

The departmental budget review reconvened on April 2, 2013, and proceeded as follows:

Department of Public Works Continuation

Honorable Tim Bynum
Honorable Gary L. Hooser
Honorable Ross Kagawa
Honorable Nadine Nakamura
Honorable Mel Rapozo
Honorable JoAnn A. Yukimura
Honorable Jay Furfaro, Council Chair

CHAIR FURFARO: Aloha, and good morning. I would like to take this third day of the budget reviews, and call us back from recess, and focus on today's two (2) agenda items, which will be a review of Solid Waste and a presentation on CIP for the day. Those are the two (2) agenda items for the day. Now, before we start on those items, as posted for 9:00 a.m., I would like to see if there is any public testimony on these two (2) items that are intended for the agenda today. Is there anyone in the audience that wishes to either Solid Waste or Capital Improvement Project (CIP)? Good morning, Mr. Chang.

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

DICKIE CHANG: Good morning, sir.

Chair Furfaro: I saw you on television (TV) last night.

Mr. Chang: I saw you all on TV last night, but you had a little more air time than I did. Chairman, Vice Chair Nakamura and Members of the Council for the record, I am Dickie Chang. I want to thank first of all Chair for Public Works, Mel Rapozo, I just ran into him in the parking lot and he said come on up, now is the time. So happy to be here and good luck on your budget to yourself and to the administration of course, and I also want to say to Yvette, thank you very much. I ran into her a little earlier and just a human interest story and she said it is like déjà vu, I thought you were here. So did I, I thought I had a lanyard with my key so I could use the restroom, but I did not have that. Anyway I wanted to take this opportunity, and I am unprepared as always. I wanted to talk about a CIP Project as many of you folks know I live in the Puali Subdivision and prior to being a Council member four years ago we had a problem with just dedicating that subdivision. I do not know what it was, when I got here we tried to rectify that problem, which I believe it was rectified. I have a letter dated January 31, and also a response letter back and I think I circulated that with several of the members here, but, for a long, long time we were trying to get that subdivision dedicated and trying to get it legal through the County and I believe it finally is. We were working with our Clerk, Ricky Watanabe and Ian Jung and Mr. Larry Dill. One of the things that we agreed to do is to do an 1800-foot path from the Puali Subdivision to connect Halelani out to Kaneka Street. That was an one thousand eight hundred (1,800) foot four foot sidewalk that was going to link the community, community, community. Now as most of you folks know it is a very, very dangerous road, the Puhi road is very, very dangerous road. It is very well traffic and of course that is the home of the industrial area. Now to my understanding it has never been paved before so we were given the go-ahead, on the third page, and I can get this circulated too. We are proposing and this is from the administration. We are proposing to do the design and provide construction management of the project in-house and seek your favorable funding approval. Should you have any questions contact Wally Kudo, at 241-

4891, now this particular project and I can have your staff circulate this, but it is for street light installations.

If you folks ever have a chance from Kaneka to the end of the road, if you turn off your lights there is only one light and it is across the street leading into the industrial area. So that is a concern, not just for safety reasons, but also for security reasons that we've had some crime across the street, burglary and what have you. But it is the sidewalk along Puhi Road to Kaneka Street through Haleukana and the street lights and drainage and the total package was \$357... may have an additional three minutes?

Chair Furfaro: It is different from Wala'au, here you are on a timer. Yes you may have another three minutes.

Mr. Chang: Thank you very much. I am asking us to take a look at this because I know how important safe routes to school is, Get Fit Kaua'i and this is a project that is, I believe long, long overdue. If you see the amount of people walking there, like going to work, it is a very, very like Kaua'i, it is a very, very active community, and people walk to work and walk to school. A lot of times when you walk to work you are walking in the dark and walking to school you are walking with the traffic and believe me, cars are flying by and it became very apparent with me as anytime you need to shift the routing throughout Puhi road that road is here, there, and everywhere. If you have a chance to walk the road it is only going to take us another big rain for it to once again re-open again and then we do that little patch work action. I did receive and you can follow up with the staff, while I was on the Council in June of last year, I did get a response back from the Administration and I was always hoping to get this on the CIP Project but I got the report back saying that we are going to put that in the Statewide Transportation Improvement Project (STIP) Project and we hope to complete the sidewalk and the lighting by 2018. All my indications is that the rail system in Honolulu will be done by 2017, so it is one thousand eight hundred (1,800) feet for the community and as I mentioned it is a very active community.

At one time I did have a database as to how many kids were actually walking to and from school, how many people was actually going shopping and what have you. I can tell you because we are a newer and more lighted subdivision in the subdivision itself, we receive a lot of kids from Halelani or the older part of Puhi during Halloween, and their walking on the dark road just to get into that subdivision. I am just asking you folks to please take a look at that because I think to no fault of the association and to the community there were things that happened for whatever reason that it was never able to get deeded or dedicated and consequently lawfully taken cared of awhile back through Ian Jung. I do want to thank Ian, Larry Dill and also Ricky Watanabe for help in guiding through this process. I do not believe it is in the CIP it could be, but I do not believe it is. So I am just asking you folks to consider doing that for the community and doing that in what we all call in the realm of Get Fit Kaua'i and safe streets. Myself personally I do not think I can wait until 2018 and I do bike it and I do walk it very frequently, any questions?

Chair Furfaro: Dickie let me ask you, can we have copies of the correspondence that you have because I remember calling Wally Kudo on this item and he lead me to believe that is was going to be a decision made by the administration and since it is our first day to be looking at the CIP, when we go on to make reference to the those sidewalks we would like to have that.

Mr. Chang: Thank you Chair and you can get this from the staff and by the way there is also an illustrated map here as to where the lights are going to

be, where the mitigation as far as the drainage is going to be and how the sidewalk will connect Puali to Halelani, to Kaneka and from Kaneka as we all know you take a right turn and we are at Chiefess Kamakahelei. If I can while we are on that subject since I can ramble. One of the things I was passionate about was trying to get that sidewalk that I tried for a long time from Kaua'i Community Federal Credit Union (KCFCU), from Costco and that area by Home Depot, there was no crosswalk to link that road to Kukui Grove Shopping Center. Many kids go to Fun Factory but on Mondays you will see a lot of seniors with their bags trying to get to the Farmers Market there on Mondays so while we are on that subject, I do not know who's responsibility that is, I do not know if that was included with the deal with Safeway when they open up if they will be responsible. I have been getting several different responses and my last request would be something that I believe is very simple.

I have been going to functions as we all have at the War Memorial Convention Hall and a lot of these are Hula Halau's that are doing fundraising and the more and more when I go to the fundraising efforts, seventy if not eighty percent of the audience are visitors. They want to see the culture, they want to see the experience and get involved with the history and the hula and many of these visitors are the ones that are funding these very, very well deserved Hula Halau's. Baby Luau's and everything else if it is possible I think some signage just to let people know where the War Memorial Convention Hall is. When you say oh the War Memorial Convention Hall, it is hard to describe that especially to the seniors or people coming from off Island. If they do not have a GPS or what have you it is hard to say come on down Rice Street and take the left turn across the Fire Station and nobody knows the roads of Hardy or what have you so, I do not know if there's a way to do this on the main road or do this on Rice Street but I think some sort of a signage. It is a Historic landmark and it is a very important place for not just our community but our neighbor Island visitors and more importantly the visitors that come here to support our arts. So if we can just take a look at some signage as far as that very important building that is so helpful to the community members here in fund raising efforts.

Chair Furfaro: Thank you Mr. Chang. We have questions for you from Mr. Bynum.

Mr. Chang: Thank you.

TIM BYNUM: Hi Dickie, nice to see you again.

Mr. Chang: Great to see you.

Mr. Bynum: I was tracking this last year and I thought it was a done deal and it was going to be done in-house and now you are saying it got re-programmed to try and put it under the STIP and...

Mr. Chang: That was my understanding, I thought we were ready set go and I wasn't trying to push and I just felt verbally we were going to move on and I did have several discussions. There is a letter that was dated back to me that your staff can find and I believe it was June of last year saying that we have decided to move it in the STIP project to get additional funding's, but like I said the completion date on that would be in or around 2018. At that point I was a little shock or a little disappointed knowing that this multi gazillion rail system is going to be done before we get this sidewalk on Puh Road. I just thought it was important to speak up.

Mr. Bynum: I think that is a really high valued area for a safe route to school because you have the industrial road with the trucks and you already have sidewalks on Kaneka that connects to Chiefess and there are tons of kids and families at Halelani, so I thought this was going to happen. And my first question would be about whether programming it in STIP, STIPS been for repaving and not for putting in new facilities like pedestrian facilities so I'd like to see it move forward.

Mr. Chang: Correct and I might be mistaken but I do believe from the main highway Shell Service Station – Kaua'i Community College, all the way out to Kaneka would be paved, but from Kaneka to the bypass road that is going to be a part of the STIP Program. My understanding is STIP is basically to help with the roads and not the sidewalks along the side of the road. If you take a drive by there is a lot of room for a sidewalk and connectivity. As a matter of fact it was a while back that I was out there with Lyle and Larry and Wally and Paul Togioka and Ed Renaud, there was a whole bunch of us that went out there to go look and do a little field study and I got the response back immediately, I got it back immediately from Public Works so I want to thank them. I thought it was ready-set-go but there were some legalities that we had to take care of and I was told way-back-when we were ready-set-go as far as legal terms were concerned and I know a lot of you help me get through that process also. As I mentioned I wished I was a little more prepared but I want to thank Councilmember Rapozo he saw me in the parking lot and I said what is going on and he said get up there right now and I am happy that I did just to share the voice on behalf on the community and that area itself.

Chair Furfaro: We have other questions for you so if you could hold on and as you expand the narrative I just need to remind you that we are at a point here where we ask the questions.

Mr. Chang: Yes I understand.

Chair Furfaro: I know you do.

Mr. Chang: I understand the rules.

Chair Furfaro: JoAnn you had a question?

Ms. Yukimura: Yes I want to say to that Puhi because of its density you really get a lot of value that as it serves a lot of people every foot of sidewalk and so forth, so I just want to thank you for bringing it up because I think it is a good smart growth project. I wish there had been more thought in the design of how all the different subdivisions connect to each other but now we are doing retro-fit and I think it is a worthy project so thank you.

Mr. Chang: Thank you.

Chair Furfaro: Mr. Rapozo and then Nadine.

Mr. Rapozo: Thank you Mr. Chair. Dickie when was the Puali Subdivision completed?

Mr. Chang: I believe that November would be seven (7) years and if you remember it was a seven (7) year buy back clause and I was blessed to be one of the original owners so November of this year would be 7 years.

Mr. Rapozo: So seven (7) years it was completed and people were able to move in or purchase?

Mr. Chang: Yes.

Mr. Rapozo: And when was the dedication?

Mr. Chang: That was the problem...the dedication...

Mr. Rapozo: You said that it was finally dedicated and I think you said the dedication was finally legal in the last year.

Mr. Chang: Yes within the last year and again people have tried prior to myself becoming a Councilmember, but when you see the letters and this one was dated January 31st of 2011 and we are writing a letter to Susan Brinks, then the President of the Association and say you know it is kind of like in the hip-hip hooray we sent it off and everything's looking good, we are going to move forward and get it done. So, personally it was a little embarrassing for myself when everyone would say what is up, what is up, I am the Council guy driving through the end of the road and I have to kind of duck down because I told them stuff and I did not get it done.

Mr. Rapozo: Okay so it was your understanding that it was going to be on the CIP and as far as you know right now it is been moved to the STIP so we are looking at a five year projection to complete this thing.

Mr. Chang: And to be accurate that is my understanding however I would ask you folks to look at the correspondence and I believe that correspondence was in June of 2012.

Mr. Rapozo: Okay thank you very much.

Chair Furfaro: Okay Nadine.

NADINE NAKAMURA: Thank you Mr. Chang for being here.

Mr. Chang: Thank you.

Ms. Nakamura: I have a couple of questions about the crosswalks. The first one you said is between Home Depot and Kukui Grove?

Mr. Chang: Yes.

Ms. Nakamura: What was the second one? You talked about Safeway as well.

Mr. Chang: Well this is, when KCFCU opened up the lead certified West KCFCU there location, the first thing that was approached to me during the dedication was a lot of people do their banking than they go at that time Big Save or Star I beg your pardon. There was a lot of activity going around and I pass that area quite a bit and you see that is why they put those plastic so you do not cross. You have such a busy, busy area between Costco, Home Depot, KCFCU, Chiefess Kamakahahei School gets out people cross the street and go to Fun Factory, meet their parents or do whatever they do to kill time at Kukui Grove and you will see people running across the street because guys

aren't driving slow. I see seniors and I can tell it is a Monday because a lot of people are carrying their recyclable bags to and from so that would be that area.

Ms. Nakamura: Thank you.

Mr. Chang: You are welcome.

Mr. Furfaro: Mr. Hooser, then JoAnn.

GARY HOOSER: Good morning.

Mr. Chang: Good morning.

Mr. Hooser: Thank you for bringing this up, I know other members from the Community had asked me about this issue and I was interested for this discussion today and to be the first guy at the table is really good. It is an important project and again there aren't a lot of things that people come and really ask for in some respect and this is of them. Did you have an idea and you may have mentioned it already but the cost?

Mr. Chang: Yes, three hundred fifty seven thousand (\$357,000).

Mr. Hooser: That is for construction?

Mr. Chang: I believe Mr. Dill can clarify this but it is the total cost. Three hundred fifty seven thousand two hundred dollars that would be done in house.

Mr. Hooser: For the sidewalks as well as the paving?

Mr. Chang: Yes.

Mr. Hooser: Because there are two elements to the improvements right? The paving of the road or the re-paving?

Mr. Chang: Well not the paving in the road. This is specifically a four foot wide sidewalk going eighteen hundred feet connecting Puali, Halelani, and Kaneka.

Mr. Hooser: Okay so it is a sidewalk?

Mr. Chang: Correct but we also do have a lighting situation there for security purposes. The Association requested a light in front when your turning into the subdivision there is no light and also there are four lights that will be across the street on the industrial side because there is no lighting within that area.

Mr. Hooser: So it is your understanding that the original idea was to do it in-house?

Mr. Chang: Yes.

Mr. Hooser: Not just the planning but to actually do the project in-house.

Mr. Chang: The...

Mr. Hooser: It seems like a relatively small amount of money.

Mr. Chang: And the wording goes again. We are proposing to do the design and provide construction management of the project in-house. We seek your favorable funding, should you have any questions, please contact Wally Kudo. And this was sent to me on March 20, 2011, but I do believe there are other correspondence in regards to this and the STIP that the staff can get to you.

Mr. Hooser: Okay thank you, thank you very much.

Chair Furfaro: Any more questions? JoAnn do you have questions?

Ms. Yukimura: Yes I believe when you were on the Council, either between you and I we requested the crosswalk by the present times.

Mr. Chang: Yes and the staff can give you the correspondence because I think I have requested...

Mr. Yukimura: But that hasn't yet been done?

Mr. Chang: Yes and my understanding and I may be wrong was that it might have been part of the Safeway responsibility and I couldn't figure that out because Safeway would be across Chiefess Kamakahele versus I do not know what the name of that road is... Nuhou Road or what have you. So that was something that came on the radar screen as soon as KCFCU opened up and that was something that I was right on it at that time.

Ms. Yukimura: Right.

Mr. Chang: I can tell you when you folks do drive through there, you know how busy Costco, Home Depot and that area is and of especially to get across the street to shop or what have you.

Ms. Yukimura: Okay so I will look into the history of it and see where we are on it. Thank you for raising it again.

Mr. Furfaro: Anymore questions for the speaker? Dickie I would like to make sure you leave your correspondence with us although you indicated we have that I want to make sure we have it all. So if you could do that.

Mr. Chang: I think there may be about two more documents that you need to follow-up on.

Mr. Furfaro: Okay. Thank you very much.

Mr. Chang: Thank you and it is great to see all of you, good luck in this process. Thank you.

Mr. Furfaro: Thank you very much. Is there anyone else in the public that wishes to testify on CIP or Solid Waste? Yes go right ahead.

ROSS KAGAWA: Just one comment and I think one of the ways that we can handle this situation... well two situations is we can put it in my committee and I would be more than happy to try and work on the crosswalk across from Times and we can also have some detailed discussion with Mr. Kudo to see how we can make it a reality.

Mr. Furfaro: Well that sounds like the right approach so when you are ready we will put it in your committee. Thank you, on that note I have another one of those days where I will be in and out but I would like to start with Solid Waste if we can today. Before we go into that I would like to see who's going to speak on behalf of solid waste because I have some follow-up correspondence that I have been working on and I would like to get some clarity on it. So Allison, Larry, and first of all Larry let me let you know that I has written to the Solid Waste Consultant to talk about the workshop we had planned. They did respond to me and the only thing I could find on our engineering detail system wide on the monies was AECOM's service fees identifying one million eight hundred forty eight thousand, five hundred and seven thousand dollars. That is not the entire amount we contracted to them is it?

TROY TANIGAWA, ENVIRONMENTAL SERVICES MANAGER: I would say Chair that that amount is pretty close to what I recall also.

Chair Furfaro: Okay and when you say pretty close, would you know because I do not have access to the contents of the contract right now, I was a little delinquent in trying to get it sent over. Is there a contingency in there proposal like five percent or something of that nature that is not detailed but is rather put on to their contract as a contingency?

Mr. Tanigawa: No there is no contingency; every dollar in that contract is allocated to specific tasks. I can get that number for you in a few minutes.

Chair Furfaro: I would like it and I am a little surprised it is a project released and we do not have a contingency at even five percent or something or in detailed to the penny.

LARRY DILL P.E., COUNTY ENGINEER: For the record Larry Dill, County Engineer. In our consultant professional services contracts, every task is laid out and dollar amount is signed and there's no contingency. We typically have a contingency is our budget to take care of change of contract, amendments or unforeseen items but in the proposals on the contracts there are no contingency line items.

Mr. Furfaro: So that is something I know you and I in the private world are not used to. There is usually a five percent contingency for something that might occur as a very basic change order.

Mr. Dill: Well we do keep when we do our budgeting and request to our Council appropriation, we include a contingency amount so the appropriator amount is more than the contracted amount. But for the consultant it is difficult for them to anticipate unforeseen change orders and then price those out so we just price out the actual task we contract for.

Chair Furfaro: I just want to let you know and that is the corner of my note here is the contingency for the workshop. They had responded to me indicating that they recognize the resource recovery program as being a very important one to us and

they would be happy to serve the Council in our workshop and that we are entitled to two sessions with them. The first one we had on January 30th and then the contract specifies a return visit when we had the draft of the Environmental Impact Study (EIS), but then it goes on to say between themselves and their sub-contractor our (inaudible) they feel that it is necessary that even their subs attend the planned workshop and without them we might not be able to get all the technical portions or questions answered. So they strongly suggest their available and they also do not think that the workshop will not have any impact on the existing project schedule dates. The total Larry they are asking me for eleven grand to attend the workshop.

Mr. Tanigawa: I believe so.

Chair Furfaro: Eleven on a one point eight million dollar contract, they want to charge the client and additional eleven thousand dollars.

Mr. Dill: I believe its ninety two hundred Chair.

Chair Furfaro: No and then Towill coming over from Honolulu is another grand on the next page.

Mr. Dill: Yes and that is included from the first page.

Chair Furfaro: Your microphone.

Mr. Dill: Oh sorry. The Towill amount on the second page is included on the first page and the second page is back up so that should break up that cost. You can see (RMTC) workshop participation under other direct cost, sub-contracts.

Chair Furfaro: Got it, but it is really interesting, even if I work this for the Kaua'i workshop even to have them come over for conference to go on a conference call they want four thousand seven hundred dollars.

Mr. Dill: Four thousand seven hundred I understand would help take care of getting R.M. Towill and AECOM from their Honolulu office over here.

Ms. Yukimura: Excuse me.

Chair Furfaro: JoAnn I know your excited about this but let me ask the questions.

Mr. Dill: This is the reality that it cost to this this sort of nosiness.

Chair Furfaro: Let me ask you this.

Ms. Yukimura: You got the wrong consultant.

Chair Furfaro: Please JoAnn let me go through the questions, and even doing that am I reading that even for the day that if they are available by conference call there going to charge us a seventy five dollar per diem... is that for box lunches for the staff?

Mr. Dill: If it is by conference call Chair I would have to review this to see, because this is for them to be present over here. I would have to confirm

that but I believe the per diem would not be charged if they were just here by conference call. That would make sense.

