: Is it covered by the Highway Fund, too?

Mr. Tabata: They have to be in our road or right-of-way, so if it was on a private landowner's property, we would not do the removal.

Councilmember Yukimura: Right, but it is also eligible cost for Highway's fund?

Mr. Tabata: Yes.

Councilmember Yukimura: Even though Solid Waste helps to...

Mr. Tabata: They administer it.

Councilmember Yukimura: But you pay for it.

Mr. Tabata: They have a program where they identify the vehicle if there is identifying plates, and they send a letter out and so forth. We work with KPD.

Councilmember Yukimura: It is kind of an overlap between Highways and Solid Waste. Thank you.

Committee Chair Kaneshiro: Any further questions for Highways and Roads? I think we had enough already. Okay. Thank you, Ed. Next up, we have Wastewater. Thank you.

Mr. Dill: Joining us for the Wastewater Division is the Chief of the Wastewater Division, Mr. Ed Tschupp. The mission statement for the Division of Wastewater Management is to protect the public's health, safety, and environmental by developing and operating the County's wastewater infrastructure. Some of the Wastewater Division success and achievements worthy to note for this year— I am not going to go through all of them, but some significant project improvements; upgrades to the 'Ele'ele Wastewater Treatment Plant; the Coco Palms Pump Station Odor Control Project, which I know was a significant issue for many Councilmembers; the Islandwide Supervisory Control and Data Acquisition (SCADA) System Upgrade Project is underway; and energy conservation measures that we are looking at in part of their CIP Projects. They are also collaborating with OED on possible use of the Lihu'e Anaerobic Digester, which would possibly be used to generate compressed natural gas. In Waimea, we are also looking at using— now that the Waimea Wastewater Plant has been completed as far as its upgrade and expansion; its upgrade to R-1 quality water that makes that water a lot easier to use as far as reuse is concerned. We are currently studying the distribution system and how that water can be distributed and be used to customers out there. We are proceeding with a rate study for sewer user fees to make sure we are charging appropriate fees for the service. Wastewater, of course, is a fund, so we seek to cover our expenses through revenues generated from our service.

Some of our challenges are regulatory compliance for wastewater is becoming much more complex than it used to be in the past, particularly the challenge with the National Pollutant Discharge Elimination System (NPDES) permit at the Wastewater Treatment Plant in Wailua that we are proceeding with. Aging infrastructure in Wastewater is always an issue. It is an "out of sight, out of mind" kind of thing. It is buried in the roads and I know has plans for doing what we can via camera to inspect those facilities and see their condition. Staff turnover is always a concern. Our operators are very competent, well-qualified gentlemen who work at the wastewater treatment plants, but they have to go through a certification process and pass exams after getting the requisite experience, in order to qualify to take those exams. It is a very challenging job for those guys and it is not always easy to fill those positions. Of course, limited funding is always a constant issue with Wastewater, as it is with the rest of our divisions, and a small customer base. It is difficult on an island like this, where all the infrastructure is strung out and we have fewer customers per mile of pipe than you might have in a more densely populated area. It is difficult to support your system financially.

Some goals and objectives are to improve operations by staff development, safety program improvements, and facility maintenance and capital agreement products. The staff development speaks to us what I was saying before about keeping our operators trained and certified is a challenge these days. We were fortunate that the State of Hawai'i had a Statewide Wastewater Operator Training Center, but they are having a difficult time keeping that afloat. Recently, I believe they tried to transfer that responsibility to the University of Hawai'i (UH), but I do not know if the University of Hawai'i has actively taken up that task and is implementing the training sessions. Have they been doing it? Good. Hopefully

they will continue to do so for us, otherwise it is difficult to get. Our operators need Continuing Education Units (CEUs) in order to maintain their licenses, so it can be a challenge for us to keep those guys educated. Ed has passed out today... I do not have his goals and objectives in front of my, but many goals and objectives that he is working on and is in various stages of progress on— they are before you, so I am not going to read through them all. Ed, I will ask you if there are any in particular that you want to touch on or highlight.

EDWARD TSCHUPP, Chief of Wastewater Management Division: For the record, Edward Tschupp, Chief of the Wastewater Management Division. One of the things that is very, very clearly a real good thing to chase after is energy-efficiency and I think we are making some good progress on that through some of the capital improvement projects, as well as Larry alluded to the potential for generating some power out of the Līhu‘e Digesters. That is kind of an interesting project for a set of possibilities and its potential opportunities. Other than that, basically our personnel related expenditures for training and safety— we are dealing with wastewater, so there is inherently some care and safe operations that are real necessary here. I think those are the main points.

Mr. Dill: Thank you, Ed. I will direct you to page 31, which are the charts and tables there summarizing the costs and what the changes have been fiscal year over fiscal year. You can see that total increase in costs for a \$10.5 million operating budget of about \$266,000 or a 2.6% increase. The majority of those costs are salaries, wages, and benefits. Again, those are union negotiated contracts, showing increases for those employees. For utilities, we are assuming a 1.8% increase for electrical costs. Vehicle equipment and lease does show a \$60,000 increase. Ed, do you know what that is?

Mr. Tschupp: Something that is actually a little discrepancy here that I noted this morning is with the appropriations for equipment expenditures, the leased equipment expenditures, that is a kind of towards the end of the process, probably was done after this was actually written up. We adding, I believe it is a forklift to replace a rather aged forklift.

Mr. Dill: Thank you.

Mr. Tschupp: So that ends up being an addition of \$60,000 to the leased equipment budget. That came in a little bit later.

Mr. Dill: Thank you. I will note that also operations expense is down significantly and that is reflecting the completion of some State Revolving Fund (SRF) loan payments. Some old SRF loans are finally coming off the books there for wastewater. Back to salaries, wages, and benefits, and one significant issue— if you notice in wastewater, we have increases greater than we have seen before. Wastewater is particularly impacted by the fact that we under-budgeted in the previous fiscal year some of our standby costs. The union agreement for standby was not what it was when we originally budgeted the standby costs for last year, so it was not reflected in the budget. Ed, can you cover please what the specifics are on the standby costs by that union agreement?

Mr. Tschupp: It works out to be about a quarter of a person's salary for the standby coverage for the off hours; the 24-hour standby. Because each of our plants is different, we end up with the line crew, the maintenance mechanics, and one standby guy from each plant. So we have quite a few people on standby. When we started the standby program, it was a screaming deal for the County. It was like \$2 an hour. But then the contract changed about a year and a half ago and it was not reflected in last year's budget, such that standby became a lot more expensive, and as indicated, not actually captured in last year's budget.