Mr. Chair: Well I am reading their detail to their contracted services and so if you have corrected me I did not have to add page 2 to page 1. They do want nine thousand two hundred thirteen dollars. I will take them to Hamura's and buy them lunch I mean I have never seen a consultant go through that kind of detail to us a client. I do not believe the information that I gathered covers all of the particulars, but if I further interpret this than let me ask you if we stay with the date for the workshop and the contract says we are entitled to these two visits, the Council still makes the request to have them attend, and the way we would address this would be to say. Please plan to come over this is an important item and we are entitled by contract to two visits, but we would than rethink their second trip as it is directed to the Draft EIS. I mean we are not going to make this decision today but I think in the whole County we need to start thing we are the client, we are the client and these guys do not find clients like us to nickel and dime us through this thing. There is no contingency in their 1.8 million dollar bid. They are going to come over twice but if we expect a workshop so we can get good information, its nine grand. I just wanted to say that and I do not want to pursue any questions about it right now but it is really sticky for me to be thinking to have these guys come over and give us extremely good information about their progress and their professional recommendations, it is a huge charge of nine thousand bucks. Now granted one of the guys is coming from Canada but we do have some things to consider here Larry. I do not want to change the workshop or anything like this but this is the best way for me to share the information in solid waste with the Council and I am having a hard time understanding this as the client. So let's leave that for future discussion and I will circulate the response. JoAnn cannot we just leave it for future discussion? You will have the correspondence.

Ms. Yukimura: Well Chair, I am concerned that this workshop will be arranged without the input and I believe it was my questions that...

Chair Furfaro: It was your questions JoAnn and I want to say to you that I want to circulate all the information to you before we get into this discussion. I just trying to make you aware of how disappointed I am and I wrote the letter because I know you wanted the workshop and I supported it.

Ms. Yukimura: And I share your disappointment.

Chair Furfaro: This is not acceptable.

Ms. Yukimura: I share your disappointment I do, I just want to say that the first workshop shouldn't even be paid for, I mean the first appearance was pretty much useless as far as I was concerned. They did not present their feasibility study and they just presented a list of general things that they're going to do. They weren't able to answer questions so I do not think you should even count it as the first appearance.

Chair Furfaro: Do not respond to that you heard her opinion okay. This has to be further discussed with the group and I honor JoAnn's questions but I do not want to go into that discussion until I have shared this with all the members. Our decision is not made by a single Councilmember but by the body and I haven't even shared this with everyone yet. I think JoAnn's point, my point, it is almost unacceptable Larry. If they value there first visit as being a ten thousand dollar visit, I wonder if we are even getting the value that we should expect.

Ms. Yukimura: Chair will we have another discussion on this?

Chair Furfaro: Yes we will JoAnn. JoAnn we will have another discussion, I will circulate this. Can you find Aida for me?

Mr. Rapozo: Mr. Chair, aren't they here tomorrow? They are here tomorrow right?

Mr. Chair: Yes it is either tomorrow or next week.

Mr. Rapozo: No I think it is tomorrow.

Mr. Dill: AECOM is here tomorrow, but not their resource recovery consultants but the Honolulu...

ROSS KAGAWA: I have a question?

Chair Furfaro: Yes.

Mr. Kagawa: Can the staff check if tomorrow's agenda item is appropriate for us to talk about all of these things?

Chair Furfaro: Yes it will be very appropriate. It is tomorrow in Committee.

Mr. Kagawa: Thank you.

Mr. Dill: Okay if I may tomorrow's agenda item is about the Kekaha Landfill expansion, not about the results recovery part.

Chair Furfaro: But it would be appropriate if it is on the agenda because we will be discussing the landfill, to have further dialog of the issue. I just wanted to convey to all the members the responses I got and the huge disappointment we have for the cost and we will be pursuing it separately. JoAnn I wouldn't let something like this go to sleep under the table okay. Aida will you please distribute this particular piece to all the members. So, Larry I think you heard from us with this concern. Do you have a presentation for us this morning?

Mr. Dill: Yes we do. So this morning Council Chair the presentation for the budget for the Solid Waste Division Head Troy and we also have asked Allison also as our Recycling Coordinator to give us a short presentation of what we are doing to expedite waste diversion for the County. So I will turn it over to Troy.

TROY TANIGAWA, PUBLIC WORKS ENVIRONMENTAL SERVICES MANAGEMENT ENGINEER: Thank you Larry. Good morning Councilmembers. I wanted to cover a few things before we get into the detailed questions in the budget and my intro will also include a brief summary of what we do for the benefit of the new Councilmembers this morning, so I'll get right into it. The Division of Solid Waste Management is an agency with several areas of responsibility for managing solid waste generated on Kaua'i. Our filed operations include four Refuse Transfer Stations, One RCRA Subtitle "D" Landfill and the division also currently manages the annual budget for curbside refuse collection and we are managing the transition to the automated refuse collection system. Our other operations include, residential recycling and waste diversion programs. We have standalone programs and we also have programs that you'll find at our

disposable facilities for convenience for residents. We also manage these service contracts because many of them rely on services of professionals of private contractors so to get those contracts out we manage the procurements, the bid documents and once the contracts are let the administration of those contracts. We also do promotions, public awareness and a technical assistance program to assist not only residents, but some businesses is getting these diversion programs started in their agencies.

Some of the highlights of these programs include Green Waste Diversion Programs, Where we've seen significant increases in the past year due to and this is increases in the incoming volume of green waste due to the recent passage of the no burn rule. Now residents cannot when they generate green waste on their property they cannot burn it according to this rule so they need to take it somewhere and they bring it to us. We also have residential diversion programs at the transfer stations like I mentioned earlier. These include white goods diversion, scrap metal, propane tank disposal and scrap tires. Again these are residential programs. We also have the standalone programs including eight residential recycling drop sites under the Kaua'i Recycles Program that Allison heads up, it is that section that manages all these Kaua'i Recycles Programs and all these diversion programs at the transfer stations. Also the Hi-Five programs with the implementation of the bottle deposit law several years ago. We have two weekly Hi-Five beverage container redemption events at two locations, Kōloa has two days that they operate and Kekaha by the old Kekaha Mill is also two days. The new electronic recycling program has also been a new contract for both residents and businesses this operation is projected to open up sometime early summer at the Kaua'i Resource Center. We will have more information on that when that is ready to go. These operations make up approximately half of the divisions annual operating budget request. We also as part of the division, we have the residential refuse collection assessment and everyone knows that covers residential use of the transfer stations as well as our curbside collection. An additional component of our billing system is our billing s for our business refuse collection program. We also have special projects we work on and develop our infrastructure through CIP Projects which we are going to be discussing a little later on today. Also as I mentioned earlier we manage the transition to the automated collection program contracting for carts and the repair shop helps us develop specifications for the trucks. We manage and plan the cart distributions island wide so it is a pretty big undertaking once that occurs. We have some current measures that I would like to also mention to the Council this morning is performance measures for our solid waste program. We have the compaction rate results on a daily basis at the landfill that we use to make sure we are maximizing our airspace at that facility. We also keep track of the diversion rate in terms of materials diverted from the landfill.

We have regular inspections at our transfer stations and these facilities are heavily used by the public and by our own refuse collections operations they have managed tons of waste on a daily basis. It is a seven day week operation and so we pay attention to those operations to make sure they are conducted properly abided by our Department of Health permits and make sure they are open on a regular basis to be a reliable area for the public to use to dispose of their waste. I also wanted to mention that this year's proposed budget reflects some significant changes that I would like to highlight prior to getting into the detailed questions. The highlights are as follows: We have new increases line items for fuel and repair and maintenance of our facilities and our heavy equipment. Per the Council recommendations I believe it was during the last budget session that waste diversion programs that were in the disposal portion of the budget be transferred to the recycling portion of the budget so that was done this year. Funding of individual line items in the past it reflected what we estimated as annual cost and this year to help balance the budget we funded these programs in less than 12 months, many of them just into the next fiscal

year, fiscal year 2015. Our request is for where 2015 funds will be available to continue those programs. I wanted to make note that this is a temporary measure to get some relief from cost for these programs but it is very important that next fiscal year that full annual funding be appropriated to make sure we avoid any lapse in these important programs. Our program promotions...

Ms. Yukimura: Excuse me, can you please just repeat what you said. I think it was really important and I did not quite understand.

Mr. Tanigawa: Okay, I mentioned that to help balance the budget we did not fund programs like we normally do. Normally we fund a twelve month period for all of our programs so when we renew contracts we renew it for a full year. This year in order to cut costs we funded it only enough to allow the programs or contracts to continue on into fiscal year 2015. So like for contracts that normally expire in March for May or for some time during the fiscal year. We would fund a full year's term so that it would expire the next full year after that extension but to cut cost we are only funding it for a few months into the next fiscal year when fiscal year 2015 funds become available to continue those contracts are the ones we mentioned earlier for green waste, scrap metal and white goods, scrap tires and propane tanks. Those programs have really help cut the illegal dumping around the island and we need to see them continue.

Chair Furfaro: Well we do too so I would expect you are going to give us a list of those contracts that are expiring, the date their expiring and some kind of recognition of the urgency to renegotiate those that benefit us. So I will be sending that over as a question to provide us that contract action list.

Mr. Tanigawa: Okay and just to reinforce that we reviewed that information carefully when we prepared the budget so these programs have enough funding to last at least until fiscal year 2015. As I mentioned very important that this year's action to do that is a temporary measure and the fiscal year 2015 budget, you'll see the full years allocation for estimated for those programs.

Chair Furfaro: Okay Mr. Bynum has a follow up question and it is a follow up question.

Mr. Tanigawa: Okay.

TIM BYNUM: So your just (inaudible) the remainder of the fiscal year and all these contracts than will be on the fiscal years basis all wound up at the same time.

Mr. Tanigawa: Just a little more than the remainder of the fiscal year, into the fiscal year 2015 so we do not have any lapse.

Mr. Bynum: Right so there's... okay I understand. Thank you.

Mr. Tanigawa: And the last item I wanted to cover is some of our popular programs have been initially cut, so we are looking at hopefully dollar funding those programs to include the used cooking oil, recycling grants and catalog choice are just to name a few of them that aren't regulatory which is why they did not make the priority list. They are programs that have become popular and used regularly by residents and it also helps our diversion efforts in keeping what we can out of the landfill.

Chair Furfaro: Did you expand your list to include those that you referred to as a mandated contract?

Mr. Tanigawa: Yes.

Chair Furfaro: Please.

Mr. Tanigawa: Okay that is all I have and we are available to answer questions.

Chair Furfaro: Okay, Allison would you like to add anything please?

ALLISON FRALEY, SOLID WASTE PROGRAM COORDINATOR: Aloha Council, for the record Allison Fraley, Solid Waste Program Coordinator. I wanted to also follow up on what Troy said about budget and in an effort to balance the budget we did have to make a significant cut to the education budget for recycling this fiscal year. What we plan to do is utilize at no cost efforts to continue to educate the public at low to no cost I should say. We have our recycling guide that highlights all of our programs at very minimal cost for printing and we make sure to distribute that at all of the redemption centers at our recycling locations and at community events. We are going to be doing public speaking for community events, we are at the County Fair and we are going to be using social networking and our website to continue those efforts to educate the public. I wanted to take this opportunity to do a presentation because waste diversion is a priority for our division, to talk about the efforts we are taking to expedite waste diversion. I do actually have a power point presentation if we could get that going.

Chair Furfaro: Allison may I ask you to include in the list I am asking Troy for could you include those educational programs that will be expiring and not reflecting funding at this point so we can see everything on one list.

Ms. Fraley: Yes those cost programs are basically radio ads and print ads, but we can put that in there.

Chair Furfaro: But I do want it on the list.

Ms. Fraley: Certainly thank you.

Chair Furfaro: Thank you.

Ms. Fraley: Alright Council we've been over this before but we do have a little bit of new information that we can share with you about our efforts to expedite waste diversion. As Troy mentioned we do track the diversion rate also known as the recycling rate every year and in the last five years we have a graph for you as it has continued to increase. The main reasons for the increase have been an increase in green waste diversion as we've seen a lot of public participation in that program and that is by far for County programs the largest amount of diversion that we see as well as some contributions from the private sector. Here we actually have the diversion rate for 2012 broken down for you, as you can see its overall by about 40 percent. We have broken it down at the top programs that we manage and as I said green waste is by far the largest chunk of that but all of the other programs that we manage that contribute to that tonnage are listed here for you. Our residential recycling programs, our scrap metal programs, back yard composting. We also include in that a very low cost efforts and etc... and we also have the private sector programs which as you can see are a really large portion of our overall

diversion rate. In contributing to that a lot of the Hi-Five redemption centers are privately run and we have commercial recycling efforts by all the private agencies. Commercial backhaul is what happens when a large box store actually ships their cardboard back to the Mainland instead of running it through programs so that does count for part of the diversion. We conduct surveys of these stores to estimate those quantities. We have a big contribution by asphalt concrete a concrete asphalt recycler on island as well as the commercial green waste activities and a little bit of food waste diversion too. So here we have the total the 40 percent diversion.

We wanted to go over the potentials for the increases and in this chart it doesn't include all of our existing programs as well as all the potential programs, but these are the lowest hanging fruits for us. The left column there is what we are currently doing as far as diversion for each of these different programs and what we've estimated on the right column is what is possible when we develop new programs and those programs mature. At this point we are calculating maturity timeline at about 5 years for each of the programs that I am going to go over in the next slides. This maybe a slide that we would want to come back to as we go through the presentation so I would be happy to do that. So we've talked about it before about our ordinances...yes?

Mr. Bynum:

Did you skip a slide?

Ms. Fraley: Oh did I? Oh hello, Okay the Materials Recovery Facility (MRF) excuse me. The MRF is critical to us developing a strong residential recycling program. A materials recovery facility is a facility that sorts a mix stream of recyclables and allows us to do a curbside recycling program. We've been working hard to site a fast track MRF so we can get this program running as soon as possible within 3-4 years. At this point site selection is something that has been a challenge for us and we've looked at many different sites and came close to different sites but now we are looking at a site that is by far in the way the best site because it is located next to our current Kaua'i Resource Center which also does a lot of diversion activities. So we are looking at the former papaya disinfestation facility and right now we've drafted an interim memorandum of agreement so we could move forward with our conceptual design and environment assessment activities. We are working with the land owner to get approval to use the site and hopefully can have a long term low cost lease or a transfer of that property to the County through executive order.

Our next steps actually a current step that we are taking as we have gone out for professional service solicitation for the conceptual design and environmental assessment of the MRF and we are using this fiscal year's funds as we have some monies allocated for that. You will see in our CIP request that next fiscal year we have a request to do an engineering design a more formal design as well as the specifications for the actual equipment that would be used at the site and that is the funding for next fiscal year. In 2015 would be the actual construction funding through CIP and the installation of that equipment. The final step to this process would be of course to complete the construction and then to contract for private operations of the facility. Another measure is to put ordinances in place requiring commercial recycling and we are seeing some huge success with our current ordinance where we restrict cardboard, metal and green waste from the landfill. We have not even implemented fines but seen some major compliance by both generators and haulers with very few mistakes at the landfill on an annual basis, so we know that this works. So the top bullet is a new addition to that which would be to restrict concrete asphalt and pallets as soon as we have permitted facilities to take those materials in. The next two bullets are our ordinances that we have been drafting and will be sending over to the Attorney's this week so they can do their first review. So just briefly to explain

the business recycling ordinance what we would do is require businesses that generate certain amount of trash each month to develop and maintain programs to divert specified materials where there are programs available. Right now we are talking about card board, mix paper, scrap metal, green waste, glass and Hi-Five containers. For the construction demolition ordinance this would be any project of a hundred thousand dollars and above that is seeking a building permit would be required to develop plans and provide us with reports on mandatory diversion of card board, scrap metal, green waste, concrete and asphalt and also to look at salvage and re-use.

The timing on these ordinances is we plan to present them to Council but first we have to go out to stakeholders and make sure this is something they are buying into and we know they can participate in and then bring a complete ordinance to Council within the next few months. We would continue to work with the stakeholders after the ordinances were passed so that we could set all these businesses up for success. The ordinances we plan to go into effect at the end of the next fiscal year. Although we do have a lot of work to do to get these ordinances off the ground before that we plan to use in-house staff to take those steps but next fiscal year there would be a budget request for a Compliance Officer to monitor these programs and continue to assist businesses. Automated collection as Troy mentioned we are managing that program and we need to complete it. We are half way there as half the island is automated and in order to have a successful "pay as you throw" program. To reduce our cost for collection we will be completing automated. So these are the steps in finalizing union negotiations to make the purchase of the trucks and carts and because of that we would be able to in future fiscal years initiate our curbside and green waste collection program so that we have a 3 cart system at the curb. That also requires continued union negotiations and more purchases. We had made a presentation back in September on "pay as you throw" and just briefly to cover it "pay as you throw" is an incentive program, it is an economic incentive for the customer to reduce their waste. It is variable rates for trash cans, the more trash cans the more trash you produce the more trash you pay and the more you participate in diversion programs, the more you save.

The first phase of "pay as you throw" would be at the point of full automation and at that point we would be adding a 64 gallon cart option. At this point automated customers have a 96 gallon cart and so this would allow people to actually and we'll be talking about when we go for the ordinance, we'll be talking about the actual rates but at this point we are thinking that people can continue to pay the same rate that they are now if they use a smaller trash can. If they want to use a bigger trash can they're going to pay more and we will be discussing that through the Legislative process. That is phase one, that is when people are participating in our existing drop off programs. Phase two is when we kick in our curb-side diversion programs when we have the 3 can system and at that point there would be 3 different size options for garbage we would add that 32 gallon option and hopefully pay the exact same rate that we are paying now. If you want to continue to reduce your rate you can have the smallest can available if you produce more trash you can pay more. There is a third option not listed which would be to Phase 3 when we continue to adjust rates once people are used to participating in these diversion programs. A "pay as you throw" doesn't just show an increase in recycling which could be up to fifty percent more recycling. It also incentivizes people to source reduce and reuse and to make these choices when they're at the store and to participate in second hand clothing stores and things like that.

We've discussed that center for hard to recycle materials and the reason we have it here it is not a big diversion element; however, it allows us to manage these potentially toxic materials that could have significant environmental impacts. We have seen in our landfill meetings that this is a major concern of the public and of us as well so this is an

interval part of our diversion program. A CHARM would manage household hazardous waste, electronics and also some difficult to recycle materials like mattresses and books and things like that that we just do not have programs for. We do want to target conditionally exempt small quantity generators and these are small businesses who aren't regulated by the State but still produce enough waste that it really needs to be managed, so that is a goal. At this point we are ramping into having more programs. This fiscal year we have more programs 2013, we are doubling our household hazardous waste diversion so twice a year events instead of once a year. As Troy mentioned we have already contracted for the Kaua'i Resource Center to have an electronics recycling program and that is at once a month, actually two events every month. We are very proud of that and want to continue in that direction.

This is the final piece of the pie and this is something kind of down the line because we do need to have permitted composting facilities to support this but food waste diversion is a big opportunity for us in the future. We are talking and we can go back to that initial site about 12 thousand tons a year which is about 10 percent diversion is associated with food waste. There's the commercial recycling where things that are generated at restaurants and at stores can be participating in this program and what is key to that is to develop an efficient collection system. As an integrated solid waste management plan mentions there may be some grants or public funding that needs to be put towards that to make this work. We also would need to support the establishment of these permanent composting facilities first and foremost. Right now there is a composting facility that is permanent and that is heart and soul on the North Shore, they have a small space on their property where their doing that and the permit is limited at this time so we need to support that. Finally, food waste could be part of our curbside program but there would need to be a major education and outreach effort to make that successful especially with our worm environment but it can be done. Finally we have a timeline for you and here is the timeline to the left is project start so for the bands we are talking about and the ordinances this means drafting these ordinances and getting them through. The start of the other programs like the MRF and the refuse collection means funding... funding those carts, funding that equipment. To the right are the end dates and that is when the program kicks when we are implementing that program. We wanted the Council to keep in mind that there's a five year timeline after that where these programs come to maturity. These are things we are working on, things that can be done to really get us actually to the 70 percent goal so I want to go back to the first slide to remind you of where we are at now and where we can go. If you look at those maturity tonnages we are talking about 68 percent diversion but that would be at a five year maturity point.

Chair Furfaro: Just for some clarity before we go around and Troy your presentation is finish right?

Mr. Tanigawa: Yes.

Chair Furfaro: Okay. First of all Allison excellent layout for us thank you very much, excellent. I just want to get some clarity though on the infestation plane. Am I understanding this is the short term of five years?

Ms. Fraley: Correct.

Chair Furfaro: While we develop a location for a permanent MRF. May I ask that question?

Mr. Dill: The planning resource recovery park is to make it available for a MRF to be located up there but as you noted it will be some period of time before that will be developed. So knowing this is an urgent matter for us we are moving ahead with this site. It could be an interim site because we cannot say for sure at this point in time that a MRF would be situated at the resource recovery park in Hanamā'ulu, so we are proceeding on this site as our MRF right now.