Mr. Dill: Thank you, Ed. So the wastewater plant operations are a 7 day week operation, but only staffed full-time, 8 hours a day. The standby is important for us because if something does go awry, we need to be able to respond very quickly in order to prevent a spill or some sort of environmental disaster from happening. It is a cost that is unfortunately a necessary cost that we need to bear. That completes our presentation. We would be happy to answer any questions.

Committee Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: The standby position or standby costs— you said a quarter of the worker's salary that works at the treatment plant— you are applying about a quarter of their salary?

Mr. Tschupp: I believe that is about what the formula works out to. I may need help from James.

Councilmember Kagawa: I see the big drawback already of taking out Crystal because she used to sit in here and answer these personnel questions when she was here. I do not see the Human Resources Public Works person. So the standby person is just standing by and you get a quarter of your payroll? When you get actually called out, is that overtime?

Mr. Tschupp: Then you get overtime for the call out.

Councilmember Kagawa: But you take an average based on all of the costs and it comes out to about a quarter?

Mr. Tschupp: For that one position per plant that is on standby for that plant, and then we have a couple pooled groups; our line crew is a pooled group, islandwide between the four different plants, as is our maintenance mechanics.

Councilmember Kagawa: That cost doubled over one year? We went from \$200,000 to \$400,000, basically.

Mr. Matsushige: Let me explain the 25%. Actually, it is 25% per period of the day. Let us say that you are off on Sunday, then it is one-fourth; it is 1 period. On a Saturday and Sunday, they will have one period, which is one-fourth of your pay, the daily rate. However, on the other five days, because you work from 6-2:30, so there is one period from midnight to 6:00 and one period from

2:30 to midnight. It is two periods and it is 50% of the pay, so you get 25, 25 for each section.

Councilmember Kagawa: Overtime is time and a half, right?

Mr. Matsushige: Yes.

Councilmember Kagawa: So have you looked at another way where we can hire somebody full-time to cover overtime? Are you guys looking at adjusting work schedules, so we can try and reduce that cost a little bit? It is kind of alarming that we are doubling the costs, and then if later on we say, "Well, we want to subsidize sewers," then what does that mean? It means increasing sewer rates, which people are already screaming about their sewer bill. They do not grumble about the water; they grumble about the sewer. You need water to drink; you do not need sewer to drink.

Mr. Tschupp: With respect to the staffing, because we staff one shift a day, not three. In Honolulu, for example, with the big Sand Island wastewater plant, some of their staffing is 24/7; they are always there. We do not have that and it would be a lot more expensive for us to try to go to a skeleton crew on a 3-shift a day, 7-day-a week operation. Standby for us is even though it is no longer the screaming deal it once was, that makes sure that we have somebody who will respond. For the employee, it is a significant restriction on their abilities... they are not really "off" when they are on standby. They are at home, but they cannot go out and party. They kind of have to be close to their district. For comparison, my wife works with the hospital system and hospitals have a lot of people on standby. I think that their standby policies are kind of now fairly similar in terms of the compensation, sort of a quarter of your salary for the time that you are on standby.

Councilmember Kagawa: I guess last question, just roughly, Ed, how often do we have these overtime problems where workers are done with work, let us say for the Wailua plant, and they get called out once a week or twice a week?

Mr. Tschupp: I would actually have to get back to you on that. My sense is because I used to get all of those calls and when KIUC goes out to our plant, we get an alarm and somebody has to go.

Councilmember Kagawa: KIUC going out is pretty rare though.

Mr. Tschupp: Well, it depends upon the area. Kapa'a seems to have a lot more KIUC outages than some of the other areas of the island. When it rains a lot, we tend to have problems. My gut feeling it that it is a couple of times a month at each plant.

Councilmember Kagawa: Okay. Thank you.

Committee Chair Kaneshiro: Council Chair Rapozo.

Councilmember Rapozo: Thank you. Ed, how many plants do we have? Six?



Mt. Tschupp: Four.

Councilmember Rapozo: Okay. You said earlier that because each plant is different, you said you have to keep four groups of people on standby?

Mr. Tschupp: We have a standby operator for each of the plants, and then we have the two pools of islandwide support, which is the line crew, sewer maintenance. That actually generates a fair number of afterhours activities. A citizen will call and say, "I am having a sewer backup." We always say, "Make sure it is not on your property." No, they have called their plumber and it is in the sewer line. Then our sewer maintenance crew needs to go out and unclog that sewer. We have a fair amount of standby activity there and the specialty maintenance mechanics that act in support of all four plants and pump stations; 19 pump stations. They also have a crew of mechanics and one of those guys is on standby. So we have six people on standby.

Councilmember Rapozo: Everyday?

Mr. Tschupp: Yes.

Councilmember Rapozo: Is each plant different where one person could not be on standby for more than one plant? Do they work at different plants throughout the year?

Mr. Tschupp: We do not rotate between the plants particularly very much. Sometimes like the west side plants, 'Ele'ele and Waimea, they will help each other out, but normally the guys at that plant operate that plant. They do not necessarily know very much about what is going on with the other plants.

Councilmember Rapozo: They do not?

Mr. Tschupp: No.

Councilmember Rapozo: Are the systems that different that they could not handle the standby?

Mr. Tschupp: Yes, it is actually surprising how different each of the plants are. I think that that may be a future thing that we could look into, particularly once the SCADA system is online, then at least the alarms will be consistent.

Councilmember Rapozo: For example, the Police Department has standby and the detective may not be a homicide detective, but it is "a detective." They do not put a homicide detective, burglary detective, robbery detective, or every type of specialist on standby every night. You have the one guy to come do the assessment and then after that, that person needs to start making the calls if they need to. I think we have to start looking at that. If we have to cross-train them to the point where they can at least do a standby and function in more than one plant. For 'Ele'ele and Waimea, that should be one person.

Mr. Tschupp: I think that is something we can really look seriously at moving towards. I do not know how this plays in, but they are considered, within the Bargaining Unit system, they are separate baseyards and we have to work out those details before we can make that kind of a change. Yes, we actually discussed that during this year's budget process, whether we could perhaps start looking at the eastside having a standby and the west side to reduce the number of standby people.