Chair Furfaro: Well first of all thank you very much for putting the urgency of the MRF in the plan. Secondly for clarification, this isn't the end of developing a MRF. This is responding to the urgency to have something now in what seems to be a location that will work. Okay, thank you for an excellent presentation. I want to remind everyone that mid-day yesterday was suggested by Mr. Rapozo that we will go around the table several times with several questions, but will allow Councilmembers to have questions asked and then pass it on to the next and the next so no one series of questions is more dominating than the whole Council as a body. I am going to turn the floor over to Mr. Kagawa for a question first, then Mr. Rapozo, and Mr. Rapozo I am going to have to step out after you have your first turn and if you could continue and thank you for the excellent idea in taking turns at asking questions. Mr. Kagawa.

ROSS KAGAWA: Thank you Mr. Chair. Just for clarification yesterday I kind of stuck to my one question but other members ask more than one so can I go with two or three or what? Because I have two in front of me right now.

Chair Furfaro: We are going to go around the table several times.

Mr. Kagawa: Thank you.

Chair Furfaro: But you can start with your first one and we'll get back to you six turns later. Go ahead.

Mr. Kagawa: I do not know if I got my answer but thank you. I will ask my most important one first. I noticed in the collection side we have (18) refuse workers if I count right. We have (3) Equipment Operators, (5) Crew Leaders and (10) Refuse collectors. Is that correct about eighteen? How much is spread out to each district? We got Hanapēpē, we got the Westside, we got how much?

Mr. Tanigawa: Our collection system is distributed this way over 3 base yards. So starting from the North Shore there is (1) Crew Leader and (2) collectors that is still under our manual system.

Mr. Kagawa: Okay.

Mr. Tanigawa: And moving towards Kapa'a, we had originally before the automated system was implemented we had (3) crews there, so (3) Crew Leaders and (6) Collectors.

Mr. Kagawa: Okay.

Mr. Tanigawa: When we started the automated system we replaced (3) of those crew so we ended up with now what we have is (3) Truck Drivers reallocated from those (18) positions. Actually I am sorry (1) was a new position at the time.

Mr. Kagawa: Okay.

Mr. Tanigawa: So we have (3) Truck Drivers to operate the automated collection trucks that we have in the system now, (1) Crew Leader and (2) Collectors to operate the one manual route that still exists under the Kappa Base yard.

Mr. Kagawa: Okay.

Mr. Tanigawa: The Hanapēpē Base yard is still under the manual system so we have (2) Crew Leaders and (4) Collector positions at that base yard.

Mr. Kagawa: Okay which leads me to my next question basically is when we went with the machine operation I think we anticipated at some point to get some labor savings. Instead of (3) people on the truck you only need one.

Mr. Tanigawa: Right.

Mr. Kagawa: I know because I wake up early and I see what use to be Mark Soto driving and he could do it all by himself. Those two workers no longer are basically needed right?

Mr. Tanigawa: Correct we do not use the two collectors, it is just one truck driver servicing the routes.

Mr. Kagawa: So back when we decided to change did we anticipate possibly in the future using those two workers to perform other tasks?

Mr. Tanigawa: Yes and so right now we are under consultation with the Union in the transfer from the Roads Division to Solid Waste Division Management. We are looking at using those additional workers as a utility crew where they could substitute for the refuse collection operation as if it is their primary back-up for being the refuse collections primary back-up, but also be able to perform in other wide varieties of duties to assist or support the other operations in solid waste.

Mr. Dill: Council I am sorry if I may. I just want to reinforce the point that when you make the transition from manual to automated collection we are not losing any positions, so the staff that was previously assigned to picking up trash on the truck will be assigned other duties now. So we are not losing any men as a result of this transition.

Mr. Kagawa: Okay here is the million dollar question. Do they still keep their *huki pau* hours from when they got in all the way until they retire?

Mr. Tanigawa: Well that is the...

Mr. Kagawa: That is what the public is asking me. They said they went to the automated now so what are those other guys doing now. The public is asking that and a lot of people do not pay attention to Government but they kind of figured that one out. They are asking me that question so I just want to get the true answer to that.

Mr. Tanigawa: Okay and the way we are addressing that is through attrition. Right now where there is still warm bodies those people have to only do collection activities but because we require less workers to actually perform on a daily basis, we haven't been filling vacancies that have been created through retirement. So through attrition that is how we are going to address that answer and like I mentioned

earlier we are working on developing a utility crew where these vacant positions will be filled to support both the refuse collections operations and other areas of solid waste.

Mr. Dill: That is an issue we are obviously talking about with the union as we conclude negotiations or open negotiations or open negotiations for the completion of automated. So that is definitely something we are well aware of that needs to be addressed as part of that negotiation.

Mr. Kagawa: I guess my question revolves around the fact that we obviously went to the automated because we anticipated less back injuries and less labor needed for that very hard tasks and maybe even quicker because it just picks it up so quickly and dumps it all in so to me if we do not have the benefit of labor savings than no sense we doing that. We are buying a brand new truck, we are training a new person but we still got those guys on the *huki pau* hours which what are they doing when there not needed on the truck? What are they doing currently right now when they're not on the truck?

Mr. Tanigawa: They are used to support the collection operation and there's not many of them. We've transitioned three routes and there are just two employees that are left collectors that are left. They support the refuse crew, especially the manual crew that needs the support when people take vacation. When they are not supporting the manual crew they have done other manual tasks in the base yard like washing the trucks, all related to collections.

Mr. Kagawa: But they have the *huki pau* hours?

Mr. Tanigawa: Yes.

Mr. Kagawa: Well that is where I mean I think the public is not very happy with that fact and I guess it is the understanding if you picking up garbage that is a benefit that you get the *huki pau* hours but I think the public will have a difficult time accepting those times that they're not picking up rubbish and they have the *huki pau* hours. I think that is a dilemma that we need to try and work out with the union because in government we have to try and be fair and when we are fair I think the public can accept it.

Mr. Dill: We are definitely on the same page Councilmember and that is something we will need to work out with the union.

Mr. Kagawa: I understand thank you.

Mr. Dill: Only the folks who are actually actively doing the refuse collection will benefit from the *huki pau*.

Mr. Kagawa: Very good thank you.

Chair Furfaro: Mr. Rapozo if you have a follow-up question to that one and then your own question go right ahead.

MEL RAPOZO: Thank you. I think he did answer my follow-up question about the *huki pau*. So these guys although they're not on the truck they still work? So how does that work when the truck people go home they get to go home and they get paid the full hours? How many of those do we have?

Mr. Tanigawa: Right now just two.

Mr. Rapozo: Just two?

Chair Furfaro: Did you say two or three?

Mr. Tanigawa: Two.

Mr. Rapozo: All the rest have been transitioned into other positions so they do not qualify for that *huki pau*?

Mr. Tanigawa: Well we haven't filled the vacant positions yet, so positions still vacant will remain vacant until...

Mr. Rapozo: Yeah but you had more than two right?

Mr. Tanigawa: Correct.

Mr. Rapozo: When we went to automated we ended up with more than two employees displaced because how many routes did we pick up?

Mr. Tanigawa: We have 3 routes now.

Mr. Rapozo: Three routes, so we have three automated trucks?

Mr. Tanigawa: Correct.

Mr. Rapozo: So you had nine employees at one time?

Mr. Tanigawa: Well actually the Kapa'a base yards always had nine than we added on or we requested a new position a driver position that was filled. That operated the first truck and the three manual routes still remained active after that first route first automated route was created.

Mr. Rapozo: Okay but from the three routes if my math is correct, three times three is nine and we added another position that is ten.

Mr. Tanigawa: Correct.

Mr. Rapozo: And then you subtract the two per route that were no longer needed that is six right?

Mr. Tanigawa: Correct.

Mr. Rapozo: So ten minus six is four, so two of them with into other County positions?

Mr. Tanigawa: No.

Mr. Rapozo: Or they retired?

Mr. Tanigawa: Well two of the drivers are now driving the other two automated trucks.

Mr. Rapozo: Oh okay, so they were just transferred.

Mr. Tanigawa: Yes reallocated into the other positions.

Mr. Rapozo: Okay so just those two remain?

Mr. Tanigawa: Yes.

Mr. Rapozo: That is my follow-up Mr. Chair. The other question is yesterday we had a discussion and I am sure you were made aware of the line item and it is actually in roads administration page 239, in the budget for three hundred thousand dollars for disposal of abandoned vehicles and another hundred two thousand six hundred for beautification. When I look in your solid waste recycling budget this year on page 252, there's another three hundred forty three thousand dollars for vehicle Metals recycling and another fifty five thousand for abandoned derelict vehicles. Can you explain what those are? Let's start with the three hundred thousand in roads administration.

Mr. Tanigawa: Okay.

Mr. Rapozo: And the only reason why I am asking you is because that is where I was lead too. I asked yesterday and they said its solid waste.

Mr. Tanigawa: Okay just real um... generally what happens is we use a portion of that beautification fund to fund the contract that we have with the resource recovery solutions now at the Puhi Recycling Center. That contract currently is roughly about forty six thousand five hundred per month and it comes out to over half a million dollars. A portion of that beautification fund funds that contract and the remainder or balance under that contract is funded through that motor vehicle and scrap metal processing line item we have under our recycling budget.

Mr. Rapozo: Okay, I am sorry how much is the contract for Puhi?

Ms. Fraley: Approximately forty seven thousand a month with the tows.

Mr. Rapozo: So about six hundred thousand a year? I do not know if I do the math forty seven thousand times twelve it comes out closer to six hundred thousand.

Ms. Fraley: Yes close to six hundred.

Mr. Rapozo: Product of Kaua'i High School. Okay and if I add up all these amounts and I get disposal of abandoned vehicles is three hundred plus the vehicle Metals recycling, that is six forty three and then beautification and see the beautification amount is under special products but it is not defined. The other part I had the question about yesterday is both of these amounts, three hundred thousand and a hundred two thousand six hundred hasn't been expanded this year I mean it is zeroed out and I am not sure why.

Ms. Fraley: The current contract for services is through the end of this month so we are actually in the process of negotiating a new contract and that is when the remainder of that funding would be spent to fund the new contract.

Mr. Rapozo: Okay so are you saying that the three hundred thousand enrolls administration, the hundred two thousand six hundred enrolls administration, the three hundred forty three thousand in solid waste recycling and the fifty five thousand for abandoned and derelict vehicles are to pay for that contract?

Ms. Fraley: The fifty five thousand actually is a different contract for hauling abandoned vehicles.

Mr. Rapozo: For Hauling?

Ms. Fraley: I mean for towing.

Mr. Rapozo: So we pay people to bring it to...

Ms. Fraley: Yes that is a separate... those that are abandoned on the side of the road it is a separate contract.

Mr. Rapozo: So three forty three in your recycling budget is for the contract.

Ms. Fraley: For the Metals processing contract correct.

Mr. Rapozo: Okay and in Roads Administration the three hundred thousand as well?

Ms. Fraley: It is not a full three hundred though.

Mr. Rapozo: Well that is what is been budgeted and there is no text assigned to it is just...

Ms. Fraley: It is a portion of that actually is what we have access to it is not the full three hundred.

Mr. Rapozo: Okay maybe I guess we'll just send that over because it is very difficult to follow because it sits in different department's budget.

Chair Furfaro: James did you have something to add?

JAMES MATSUSHIGE, BUDGET/FISCAL ANALYSTS: James
Matsushige for the record. On that 205 account.

Mr. Rapozo: Okay hang on, which one is the 205?

Mr. Matsushige: It is under beautification.

Mr. Rapozo: Okay the hundred two thousand six hundred?

Mr. Matsushige: Yeah the hundred two thousand is not really a public works account. The three hundred thousand is for all solid waste. The hundred two is I guess beautify the highways and I guess it was originally under public works when beautification was which is parks and recreation was part of public works. When they moved out that beautification fund kind of moved with them.

Mr. Rapozo: The only reason why I am asking them is because I was told yesterday to ask them.

Mr. Matsushige: Yeah they have to resource for the three hundred thousand that goes into the (inaudible).

Mr. Rapozo: I kind of figured that out now.

Mr. Matsushige: But not the hundred and two thousand that is not a public works money.

Mr. Rapozo: Okay well public works maybe should have said that yesterday. Okay so that three hundred thousand and I am just trying to get a better understanding of what that is for. Is that the only expense just the contract for Metals recycling with that whatever is?

Mr. Tanigawa: Yeah resource recovery solutions, they have also towing of derelict vehicles that is separate from towing of abandoned vehicles. So that is an additional cost to their contract in addition to processing and recycling what is brought to the facility.

Mr. Rapozo: Okay so what is the fifty is that part of the fifty five thousand the abandoned derelict? I am going to have to draw a picture pretty soon because I am getting...

Mr. Tanigawa: Yeah I think like you suggested send it over to us and we can present in a way where in a table where...

Mr. Rapozo: Okay what is the other contract for derelict towing that we pay who? Where is that in the budget?

Mr. Tanigawa: It is part of that allocation.

Mr. Rapozo: Which allocation?

Mr. Tanigawa: There's an abandoned vehicle towing... If you look at page 252 of the budget under the 208 account other services towards the top of the page. If you go down the list of text items about maybe two thirds of the way down you will see the line item abandoned derelict vehicles.

Mr. Rapozo: That is the one the fifty five thousand that I am referencing.

Mr. Tanigawa: Yeah.

Mr. Rapozo: So that is for Puhhi as well?

Mr. Tanigawa: We can use that interchangeably for also the derelicts that we tow from Puhhi.

Mr. Rapozo: So who else will tow?

Mr. Tanigawa: Right now the derelict tow's are under RS's contract.

Mr. Rapozo: Okay so all derelict vehicles that are called in gets towed by Puhhi?

Mr. Tanigawa: Correct.

Mr. Rapozo: No private tow companies will tow a derelict vehicle?

Mr. Tanigawa: Well they sub-contract the services so it is...

Mr. Rapozo: But as far as we are concerned we only pay Puhi?

Mr. Tanigawa: Correct.

Mr. Rapozo: RSS or whatever?

Mr. Tanigawa: Correct.

Mr. Rapozo: Okay and then abandoned is dealt differently?

Mr. Tanigawa: It is under different contracts and they go by zones and we pay for the actual tows that are made.

Mr. Rapozo: Okay yeah we'll just send it over and get a better break down.

Mr. Tanigawa: Okay.

Mr. Rapozo: Thank you.

Chair Furfaro: Okay now I am going to recognize Nadine and at the same time I am going to turn over the meeting to Vice Chair Mr. Rapozo. I do want to make an announcement right now if I can. When we get to CIP, I would like a presentation made that shows all of the bracketed numbers. I would like to go through all if the projects that have been removed first, when we get to CIP. I t is very clear to me that we need to understand where monies have been shifted okay. Mr. Rapozo I will give you this as Vice Chair and I am going to be in and out most of the day so Nadine.

NADINE NAKAMURA: I want to go back to Allison's presentation and thank you very much Troy and Allison for that overview. I wanted to talk about the papaya disinfestation facility.

Ms. Fraley: Okay.

Ms. Nakamura: Some of you may not know that that was the site being looked at for the slaughter house and commercial kitchen until we were informed that Larry Dill was very interested in this site for other purposes. As Council people we have to look at the big picture and the multiple needs of this community and I wanted to find out if your discussions well first of all who ultimately owns the land and will it be a discussion with the land owners before we move into the EA, are we going to get site control?

Mr. Dill: The short answer is we certainly want to get site control before we move into the EA. For the work that is budgeted in Fiscal year 13, which as I also mentioned the EA and the conceptual design will be part of that effort. We are very close to getting a consultant on board; we want to get site control first for the facility before we kick-off that work. A little bit of an overview of the history of our efforts to get site control over there is still a work in progress. We understood that that facility had been programmed for tropical fruit disinfestation facility had conducted a feasibility study and it turned out and I am not an expert on what happened on this but my understanding is it turned out the feasibility study recommended against pursuing that facility, that location.

Ms. Yukimura: For the tropical fruit disinfestation?

Mr. Dill: Yes, yes. As soon as I found out that was the case obviously next door neighbor to our Kaua'i Resource Center, next door neighbor to our Līhu'e Refuse Transfer Station, good access utilities ideal well a very good location for our MRF. We found out that the site was under control with the ADC, ADC had a lease with the University of Hawai'i, University of Hawai'i has the land under an EA with the State of Hawai'i. Initially we began discussions with the University of Hawai'i and after speaking with them for a while we found out that they actually they had it by EA and they were open to the pursuit of the site as a MRF understanding benefits it had for the County of Kaua'i. Also understanding that as you mentioned shortly after the feasibility study was conducted for the fruit disinfestation facility that I do not know how to name the group I call the cattlemen was interested in it as a potential site for the meat processing facility. When an alternate site was proposed for the meat site facility we felt we were the leading candidate for the facility there.

Ms. Nakamura: Right and I wanted to just make sure that everyone around this table knew that history that Big Save wasn't the first site or only site being considered.

Mr. Dill: What is happened fairly recently as I also mentioned in our presentation we have drafted an MOA because we wanted to get something from the University of Hawai'i who had control of the site to indicate to us that they were willing to work with us on a MRF there and then follow-up with whatever needed to happen in order to get it is official and firm site control. What is recently come up is DOT Airports has indicated that in a mid-1990 environmental assessment they may have done for Līhu'e Airport had looked at that site as a potential expansion location for their facility. So that is pretty late breaking news and that is just come on the radar for us so as I mentioned we do not have site control yet and airports at least 20 years ago was interested in that site as a potential expansion. So we have to deal with that issue now so unfortunately we've been a little hung up on pulling the trigger on getting our MRF worked on until we've identified the site. We do feel and as again as I also mentioned it is far and away of all the options we were able to explore the best options for a MRF for us so we are pressing to get that site control for that facility.

Ms. Nakamura: Do you know what the State DOT in their EA identified the use for that site?

Mr. Dill: I believe that they looked at as some sort of additional maintenance facility. From our perspective I believe they have plenty of land, plenty other opportunities out there for that facility but we have to work with that as part of our work.

Ms. Nakamura: Thank you.

Mr. Rapozo: Any follow-up questions? Follow-up question
Mr. Hooser?

GARY HOOSER: Yes this is for Ms. Fraley and before I ask my questions I couldn't help from thinking that you've got a tough job holding down the gender balance formula in the Department of Public Works as I look at the audience. Thank you for the work that you do. The MRF Facility and I am coming a little bit late to the discussion but I thought I was familiar with the concept and most the MRF's I am familiar with it

seems like they're adjacent to H-Power or a landfill, the trucks come in and they deposit the materials the recyclables are pulled out than it is either burned or landfill. Is that how this works? I do not want to spend a lot of time on it because I know others are more familiar than I.

Ms. Fraley: Well actually the best location for a MRF is near port because your product is going to be hauled to port so that is one of the biggest considerations actually.

Mr. Hooser: So all the trucks do come and deposit the materials there and it is sorted out?

Ms. Fraley: Yes.

Mr. Hooser: So than it has to be hauled again?

Ms. Fraley: Well the recycling trucks, so it is different from a truck that contains garbage, these are dedicated trucks.

Mr. Hooser: Oh it is a mix recycle, okay.

Ms. Fraley: Right this is a cleaner and we are only taking the clean recyclables.

Mr. Hooser: Okay that was it is a clean MRF as opposed to the other...

Ms. Fraley: Yes.

Mr. Hooser: Thank you that was my question thank you.

Mr. Rapozo: Do we have any follow-ups? You do not really have to JoAnn. You do not have to ask on every issue.

Ms. Yukimura: Well you know the MRF has been one of the top priorities as far as I am concerned and well first let me just say... Allison this is an excellent report, thank you very much. I am very excited about how detailed and how integrated it is and how very specific time tables and goals you have but for the MRF, is there room for expansion?

Ms. Fraley: Yes.

Ms. Yukimura: Long term?

Ms. Fraley: Yes.

Ms. Yukimura: Okay. My other question and we can take it up now or if Committee of the Whole Vice Chair thinks we should make it as a separate subject I am willing. Is there a way we can accelerate the timetable to make it available faster?

Ms. Fraley: I do not believe so, I think this is an acceleration on the table.

Ms. Yukimura: So in your timetable it shows the MRF being completed that is your last slide, by the third quarter of fiscal year 2016 which is when it would begin operations.

Ms. Fraley: Correct.

Ms. Yukimura: And it is timed with the curbside recycling. We are going to be fully automated and will have “pay as you throw” in place so that you will be able to have full operation of the MRF with all the supporting structure?

Ms. Fraley: Correct and you can see actually the MRF comes online one quarter before we implement the second phase of “pay as you throw” when we have the curbside recycling.

Ms. Yukimura: Sorry it comes...

Ms. Fraley: The MRF is completed right before we implement the curbside recycling program.

Ms. Yukimura: Right before?

Ms. Fraley: Correct, just one quarter before of course we wanted to be fully operational before the program kicks.

Ms. Yukimura: Okay, okay. So that means it will actually be fully operational by the end of Fiscal Year 2016 or at the beginning of Fiscal Year 2017?

Ms. Fraley: Correct.

Ms. Yukimura: And to get the full maturity will be another five years?

Ms. Fraley: Correct.