Councilmember Rapozo: It just makes sense because if you are saying it is 25% of their salary, that gets pretty pricy at the end of the year.

Mr. Tschupp: It certainly is not the screaming deal it once was.

Councilmember Rapozo: Thank you.

Committee Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: *Aloha*, Ed. Thank you for being here. I have a question. Where and when do you foresee the next wastewater plant? When do you foresee the need?

Mr. Tschupp: For the expansion of building a new plant, I can visualize or conceptualize possibly two situations where that might be appropriate. One is that there is no real consolidated wastewater system service the Hanalei area, yet there have been studies over the years that have indicated that there are environmental issues in the Hanalei watershed. I do not know how anybody other than the County would find themselves operating a sewage plant there. I just do not see any other entity, like a developer or something, being able to step up or willing to step up. So that is one place where a new wastewater plant is conceivable. The other long-term plan in the Wailua-Kapa'a area does show that with continued growth and development and "sewering" currently unsewered areas, that the Wailua Plant could max out its capacity. Our long-term plan that was done about five years ago did indicate that 20 to 25 years down the road, we might need to split that system and have another plant in the Kapa'a side of the system, as well as the Wailua side. Now having said that, the other area that is not currently sewered by the County is the Po'ipū area, but there is a private sewer company there that is actively looking at building a new plant. I think that unless the County were to try to take over that system, I do not see the County operating there.

Councilmember Chock: Thank you. Do we have an active plan being generated to address those that you just mentioned: Hanalei, Wailua, and potentially the south shore?

Mr. Tschupp: With respect to Wailua, it is in our facility plan for the Wailua-Kapa'a sewer system. They are not being sewer systemed in Hanalei. We actually do not have any plans there within the Wastewater Division. For Po'ipū, we are a little bit hands-off because of the presence of the private Public Utilities Commission (PUC) regulated utility.

Councilmember Chock: Thank you.

Committee Chair Kaneshiro: Councilmember Kualii. We are at 3:20 and at 3:30 we are going to take a 10 minute caption break, so just be aware of that.

Councilmember Kualii: I just noticed that the line item for electricity is like \$2 million. You talked about improving energy-efficiency and reduced water and electrical costs per gallon treated. Do we buy all of our electricity from KIUC?

Mr. Tschupp: Our Waimea Wastewater Plant does have 125 kilowatt photovoltaic (PV) panel, so it dips down into where we are selling some power back to the grid at that plant. The other plants are all purchased electricity. There is the potential for using some of our digester gas at the Lihue plant for a power of generation in some fashion.

Councilmember Kualii: Is there a reason why only Waimea has gone to PV and not the other plants?

Mr. Tschupp: It was an opportunity that went along with the plant expansion project that was recently completed. We looked at putting PV in at some of the other plants, but we have not really aggressively pursued that. I kind of almost would prefer to defer that question to the energy coordinator with the economic development people.

Councilmember Kualii: The only other thing is that I do not see any detail on this line item 502-2061-642.42-01, "Indirect Costs – Central SE" for \$500,000.

Mr. Tschupp: That is the Finance Department's assessment for central services that the Finance Department does for every department and it has distributed out to, I believe, all departments. Certainly, because of the enterprise fund nature of wastewater, it has been in our fund for a long time.

Councilmember Kualii: Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: You have the Coco Palms Sewage Pump Station as a success and achievement that is the completion of the first phase of the project. How is that working?

Mr. Tschupp: I have not heard anybody call to complain about the odor not being there.

Councilmember Yukimura: When things work, people usually do not notice.

Mr. Tschupp: Yes. That was my point. Everytime I drive by there, I roll down my windows to try to do an assessment of the air quality in the

immediate environment and I could be blind to this, but on a personal level, I think it is far, far better. We do not have too many complaints anymore where we were getting complaints regularly. I would offer to Council that if you want to see how well it is working, we could go there and we will turn off the unit and you will be able to immediately tell how well it is working.

Committee Chair Kaneshiro: Councilmember Hooser.

Councilmember Hooser: Just a brief follow-up. The smell is still there, just so you know. I have coffee there fairly frequently in the morning because there is a coffee shop there and I would say three quarters of the time when I pull up, I have a hint of it. I would think that it is still an issue. I do not doubt that it is better than it was before and I appreciate that, but it is still an issue. There is no question about that. I parked on the road right next to it and I smell it, and I think about you guys. It was explained to me, and correct me if I am wrong, that part of the problem is that there is not enough flow through that. Is that just an “old wives” tale? Anyway, I just want to be clear that it still is an issue for the people who live in that area, I am sure.

Mr. Tschupp: First let me ask, is that Papalina Road?

Mr. Dill: Papaloa Road.

Councilmember Hooser: Right there on the highway by Restaurant Kintaro and Kinipopo Shopping Village.

Mr. Tschupp: There were two areas that were known problem areas. The bigger area was the pump station itself, which is across the street. We figured that taking care of that was going to help the area generally. The other hotspot is right there in front of Kinipopo center on Papaloa Road. There is a little bit of a different mechanics there, so that has actually been the area that we have been wondering about how much odor is there versus across the street. It is a long residency time from the pump stations up in Kapa‘a, pump sewage towards that particular intersection, and then over to the Coco Palms pump station. It is like a four-day kind of residency time for the sewage— well, it gets really stale and septic. Phase 2 is currently out to bid. The Phase 2 is still on the main pump station side, but what we are doing with Phase 2 is adding a carbon system and exhausting all of the air through that normally exhausts from the system through the carbon unit. I think that completes the pump station side and I am acknowledging to you that the Kinipopo side probably needs more work, absolutely. It probably is a different technology that we will end up using over there.

Councilmember Hooser: Since we are on that topic, it is on the *makai* side where I park and that is where I smell it.

Mr. Tschupp: Tight.

Councilmember Hooser: In acknowledging that it needs more work, do you anticipate six months? A year? When could that work happen and when the conditions might improve?

Mr. Tschupp: I do not have a projection for that at this time. We would need more money to work over on that side.

Councilmember Hooser: Will you be submitting the appropriate manner, a request for the work or the funds? As we sit here, I do not know if it is \$1,000, \$100,000, or \$1 million. So we will need some kind of description and maybe a follow-up, you could give us at least a one-page description or some kind of request, so we have some kind of idea of the scope of this.