Ms. Yukimura: And so that means that assuming all the other programs are put in place for their maturity to dove tail we will reach a 68 percent diversion by 2022. Is that the plan?

Ms. Fraley: Yes.

Ms. Yukimura: Ok.

Ms. Fraley: Which is in line with our goal of 2022.

Ms. Yukimura: For the solid waste which is 70 percent?

Ms. Fraley: Yes.

Ms. Yukimura: Ok.

Ms. Fraley: As I said this doesn't include all of our programs so we expect to achieve the 70 percent additional through other programs.

Ms. Yukimura: So have you as we have with our multimodal Transportation plan figured out the budget up to year 2022?

Ms. Fraley: We do have the program cost. We've been figuring those of course the actual budget would be dependent on competitive bids for service and things like that.

Ms. Yukimura: Yes right no these would be budget.

Ms. Fraley: We have an idea of what the cost would be.

Ms. Yukimura: These are budget estimates so...

Ms. Fraley: Yes.

Ms. Yukimura: And it includes both CIP and Operating projections?

Ms. Fraley: Yes.

Ms. Yukimura: Well that is excellent. I am still going to look for ways to accelerate but the fact that you have a time table and you've cost things out and you sequenced them in terms of practical implementation is very excellent. Thank you for that.

Mr. Rapozo: I know it seems like a long time but think of it this way. It will be done before Dickie Chang's sidewalk.

Mr. Bynum: Hopefully not.

Mr. Rapozo: Councilwomen Nakamura and then Councilmember Bynum.

Ms. Nakamura: How many acres is this site?

Mr. Dill: Three point six acres. I had it in my head it was four or five but maybe it is a little less. I cannot give you an exact number but it is neighborhood of four to five acres I believe.

Ms. Nakamura: So it is a thinking that we build this and it will be ready in 2016 to operate and in the meantime the new landfill is being worked on, the resource recovery park and is it thinking that those two facilities will be built at the same time? Or with this MRF, how long do you think this MRF will be in operation?

Mr. Dill: This MRF will be in operation until it is something that the County decided needs superseded.

Ms. Nakamura: So it could be forever?

Mr. Dill: That is a possibility.

Ms. Nakamura: What will this facility provide that the resource recovery park would... what would not be provided that the resource recovery park will?

Mr. Dill: Well if you recall the presentation the resource recovery park looked at feasibility of every waste diversion program under the sun. The MRF specifically will look at curbside recycling so it will be as Allison did specifically switched things as this clean MRF will be accepted.

Ms. Fraley: Well to address the question of the difference between the two MRF's. The MRF that is recommended at the Resource Recovery Park is a highly mechanized MRF for the full diversion potential and so it is a more expensive MRF than the one that we plan to build now. However the MRF that we build now can be retro-fitted with more mechanized equipment and expanded into the site behind it if the land is available so it does have flexibility. The recyclables are your fiber so cardboard, mix paper as well as your containers so plastics, Metals, metal containers as well as it would contain a glass processing, a glass crusher as well. So those are the different materials that would be accepted.

Ms. Nakamura: It could be mechanized right?

Ms. Fraley: It could be mechanized. Initially we do not see that there will be enough volume to have a heavy mechanization it would be a lot of manual equipment for a stream of this side that is appropriate.

Mr. Dill: It will be mechanized but to a low tech degree compared to some that are out there. So there will be a sorter and a bailer but many of these things when you go to a larger facility that exists in the world these are highly automated but these will be a lot of manual sorting done on the sorting machine and then go to a bailer.

Ms. Nakamura: (inaudible)

Ms. Fraley: Yes similar to Maui.

Mr. Bynum: Thanks for the report. I am going to stay future oriented and for the last couple of years I have always asked this question so I am going to ask it again. We have a historic opportunity here when this work is operational to provide employment for our citizens with disabilities. I want to make sure that is still an option and something you are incorporating into the plans and in terms of construction it is only minor changes that we might consider in order to accommodate that. When you go for an operation contract we have to have a commitment to that so I just want to make sure that commitment still stands?

Mr. Dill: We are considering that as an option.

Mr. Bynum: I just want to say consider it very strongly, it is a historic opportunity and we have (inaudible) that need equal employment and have disabilities (inaudible) and this is a successful operation within the community so it allows us to have (inaudible). I am invested in a separate budget looking at our integrated solid waste plan and a timeline that were set there and found through the discussions of where we are at now and how we changed from that. So we are all clear as to what elements of that plan we can follow and what elements we can (inaudible) thank you.

Mr. Rapozo: Thank you Mr. Bynum. So are we planning for two MRF's?

Mr. Dill: No we are planning right now we are incorporating as part of the environmental impact statement which addresses the landfill and the resource recovery park. We are covering it in the environmental impact statement so it is included from that scenario if and when it makes sense to site a MRF up there then we would consider that, but for now we are proceeding with this MRF in this location. This

makes a lot of sense for the County right now to include it and only if there is an overriding reason for us to re-locate it would we do so.

Mr. Rapozo: Okay that is clear, go ahead.

Ms. Yukimura: So how much money are we spending on figuring out the feasibility of a resource recovery center that might not happen?

Mr. Dill: I do not know how it is broken up in the contract I would have to get back to you on that one.

Ms. Yukimura: Please. So that is a question yes?

Mr. Rapozo: Yes that was your question, any follow-ups to that question? See how she tries to sneak it in as a follow-up.

Ms. Yukimura: No mine was a follow-up to your question.

Mr. Rapozo: From the MRF to the entire Resource Recovery Park so any follow-up to the resource recovery park?

Ms. Yukimura: I will wait my turn.

Mr. Rapozo: You just used your card...okay JoAnn, go ahead.

Ms. Yukimura: AECOM is doing the feasibility on the resource recovery park right? Okay so what is the question that they are answering? Is the resource recovery park feasible? Is that the question you gave them?

Mr. Dill: No, the question they are answering generally speaking and I do not have the scope of work in front of me is the County is interested in setting a resource recovery park in the vicinity of (inaudible) landfill. What waste diversion activities would it be feasible for us to site there?

Ms. Yukimura: What waste diversion activities would it be feasible to site there? You could ask that question of any place so what is going to be the value of that answer. Okay because the question that we should be asking where we have limited money is what is the most cost effective design of our resource recovery system? And are we getting the answer to that question?

Mr. Dill: We have not posed that question to them.

Ms. Yukimura: So how much money are we spending on asking questions that are not the real questions we need to ask?

Mr. Dill: Well I disagree with you because we believe after reviewing the issue that the resource recovery park has a potential to have a very valuable asset to the County of Kaua'i and its waste diversion activities. Often as was pointed out by Mr. Hooser, these facilities are located adjacent to existing landfills because they are more efficient that way and it serves the public better and it serves the purpose better.

Ms. Yukimura: Only dirty MRF's are efficient to locate near landfills.

Mr. Dill: That is right and so we would have the potential of setting a dirty MRF there. But also not only dirty MRF's there are other waste diversion activities that happen adjacent to many landfills, not just MRF's.

Ms. Yukimura: But you still have to make sure that that system is going to be the most cost effective for the island. So we need to ask that question first.

Mr. Dill: Well we have a system now that is not operating in that manner it is a decentralized system and we wouldn't relocate any facilities up there unless those facilities made sense or were cost effective to relocate them.

Ms. Yukimura: But what if a decentralized model were more cost effective given the goals of the system? You make it user friendly, you want to make it close to people so it is convenient. I mean you have to consider all those aspects in developing a system so do not you have to know that before you put money into a site that is far away? Do not you have to know that the design, the centralized system is better than the decentralized system? What if you were to put the money into a decentralized system that might be less money needed and more benefit or more usefulness? Wouldn't it be wrong to do a centralized system in that case if it cost more and doesn't deliver the convenience and the whatever you need out of this system.

Mr. Dill: Yes and that is why we wouldn't situate anything up there if it wasn't cost effective and efficient to do so.

Ms. Yukimura: But how do you know?

Mr. Dill: This was an opportunity when we did the EIS for the landfill to possibly provide the implementation and resource Recovery Park.

Ms. Yukimura: But how do you know that is it is the most system unless you are looking at all the other possibilities too.

Mr. Dill: We will know if and when for instance the MRF. We will not relocate a MRF up there if it doesn't make sense to do so.

Ms. Yukimura: But your assuming it makes sense to do so by asking them to evaluate it.

Mr. Dill: I am assuming that it may make sense to do so.

Ms. Yukimura: Well if we pursue all the may make senses we won't have any money.

Mr. Dill: But we are not doing that. I am sorry but we may just have to agree to dis-agree on this because...

Mr. Rapozo: That is perfectly fine with me.

Ms. Yukimura: Yes you are right, you are absolutely right on that.

Mr. Rapozo: That is perfectly acceptable in this Chambers, that is what budget sessions are for.

Ms. Yukimura: Right but I hope you see it as your responsibility to develop the most cost effective systems for the infrastructure that Public Works is responsible for?

Mr. Dill: That I do agree with you a hundred percent.

Ms. Yukimura: Okay thank you.

Mr. Rapozo: Thank you very much. I happen to disagree with Councilmember Yukimura, I would agree to have it all in one place is the most cost effective way. I also remember I think the dialog we had about originally planning for a MRF up the resource recovery park and I just got to believe this expedited action. I happen to disagree with Councilmember Yukimura, I would agree to have it all in one place is the most cost effective way. I also remember I think the dialog we had about originally planning for a MRF up the resource recovery park and I just got to believe this expedited action to relocate that MRF down at the airport and I think Councilmember Yukimura's persistence had something to do with that as well as she pushed this Administration to getting it done sooner.

Mr. Dill: We take Council's input very seriously.

Mr. Rapozo: And that is how I see it so I just wanted to make that point because when you mentioned that slide I looked at Councilmember Yukimura's face and she was smiling and I hadn't seen her smiling, I hadn't seen her smile like that in a long time. I told Kagawa hey check JoAnn she's happy...but not happy enough so anyway.

Ms. Yukimura: Not at wasting one point eight million dollars.

Mr. Rapozo: I understand JoAnn and your points are well taken and again we are all in that canoe. We are going to take a caption break, we are going to take a caption break for ten minutes thank you.

CAPTION BREAK: 10:59-11:14

Mr. Rapozo: Budget session will now come back to order. Any more questions as it relates to the resource recovery park? Thank you, any other questions for Solid Waste? Mr. Kagawa.

Mr. Kagawa: So Allison and Troy, I really like the percentage I think we are at 68 percent is a realistic number percent that we can divert and the other 32 would basically be things that we cannot divert. Things such as galvanize or whatever...

Ms. Fraley: Well composite materials that may not be recyclable that two different materials combined together or else things like treated lumber and other things that just aren't recyclable.

Mr. Kagawa: Yes there are many things that I guess we cannot recycle like a shirt right?

Ms. Fraley: That is a textile and that could be recycled.

Mr. Kagawa: Could be?

Ms. Fraley: Yes.

Mr. Kagawa: So that sixty eight might even go higher?

Ms. Fraley: It could and some communities with mature programs have seen diversion rates above seventy although it is rare.

Mr. Kagawa: I mean like for a lot of us it almost goes for that second use like the shirt would turn into a rag and we use that to polish our car and we end up throwing it away but at least instead of buying a rag from the store a lot of us are recycling it. I guess my question is this and I talked to Troy about it and even other Councilmembers and that was the (inaudible) type percentage if we cannot divert the thirty. My focus is on that and I do not want to bury anything because I have seen Kekaha when it was flat until now and that is my 30 something years of observation. I am just thinking and I am going to say the same thing when I am eighty or ninety about Maalo and I am just hoping and the answer that I get is that (inaudible) and stuff we do not get the 30 percent that we are looking at is not enough we need a bigger population to create more than that to make it feasible.

Ms. Fraley: Correct at this time through put is an issue the quantity of through put, however as these technologies evolve it could be that in the future we would have an alternative technology to deal with the remainder of our refuse.

Mr. Kagawa: Yeah and I guess that is my hope because if you look at it our household need like an outdoor grill you have a small weber you have a big weber and basically that is what (inaudible) is you are going to cook our rubbish and make it into road material or that kind of reusable source. I know the availability of rocks are going down on our Island and that possibly could be used for underlayment for our roads and I actually went to a plant some 20 years ago with Senator Kouchi besides going to visit our Congressman in D.C. we went to visit a site and they showed us what looked like lava rocks or whatever but this was back like 30 years ago. I am just really looking forward to the day that we can buy one but like you said the day isn't here that we have the small weber but that is my only suggestion that we keep pursuing it because even if we end up paying a little it might be worth it because the cost of landfilling is going to go up too. So let's always keep our options open because anything is better than burial to me.

Mr. Dill: We remain open to all that possibilities as Allison has said we haven't seen one yet that is appropriate for our Island. I think I may have mentioned to the Council that the County of Maui has issued a RFP I believe for waste energy proposals and received several so we are in close touch with them and they will keep us posted on the results of their RFP and we'll take a look and it might be applicable to our situation.

Mr. Kagawa: Yeah and I think it came up from another Councilmember and I thought that was brilliant so I brought it up to that we could actually if we were looking for more volume we could dig up our own landfill and pull up that rubbish and that might be an option but I do not know. Thank you.

Mr. Rapozo: Any follow-up questions? Go ahead.

Ms. Yukimura: Allison your second slide of your presentation which is showing your diversion graph... you show a couple of slopes between 20- 2009 and 2010 and then it was flat between 2010 and 2011 and then went up significantly but doesn't look like as good a slope as 2009-2010 but 2011-2012, we should maybe put that on...

anyway while they're doing that have you examined why or how you got these increases in diversion and why between 2010 and 2011 it was flat?

Ms. Fraley: I do not have an answer for you right now about those particular years and the difference but I can tell you that getting the data together has been a challenge in years past and we are really working on our efforts to have some standardized way of measuring our diversion rate and access to accurate data. In the past we haven't received information for programs that we do not control and we also haven't been able to access information from the State Department of Health that permits those activities because they did not get it. It is been very difficult to get accurate information however, usually the large spikes are a result of shipments of Metals for instance when a barge goes out in a particular fiscal year although during the prior fiscal year they were stop piling stop piling and then boom the barge goes out. That is where you see that number increase...

Ms. Yukimura: I see.

Ms. Fraley: Things like that and like and as I said for this last fiscal year a lot of green waste diversion. Green waste is...

Ms. Yukimura: I am looking for the graph, its page 2.

Ms. Fraley: There we see the last 5 years of diversion. Green waste right now, I am sorry if you show the next slide I just wanted to show the next slide. You see how our County programs were showing green waste, nineteen thousand tons in fiscal year 2012 was attributable to green waste alone.

Ms. Yukimura: Wow.

Ms. Fraley: So just to let you know that if there's some change in participation then that is where you are going to see those increases.

Ms. Yukimura: I commend your effort to get accurate information. In all throughout the hearings we've been having and will continue to have this concept of accurate data is pervasive because you cannot really do good planning or you can do good measuring of whether your work is having any impact without getting the data.

Ms. Fraley: Yes and it is been a problem as I said and we are excited that we have filled a vacancy for our Recycling Specialist recently and that is going to be one of the assignments of our new specialists to really get a handle to have someone keep their eye on that and continue to see that its accurate.

Ms. Yukimura: And make sure the system collects that data?

Ms. Fraley: Yes.

Ms. Yukimura: Okay thank you.

Mr. Rapozo: Thank you very much, any other questions on the presentation? Go ahead Councilmember Nakamura.

Ms. Nakamura: Allison when did you say we would need a Compliance Officer?

Ms. Fraley: That would be and we would want to hire Fiscal Year 2013.

Ms. Nakamura: And...

Mr. Dill: If I may add to that. The main purpose for the compliance officer would be those two ordinances we are proposing and a large part of the bulk of that work would be processing the permits because the (inaudible) with the ordinance will be done in conjunction with billing permit applications. That person would be responsible for reviewing billing permit applications to make sure they were proposing a recycling program as part of their construction work and it is a fair amount of work for someone to be doing to review all the building permit applications that come in. We are still working with exactly how that would work we'll probably establish a threshold that we would implement at least in the beginning probably over a certain value we would have to comply and projects below that value would not have to comply. We would lower that threshold as time went on and worked the kinks out in the program. I also wanted to mention that we would use existing staff in the first year because there is still a lot of work to do which has already begun to get the ordinances reviewed, approved and adopted by Council. A lot of education and outreach would happen as well also to the Community and so a lot of effort since we are not asking for additional staff this year actually would be (inaudible) by the Environmental Services Officer himself, by Donald Fujimoto, so he would do a lot of leg work in getting this up and running this fiscal year.

Ms. Nakamura: And how many and this is another personnel related question. How many bodies do you need to operate?

Mr. Dill: I do not think we have that number yet for you.

JOHN HARDER, WASTE PROGRAM ADVISOR: Hi I am John Harder, Waste Program Advisor of some kind. Essentially for the facility we were looking at that would process say initially about 10-15 tons a day and maybe up to about 30-35 tons a day at maturity, we would be looking at probably a staff of eight to ,nine. It would be a Supervisor, probably a Floor Manager and Mechanic, a Spotter, a Scale Operator and maybe four Sorters that would work in the facility. At the beginning they could probably do with two or three less people and scale up as more material went through.

Mr. Dill: Keep in mind that we are envisioning this now as a privately run operations, we would contract out the operation.

Ms. Yukimura: What you said at maturity at the beginning the MRF would process 10-15 tons a day at maturity you said what twenty?

Mr. Harder: I think we are talking about thirty plus and part of this depends on how much commercial material comes into the MRF. The main purpose of the facility would be to have all the Counties curbside recyclables, but ultimately that could provide also a more efficient more effective processing of commercial material and they wouldn't be mandated to go there. I would say 30- 35 tons at maturity.

Ms. Yukimura: I think one of the reasons you are looking to contract it out is it is going to be operated somewhat as a business. I mean they're going to be selling commodities the result the MRF is a place where trash comes in and commodity goes out, I mean material that people will pay for whether it is recycle paper or cans or whatever. Thank you.

Mr. Rapozo: If you can do your closure than Ms. Nakamura:

Mr. Hooser: The private contracting out of the operation management, so there are companies interested or have we reached out there are companies interested? And is this an operation where the County would pay a fee or do they pay us?

Ms. Fraley: We anticipate that we would pay them.

Mr. Hooser: So we would pay them, provide them the facility and they would also get the benefit of selling the recyclable goods?

Ms. Fraley: Correct.

Mr. Dill: Yes there are different means we could put in the contract and of course commodities is pretty volatile to their value. So generally speaking what you are saying is correct and what we are implementing for the first time in our Metals recycling contract is a threshold so when that commodity of Metals goes above a certain level the County shares in the profits to some degree. We are looking at those things and implementing them so that these things make more and more sense for the County as well, but there would be basically a floor blow which the cost would not go for the contract.

Mr. Hooser: And the amount of money the County would anticipate paying out to operate the facility versus the offset of the cost of landfilling it. Has that been calculated?

Mr. Dill: We have looked at that but we do not have that information with us right now but we have looked at that.

Mr. Hooser: Is it a net financial benefit?

Mr. Dill: Yes.

Mr. Hooser: I mean in terms of just operating costs not capital costs?

Mr. Dill: Yes.

Mr. Hooser: Okay, thank you.

Mr. Harder: Part of the contract that Larry mentioned that we are in the process of implementing with our consultant that will do our conceptual design and our environmental assessment, another part of that is to draft our procurement documents. We will be basically telling them what we would like it to look like and they will be putting it into a professional form based on other types of contracts, operation contracts that they've worked on the Mainland.

Ms. Fraley: So in other words we are getting technical advice on how to structure that contract so it would be the best benefit to the County.

Ms. Nakamura: That is good to hear because and it would be the consultant would be someone who does this all the time and has a lot of knowledge about how the County can share in growth?

Ms. Fraley: Correct someone with a lot of experience. One big challenge for us is competition of course so we do let these contracts competitively but it is been a challenge.

Ms. Nakamura: Thank you.

Mr. Rapozo: Well the competitive nature is a good thing for us because we should be getting the best deal.

Ms. Fraley: Sorry what I meant to say is that it hasn't been that competitive.

Mr. Rapozo: Well there comes a point I think it is more beneficial for the County to operate it themselves and I think Puhi is a good example. I mean for many, many, many years we paid them a lot of money and yet they benefited from all the commodities of the medal as well as their little junk yard that they had going and charging people cash and I am talking about the former Puhi Metals Recycling. We received a lot of complaints about that guys go in take a part off the car and pay a hundred bucks and the County benefits absolutely nothing and we paid them to operate that... what Councilmember Nakamura calls a windfall or a land mine... I mean a gold mine not a land mine well that too, that too. I think we also have to be cognoscente of the fact that and I have said this numerous times on the floor that the commodity is not always in demand. There are times – it is seasonal or I would say it is cyclical. Very volatile and when I was in San Francisco years back, I mean it was in a time no one was buying the plastic and they were forced to store the plastic and wait for someone to want to buy it. That is the other part of the equation as we do the contract, but I definitely believe that the contract has to be written in a way that benefits the County. There is nothing wrong with benefiting the County and if they do not want to play ball with the County and they want their cake and eat it too, we manage the facility ourselves because I do agree that the commodities that comes out of those MRF's are very, very valuable if we strategize correctly. Councilmember Bynum.