Mr. Tschupp: We will do that.

Councilmember Hooser: Prior to the end of the budget discussions, I hope.

Mr. Tschupp: We will come up with some kind of an estimate. At this point in time, I cannot really, on the fly, come up with an estimate here, but we will get back to you.

Councilmember Hooser: We all acknowledge that this has been a life-long problem and I just want to make sure that resolution actions continue. Thank you.

Committee Chair Kaneshiro: Thank you. We are going to take a ten minute caption break. We will be back at 3:40 p.m.

There being no objections, the meeting recessed at 3:29 p.m.

The meeting reconvened at 3:40 p.m., and proceeded as follows:

Committee Chair Kaneshiro: Welcome back. We are still on Wastewater. I just want to let the members know that I am planning on stopping at 4:30, wherever we are at. I think we will probably be able to get through Wastewater, hear Solid Waste's presentation, and we may have time to ask them some questions. Realistically, I do not think we will be done asking them questions, but we will see how it goes. Councilmember Yukimura, did you have some questions?

Councilmember Yukimura: Yes, thank you. On your rate study for sewer user fees, you said you are proceeding with that; what is the timetable?

Mr. Tschupp: We are working with the Purchasing Division. We have done the consultant selection process, professional services procurement process. We are ready to proceed with the contract award, which is sort of formal step that says we are really intending to hire you. So the contract has been essentially negotiated. After the award, it takes a month or two to route the documents and get all of the signatures. We will be issuing notice to proceed before the end of this current fiscal year. In talking with the consultant, I believe that they will be able to have a package proposed rate package put together towards the latter part of this current calendar year.

Councilmember Yukimura: Okay. That relates to my question. In your challenges, you talk about aging infrastructure. Are the rate fees going to be part of

addressing aging infrastructure? I presume that is going to be part of your consultant's scope of work.

Mr. Tschupp: Yes. The way that the rate study works is the consultant calculates the cost of providing service and they will look at all of our financial structures. So they will look at the capital in the ground, the capital at the plants, the pump stations, and look at the last "x" number of years of budgets and see what the costs are of basically providing service? It is a little bit backward looking. It is kind of based on what we know about the system and what history is. We can project into that, that it is time to start replacing sewer mains. We have identified a few areas, where we know we have pipes in the ground that are going to need some work in the next ten years. We tried to project so the rates provide funding for those kinds of costs that we know we are going to be facing.

Councilmember Yukimura: So I guess that is my question to everybody, whether it has been Roads or Solid Waste. What is your comprehensive assessment of the facilities, your repair and maintenance needs, your replacement needs, and how are we going to upkeep the system so that it continues to provide services? Is that question going to be addressed? I do not know how you can address the rate structure without knowing that question or the answer to the question.

Mr. Tschupp: I agree. Just for context, over the last ten years, the County has actually made a lot of investments and the Council has been very supportive in understanding the sewage collection system, as well as the plants and the pump stations. Five years ago, there is what is known as a facility plan done for each one of our wastewater systems. That gave us a basis knowledge base of how the plants themselves are aging and what their replacement, so they gave us kind of the big picture view, in fairly recent past. They kind of identified funding needs. We pretty much have taken those in the last rate study and adopted them. Since then, we have continued to build on our knowledge base through bringing in things like some of the pipeline assessment system type of stuff, as well as our maintenance, software package, and various things; we got GIS layers for all of our sewer systems, for example.

Councilmember Yukimura: That is excellent.

Mr. Tschupp: We have a lot of information to use in doing the look ahead.

Councilmember Yukimura: Thank you for reminding me about the facility plans. That was a very proactive move, I think. We just do not want to be in the situation that the Water Department was in recently, in the last ten years, where they were increasing water breaks in certain parts of our community, and I am just hoping that we are looking ahead enough so we can prevent some of those occurrences and we do not have to do crisis management, but we can do the facilities overhaul or sewer line overhauls prior to having to do all of this crisis response. Thank you. I saw that your objectives were the same as last year and if you got success measurements, I wanted to know where you were on your successes or progress. Do you have a report about that? All your CEUs needed for license renewals being achieved?

Mr. Tschupp: Yes. I tried to provide an update. I do not have a more detailed report than the thing that was handed out just at start of this session.

Councilmember Yukimura: Okay, I see that you have added.

Mr. Tschupp: I did update some of the objectives, as well as the outcomes. The format actually... I kind of tripped over the outcomes because last year it was expected outcomes. I had a little difficulty wrapping my brain around what else to say, so I looked at it after the question came over on Thursday or Friday. I appreciate having that head's up, so that I could look at it again. I tried to capture a little bit more detail. For example, on the CIP projects in construction on the energy-efficiency— I put in there that we have replaced, in the last year, our blowers at Wailua plant. Last week, the construction got around to repairing a leaking airline at the 'Ele'ele plant and we are already seeing at our KIUC printouts that we are seeing an energy reduction there as a function of that specific activity.

Councilmember Yukimura: Thank you. So you know where you have “success measurements”: reduce water and electrical costs per gallon treated. It would be wonderful if next year you can say to us, “Over this past year, we have saved this much money due to this drop in water per gallon treated or in the drop in electrical costs per gallon treated.” Actually, it is a chance to blow your horn where you have had successes, but it also gives the public some understanding of the results of your work. You guys are working really hard and achieving things, but if you do not tell us about it, then we cannot feel the progress ourselves or share it with the public.

Mr. Tschupp: Thank you.

Councilmember Yukimura: Thank you. Biosolids diverted from the landfill— if you are achieving diversions, then please let us know. If you are not, let us know, too. If you institute certain efforts to divert and then it does not work, I think we want to know both and then you would need to tell us how you are restructuring your efforts.

Mr. Tschupp: Right. On that one, I did indicate in this new table that we have had a little bit of success on that. It is certainly not the thing that we ultimately want to get to as the end product of 100% diversion of biosolids from the landfill. But at least they are going in drier because of the new drying equipment that we have been installing. So that means we are removing water from the biosolids and not having to transport or haul around as much water.

Councilmember Yukimura: Yes, so it might be less weight and volume that you are getting there.

Mr. Tschupp: Correct.

Councilmember Yukimura: If it is causing your electricity usage to go up, that is winning one and losing one, but if you are then generating your own electricity to do it, then you have got a pretty good system.

Mr. Tschupp: There are some opportunities.

Councilmember Yukimura: Yes. Okay. These success measures are not only useful for telling us what you are going to measure, but telling us how you are doing. I guess my last question is staff turnover due to challenges in recruitment of skills and licensed new employees to take over from retirees. You had that as a challenge last year and this year.

Mr. Tschupp: Right. Last year was particularly bad for us in staff turnover. We had four retirements and with all in the operations section, so that is like more than ten percent of our workforce. With that much retirement, it took a while for us to fill a lot of those positions. We are mostly filled at this point. There are a couple of vacancies. We have a continuing problem, particularly recruiting grade IV Operators. Those are the people who have individual licenses that are pretty rigorous State-administered, personal licenses to do their work. We have tried internal educational efforts. The training center has been a really good resource. It is now transitioning fully to UH, so that program is actually still up and running, although it is going to be a little bit more expensive in the future with UH's cost profiles being a little more than the State's was. It is an ongoing challenge because we have more retirements coming up. One of our lead operators at the Līhu'e plant is retiring at the end of this year, so there again is another grade IV licensed guy that we are going to have to replace.

Councilmember Yukimura: You must have people that would like a career track upward.

Mr. Tschupp: Yes, we do.

Councilmember Yukimura: If it is now under the UH system, is there a way people can cut the costs by taking a course through KCC here, which is part of the UH system?

Mr. Tschupp: The training center program is... one of the great things about it is that they send an instructor and typically it is a day or two course that we schedule them into that course. It is very focused. They come here so we do not have to do the travel and per diem to send somebody over to Honolulu. We need two CEUs every two years, so a CEU is like a full day or two day course. We have an ongoing need and most of our operators, even if they are not grade IV operators, are licensed at grades I, II, or III. They need units, too. There is a good opportunity starting to develop with UH/KCC and they are looking at doing some environmental programs. I have consulted with them a little bit on a couple of them and they are very interested in workforce development-type of course work, and I think that their offerings are more the traditional college schedule; a course or two for a couple of hours a week over an extended period. The training center program is very intense, within a day or two. They are serving a little different purpose.

Councilmember Yukimura: Okay, so we are not losing people to the private sector; we are losing more to retirement.



Mr. Tschupp: That has been the case over the last couple of years, yes.

Councilmember Yukimura: Good. Thank you very much.

Committee Chair Kaneshiro: Any further questions for Wastewater from the members? No? Very good. Thank you, Ed.

Mr. Tschupp: Thank you.

Committee Chair Kaneshiro: Next up, we have Solid Waste. Again, we will do the presentation and try to get through as many questions as we can. At 4:30, we will cut it and restart again tomorrow.

Mr. Dill: Joining us up here now will be the Chief of the Solid Waste Division, Troy Tanigawa. You have the presentation before you. I will touch on a few things. I will start off reading their mission. The mission of the Solid Waste Division is to maintain public health and safety by providing reliable programs to properly manage municipal solid waste for the island of Kauaʻi and to maximize waste diversion on Kauaʻi by providing cost effective, convenient, and reliable waste diversion opportunities to Kauaʻi residents through source reduction, reuse, and recycling. I will only mention (inaudible) the one thing, that the Council passed a resolution in 2013, I believe, establishing a 10-year goal to achieve 70% waste diversion and we are on our way to that goal. I am not 100% sure that we are going to reach that goal, but we are currently doing a 42% diversion rate and we hope to implement some things, as I will touch on here, that we will continue to enhance the waste diversion.

Some successes and achievements— we passed the first “Pay As You Throw” variable rate ordinance in the State of Hawaiʻi this year. We believe this will encourage our customers to continue to divert waste and also help them to choose a smaller cart will actually save them a little money, compared to what they were paying before for a 96-gallon cart. We are doing what we can to ensure sufficient capacity at the Kekaha Landfill, as we need it. We are currently working on the vertical expansion out there, which gained us an additional five year capacity when it was built. At the same time, we are working on an Environmental Impact Statement (EIS) for our new County landfill currently proposed at Maʻalo and working through that process. A couple things we are working on with the union right now is that we are in discussions and negotiations when them to transition the management of refuse collection operations from Roads Division to the Solid Waste Division. We have spoken about it for some years now and we are getting close to actually getting that done. Also, in negotiation of Phase III, which is the final phase of automated collection, we hope to get that in place so we can begin automated collection in July of this year, and then our entire island will be fully automated.

I will skip to page 36. I touched on our waste diversion rate already. We are looking at some program reliability issues, some metrics where for instance for refuse collection, we have a total of 19,000 customers that we serve every week, so our refuse collection is a significant operation. I think that we do a very good job of servicing those customers. With 19,000 customers every week, of course we do have

issues, but by and large, we take good care of our customers. We operate refuse transfer stations 7 days a week or 352 days out of the year. Four transfer stations are nearly operating every day of the year. We also operate waste diversion programs and we have a residential drop-off program for recyclables. Our safety track record is good, but there is room for improvement. We have some issues. That is one of the great things about automated collection is that it is a much less physically strenuous position than having the guys on the back of the truck, having to jump on and off and lift those cans. So that will help with our safety track record and lessen injuries on the guys.

We have a few vacant positions. The Solid Waste Division does a good job of taking advantage of grant funds where they are available. In looking at page 37, two full-time recycling specialists funded 100% under State contracts. We also have contracts for public education and program administration where we need grant support. Also, with our used motor oil program and also with glass advance disposable fee recycling program with the State where we get support in grants. On page 38, our chart showing changes from year-to-year in the budgets for the Solid Waste Division. You can see as in other divisions our salary, wages, and benefits increased due to union negotiated agreements. Two of these are actually projected to be down a little bit this year. Our vehicle equipment and lease cost— we are proposing, I will get to it in a moment, some additional vehicles. Maybe I skipped over that, so I will go back to that, but some new equipment that we need to replace some of our older aged equipment for Solid Waste. Finally in operations, I will note a minor correction on page 39. We talk about a Civil Engineer IV position— that is not actually a “new position.” That is a reallocation of an existing position to the Civil Engineer position, which is necessary to support the Chief in doing all of the work he has got to do, engineering-wise for the existing landfill, the proposed landfill, and all the transfer stations. We need more engineering support in that division. I will go back and touch on the equipment. It is on the last page, second paragraph. The equipment recommended for purchase includes a replacement tarping machine for the landfill that serve as a purpose of alternative daily cover at the landfill, which is a much more efficient and cost-effective way than doing it with using soil every time we have to cover a load. The existing tarp machine is how old, Troy?