Mr. Bynum: I visited a MRF in Oregon and their contract with the County, they basically were guaranteed enough to operate and then commodity sales were kind of split half/half. And in the time, you know because that was so volatile, at one point they were doing all their mixed paper in one place and the price of white paper was so high that they started to do a secondary sorting of white paper and ended up being largesse for the County and the non-profit and it was all transparent and clear. Kind of like if our commodity sales can go above a certain amount, we both benefit. At one point they had to pay people to take the plastic away, because at one point they were getting money for it and a year later they actually had a cost incurred to take the plastic away. You can negotiate those contracts where there is a shared benefit and a floor so the County knows it won't go below a certain amount and I hope we do that.

Mr. Dill: That is how we are doing more or less the current metals recycling contract but as Allison mention there is not a lot of competition out there. So that is kind of a limiting factor in our ability to implement that as much as we'd like to, but nevertheless, that was part of the solicitation and part of the contract.

Mr. Bynum: Okay, Thank you.

Mr. Rapozo: Again like I said earlier there is a point that the County is better off doing it themselves. So that the vendor or the bidder has to understand that they cannot be too greedy, because they are just going to lose it all. It is about to get half of something than all of nothing. So I would encourage us to look at what is that threshold? Also encourage to look at that with the Humane Society as well. Any other questions as far as -- and we are actually in a good point, because we are still an hour away from lunch and if we can get through solid waste through lunch, we can finish up CIP in the afternoon. So we are in a good spot right now. Councilmember Yukimura.

Ms. Yukimura: This is related to contracts that we are talking about and it is related to your line item budget. You have a departmental contract specialist in your budget?

Ms. Fraley: Yes, yes.

Ms. Yukimura: Who is that and what do they do?

Mr. Tanigawa: Yes, the Departmental Contract Specialist comes under Allison's supervision. But just let me generalize, what that person does is takes care of all our contracting, contract processing needs from the division.

Ms. Yukimura: Okay. So how many contracts does your division oversee?

Ms. Fraley: I do not have that number. I would say about 20. I want to mention too that that specialist actually oversees -- manages certain programs as well.

Ms. Yukimura: Okay.

Ms. Fraley: Very efficient worker by the way.

Ms. Yukimura: So I would like to get all the contracts that you oversee and the values of the contracts? Does this include the AECOM contract?

Mr. Tanigawa: The processing portion yes, but the administration is taken care of by me and the Environmental Services Officer.

Ms. Yukimura: We are paying out huge liabilities due to -- that arise out of these contracts. The Puhi metals site is one of them, \$2 million in the upcoming budget to pay that. You know we had operational liabilities with our recycling center. That is downtime, having to go out to bid again different kinds of things. So I am concerned about contracts management and how we are doing that and it is a tough area. I wouldn't know how to do it, but where we do our operations by contract, we have to get really good at doing this. So I am just wondering what kind of training we are getting for those who oversee contracts? And I mean, I believe we appropriated monies for special counsel for the AECOM contract oversight; right? That is public information?

Mr. Dill: It is a special counsel to help us with legal issues related to the environmental impact statement is how I would characterize that. I agree with you 100% with the contract management issues, solid waste does gave a lot of contracts they manage on-going operation contracts and so we sat down and reviewed all of

solid waste contracts with the division to address how those contracts are being addressed to make sure that we are doing a better job of paying attention to some of the details there. We have not at this point gone outside for some training, but I appreciate that input and we will look into that.

Ms. Yukimura: I am not sure what form the training would take.
I just see a need to have training.

Mr. Dill: Thank you.

Ms. Yukimura: And Allison, the 20 contracts that you mentioned, did that include the AECOM contract or are there other contracts that are not under that?

Ms. Fraley: That was just a guess. I would have to give you more accurate information later.

Ms. Yukimura: Right but when you say but when you say 20 contracts were you thinking of AECOM's contract too?

Ms. Fraley: Yes.

Ms. Yukimura: Okay.

Ms. Fraley: That is a big one.

Ms. Yukimura: Right. And I mean, you know, you have so much going on and we do not do it all by County personnel. And I think it is appropriate at times, especially when we are limited by budget and otherwise. But if we decide to go contract rather than County personnel doing the work, we have to get really good at contract management and both writing of the contract and then the oversight once it is consummated. Okay thank you.

Mr. Rapozo: Thank you. One of the good things about government contracts, its public record. So we really do not have to reinvent the wheel. I mean we can look outside and I know you mentioned that earlier about how that is done in the mainland with the MRF's and how those contracts are written up. And we also have our County attorney's office as well that should be guiding you folks in drafting together some good contracts.

Mr. Dill: The attorneys review every contract that goes out the door.

Mr. Rapozo: I understand and they are reviewing for legality and the format and the substance is beyond the scope, as far as what we want to see out of contract. We want to see a more favorable contract for the County. I do not expect the County attorney to know that. I do expect the County attorney to review the contract to make sure that we are protected in the event that we get sued, but as far as the substance and the profit-sharing number and the threshold, that stuff we could probably solicit from other agencies that are in similar situations.

Mr. Dill: And we do that, Council member. As you know, our County attorneys primarily look at contracts with form and legality, but I can tell you we have received above and beyond that from our County attorney's office, but what you are talking about with what is at the appropriate threshold and we are in contact with other counties in what they're doing and we get input when we do our solicitations as well.

Mr. Rapozo: Well I know Maui does it a lot different as far as how they manage their metals recycling and cars. Their vendor pays the people to bring the cars. So they will go out and independent tow companies will go out and pick up cars off the side of the roads and bring them in and they get paid, I think it is \$25 a car.

Ms. Yukimura: \$100.

Mr. Rapozo: \$100 on Maui. So everyone is different. We could pick up and learn from some other places and I am not saying it is the right way, but it definitely encourages the community to bring their junks in. Right now if you call them up and say, I know you have to bring your car in and you try to get your car towed to Puhii, it is not worth it and just say let's put it on Kanahale Road and rip off the plates, take off the vin numbers and no one will know. We have to encourage and incentivize the delivery of this metal. The car is worth a lot more than the \$100 bucks that their paying the metal. What was the number that they gave us on the tour? \$700 or \$800 or \$1200 that they make per car once they cube it and crush it and send it off.

Mr. Dill: At that time.

Mr. Rapozo: Yeah I do not know now, okay go ahead.

Ms. Nakamura: I have a question. I am looking at slide no. 4. And I wanted to -- this is very helpful, because it tells us where we are getting, like you said the biggest bang for our buck. I think another column would be helpful and that would be "what does it cost the County to get this -- to make this diversion happen per ton?" That way we can look at where we really want -- not all solid waste diversion is really the same. It is telling us that we get so much more green waste being half, almost half of the total diversion and business recycling is right up there. So what does it cost us, the County, to make that happen? And where should we really focus our energy and limited resources?

Ms. Fraley: Well we want to do all of these things in a perfect world, yes, but with limited resources where do we get the most for our funding?

Mr. Dill: And a great point and we certainly look at that, as to which is the lowest-hanging fruit of course, and where we do get the biggest bang for our buck with the least amount of resources. That is certainly what we consider when we proposing this list to you and implement our schedule. So there are a lot of factors that go into that schedule and the ordinances are something that is some of the low hanging fruit and is already underway because that will eventually cost us one body to implement those programs.

Ms. Nakamura: It would be good to see that third column to see what is the County's cost, and then we can say, look if we want to do more in this residential green waste or commercial green waste, maybe we should put more resources there if the costs are lower?

Ms. Fraley: That column would be projected costs. We do not know the true cost, but yes, that would be helpful.

Ms. Nakamura: Our best guess based on the numbers that we have today that number that we have today to work with.

Ms. Yukimura: I love the suggestion of cost per ton and I want to say that that goes to my question about the system of diversion? Some systems will cost more and make per ton cost more, depending on what the design of the system is. So that is why I keep questioning that whole resource recovery issue. I also think what might be another column that is of interest is "cost avoided." right? It is avoided costs because if it doesn't go into the landfill you are saving something there. So you need to see that cost, too. And those are not always easy costs to calculate, but they are all part of the picture. We are doing diversion, but that means that -- and if you are not paying for the amount to operate that landfill in a given timeframe, because it is going to fill up in a given timeframe and then you have to include the closure costs, which are for 30 years. You have to pay for a landfill for 30 years after you close it to capture the methane gas and whatever and that is a cost that our grandchildren and great-grandchildren have to pay and not us.

Mr. Dill: That is an excellent point and at this table we have 16 numbers. There are reams of data that are backups to this and I can tell you that we look at both of those cost as parts of our analysis and we come to recommend to Council and show us our proposed implementation schedule. That backup is what the basis is for this. So that information is that we are taking those into account.

Ms. Yukimura: That is very good. Thank you.

Mr. Rapozo: Good point. Air space at the landfill is a commodity. There is a cost or a value, I should say to that airspace. So that all has to be considered in the formula. Mr. Hooser, did you have a question? Any other questions? All right, let's break for lunch now.

Ms. Yukimura: Another April fool's joke huh? I am looking at your solid waste narrative and at the very end of your operating budget discussion you say increase in operations are due to... increases in R&M equipment, R&M vehicles and diesel. In doing the Multimodal Land Transportation Study our consultant pointed out that the cost of diesel right now is thirty percent of our operating costs and if that costs of gas or diesel were to double in the next ten years, that would make fuel 60 percent of our budget assuming everything else stays the same. So part of the plan is to look for an alternative fuel and in the search for alternative fuels that is a renewable fuel. What is come up is that in order to spur the development of that you need enough buyers of the fuel, you need a market for the fuel and that the County's together may really have a good market. And so Celia Mahikoa our transportation executive is going to be talking to all the other bus systems neighbor Island counties to talk about possibilities of doing bulk purchase together. And to the extent that we as a County have other diesel needs. We might want to see what our total diesel needs are and the budget thereof is you know the amount of money we are spending on it now and see if there are opportunities to encourage people like Pacific Bio-Diesel or others who are producing renewable fuels to see if we can begin this transition off of fossil fuels to renewable fuels. So I just wanted to point out that there are some discussion going on in the transportation community so to speak that may be worthwhile to link too.

Mr. Tabata: Yes and we have had those discussions.

Ms. Yukimura: Good.

Mr. Tabata: However the equipment manufacturers spec engines that do not allow for an increase percentage mix of the fuel. So at this point our options are very limited.

Ms. Yukimura: My understanding of bio-diesel is it works in diesel cars.

Mr. Dill: Okay we are looking into that right now and there are some challenges but we are looking into that and I will also mention that with thanks to some very forward thinking fellows in the Office of Economic Development, we are also discussing with them the possibility of converting landfill gas to compress natural gas as another opportunity to potentially fuel our bus fleet. So we are looking and exploring all those opportunities that we see for that.

Ms. Yukimura: That is good and it makes sense to involve the energy coordinator because we may need to take a County wide view of these things. Thank you.

Mr. Rapozo: Any other questions, budget questions? I have a question on the solid waste disposal budget under other services. There's a two million dollar line for Kekaha Landfill, is that just a transfer to subsidize the operation or something specific?

Mr. Tanigawa: That is the operational subsidy for our waste management contract.

Mr. Rapozo: Is that every year? We did not do that last year right?

Mr. Tanigawa: We have it every year since 1994 was the start.

Mr. Rapozo: Okay, any other questions? Couple more just general questions and we'll send it over in writing and if you can answer them here that is fine if you need time that is fine as well. Have or are we able to show a direct correlation between the reduced hours at the transfer station landfill with the overtime reduction? Is there a correlation that is directly related to the hours versus maybe the reduction because of automated versus manual? Is there a direct correlation between reduction and the only reason I ask is that is one of the more prominent complaints from the Community, was the reduction and hours at the transfer stations and landfill.

Mr. Tanigawa: Yes there is a direct correlation and we were able to satisfy minimum staffing requirements, more on a daily basis with the reduction in hours because we have added staff, that otherwise wouldn't have been there because they were scheduled for another day.

Mr. Rapozo: You guys were on the 10 hour day right?

Mr. Tanigawa: Correct.

Mr. Rapozo: Four days a week so by reducing the hours you get that body for 5 days? So you get that extra body so that in itself was able to cut you out of the overtime.

Mr. Tanigawa: That is correct and also we through consultations with the Union, we were able to open up that pool of people to support other transfer stations across the Island.

Mr. Rapozo: Okay and the other questions was... some of the employees were saying that the Sunday operation at the landfill is a very slow day and was that an option to close the landfill on Sundays?

Mr. Tanigawa: Actually Sundays it is a little slower but some days a lot slower so it is a good day to catch up on projects, whether it is area's that need to be cleaned up because of the busy week and they couldn't get to it. I wouldn't consider closing it on Sundays at least at this time.

Mr. Rapozo: Okay. That was just employee feedback and I would assume you guys meet with the employees out there and try to figure out ways to make the operation better.

Mr. Tanigawa: Correct.

Mr. Rapozo: Okay. That is pretty much all I have.

Mr. Dill: Councilmember, if I may just to follow-up on a couple of things I know came up over the last day or so. One of the issues we talked about was the management of overtime for our refuse collection employees and one of the things that we are in the process right now to improve that situation is right now our refuse collection employees are supervised by the roads division but we are in the process of transferring that supervision over to solid waste. So that will clarify lines of communication and help us to minimize the overtime incurred by refuse workers or collection workers. Also it was just a point made just for clarification on solid waste. The increase in operational cost was mentioned was equipment repair and fuel issues. Those increases are a result of again consistent throughout the County that previously funded highways was not being allocated to the various divisions and departments so that division is seeing an increase in that for that reason. Just for clarification.

Ms. Yukimura: I have a question?

Mr. Rapozo: Go ahead.

Ms. Yukimura: So you are saying your last point was that it was a paper shift it is not really an increase in cost, it is coming out of the division which I support and command.

Mr. Dill: It is a net zero overall but its allocated to the department or division incurring the cost.

Ms. Yukimura: Okay thank you.

Mr. Rapozo: I did ask in yesterday's questions in writing to send over basically the organizational charts of the proposed reorganizations and the various public works division. It is very difficult for us to follow and when you see a spike in a line item we do not necessarily there's no record in a downwards spike in another department so it is very difficult to follow at times so with the org chart at least we'll be able to determine where the transfers will occur. And the necessity of maintaining those vacant funded positions until the reorg is complete and I can appreciate that so. I am going to ask one last question for me and Mr. Chair it looks like we can probably break at twelve and come back at one and go right into CIP.

Chair Furfaro: Sounds like a plan.

Mr. Rapozo: I got to ask this question and I going pull a Councilmember Yukimura, I going ask the question again hoping I get a different answer.

Ms. Yukimura: Because it works.

Mr. Rapozo: I am learning that if you ask it enough times you get your MRF, I mean you do. Shredding, shredding as a variable option when we look at the cost of these alternatives and as we move forward down the road to capacity at Kekaha. Is that something that we can look at? I know you folks have looked at it and I know it is expensive but is there a way of even... we looked on the slide for mandatory diversions or when we are looking at construction debris, can we do limited shredding something that we can just divert or reduce the footprint I guess if you will of the trash going to the landfill? Make it smaller so we can at least enjoy a little more extended life, something we can look at.

Mr. Tanigawa: Yes Councilmember Rapozo we have continued looking at that option especially for bulky items. Most recently within the past week we did talk to Department of Health to see what would be involved in getting something like that implemented here as far as permitting and regulatory stand points. We got some feedback unfortunately we had discussed during our budget administration a shredding component but because of the budget constraints that did not make the final cut. We do continue to evaluate that and we will propose it to the administration in the future when we find some good information that we can put together.

Mr. Rapozo: Okay I will send over a request for the preliminary numbers because I think as we sit around the table earlier there is a cost of not reducing or diverting and continuing to fill up the landfill. I think we need to compare that cost or that value of basically using up landfill space that we do not have to use and I kind of want to see what that comparison is. So we'll send it over in writing, any more questions? Mr. Chair I will turn it back over to you and you can send us off to lunch.

Chair Furfaro: I think we shall recess for lunch. I just want to share with my colleagues at the table Senate Bill No 1194, which deals with the TAT Tax deadline today for testimony I just signed off on is today by 2:30 and the hearing is tomorrow. I do not know if anyone is planning to attend but... if you have not sent any testimony, please try to by 2:30 today. And on that note...

Mr. Rapozo: Real quick...addition.

Chair Furfaro: Yes.

Mr. Rapozo: I am not sure but I am sure you are all aware but
it is to reduce the TAT.

Chair Furfaro: Yes.

Mr. Rapozo: So fast (inaudible) to get you off some testimony
today by 2:30.

Ms. Yukimura: Question?

Chair Furfaro: Go ahead.

Ms. Yukimura: It is reducing the raw value not... we are cap
right now... it removes the cap so...

Mr. Bynum: It makes the cap permanent.

Ms. Yukimura: Oh it makes the cap permanent, Okay. And
reduces the percentage?

Chair Furfaro: Yes.

Ms. Yukimura: Okay thank you.

Chair Furfaro: Mr. Hooser, I will recognize you.

Mr. Hooser: I did submit testimony today and I believe there
are a number of fiscal bills that are going to be going into conference to be used as tools to
balance the budget. So my prediction would be it would pass in some form and then
hopefully not pass out of conference. But it will be one of the tools that they are looking at I
am sure, Thank you.

Chair Furfaro: And you are correct there's several versions of it,
there's one that makes it permanent, there's one that makes it two additional years. So
please note that by 2:30 today if you want to give testimony, it is due for tomorrow. On that
note, it is 12:00 and we are in recess until 1:00. We'll come back with CIP.

RECESS/LUNCH- 12:01-1:05

Chair Furfaro: Aloha, and welcome back from our lunch break.
We are going to focus on CIP and the capital improvement plan as laid out. And I believe I
am asking for Mr. Dill, Lyle, and Keith Suga, if you folks can come up now? Okay, first of
all let me once again say and extend gratitude and thanks to Mr. Keith Suga, who is
relatively new to the approach of tracking and managing our capital improvement projects.
We have a new project worksheet that he has laid out for us that helps pretty much us
follow items. The particular first column references a project and that they are now listed
alphabetically and the project numbers starting with various alphabets again relate to the
following. If it is a "W" it is a project from public works. "R" comes from parks and
recreation. "H" is housing. "D" is economic development. "Z" is planning. "X" is it. "F" is
for the fire department and "P" for police, so you have an idea from this layout, exactly

what departments are benefiting from these investments. The columns also reference what are appropriate and approximate balances on projects because some projects are in motion. Here is also a number that references a proposed budget for new projects. And any appropriations - balances after an ordinance has passed. So obviously, we start with bikeway and bond funds and we'll go through this top to bottom alphabetically, if we can. But so that none of us lose our way, I would like to ask Keith, if you could give us a summary on those projects that show credits or brackets in there, because that money has either been moved or transferred to complete other shovel-ready projects. So if we could just go through that listing real quick, real quick, and then we'll come back for the projects overall. Now before I go any further, let me just send our gratitude from the Council for putting it in this format and let me turn the floor over to you, to add anything that you would like there, along with the County engineer and the deputy County engineer.

KEITH SUGA, CIP MANAGER: Thank you Chair, thank you. Good afternoon Chair, Vice Chair, Councilmembers, This is my first time here and a little bit nervous but I think I am prepared as well as can be for the first time. Chair if it is okay with you what I would like to do is just go through and overview introduction that I had prepared than speak about the bracketed items that...

Chair Furfaro:

That would be perfect.

Mr. Suga: Excuse me, Keith Suga, CIP Manager. First time, first time, first time. So just to provide an introduction I had started with the County last August, August 1, after working for 13 years in the private sector for a construction company. So coming over to the County was something that in my professional career was a good change for me at that time, something that I needed and recognized. However, within the Government arena there are a lot of processes and procurements and procedures that are laid out that I needed to get familiar with. I still do not claim to be the expert on it as I am still learning all of those processes. In the construction industry out in the private sector it is easy to have a challenge that arises and you can immediately address it and here on the government side again that is something I am not quite used to that I need to get familiar with the process that although there is probably ways to streamline things that once I am familiar than I can help try to move that along efficiently. I have heard from Administration and working with public works that this has been one of the toughest budgets to go through and I acknowledge that. I guess that is one of the best ways to learn is just jump right into the fire in one of the toughest situations and try to pick up and roll with the discussions and I have been able to participate on the CIP discussions of course as well as sitting on some of the operation discussions so again learning on the fly if you will. I want to just acknowledge the support that I have received from Administration and the Finance Department Steve Hunt, Ernie Barreira, and the Budget Analysts. Of course I am housed in Public Works Administration next to Larry and Lyle and they've been really good in having open lines of communication and supporting my efforts and in turn me supporting theirs. Again, I just want to say thanks to all of them for helping me along to get familiar with all of the things I need to be aware of.