Councilmember Yukimura: I am sorry, where are you?

Mr. Dill: I am on page 39, second paragraph. The existing tarp machine is about 70 years old, so it is due to replacement. We are requesting a purchase of 5 roll-off bins to replace unrepairable bins. We do repair these quite a bit, but they are in a rough service environment and it is time to replace these 5. Two of our automated side loader trucks— these are actually replacing the first trucks we ever picked up. They are reaching the end of their useful life and it is going to be more costly to keep and maintain those than it is to purchase new ones. Finally, a replacement for an existing roll-off or a new hooklift truck to manage the bins. That completes my presentation. I would be happy to answer any questions.

Committee Chair Kaneshiro: Thank you for the quick presentation. Any questions from the members? Councilmember Kagawa.

Councilmember Kagawa: This one is regarding the transfer station. It was brought up by a constituent. She did the male job. She had a skip that she had to throw away. She drove there and the attendant said, "No skips allowed. You have to cut them up." She said he said, "Look, can you not read the sign?" There was a sign that said "No Skips Allowed." You guys have a sign there that says "No Skips Allowed," right? She asked the attendant, "Why can I not throw away this skip? This guy next to me is throwing away a big sofa," which was comprised of wood, etcetera. It was huge, big sofa, and he just flew it off the truck. She said, "He can throw his big sofa here, but I cannot throw my skip?" He said, "Yes." She said, "Well, can you help me take off the skip?" I guess the attendant was mad at her for questioning, so he said "no." So it is not because of the size of the item? It is too much to ask the people to cut sofas? What is the reason for allowing a big sofa to be thrown off, while you cannot throw a skip?

TROY TANIGAWA, Environmental Services Management Engineer: For the record, Troy Tanigawa. We looked at the equipment we have, the types of waste that come in, and we proposed code requirements to ensure that we have the equipment that can manage the materials we get in, and that can last a long time, as reasonably possible. The problem with skips is that people come in with truckloads of skips, rather than just... I know residents come in with one at a time, but we are able to determine the amount of bigger, larger furniture that come in is fairly infrequent, compared to other items like skips. The code provision was that we exempted furniture because we realized that for somebody in Kapa'a or further away in Hanalei, they need an intermediate disposal location because a lot of times, residents are the ones who dispose of their own furniture. Līhu'e Transfer Station that can manage the occasional big items when placed properly in the trailers is the best way to go about doing that. We exempted furniture items, but as far as skips or any other items not exempted, they have to be cut in the 3 foot dimension just so we can manage all the materials that we have to.

Councilmember Kagawa: Thank you. You explained that well. When she asked me that question, I could not answer why, but it is because of the frequency and the infrequency of the furniture items. Thank you for your response.

Committee Chair Kaneshiro: Anybody else? Council Chair Rapozo.

Councilmember Rapozo: We can go anywhere, right?

Councilmember Kagawa: I went anywhere.

Councilmember Rapozo: I have a question regarding the green waste, disposal. The green energy facility where it is burning the trees— is that system set up to burn green waste?

Mr. Tanigawa: Not totally. We spoke to those guys months ago; they actually came to us with a suggestion to take green waste. They went down and looked at our site and it was unfortunate because they found that a lot of the materials that we accept, more than 50% I would say, is a smaller type of green materials that they do not want to manage at that facility. They want the real big woody stuff they can chip and burn, rather than a lot of the leafy stuff and shrubbery that residents bring to us. It is too problematic for us to have two

separate waste streams to separate the green leafy stuff from the bigger woody stuff. That option kind of went away.

Councilmember Rapozo: So their equipment is only for trees or wood?

Mr. Tanigawa: More woody stuff.

Councilmember Rapozo: Not regular household trash?

Mr. Tanigawa: Not the green leafy stuff.

Councilmember Rapozo: What about regular trash?

Mr. Tanigawa: Not trash.

Councilmember Rapozo: Okay. Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: Thank you very much for your written presentation. It was not just repetition of last year's narrative and it shows accomplishment and thought, so I very much appreciated it. Congratulations of your Pay As You Throw efforts because as you point out here, Kaua'i County is the first to start this variable rate for residential refuse collection and the Environmental Protection Agency (EPA) study has shown that when put together with curbside recycling, it will really increase our recycling rates. Thank you very much. Related to that, you show that we are not at a 42% diversion, and that is where we were last year. So we have not increased the diversion rate dramatically and our goal is 70% by 2023, right? I think you have it embedded in here, but I imagine you expect a big leap when we go to curbside recycling. How where you planning to increase our rate and make our goal by 2023?

ALLISON FRALEY, Solid Waste Program Development Coordinator: We outlined several initiatives and one big one is being able to have a materials recovery facility that would sort a single stream of recyclables. That is how we can offer curbside recycling to residents, and also what would make commercial recycling easier as well. Another initiative that we were looking at was mandating commercial recycling and construction demolition debris recycling. Toward the end, as those programs mature, then that diversion rate will increase. A big piece of the pie is food waste and that is something that is kind of far off in the picture, is how we will manage food waste both in the residential and commercial sector. Those are some of the things that we have been talking about for a while and working to eventually hit that 70% diversion rate.

Councilmember Yukimura: So related to the green waste that we just spoke about at this table— food waste, one of the big options is composting. Is it not?

Ms. Fraley: There is the collection side, first having it collected at curbside would be a big education piece and participation piece. What you do with it, there are several options: you could commercially compost it, which

is what was recommended in the Integrated Solid Waste Management Plan. Anaerobic digestion is an option for managing food waste and that is what is happening a lot on the mainland right now.

Councilmember Yukimura: If sewers are looking at an anaerobic digester, is that a possible dovetail?

Mr. Dill: We are definitely talking to Wastewater because they already have an anaerobic digester at the Līhu'e plant and it does have some available capacity. We are looking at that facility with Wastewater about doing some sort of a food waste diversion program with them, between Solid Waste and Wastewater.

Councilmember Yukimura: So you are looking at that option and analyzing it to see if that might be the best. Related to that, you have a... in fact, it is a substantial cost via waste composition study. Is that going to be part of determining how much food waste we are going to have to deal with?