I want to speak to some of the successes within the CIP program this past year. So real briefly for CIP we've spent through March I believe it was about 13.7 million dollars' worth of projects that have moved, with another 6.4 million pending award, we've received bids and their pending award. Some of those projects that I want to highlight are the Civic Center ADA site improvements, 'Ele'ele Waste Water Treatment Plant improvements, The Kua'i War Memorial Convention Hall seat replacements, Hardy Street improvements, Island wide resurfacing which is on-going, Kapa'a Stadium improvements, Kokee Road

resurfacing, General Plan Technical Studies, Land Acquisition for Līhu'e Elderly Housing at Rice Camp, Ann Sheehan parcels in Hanalei, The Comprehensive Road Maintenance Program, The Planning, Zoning and Engineering which is really the e-plan review that is being implemented. Also as a success I would like to bring up the CIP software management system that really public works had done a lot of work prior to me coming on board, in terms of research and developing the initial information for the RFP. When I came on board and met with Larry and Lyle they handed me over the information that was put together thus far and allowed me to take it from there and go through the procurement process with purchasing. Where we are currently we have had the priority list established, 3 priority listed offers established and we've had them invited down to perform a demonstration phase for us that we've sat in and witnessed.

I think the capabilities and the potential for the software system that we saw during the demonstrations were really eye opening and I think will provide the ability for the County to manage a project from initiation phase all the way through construction and completion, as well as be able to store the data historically so it is available electronically. So there are a lot of benefits I see within the CIP software and we have just received last week Wednesday, excuse me last week Thursday best and final offers from the vendors and once this budget sessions kind of die down I will meet up with the evaluation committee so we can go through the best and final offers and do the final analysts and be able to award here in mid-April. Out of all of the 3 proposers they have indicated to us that roughly about 4-6 months for training and implementation before its up and running so about 6 months from now. Again I think that would be a huge benefit not only for public works but for a lot of departments and divisions that have projects within the CIP. Being that this is my first time I do not really have a last year to go back or compare to, I wanted to just maybe speak on some goals as I have observed it this first eight months on the job. I think there is certainly room for improvement like anything else there's always room for improvement and I think the CIP program is no different. I feel and what I have been able to explore and extract and provide to the department of public works and will continue to learn and provide additional information is within the AS-400 software that we currently have, our accounting software. I was able to work with Ken Shimonishi and Ann Wooten, the budget analysts and they helped me to become familiar with the AS-400 on the project side. I was able to go in and extract a lot of project data because the AS-400 is difficult to manipulate and get into so what I was able to do is extract a lot of that information and put it in a spreadsheet to illustrate it for the project manager so they have that information for the projects when it comes to project budgets, project expenses, project encumbrances. Again give them a good overview of their projects and they can use that as a tool to manage their projects better.

The CIP software that we are looking into obtaining, does have the components to integrate into the accounting software so that can happen more automatically versus me doing it manually which I am currently doing. So that is a big plus. I just want to speak to another goal would be in my prior employment one of my mentors along the way had always said to me... Keith it is not about necessarily working harder all the time but it is about working smarter and trying to do more with less. I think with my involvement with public works and all of the other departments as it relates to the CIP projects, I am looking forward in trying to help in any way I can to streamline processes and connect the conduits that maybe aren't so strong right now between inter-departments just to help that process along, and be maybe the conduit for communication and again whatever it may be to help support the development and expediting of projects within CIP. Also I have been able to as I mentioned in the opening I have been able to build quite a bit of relationships already within public works and the various department heads and other individuals within the

department that handle projects. I have met with Chair, Vice Chair and some of the Councilmembers and I want to continue to do that because building the relationship will help everyone as a whole to improve the CIP program.

The Chair spoke about the spreadsheet and this was something when I met with Chair a while ago he recommended it and I asked for his input. This was what I was able to on the first attempt to put together to provide as guide as we go through the CIP projects and as something that I just want to make all of you aware of if you look at the draft ordinance that was submitted, really the first one, two, three, four, the first five columns are exactly as shown on the draft ordinance. I just wanted to keep that consistent to what was submitted by the same order by funds and by alphabetical order for the projects. I went ahead and added in the column for the back ground information and tried to provide some status updates on the status column and estimated project completions on the far right column. Also does everyone have a copy of that spreadsheet in front of them? Okay, when you are looking at the spreadsheet what I tried to identify is for projects that reside within public works I had them highlighted kind of gray if you can see that. All of the other projects would be projects that reside within the other departments, so as you flip through and you want to try and follow along a little bit easier you can see the shaded is for public works.

So now at this time to speak to what Chair requested in the opening about bracketed items within the proposed budget ordinance column, and just to throw out there on the table ahead or in the beginning also is for this year's CIP this annual CIP discussion we certainly did not have any new funds come into the CIP. We were just dealing with all of the existing funds that was previously appropriated for projects and tried to manage or work the projects within that budget. Within that process there was several projects that were identified that via permitting or time wise or not being shovel ready if I can use that term. We ended up defunding certain projects to move funds over to projects that were ready to hit the pavement if you will or other priority projects that were brought up that needed to be funded, so those have been proposed. Let me flip through really quickly and Chair I will try to just hit on the bigger...

Chair Furfaro: Yes that would be fine and just a brief understanding of what monies have been shifted, but very brief.

Mr. Suga: What I'll do is let's go over to page 9, page numbers are on the bottom center. If we flip over to page 9, the first project that I'd like to speak towards is the Kekaha Landfill lateral expansion as I know there has been previous discussion on the Kekaha lateral expansion at previous meetings. This was a project that as public works had indicated... yes this is for lateral expansion for cell one as Larry is pointing out. Cell one was something that I actually worked on with my prior employer and the project is complete and so those were monies that we were making available to spread out through the rest of the project list that needed funding. The lateral expansion cell two is roughly the 9 million dollars that I am sure all of you are aware of due to the vertical expansion that is being proposed I believe via the money bill. The roughly nine million dollars' worth of funding that was associated with cell two has now been spread out through the other projects. Some of the new projects that are being proposed that the funding got reallocated to be the eight hundred MHz radio system and again this is a project that we will go through in more depth and detail, that is one project. Kekaha Gardens being ready for construction so construction monies were allocated to that and more additional funds were needed for the Hanalei Courthouse for construction as well so monies were allocated for

that. Also for the seawalls that are wrapping up design and ready for construction soon, Moana Kai and Pono Kai's seawall got additional funding also. I know I am missing a couple but those are the major projects that got funds from the lateral expansion. There are some other projects and again I apologize I do not know in what detail you wanted to go through these but there's some projects similar like Wailua Emergency Bypass Improvements on page 18. That has a reductions originally it was appropriated at 1 million and has a reduction of 4 hundred thousand and that is due to discussions with public works and the ability or the estimated that they anticipate that will come in within six hundred thousand for that particular projects, so funds were removed for other projects. Also I will make note that for a lot of the bracketed projects as you read through and I should have a description in the background or the status if the project were complete and that was just left over balances that are getting spread out to new projects that needed funding. Also for projects that were funded within the general fund and exercise that we did through the budget discussion process was to try and see which projects were appropriate to be utilized for other bond funding that was made available. So if you look at the general fund section which starts on page 22, you'll see that there are a lot of bracketed items starting with "Aliomanu... and so forth. If you follow the list of projects there's a lot of projects there that got transferred over to bond where appropriate and some certainly were completed as indicated in the notes. Just so you are aware if the projects show up twice perhaps in bond fund and in general fund, that is what is going on there. The projects weren't deleted or eliminated those projects where the funds were reallocated into the bond fund.

Chair with that if there is any additional items you'd like to go through its certainly welcomed. I think that is kind of a good overview and what I would like to do is with Larry and Lyle to my right here have them walk through the public works projects as we move forward.

Chair Furfaro: I think that would be appropriate right now, I just want to make sure we gave everybody some information as for the shifting of the money than we can start going through from public works.

Mr. Suga: Okay.

Chair Furfaro: Mr. Bynum has a question for you.

Mr. Bynum: Before we get into projects specifics if I could ask some general questions?

Mr. Suga: Sure.

Mr. Bynum: I realize Keith that you may need assistance from Lyle or Larry to answer some of these questions or maybe even Mr. Heu who is in the audience. Just generally and I will try to be really brief. When the economic down turn came we had projects we just cannot get money out the door in this County. It is just frustrating and that is why you are here. I supported creation of this position with someone like you with that kind of background so we could move these... be more efficient at moving projects out. We pretty much had had a pretty bad and we had millions of dollars sitting there that if we could have put out quickly would have helped during the economic downturn, but we cannot. But in that whole discussion that I have been pressing very heavily for five years how do we improve this resulted in your position. One of the things, the commitments that were made was that there would be this project initiation document. I do not know if we abandoned that, but the idea was to create a living document for each

CIP project, so we know who is responsible for it? It gets updated, so you do not need a bunch of memos coming over from Council, what is the status of this? We go online or in the County's, if it is confidential information into the County's system and we can -- any of us can find out real time what is the status of that project. Is that still the goal?

Mr. Suga: Excellent point, excellent point, and I will answer that. The PID's are still being utilized and I with the help of the Planning Department and input from Public Works modified that PID a little bit. I agree with you that is a good living document to provide information for the project and I have worked with IT to post that information on our share point site our CIP share point site. There is still some fine tuning that needs to be done so that that information can be made available certainly for the project managers and the next step would be for all of the Councilmembers to be able to access some project information like that. I just thought rather than bring in binders and binders of PID's, I kind of consolidated it here on this worksheet with the project background and the project status update. The PID is still something that we do utilize.

Mr. Bynum: Okay so it is still the intention that it be a living document meaning that its updated and when someone accesses it they can have some assurance that its current information?

Mr. Suga: Correct.

Mr. Bynum: Because let me tell you my experience with the PID is a great thing and we get a bunch of them and we are relying on that information and it is like oh, no that changed and that is not the case anymore. This is the case. Well, why did not we get and update PID? A living document is something that you can rely on and it is something that is updated and we know who is responsible for it. So we have been talking about this for five years. It could have been here by now, you would think, but that is a goal right we are going to have that at some point?

Mr. Suga: I think what I have done is expanded that a little bit more. Because although the PID document is a good and living document, to be able to search for projects by, I am going to call it "district locations" or by "project managers," I have extracted the data from the PID and created a spreadsheet if you will that I have on the share point site. That gives you the ability to search really easily and quickly among the different projects. So if you had a project in Kōloa for example and the pull-down menu selected Kōloa, and you wanted to look at a project related to "parks" maybe you would go to department and click 'parks,' and it would filter all of the projects for you and have the project description, the project id number, the project background, the project status, the project manager. So again, it is an easier way because the PID although it is a good document it is hard to sort through that really quickly and I think allowing me to sort through that data and present it in like a worksheet fashion, it just provides an easier to sort through and filter. So that is something I am working on the share point site. These are all discussions that we had with the priority list vendors for the software management system that the PID document and this type of information is something that we want to have that can be a living document or provide that up-to-date information for projects as we move forward. So they have all indicated that they can support integrating something like that also.

Mr. Bynum: Were you involved in the creation of the six-year CIP plan?

Mr. Suga: This year I did help provide input in the update of the six-year CIP plan.

Mr. Bynum: I May need help from the chair or the Staff here that the Planning Department worked on that and sent it to the Council. Is there Council action required on this?

Mr. Suga: I am not sure.

Mr. Bynum: so we just received. So there is no input? These are the administration's priorities without Council input?

Chair Furfaro: I would just add that those administrative intents are reviewed by the commissioners then the document is sent to us.

Mr. Bynum: Right but we do not act on the document, we cannot amend it or...

Chair Furfaro: We act on it now.

Mr. Bynum: The reason I been here eight years and do not know these answers is because the six-year CIP has been a meaningless document in the entire time I have been here. That was explained to me the first months on Council. Oh, that is just something that we have to do and update every year. Do not pay any attention to it. So what is the point of doing it? Because we have a real serious access to information and communication problems in our County we are we are improving. But this hurts our credibility and generally these changes priorities, CIP is a multi-year project and when the priorities change, we do not even get clued in, much less the public, when they see this, like this week, we'll come up to a conclusion and fund these projects and does that mean they will actually happen? In the history of the County no? Because a new Mayor comes in, new priorities and new things and then nobody is told about it, nobody is updated. So for instance, the six-year CIP, I have reviewed it and there are proposals in this document that are inconsistent with what was presented in the six-year CIP just a couple of weeks ago. So that is another systems thing, that 6-year CIP should be an updated thing; right? Even though we only do it every so often, but if this Council takes action on the request of the administration, and we defund a project, you know, there should be some awareness of that. And it should be reflected in the 6-year CIP. Do you agree with these things?

Mr. Suga: I agree and this being my first year providing input to the update of the 6-year CIP and again, this is something that I believe by charter the planning department takes the lead on.

Mr. Bynum: Yes.

Mr. Suga: So I agree with you it should be and needs to be a good guide or tool to be provided to forecast for upcoming major CIP projects. I think just for me seeing it this first go- around what I hear from other people there have been some improvements made from previous years to last year and I hope that from last year to this year there are some improvements as well. And I agree with you that it should have information that can be utilized and referenced. I think with the process that starts with the 6-year CIP report, because I believe we started in just after I started, maybe

September/October, is when the process to update that report happened. So from that standpoint, or that point in time, until when the actual report got formulated to budget discussions here as we are going through right now, certainly there is a timeframe there that things do change. Because when we initially start the CIP 6-year process, I am going to departments and requesting their best estimates and that is what gets impeded and as we get to actual budget, certain things have changed and that is part of the inconsistencies that you are seeing right now.

Mr. Bynum: And the other is about financial planning right and in this CIP budget we are starting projects that are going to have huge cost in the future. We should project that and say we are going to have these huge revenue issues in two or three years so we can plan for it. I appreciate those opportunities to as these general questions for my side and I just want to say that getting this together will save us all kinds of money, and particularly for all of the departments and the first thing is to get memos from Council and please tell me this information right. And give it to me by this date and I do not want the administration spending a bunch of time doing that in answering my questions. I would rather go online and look and know that I can rely on those documents that are there. So I am glad to hear that still a goal and every time you come up here I will ask you where are we at with that. Thanks for the opportunity for my general questions regarding the projects specifics.

Mr. Chair I would like to add something that also there is two of us in the audience that have been Planning Commissioners, myself and Mr. Heu. Okay, and twelve years ago we did it with the understanding that because the Council cannot commit money for more than one year by charter. The planning document is in fact one that puts projects on the radar screen especially as it deals with infrastructure and I think that is the wisdom in the charter. If we see a project coming up for a subdivision five years from now both water, utilities they all need to be on some kind of radar screen. But, I will go along with Mr. Bynum that we are glad you are refining those documents. Council women Yukimura you have the floor.

Ms. Yukimura: I just want say this is such an easier document to read than what we had last year and we were running back and forth between folders and PID's and so forth. Thank you for that and I just have a suggestion that whatever you do that Councilmember Bynum has been speaking about whatever the system is, it not be called PID's "Project Initiation" right? Documents, is that what it is? Because we are going to be following it way beyond initiation and it is kind of a misnomer it would be project status document or something. I just believe in names that make sense so that is just my suggestion.

Chair Furfaro: I would concur with that. This document and thank you very much for working on it and taking some of my suggestions as well, but we should refer to this as a current project management report. I think Mr. Rapozo had a question?

Mr. Rapozo: It is a general question. Is the PID not the industry term though? Or is that a Kaua'i County term?

Mr. Suga: I think that is an industry term because I believe the form that was introduced the prior year was something that they found within the industry. In speaking to the need of what Councilwomen Yukimura and Mr. Bynum are saying. I agree that technically it is a project initiation document and that is how projects

get initiated and it shows the general information that really technically that should stay with the project as it moves forward. It is not necessarily as I looked at it when I first got on board as a tracking mechanism because that doesn't really provide the tools to do so. So that is where I tried to modify it and I thought to try to take the key component so that we could implement some kind of a current update is really how I ended up coming to something like this. That type of information that I referred to on the share point site that is in like a worksheet like an excel worksheet that you can sort and filter and that is easy for someone like me to update the project status and again provide the information that is more ongoing if you will. But you are right it is a...

Mr. Rapozo: I believe it is an industry term and the only thing missing on this that is on the PID is the date that the project was initiated. So I cannot tell as some of these funds have been sitting in these accounts for a long time and with this form I cannot tell how long that project has been on hold. I think if you can add the column of when it was initiated because it would be a lot easier for me to prioritize. If you have a project here that is six, seven, eight years old, than maybe we can move those funds in the general fund.

Mr. Suga: To speak to that point Councilmember Rapozo, and I am certainly not the expert on this but from what I understand the project id numbers in the second column. The alpha character as Chair Furfaro explained ties in to departments. The next two digits, the numerical digits would really be associated with when I think in speaking to what Councilmember Rapozo is asking is when the project was funded. So for example Island Bike Pedestrian Path, that was something that was initiated in 2005. So that is kind of a way too as you guys go through and I am sure that is not the only way to...

Chair Furfaro: But that was the intent that you can interpret the year and the dates along with the departments so as we went through "w" represents public works and date and so forth.

Mr. Suga: Yes.

Chair Furfaro: If you can refine that in another way that is fine but that was the intent.

Mr. Rapozo: One more general question?

Chair Furfaro: Go right ahead.

Mr. Rapozo: As far as the... and I know this question has come up in the last few weeks from the Chair and myself about when we transfer bond funds. What the process? I am sure when you get involved with that, is there a process in place to make sure that the transfer of these funds or defunding of a project satisfies the bond requirements? I know we sent over a communication regarding a bond amendment and I think our bond counsel in their response said we looked at this one and it looks like it is okay, however we did not review the others. So what is the process if you want to defund a project and put it somewhere else in the bond fund?

Mr. Suga: For the bond funded projects in that example that you are using in my experience at this first go around in the budget process. For those projects I believe I think last week Wednesday a money bill was submitted to amend bond

ordinance 891. From what I understand I believe that is a process that we communicate with bond counsel to give them a list of projects that we want to defund and then add on to projects that weren't previously bond funded to make sure we get their blessings and approval. That is part of why that money bill was submitted for prior fiscal years 11-12 and 12-13.

Mr. Rapozo: So is the bond counsel, because from the memo I got and I believe it was circulated I am not sure was that they cannot answer to the transfers of the past and they could only answer to that one. So I guess the question is, are we getting an approval if you will from our bond counsel to make we are in the restrictions of the bond. The bigger concern is when we went out and got the bonds there was a time limit put on these projects and I do not think the time starts or stops or resets when we put a new project. I believe the clock starts when those bonds are sold so that kind of makes me nervous when we are adding in new project close to that deadline date. So I just want to make sure we are getting or we are abiding by the bond rules so we do not get penalized with higher interest or anything like that.

STEVEN A. HUNT, DIRECTOR OF FINANCE: For the record Steve Hunt, Director of Finance. To answer that question, yes we have been in consultation with Brian Hirai our Bond Counsel and you are correct we have not asked on every specific project. Some are more routine in nature and they qualify under capitol and it is not even a question it is the ones that we are asking for BAB's compliance the Build America Bonds that we have a more gray area that we need to have resolved. We do run those by our bond counsel before we consider using those types of funds for this. In terms of bonds in general, there are no restrictions in terms of the projects that were listed on the on the initial bond ordinance in terms of swapping them out. If we in fact had a hundred projects and next year we decided to have a hundred new projects that is not a restriction in any way provided that all of those projects that are replacing them are eligible for those specific types of bonds.

Mr. Rapozo: But the restriction is that we have to complete those projects in the specified time?

Mr. Hunt: There is a time in which you have to spend down the total bond fund that is correct.

Mr. Rapozo: Right and that is my concern. If we are adding projects getting closer to that spend down date than it...

Mr. Hunt: Right and to that end that is just specifically why we are looking at those that are shovel ready to spend down those instead of having earmarked funds for projects that may not come to fruition for three, four year, why not earmark those and spend down on projects that are ready now?

Mr. Rapozo: Okay.

Chair Furfaro: As a follow-up to that. I do not think what we got back from Brian was an absolute affirmation in my opinion after reading it. And I do want you to pursue. We need to get real clarity there, as I was up on the last trip for the most current bond money and I think it would be important for us just to ask you to continue to evaluate what he said because to me it wasn't a pure affirmative.

Mr. Hunt: And part of that again was a response to questions that you initiated to us and in the response we got from Mr. Hirai, There actually was that caveat about amending the bond ordinance itself, the initial document which will be done annually after each CIP project to make sure that we are incorporating those projects as part of the ordinance.

Chair Furfaro: Thank you. And yes, that was one of the reasons that I initiated the queries. And thank you so far but we need to stay close to it, we need to stay close to it and this was distributed by me to all members.

Mr. Hunt: Thank you.

Chair Furfaro: Mr. Rapozo, can I pass it on to Nadine.

Ms. Nakamura: Thank you. I have a question about the amount that we are spending annually on the CIP. So you said \$13 million spent and \$6.4 million pending in contracts, so approximately \$20 million that we encumbered this past year?

Mr. Suga: Yes, or anticipate to encumber in the next few weeks or so and granted there is a couple more months within the fiscal year that I think there are some projects that would fall into that window also.

Ms. Nakamura: Last year, I remember Larry Dill giving us some historical data on annual encumbrances to the CIP and I was just wondering, is this pretty consistent with past practices, past capabilities of the County to expend these funds?

Mr. Dill: I would have to get back to you on that how we did versus prior years.

Ms. Nakamura: I was going to dig out my notes because I know you presented it, but I think it was in this general amount.

Mr. Dill: I can tell you, I believe we are pretty consistent with what we projected back then where with we are at with the budget.

Ms. Nakamura: So does that tell us then if we have a \$49 million CIP budget, that in any given year we'll spend \$20, maybe \$25 million?

Mr. Dill: That is very hard to generalize. Because you know, the way we encumber projects the entire amount upfront. So if we have a couple of big projects, the actual expenditures may take over the course of a few years. So there will be spikes in that, so it is really difficult for me.

Ms. Nakamura: We could be very close to utilizing the chunk of the CIP funding and I guess as a finance department question, are we looking at or what is the timing of the next potential bond fund for CIP projects?

Mr. Dill: That is a question for the Director of Finance.

Ms. Nakamura: And do you want to respond to that, Steve?

Mr. Hunt: Obviously one of the biggest challenges with the issuance of new bonds is that is an increase in the amount of debt service that the County is going to be required. As we get through the maturity of the older bonds and their paid off than that frees up some of the ability to issue new bonds. In absence of that you are looking at using other sources of revenues to pay that debt service so with projects like the landfill, the materials recycling facility, those types of things on the horizon, I think it would be appropriate at that time to be looking at bond issuances for those larger projects as we spend-down what we currently have, I do not know how much of a stop-gap there is going to be for new projects in between. A lot of that has to do with the necessities of these projects coming online, too.

Ms. Nakamura: This is on the Planning Committee's agenda tomorrow, but since everybody is here, that is really why I think I am very happy with the six-year CIP report and the direction it is moving. And I think it is an incredible leap from where we were, but it is -- I am hoping it will be a tool that we can all use to help anticipate not only the capital costs, but what our operating costs are going to result in as a result of these capital costs. So I am hoping that as this document evolves, that there will be a section in here, especially because we were just talking about the MRF, and maybe that might not be a good example that is going to be a privately-run operation. But if we look at other types of projects, park facilities, for example, it will result in increased staff needs. So that is what I am hoping that a companion to this report, the 6-year CIP will be a report that talks about operating costs associated with the capital projects. And I am hoping that is the direction that we move into. Thank you.

Chair Furfaro: If we can get Keith back, I would like to start to go through the actual projects.

Mr. Dill: Again, good afternoon Council Chair and Members of the Council. As Keith has highlighted the public works projects in gray I am going to go in order through the projects, I will touch on each project briefly. Please stop me at any time that you have questions if you want more elaboration, but in the interest of time and moving forward I will give a brief description of each one and of course, again, stop me if you have any questions. We have our division heads if we need more detail from them. I do want to mention a couple of things before I start. Very glad that Keith Suga is here, he has been great to work with and has helped us in pursuing our CIP projects. It has been a great relationship and as you know, he is out of the Mayor's Office, but houses in the public works administration. So we have a close working relationship with Keith. Also a little bit of a tangent. I distributed after we came back from lunch, the reorganization that are proposed so you have those.

Chair Furfaro: Thank you very much.

Mr. Dill: Okay. So I am going to be working off the large spreadsheet, and on page 1 the very top, the first project listed is the Islandwide Bike/Pedestrian Path. This is actually not a "project," it is a Fund which receives funds, as you see on the right there from the bike licensing programs. ADA Projects, Building Facilities, this is the Kekaha ADA Improvements, \$640,000 is moneys remaining. Turning the page, top of page 2, 'Aliomanu Road. You may recall Fiscal Year 2012 CIP, we had three projects listed individually... 'Aliomanu Road, Pono Kai Seawall and Moana Kai Seawall. 'Aliomanu Road was budgeted in Fiscal 2012 at \$3 million. The other two seawalls are \$1.5 million each. They were taking a long time getting through permitting

mainly with the Department of Health. Recognizing that last year, we did not think all three projects would be shovel-ready. In Fiscal Year 2013 we budgeted all three into one line item at \$3 million. This year, 'Aliomanu Road has come out of permitting and we are getting our construction lined up. That is about \$3 million. So that has taken care of our Fiscal Year 2013 budget. So what you see is the \$3 million line item and that is for 'Aliomanu Road that remains and I will jump ahead, as you see further in the budget, we are now refunding and bringing funding back to Moana Kai Seawall and Pono Kai. One is \$1.5 million and one is \$1.6 million. I forget which is which. So we refunded those projects and anticipate those coming out of permitting the middle of the fiscal year or late this calendar year. 'Aliomanu Road revetment, you see an \$8,887 here. This is the unencumbered balance.

LYLE TABATA, Deputy County Engineer: So the planning and permits for the revetment...this is just the unencumbered balance remaining after the permits we realized this year and this is the unencumbered balance and we just need to keep some money in there.

Mr. Rapozo: Question, Mr. Chair.

Chair Furfaro: Go ahead, Mr. Rapozo.

Mr. Rapozo: That is where I am confused because if you look at the number, W08, this item showed up in 2008.

Mr. Dill: Correct. That was the design work and then this is the corresponding construction work.

Mr. Rapozo: But the \$8,887 is in proposed budget ordinance and if it is leftover money, should it be in the appropriation balance?

Mr. Suga: Good question, Councilmember Rapozo. That was last year funded through the General Fund. If you were to flip back to the General Fund. That was a project that got moved from General Fund to Bond Fund, which is why it is showing up and you do not see the appropriation balance prior.

Mr. Rapozo: Why would we do that, I guess? I hate to ask these dumb questions, but if it was in General Fund and this is just the extra moneys, where why would we put it back in the Bond Fund?

Mr. Tabata: Because we are not closing out the project.

Mr. Rapozo: I understand but it could sit in CIP-General Fund. Why would we put it in the Bond...now those funds are restricted?

Mr. Suga: Good question. As part of our budget discussions that we had this year, what we tried to do knowing there were going to be some defunded projects within Bond and to obviously utilize and get to fund balance, there were projects that needed to be either new proposed projects or projects moved over. The strategy was to look at General-Funded projects that could be moved over to Bond Fund and essentially, create the fund balance in Bond and also potentially free up some moneys in the General Fund that could be...you know.

Mr. Dill: This helps lessen the burden on the General Fund and helps us to spend down the Bond moneys.

Mr. Rapozo: Okay. That project is done though?

Mr. Tabata: Well, it is not closed out yet, because we just received the permit approvals. So until we totally close out the consultant's contract, it is just part of the process.

Mr. Dill: It keeps it alive until the construction is done, in case any design issues come up.

Mr. Rapozo: Okay, I understand. I do not understand, but I understand. Thank you.

Chair Furfaro: Mr. Hooser?

Mr. Hooser: A brief question that could take all day to discuss, I am sure, in terms of the County's policy on seawalls. So 'Aliomanu and Pono Kai and Moana Kai. I can see 'Aliomanu, I guess it threatens a County road. I guess Pono Kai, the owners would want it protected? How is that decision made? How is the decision made I guess to see where we are going to build seawalls and where we are going to spend our money?

Mr. Tabata: We are not building seawalls. These are revetments and go through the whole gamete of Army Corps. Of Engineers.

Mr. Hooser: I understand there are permitting requirements with all of those. But how is the decision made at the County level where to spend the \$3 million, the \$5 million? Instead of spending it on another project?

Mr. Dill: These are not new seawalls, these are replacement of failing seawalls. As to how those decisions were made, these are projects that predate us. I could not tell you what the basis of those decisions were.

Mr. Hooser: In general does Public Works submit a priority list to the Mayor and the Mayor prioritizes it? How is that decision made?

Mr. Dill: More or less and that is true for all of our projects. We develop a priority list and discuss amongst the Administration as to what the priorities are.

Mr. Hooser: So these seawalls and revetments were part of your priority list?

Mr. Dill: I assumed so back in 2008 when they were originally approved.

Mr. Hooser: It was in 2008...I am just trying to figure out the process. You just carry it forward if it was on the list before?

Mr. Dill: When we came on board, these projects were already being prosecuted.

Chair Furfaro: If I could interrupt?

Mr. Hooser: Sure.

Chair Furfaro: Thank you. Good question and I can see Councilmember Yukimura is anxious to give us a little history and I will give you the floor. There is history that deals with some work that was done by the County in the same time and there was some State work along the channel entry and there were scenes after Iniki that we responded to emergencies and the circulation which in the tide currents and movement of sand has then complicated the matter. There is a lot of dialogue on this and how it was selected. I think Councilmember Yukimura would like to add on what was an emergency response. Go ahead, JoAnn.

Ms. Yukimura: Several of us were here in 2008 and the 'Aliomanu Road is a County road that is essential for people to access homes and other things. The Pono Kai wall is part of a County park and protects both the park and the path there. And what is the third one? Moana Kai. County road again. So there is a lot of history to this, but in terms of policy decisions, one it would be a different policy call if there were not any hardening already, because there is the whole issue about not hardening coastal areas. But because they are hardened already and they support very important facilities for our people to operate and use and there was this need to fix the problem. I believe and these kinds of fixes are very difficult because they involve the shoreline area. We got both the Sea Grant people and others to at least review our plans and analysis to make sure that be we were not worsening the situation in our repairs and we would be doing it in the least impactful way in terms of adverse consequences. I think a lot of this came from at least Pono Kai came from the County Council in those concerns that were raised and then sent to Public Works. And there was a lot of back and forth in terms of analysis and so forth.

Chair Furfaro: I think Mr. Bynum wanted to add something.

Mr. Bynum: I just wanted to add that Pono Kai Seawall was built as an emergency after Hurricane Iniki and it was not built with the standards in mind. Behind the seawall started having sink holes and it became a safety issue. Moana Kai I do not think that was an Iniki thing but that is where Baby Beach is and the seawall is starting to fail. When this comes up as a project, I am going to want to discuss it because of the Kapa'a Ocean Study which gives us an alternative that we should consider as a County. I do not think anybody is that aware of it right now. I will save for that when we come up with that one.

Chair Furfaro: We are there now, Mr. Bynum.

Mr. Dill: Can we do specific projects as we go in order?

Chair Furfaro: We will come back to that specific project there.

Mr. Dill: Next line is 'Aliomanu Temporary Road Repair Construction, this is basically a source of funds to keep them available because we have an ongoing need to protect that road so this provides us a source of funds to do temporary

sandbagging when we need to go down there. Down to the next shaded project 'Anini Bridge, you see we have County Match there. We are proposing since it is a new project, we are proposing \$400,000. We are in the process of requesting STIP funding. So this is our 20% match for a \$2 million project and the 'Anini Bridge, you can see the description this recent inspection in November 2012 that is part of our regular biennial inspection for all of our Federal highways and roads. This bridge was listed as critical and so we are requesting funding for this project to pursue it immediately and we are hoping to get STIP funding in Federal Fiscal Year 2013, the current Federal Fiscal Year to match the \$400,000 of County funds. This bridge was downgraded as a result of the inspection and we want to move on this right away. Questions?

Chair Furfaro: Go right ahead.

Mr. Bynum: Even though we do not like having to replace bridges, this is kind of good news, right? Because several years ago we found bridges that we had to move immediately. It was kind of a dangerous situation, and now is that we are doing routine inspections, we are kind of ahead of the game here, right?

Mr. Dill: Yes.

Mr. Bynum: And so even though we do not like replacing it, we would not be doing this if we had not recognized the need to assess these bridges for safety. Have I got this right?

Mr. Dill: Yes.

Mr. Bynum: Thank you.

Chair Furfaro: Larry, describe for me where this 'Anini Bridge is?

Mr. Dill: I believe this is the first bridge that you come to before you get down to the last turn before 'Anini Beach.

Chair Furfaro: The one in front of Loo's house?

Mr. Dill: I believe so.

Chair Furfaro: I want to make sure it is not the bridge at the end of the road because that is a private bridge. Mr. Rapozo?

Mr. Rapozo: That is not a historical bridge, right?

Mr. Dill: I would have to get back to you.

Mr. Rapozo: If you do not know, it is not. If it is, you would know. Going back to the Acrow Bridge, because that project would qualify for an Acrow Bridge. An Acrow Bridge would be less than our 20% portion of a \$2 million bridge. This is the argument that we have on this floor a lot. Just because Federal funds are available or State funds are available does not mean it is the right process. \$400,000 is a lot of money. That is not a big bridge. The bridge is a very small bridge and an Acrow bridge would be ideal. And Acrow is good enough for the State, for Wailua Bridge, for Wainiha Bridges. It

is a great bridge used all over the country, but to spend \$400,000 as our portion to replace 'Anini Bridge is not acceptable.

Mr. Dill: Well, part of the history and I will explore that, but first I have to confirm it is not a Historic Bridge, but we will explore that Council member. Acrow Bridges I would assume that the abutments are okay and part of the problem with this bridge is that it is settling, the foundation.

Mr. Rapozo: I understand, Larry, but if you remove that bridge and start all over and Keith, I think you would agree, \$400,000? I mean, how long is that bridge?

Mr. Dill: Just over twenty feet.

Mr. Rapozo: We can put a culvert over there. You know what I mean? I just want to explore that because I will not support \$400,000 to replace 'Anini Bridge for \$2 million. I just cannot do it.

Chair Furfaro: Your comments are well-received especially for a single-lane twenty two foot bridge. Thank you. Let us move on.

Mr. Dill: Next is the Auto Shop Improvements, to create a storage space, a mezzanine up above. I believe we have completed April 2013, just completing the in-house design and going out to bid July 1st for the construction. Next is the Biennial Bridge Inspections, this is the next round of my bridge inspections that we are required to do by Federal Highways.

Chair Furfaro: Council Vice Chair?

Ms. Nakamura: Sorry but going back to 'Anini Bridge. Was that one or two lanes?

Mr. Dill: That is two lanes.

Chair Furfaro: Currently that is a two lane bridge?

Mr. Dill: A very narrow two lanes. Middle of page 3. CIP Management System Consultant this is Mr. Keith Suga's project to add \$15,000 to the scope to get this accomplished. This is the fact he received best and final offers and plans to award by this month, mid-April. Civic Center ADA Site Improvements. This is the project that we just received construction bids in February 2013. This is largely improvements to the parking lot around the Lihu'e Civic Center and I believe this is focusing on the Rice Street side. It is focusing on the Rice Street side is the first phase of this project. And the Kele Street intersection on the Post Office side of the road. The next line is Coco Palms Sewer Pump Station, this is the project to address the odor complaints. We anticipate construction to be bid out June 2013. We were estimating an additional \$225,000 in costs for that and that is a total appropriation balance of \$467,000.

Chair Furfaro: Go ahead, Mr. Bynum.

Mr. Bynum: I will keep this brief. I said it the other day, if we are not addressing Kinipopo, we are being irresponsible. This has been an issue for that

community for a long time. We have a project that can deal with one manhole and one next to our retail friends there is not being addressed in this. It is not in the 6-year CIP plan and we are just going to leave that problem and it is something that I have been talking with Ed about for eight years at least.

Mr. Dill: Well, Ed is closer to this than I am. I know our consultant did analyses at each manhole that were suspected of being the source of the problem and my understanding and correct me if I am wrong, the majority of the source of the odors are coming from the pump station.

Mr. Bynum: When you are getting out of your car to go to dinner, the bakery, the hair facility...

Mr. Dill: I was there a couple of days ago and I was on Papaloa and I did not notice anything. Maybe it was the wind.

Chair Furfaro: One at a time.

Mr. Dill: When you are on Papaloa Road you may sense what is coming out the wet well at the Coco Palms Pump Station.

Mr. Bynum: Ed knows. It is not always there, but when it is there, it is overpowering. We have a responsibility to deal with this issue and we are only dealing with half of it. That is my personal opinion.

Mr. Dill: Well, my opinion is different and based on the work that the consultant did and the analysis.

Mr. Bynum: The next time I am at the bakery and have to leave because I am feeling bad about it, I will give you a call.

Mr. Dill: Okay, you have my number.

Chair Furfaro: Ed do you have anything to add to that?

ED TSCHUPP, CHIEF OF WASTEWATER: No, I think we have had this discussion.

Mr. Bynum: Apparently I am beating a dead horse and I just needed to say it.

Chair Furfaro: I addressed the question to you, would you answer me?

Mr. Tschupp: I am sorry.

Chair Furfaro: How long has the well been there, the Lift Station?

Mr. Tschupp: The lift station has been there prior to 1992. It has been there a while. I do not remember.

Chair Furfaro: Were there any recent upgrades to the lift station?

Mr. Tschupp: The last major upgrades to the lift station were circa 1992 when there was an emergency generator building built at about that time. So we did a rehab project that did not include odor controls approximately 2007. But that was a concrete deterioration rehab.

Chair Furfaro: Are you comfortable that this new allocation of money that is here for the total project about \$454,000 will, in fact, resolve the problem?

Mr. Tschupp: I am comfortable that that is the right amount for the pump station side. And with respect to Mr. Bynum's concern, the next step will be over on that side and that may or may not require additional funds.

Chair Furfaro: Thank you for the answers. Go ahead, JoAnn.

Ms. Yukimura: So are you saying that it could be connected? So your plan is to fix the Coco Palms pump station first and then see if there is still a problem across the street at Kinipopo and to address that and if the fix at Coco Palms does not hopefully solve the one at Kinipopo?

Mr. Tschupp: I agree that is the strategy that we are going down.

Ms. Yukimura: Thank you.

Chair Furfaro: I understood your response the first time, even though JoAnn restated it. But Mr. Bynum has an additional question now.

Mr. Bynum: Well, when you came up with the plan, you did the test right? I read that document very thoroughly. I do not think you are saying, Ed, fixing the Coco Palms Station is going to impact directly this? So I do not know how you could say dealing with this is going to have any impact. The stuff flows downhill right? And Kinipopo comes prior to the pump station right?

Mr. Tschupp: You are correct about the flow of sewage through the sewage system. What I think is the public needs to be aware of is that the odor problem is an airborne/aerial situation that depends upon the direction of the wind and if you have got this odor source over here across the street, it by itself is contributing to odor problems on the other side of the street. So the pump station is the most direct and most significant part of the problem and solving that, I think, will go a long way to resolving Kinipopo side. Whether it is sufficient in and of itself, I say remains to be seen.

Mr. Bynum: I hate to belabor this, I really do, but what you are doing there at the pump station is not going to have a direct effect on the manhole at Kinipopo right? What you are saying if it smells over there, if there were Kona winds or prevailing winds and I read the study, the mist, suppressing the odor right?

Mr. Tschupp: The mist will not travel, but the odor mitigation from the project I think will be beneficial on both sides of the street.

Mr. Bynum: I understand what you are saying. When the winds are right, I agree. The manhole will continue to be a problem?

Mr. Tschupp: I do not know.

Mr. Bynum: I give up.

Mr. Tabata: Let me clarify?

Chair Furfaro: No, let me talk to the Wastewater people. You have heard from us. We have serious concerns about managing that bouquet, okay? It is urgent for us, Ed. And we want you to make it a priority. It has gone on too long, and you have the technical skills, and between the three of you right there, you guys all have a handle on Wastewater management and you are all fluid engineers.

Mr. Bynum: That is true.

Chair Furfaro: So we need to make that happen. And I would just like to leave it at that for right now.

Mr. Tschupp: Understood.

Chair Furfaro: Okay we will move along here.

Mr. Dill: On the top of page 4, this is one of our Holo Holo 2020 projects. Complete Streets Safe Routes to Schools Project, Kawaihau Road. We are requesting an additional \$55,000 to look at the intersection of Kawaihau Road intersects in the vicinity of Kapa'a High School and St. Catherine's School. This is a very unusual intersection area. His is work to get a consultant on board to give us the design, which may involve some sort of roundabout at that location, pedestrian improvements, and possibly cyclist improvements to make it safer and more efficient. That is \$300,000 after this appropriation that we are looking at.

Chair Furfaro: Question from Nadine, Mr. Dill?

Ms. Nakamura: So that will be just for the design portion?

Mr. Dill: Correct.

Ms. Nakamura: Then you will come back after that?

Mr. Dill: Yes.

Ms. Nakamura: With construction? I think it is such an important project and a huge need because of that dangerous intersection.

Mr. Dill: I agree.