Ms. Fraley: Yes. The last time we did the study was in 2006, I believe. We only did it for a week's time. Usually, you need more time to measure it in different times of the years, so that is what we are proposing. Also, we have started new programs since then, like monitoring the waste that comes in at the landfill from commercial. We have restrictions on cardboard, green waste, and metal at the landfill. We began enforcing that since then, so we feel like cardboard waste is down. We just do not know where we are at with a lot of these things. Also, the Hi-5 program matured since then and it just kind of started at that point, so there are a lot of things that have changed since we did that study. That is why we really want to look at that to help plan better. That is the key component to planning. Waste management is knowing what is going to the landfill.

Councilmember Yukimura: Which is why I have grave concerns that we based our whole Integrated Solid Waste Management Plan on a waste analysis study that was done for just one week. If we had done that properly, we would have a baseline that could actually now do it and compare to it, but I am glad at least that we are going to do it correctly this time. I see \$150,000 on page 236 as a cost item in the budget. What is the timetable on that? What is the outcome expected? When is the outcome expected?

Ms. Fraley: You mean for doing the study itself?

Councilmember Yukimura: Yes.

Ms. Fraley: Actually, I do not know.

Mr. Tanigawa: I can address that. Normally what we do at the end of the year, which we are approaching that time already, we put a request in for professional services with the Purchasing Department and they let the professional services notice out with a bunch of other notices from other departments. Normally that comes in July or August, so once we get that, we can start our professional services selection process.

Councilmember Yukimura: So you are going to do a Request For Qualifications (RFQ), right?

Mr. Tanigawa: Yes.

Councilmember Yukimura: May I ask that that be done very carefully and not just as a perfunctory because you really want the best consultant you can get for this because this information that is gathered is going to be the foundation of future planning for our solid waste. I hope you will spend some time in crafting what that RFQ will ask for, so that you can really get a good response and good selection of people from which to choose the best, just because this is a lot of money and it sounds like there is a lot hanging on the information that this study is going to get.

Mr. Tanigawa: We appreciate that comment. Thank you.

Councilmember Yukimura: Thank you. I have more, but maybe others have some right now.

Committee Chair Kaneshiro: Other members? Councilmember Kagawa.

Councilmember Kagawa: I am looking at the... we can go anywhere, right? Refuse collection site?

Committee Chair Kaneshiro: You can go anywhere.

Councilmember Kagawa: Okay. The refuse collection site— I counted 18 refuse collection people who are on the *uku pau* schedule?

Mr. Tanigawa: Yes.

Councilmember Kagawa: Eighteen of them; six at each...

Mr. Tanigawa: There are 3 for each crew. We have 6 manual collection crews originally. Some of those crews transition, or I should say routes, transitioned to automated collection, so we have some unassigned employees right now whom some retired, so we are able to benefit from attrition and not permanently fill some of the positions.

Councilmember Kagawa: Maybe try and renegotiate with the United Public Workers (UPW) union, so we can get them off the *uku pau*?

Mr. Tanigawa: Currently, we are in talks... that is one of the objectives of our talk, which is to be able to better utilize the employees.

Councilmember Kagawa: It was a KHON2 Action Line top story with the City and County up there because they are also moving towards automated. I think they said it was an efficient system 40 years ago, but now that we have automated, we do not need that *uku pau* schedule that benefits the community.

Any help in that area to get those that are not needed to have a short day work a full eight hour day. Is the whole island going to be automated?

Mr. Tanigawa: That is our goal.

Councilmember Kagawa: How many trucks is that?

Mr. Tanigawa: We are looking at six trucks to service all of the residential accounts.

Councilmember Kagawa: Six trucks, so you need six drivers.

Mr. Tanigawa: Six truck drivers.

Councilmember Kagawa: So what about the other 12?

Mr. Tanigawa: We have an area on the north shore that the side loaders cannot go to, so we are looking at a manual modified crew for that day, and it is just one day. But all those folks with have carts with automated collection; the same type of automated collection cart. They have the option to go to either the 64 or the 96.

Councilmember Kagawa: Troy, if I can go back, you said that some of the trucks will not be able to go in some areas, so we are going to need that manual pickup?

Mr. Tanigawa: We are looking at just one section on the north shore that we will not be able to service with automated truck. We started off with the bigger type of truck, two axel/side loader truck. Recently, we found that they also manufacture smaller ones now, a single-axle truck. That single-axle truck can pretty much go anywhere that the current reloader trucks go.

Councilmember Kagawa: So how much of each are you looking at?

Mr. Tanigawa: It is likely that it will transition to all single-axel trucks eventually.

Councilmember Kagawa: But if the truck is smaller, you can put less waste inside, right?

Mr. Tanigawa: It may require an extra trip to the transfer station to fully service the route. The accessibility factor is key. Also, maintenance costs are a lot better too. There are less wear on the tires. We are already seeing some benefits from using the smaller truck.

Councilmember Kagawa: Currently, we have 4 trucks.

Mr. Tanigawa: Currently, we have... you cannot quote me...

Councilmember Kagawa: Automated?

Mr. Tanigawa: We have 3 automated routes.

Councilmember Kagawa: How many automated trucks do we currently have?

Mr. Tanigawa: I do not have that off the top of my head, but I can get back to you.

Councilmember Kagawa: But we will need 6 to service the whole island?

Mr. Tanigawa: Six primary trucks. Four days out of the week, we are going to need six trucks per day.

Mr. Dill: (Inaudible) least two on the road, so that is six and three backups.

Councilmember Kagawa: One back up for each?

Mr. Dill: No, six on the road and three backups, so one backup for every two on the road.

Councilmember Kagawa: That is what I said. I am just kidding. You are the man. Thank you.

Committee Chair Kaneshiro: I have a follow-up question from Council Chair Rapozo.

Councilmember Rapozo: Thank you. I just have a follow-up to what Councilmember Kagawa was asking about the *uku pau*. In Honolulu, they talked about those guys that were getting off several hours after they started and that they were eligible and working another shift and getting overtime. Is that happening here?

Mr. Tanigawa: Right now, we have one employee that when the crew is fully staffed, that employee goes home when the first manual truck comes back. That employee can also fill in in other operations if they want to work and the need is there.

Councilmember Rapozo: So what is the typical schedule for the collection guys?

Mr. Tanigawa: The manual crew that that particular employee is part of at the baseyard; that manual crew finishes anywhere between 7:30 and 8:30.

Councilmember Rapozo: After how many hours of work?

Mr. Tanigawa: They report to work at 4:30.

Councilmember Rapozo: So 4:30 to... did you say 8:30? 7:30?



Mr. Tanigawa: Between 7:30 and 8:30.

Councilmember Rapozo: Okay, so they work three hours and they get paid for a full day?

Mr. Tanigawa: Correct.

Councilmember Rapozo: Then they can go back, show up, and work again, another 8 hours, and get paid overtime?

Mr. Tanigawa: If the need is there, and if they are willing to work because overtime is voluntarily, they do.

Councilmember Rapozo: But it is not mandatory to provide them the overtime, so you could say no?

Mr. Tanigawa: Correct.

Councilmember Rapozo: Do we do that or is it basically whoever wants to work, we let them work and we pay them?

Mr. Tanigawa: To my knowledge, that employee very seldom...

Councilmember Rapozo: Is only one employee affected on Kaua'i?

Mr. Tanigawa: Currently right now.

Councilmember Rapozo: Of all the ones that were on the manual crew that got... what do you call that... that lost... we had a bunch of employees that were taken off the crew, obviously because...

Mr. Tanigawa: They are unassigned now. They would be called "unassigned employees."

Councilmember Rapozo: Okay. How many of those do we have?

Mr. Tanigawa: Just one.

Councilmember Rapozo: Just one?

Mr. Tanigawa: Yes.

Councilmember Rapozo: So everybody else was placed somewhere else?

Mr. Tanigawa: Originally for a time, they were two unassigned. They do not always remain unassigned because employees go on vacation, sick leave, and different types of leave. Unassigned crews move up and it

creates a vacancy, so at any time, one or two of both employees are used on any given day.

Councilmember Rapozo:                    So right now, we only have one employee that...

Mr. Tanigawa:                                Could fall back into assigned status if all incumbents show up to work.

Councilmember Rapozo:                    That employee is not on a crew?

Mr. Tanigawa:                                No, not a regular crew.

Councilmember Rapozo:                    So if he is not on a crew and he shows up to work, how long does he work?

Mr. Tanigawa:                                As soon as the first truck comes back, then he gets off.

Councilmember Rapozo:                    Wow. Is that in the contract? Is that person able to make overtime? He can work... let us see... eight plus three is an eleven hour day and get paid for eight plus eight, plus four, so twenty hours. So he works eleven hours and he will get paid for twenty. Time and a half, right? He works three, and then he is off the shift, but he gets paid for eight, and then he will work another eight, but he will get twelve hours because of the time and a half. Or is it double time?

Mr. Tanigawa:                                No, time and a half.

Councilmember Rapozo:                    So that is another twelve. So twenty hours of pay for eleven hours of work. That is what the television news story was about. I think it really shook up a lot of people, but I guess the positive side, if there is one, is that we only have one employee that this...

Mr. Tanigawa:                                Currently.

Councilmember Rapozo:                    Will that change?

Mr. Tanigawa:                                We are hoping to.

Councilmember Rapozo:                    We will not get more than that, right?

Mr. Dill:                                        What Troy is referring to is that when you go to automated, as was pointed out, we have a bunch of manual collectors now on manual trucks, and when we go to automated in July, that will have the same effect as it had initially, and we will have folks that will become unassigned. Troy also mentioned that we are in negotiations with the union now, so that unless somebody is working... everybody that continues to work refuse collections on that particular day will still receive the benefit of *uku pau*, but if they are not working refuse, they will be assigned to another eight hour day somewhere else. We have made a lot of progress, but it is going to be slow progress with this negotiation.

Councilmember Rapozo: How many employees when we do the full conversion will be unassigned?

Mr. Dill: I believe it is seven.

Councilmember Rapozo: Seven. Again, the County is not obligated or required to offer overtime. We can send them home after *uku pau*? After their three hours of work, we can send them home, right?

Mr. Tanigawa: We do not have to offer to them.

Councilmember Rapozo: Is that the policy though?

Mr. Tanigawa: Well, I take that back. The only time that we might be required to offer them overtime is if they are qualified to and for some reason if there is a breakdown or something happened in another route, we may have to go to that employee first in refuse collection before we go outside of that to get resources to finish that other route. So that could be an instance where we would be forced to offer the employee overtime. If they are willing, then we would have to use them.

Councilmember Rapozo: Can they work as long as they like or do you put them on another eight hour shift? If they just want to work three hours, they can? If they want to work five, they can?

Mr. Tanigawa: If they are going to accept overtime, they do the whole assignment.

Councilmember Rapozo: Okay. Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: They said that it worked back when they started, but what was the rationale for *uku pau* in the first place?

Mr. Tanigawa: I am not really versed on the history, but compared to what manual collection is now, I think technology has gotten better, but conditions were really rough. They work in the elements. They just have two collectors in the back of the truck. The containers were not regulated as much for container size. The work was real strenuous, so the union worked with the counties, I guess, to come up with this system and that was what they used for a long time.

Councilmember Yukimura: Okay, but it is not going to be applied to automated trucks is it?

Mr. Tanigawa: *Uku pau* is still applied to the automated system in that there is an assigned route. For automated routes for a ten hour scheduled truck driver, that is a thousand units. Once they finish their thousand

units, their work day is done. Right now, our automated routes typically take about 8 hours or 7.5 hours to finish.

Councilmember Yukimura: So they actually are working approximately eight hours.

Mr. Tanigawa: Roughly.

Councilmember Yukimura: You do not have those conditions of being in the elements anymore. You do not have that backbreaking work anymore. So some of the rationale for *uku pau* seems to have gone, but if because they have to double back, I guess, right?

Mr. Tanigawa: Yes.

Councilmember Yukimura: So it is increasing the time... so it is actually equalizing out to approximately 7 or 8 hours of automated time.

Mr. Tanigawa: Yes.

Councilmember Yukimura: Okay. I understand now. Thank you.

Committee Chair Kaneshiro: I think we came to a great stopping point. It is exactly 4:30 p.m. Unfortunately, I think you guys are going to have to be back again tomorrow morning, so tomorrow we will take Solid Waste first thing in the morning, and then the CIP shortly thereafter once we are done. We will reconvene on 9:00 a.m. on Tuesday.

There being no objections, the meeting recessed at 4:30 p.m.