Ms. Nakamura: Thank you.

Chair Furfaro: Go ahead, Mr. Kagawa.

Mr. Kagawa: Does this include all the way up Kawaihau Road? Because there is, like existing one right now. It is like asphalt, I believe. And I was just wondering if we are improving that? Because that one is...I think it is old and it could use an upgrade. But I do not know if it does include that?

Mr. Dill: This is just in the vicinity of that intersection.

Mr. Kagawa: Okay.

Chair Furfaro: Mr. Kagawa, are you good with that? Okay. Moving on.

Mr. Dill: Next project is the 'Ele'ele Wastewater Treatment Plant renovation. You can see that we have a balance in 2013 of almost nothing. Completion of this, the improvements to the 'Ele'ele Wastewater Treatment Plant it was determined that it was appropriate to replace the existing diesel fuel tank due to its age and we are requesting additional \$95,000 to get that work done as well at this time.

Chair Furfaro: Councilmember Yukimura?

Ms. Yukimura: So this is sewer project being funded by the General Fund or the Bond Fund, which is going to be paid back for by all of the citizens of Kaua'i?

Mr. Dill: Correct.

Ms. Yukimura: Why would we not make it a Wastewater project paid back by the Wastewater Fund?

Mr. Tschupp: Councilwoman Yukimura, one of the things if you look on the side note there, this project was actually divided up into two phases, because we had an immediate projected with the generator that failed and has now been completed. The replacement has been completed. Originally when we went forward with the project we did not believe that we were going to be eligible the SRF funding that we typically try to use for Wastewater projects. It became possible for us to apply for SRF funding for the Phase II project which we are ready to go out to bid with now. We went forward with the Phase I with Bond Funds, but we were able to transfer out the larger Phase II project to SRF, when those funds became available. So to a certain extent, the fact that the funding for the Phase I work was allocated from bonds has everything to do with the historic availability of SFR funds.

Ms. Yukimura: Why would SRF funds not be available for this?

Mr. Tschupp: SRF funds are not available for design projects.

Ms. Yukimura: This is a design project?

Mr. Tschupp: Actually the spreadsheet description does actually have a slight error in there. The current funding, I think the \$95,000 is the services of the design consultant through the construction project. So the fuel tank part of that actually I am not sure where that error cropped up, but it ended up we did replace the

fuel tank already. This allocation is for services during construction. That is not a design engineer service during construction...that is not available for SRF funding.

Ms. Yukimura: And the services during construction of what?

Mr. Tschupp: Of the Phase II project. Typically we will fund some of the engineering design either out of operating expenses a lot of times.

Chair Furfaro: On that note, right there, we have to change the tape, okay? I have let it go and we have been at it for an hour and a half already. So we will do a tape change and caption break. Ten minutes, members.

We are back from recess. We are going to focus on CIP.

Mr. Dill: We are at the bottom of page 4 the Fuel Management System we have discussed this during operating. This basically replaces our outdated system we currently have in place and adding \$75,000 to this and with those additional moneys with the replacement system, incorporate an upgrade of modules for the vehicles. "modules" means we'll install in each vehicle a communication device that talk to the pump and that will take a lot of opportunity for mistakes, as I will call them, in accounting for our fuel usage. So the pump speaks directly to the vehicle without that human interaction?

Chair Furfaro: Larry, excuse me. For the purposes of us understanding the operational piece, is there a separate item that reviews the key points of control?

Mr. Dill: I am sorry I am not following your question.

Chair Furfaro: Is there a receiver end for controls?

Mr. Dill: Yes.

Chair Furfaro: Could we have that portion?

Mr. Dill: Yes.

Chair Furfaro: Because we have something coming up with Amy and I would like to see the manufacturer's control polices.

Mr. Dill: Okay. Next item is the Fuel Tanks at Kapa'a Base Yard. This is a new proposed project funded with Highway Fund moneys. We have identified that we need to replace all of the fuel pumps at the base yard due to their age and condition and Kapa'a is a top priority. So we are proposing to replace those fuel tanks in Fiscal Year 2014 and island wide eventually get them all replaced, but Kapa'a is at the top of the list.

Ms. Yukimura: I have a question.

Chair Furfaro: JoAnn, you have the floor before we go to page number 5.

Ms. Yukimura: So all your fuel tanks, what is the reason all of these fuel tanks need to be replaced?

Mr. Dill: Unfortunately Dwayne Adachi is at a doctor's appointment. But due to their age, they are deteriorating and requiring a lot of the maintenance to keep this up and running. So we have \$132,000 in the Highway Fund. So it is about \$170,000 for this project to replace the fuel tanks.

Ms. Yukimura: \$170,000 total. Was it due to lack of preventative maintenance?

Mr. Tabata: No, just corrosion. We are converting these to stainless steel fixtures. Right now it is galvanized, and they just outlived their useful life.

Mr. Dill: They are old.

Mr. Tabata: We need to have them replaced.

Ms. Yukimura: That is excellent that you are going with stainless steel, because that should last even longer; right? Okay. So all of the base yards, I mean this is kind of to me, the tip of iceberg in terms of maintenance of our base yards. Do you have a preventative maintenance plan for base yards?

Mr. Dill: For the buildings, as we mentioned earlier in the discussions, Building Division is looking at assessment management. On the equipment side with the implementation of the maintenance management information system that was discussed, those things will also be part of that program and they will be looking at those as well.

Ms. Yukimura: Excellent. Does that include your transfer stations as well?

Mr. Tabata: To the Building Division we already have a system that they are using. So those facilities are under the Building Division's maintenance.

Ms. Yukimura: So it does include your transfer stations?

Mr. Tabata: Right. Presently, yes.

Ms. Yukimura: Thank you.

Chair Furfaro: Before I recognize Mr. Hooser, I want to let Planning, IT, Office of Economic Development, Housing, and Transportation, you have been relieved for the rest of the day on CIP. These CIP items for those five Departments will be covered on April 16th. You are excused. We will do Parks and Recreation after Public Works today. Mr. Hooser, you have the floor.

Mr. Hooser: Yes, because the fuel tank item is split between the Bond Fund and the Highway Fund, in some sense I am jumping ahead, but I thought Highway Fund was limited to highways and buses, not general County operations.

Mr. Dill: Yes, but fueling system is something that is fundable by the Highway Fund. So the Auto Shop, and the highway...Roads Maintenance issues, and Transportation Agency are all fundable by the Highway Fund. So the fuel itself has to get paid for by the various Divisions, the actual equipment is funded by the Highway Fund.

Mr. Hooser: You were able to obviously fund it by the bonds also? So we could shift that from the Highway Fund to the Bond Fund if we wanted to?

Mr. Dill: Yes.

Mr. Hooser: Okay. Thank you.

Chair Furfaro: Other questions on this particular one? If not, we can move on.

Mr. Dill: Page 5, first project for Public Works is the Hanalei Courthouse ADA Improvements and Septic System. This is a Parks project, that Public Works is pursuing on behalf of Parks. Basically the project right now is in the Planning Department for getting its zoning and use permits in the first step of that process. So we are showing \$400,000 as a new appropriation for that project.

Chair Furfaro: Question coming, Nadine?

Ms. Nakamura: I just want to get some clarification on when a project is done by DPW or by Parks? How do you make that determination?

Mr. Dill: Well, we work together on so many projects it is hard for me to answer that because we do a lot of support for Parks. I think that Public Works does the majority of the major projects. Parks does some of their own work. I think they are still developing that resource within their own Department. And likely as they continue to develop that resource, they will take on more. But Public Works has been the workhorse, I guess, for development of Park projects historically and we continue to support them. So I would say probably the default for the larger projects is Public Works and they take care of a lot of smaller projects at this time.

Chair Furfaro: Larry, let me ask you something, in the private world, you know of the same procedure that I know when we sign off on CIP improvements and so forth. Is there some point in time, if Parks is doing the project, they have the control on it? And it deals with some repair or maintenance or new roofing or something? Is there any way it comes to you to sign off that you concur on materials, construction standards? How does that happen? And please do not say to me because we have an Architect in the Department, because we may not always have an Architect in the Department. What is the procedure that you looked at, building specifications?

Mr. Dill: Well, for clarification, the Architect is in the, Parks Department, not the Public Works Department.

Chair Furfaro: Let me say we will not always have an Architect in the Parks Department.

Mr. Dill: It goes on a case-by-case basis and I think Parks know well when they need our support, and so they certainly call on us when it is warranted. And then we support them in that situation.

Chair Furfaro: Case-by-case, huh? Okay. JoAnn, you have the floor.

Ms. Yukimura: Thank you. So there has been a discussion with the community in terms of the needs of the community for that facility as a community center. So that all of the things that may be necessary are being included in this design.

Mr. Dill: Since the Parks Director is present, maybe I can ask him to come and answer that question.

Chair Furfaro: He is not present and he is up next. He is up next.

Mr. Dill: You can ask him that question.

Ms. Yukimura: We will defer that until then, I guess.

Chair Furfaro: Mr. Rapozo?

Mr. Rapozo: I believe that item is on the agenda tomorrow. So maybe we can reserve the discussion for tomorrow, because it is specifically on the agenda for discussion on that. In the interest of time?

Chair Furfaro: Okay. Mr. Dill, continue.

Mr. Dill: Next project Hanapēpē and Waimea Levees, you know the Roads Division did a Yeoman's effort to get it back into compliance. This is the final phases to complete the necessary work to install irrigation system and get the grassing installed. The next project Hanapēpē and Waimea Levees planning study, the United States Army Corps of Engineer's study and this is remaining funds in the balance. This was the study you may recall that the levees were determined to be providing less than the standard 1% chance storm or 100-year storm protection, less than that. So the Corps has done a study that they recently submitted to us the results, which indicates what the status of protection is and what might need to be done in order to achieve 100-year storm protection.

Chair Furfaro: Mr. Kagawa has a question for you.

Mr. Kagawa: Is the grassing and irrigation on the backside of the levee? The front side is cement?

Mr. Dill: No, there are parts that are cemented, but the majority is actually grassed on both sides. As you go all the way up...

Mr. Kagawa: I am talking about the Waimea levee.

Mr. Dill: Right.

Mr. Kagawa: You are talking about the Kekaha side of the river or are you talking about...Waimea?

Mr. Dill: Wherever it is grass currently we would install new grassing and irrigation and I would have to ask our Roads Chief to come up if you have more specific questions about those specific locations.

Chair Furfaro: Is he here?

Mr. Dill: Yes.

Chair Furfaro: Why do you not have him come up?

Mr. Kagawa: I ask this because I often wonder when they say that they spent a lot of time and we have basis point been trying to create a Department within the Division to take care of specifically the levees. Where is all our labor and time being spent regarding the Waimea levee and regarding the Hanapēpē levee?

ED RENAUD, Chief of Roads Maintenance: Ed Renaud for the record. Repeat your question one more time.

Mr. Kagawa: Is it on the backside of the levee or front side facing the water?

Mr. Renaud: We are grassing areas that are eroded and that is what it is, it is here and there. The key is getting irrigation, getting water there from the river. So we are going to set up stations to pump water out from the river itself.

Mr. Kagawa: So basically, we are talking about areas that are not cemented?

Mr. Renaud: Correct.

Mr. Kagawa: we want to keep the dirt from eroding by planting grass?

Mr. Renaud: Correct.

Mr. Kagawa: What kind of grass? It is not buffalo grass?

Mr. Renaud: I am not at liberty to discuss the grass because we are working with a consultant. It is grass that would use that type of water.

Mr. Kagawa: I really want to support that project. I hope that the consultant gives us some good advice, because it is the levees that have allowed us the residents to not have to pay that high a flood insurance. The levees really protect the rates of the people living in the valleys because it is added protection that is done and it was done way back and it was done with the biggest flood that we had, we haven't had one that went over so far. Knock on wood. Thank you.

Chair Furfaro: JoAnn, you have the floor. Ed, I think we may still need you for JoAnn.

Ms. Yukimura: I want to compliment and commend you folks for the work have you done on the levees. I just wanted to make sure that I understand what you said Larry. A study has been completed by the Corps with recommendations for what we need to do to make our levees, make sure our levees can handle a 100-year storm?

Mr. Dill: Correct.

Ms. Yukimura: So these moneys will be used to implement the recommendations?

Mr. Dill: The monies will be used...actually it is the project right above it. Since that is moneys for the levees, we are proposing to use that money as well to support the irrigation and grassing project.

Ms. Yukimura: Because that will be sufficient to make the levees able to handle 100-year flood?

Mr. Dill: No, that would be a whole, separate new project and probably very expensive and we would look to the Corps to fund that project or some of that project.

Ms. Yukimura: I see. And you need this additional \$100,000?

Mr. Dill: To complete the irrigation and grassing.

Ms. Yukimura: So we are looking at a total cost of \$260,000 for grassing and irrigation?

Chair Furfaro: Our question is dealing with is there a quarter of a million of dollars there? Is this 360 Bermuda to use for the fairway? That is a lot of money for grass and it is not getting us into compliance.

Mr. Renaud: his is more than grassing. It is irrigation.

Chair Furfaro: Expand on what it is.

Mr. Renaud: I said earlier it is irrigation that is what it is about, getting water to the grass. A lot of grassing, with our crew there we are going to do a lot of project. These guys, our consultants will train our people to do all of the grassing, but the irrigation is the big thing. That costs a lot of money.

Ms. Yukimura: It sounds like a system that you said you are going to take water from the river?

Mr. Renaud: Correct.

Ms. Yukimura: That is good.

Mr. Dill: As much as we can.

Mr. Renaud: We have to, because when we did the study with the Department of Water, it would cost us a couple of million and they said no way, and we understand that.

Ms. Yukimura: It makes a lot of sense to take water from the river, but I would be concerned at the vulnerability of the irrigation system and then what do we do?

Mr. Dill: The levees have withstood storms over the years. The problem we have seen around the river and actually the levees where the irrigation system would be irrigating the lawn is up the slopes. The levees have survived the floods.

Ms. Yukimura: I am worried about the irrigation system.

Mr. Dill: They should be protected.

Ms. Yukimura: I hope so. It is a wonderful idea to take water from the river, but it means that the whole system will be close to the river. If it is costing \$300,000 and gets wiped away with one big flood, it is very worrisome.

Mr. Dill: Yes.

Ms. Yukimura: So hopefully there will be some real ways to protect the system. I am glad that our people will be trained. So it is not like we have to hire consultants every time. And to develop a crew, a special crew that will have some specialized capacity. That sounds good, too. Thank you.

Mr. Dill: I might mention so there are actually three line items funding that effort. The last one on that page, we had budgeted some money there and doing some small repairs ourselves and waiting for the Army Corps of Engineers to come through with their project. I mentioned to the Council that the Army Corps has appropriated \$1.9 million in a project totally federally-funded for a project this summer and they will do the repairs. 1.9.

Ms. Yukimura: Great job in accessing Federal resources.

Chair Furfaro: Councilmember Nakamura?

Ms. Nakamura: Larry, as I recall, the improvements are important to the impacts to getting flood insurance for residents in and around that area?

Mr. Dill: Yes. Well, I mentioned the \$1.9 million project and the reason we are eligible for that project is that our levees are in compliance with the Corps' requirements otherwise we would not be able to access the funds. Originally the Corps constructed the levees, our duty is to maintain them in accordance with their standards and if we do so, they will take care of repairs. Also as Councilmember Kagawa pointed out, it allows folks behind the levees that are afforded protection from the levees to have lower flood insurance premiums.

Ms. Nakamura: At one point that was in jeopardy?

Mr. Dill: Well, I will not say we are out of the woods yet. They are not out of woods yet and that is part of the reason for the study that I mentioned earlier that was recently completed. Because the Corps, they have certain criteria and if you are protected from the 100-year storm, that is a well-defined criteria and you qualify for a certain level of flood premiums, flood insurance premiums, but there is no continuum. For instance in the levees provide like a 70-year protection, it does not matter. If you below 100, you do not qualify for the protection. So that is as far as they have looked at for us what it would take to get the levees back into the 100-year level of protection? There still exists the possibility that the Corps will go out and revise the flood insurance rate maps that would affect the flood insurance premiums that people pay, but they have not done that yet.

Ms. Nakamura: It is just a huge improvement from where we were a few years ago to where we are today and good works on those changes.

Mr. Dill: That is our road guys who have done that work.

Chair Furfaro: Mr. Rapozo or Kagawa, did you have a follow-up?

Mr. Rapozo: No.

Chair Furfaro: Next item then, please.

Mr. Dill: Hanapēpē Bridge Pedestrian Walkway.

Chair Furfaro: Thank you, Ed.

Mr. Dill: We have an appropriation balance of \$90,000 carrying forward from last year that. So our 20% County match for federal-funded project. And this project I believe we just got bids recently opened. And we are moving forward, hopefully to contract the construction soon on this project. So that will be to repair the bridge, the historic 1911 bridge, as well as redo the pedestrian walkway that hangs on the side of the bridge. Page 6.

Mr. Rapozo: I just want to make a comment about that last meeting that you folks had in Hanapēpē, Lyle, Larry was there and who else was there?

Chair Furfaro: I was, there.

Mr. Rapozo: The last meeting regarding the pedestrian bridge where you unveiled the architect design? I wanted to say that the residents that were there left really satisfied with...they did not all get what they wanted, but they were very happy with what you folks provided. And I just wanted to say thank you for a great job. Because you know, if you followed them from the beginning, it was rough. And I am not sure what you folks fed them or gave them to drink that night. They were very pleased with what I would say was a compromise. The Mayor was there, too. That is why they were scared. You scared them to death. They were very satisfied with what was recommended. I want to say thank you, because I was pleasantly surprised that they were so happy. Thank you very much.

Mr. Dill: Thank you for being there at that meeting. We appreciate that.

Chair Furfaro: My compliments as well, Larry, to you and your team in that kind of success.

Mr. Dill: Why do not you address this one?

Mr. Tabata: The next project is the Hanapēpē Town parking lot. We have completed the in-house design and scheduling with the Roads Division to complete the construction. And they also at the same time, securing...procuring the paving work. So the parking lot will be asphalt paved, and we are going to install a street light in the parking lot that is PV-powered.

Chair Furfaro: Mr. Kagawa?

Mr. Kagawa: We kind of discussed it again, so I do not want to beat a dead horse, but do we own that land?

Mr. Tabata: The property is Executive Ordered from the State.

Mr. Kagawa: In the old days, people who wanted to use that swinging bridge would actually park on the grass. They had their own parking lot, so now it will be really making it user/tourist-friendly. Thank you very much for your work on that.

Chair Furfaro: JoAnn?

Ms. Yukimura: Yes. Thank you for that work. A question about the light. Is there any shearwater problem over there?

Mr. Tabata: They will be shearwater-friendly lights.

Ms. Yukimura: That is really thinking ahead.

Mr. Tabata: Everything that we install.

Ms. Yukimura: From now on?

Mr. Tabata: Yes. All the items on our checklist.

Ms. Yukimura: Very good. Thank you.

Chair Furfaro: Nadine?

Ms. Nakamura: And the new lights, are they all solar-powered or just in this particular situation?

Mr. Tabata: Just for this area.

Ms. Nakamura: In the future?

Mr. Tabata: Right now, there is a KIUC street light at the entry of this parking lot. And so further down, because it is darker, we are installing a light that is PV-powered.

Ms. Nakamura: That is not a new policy, but it just works in this situation?

Mr. Tabata: Yes, I guess you could say this is a test case.

Ms. Nakamura: Thank you.

Chair Furfaro: Okay. Moving on.

Mr. Dill: Hardy Street. Managed by our Building Division. This project we are in the selection process and we will be ready to issue the contract soon. This is a Complete Streets project, Hardy Street from Kūhiō Highway all the way to Rice Street, et cetera. So that is coming up shortly, design-build project. Our next project, you are very familiar with is the Historic County Building project. And another project taken care of by our Building Division winding up and hopefully wound up soon.

Chair Furfaro: Larry, may I say I appreciate you and Doug's assistance in the last meeting that we had that dealt with the basement railing, the entrance stairs, as well as the stairways leading up to the Council Chambers. I look forward to bringing that to a conclusion, because that will pretty much complete the County project here for the building.

Mr. Dill: You are welcome.

Chair Furfaro: You wanted to say something, Lyle? We only have been waiting for several months to work on the railings? So we will celebrate it and I just want to say is there any chance it will be done by May 9th? This building will be 100 years old on May 9th when we open the doors to go to work. Is there any chance?

Mr. Dill: Unlikely.

Chair Furfaro: Okay. Fair answer. JoAnn?

Ms. Yukimura: Just again, the work that was done on this building was really excellent and people enjoy using the building, both as visitors and those of us who work here. Thank you for that. I want to go back, if I may, just to one more question on the Hanapēpē Town parking lot.

Chair Furfaro: Go right ahead.

Ms. Yukimura: At one point, I think the request from the town's businesses was for a pervious concrete and I think that is not in the plans because it was too expensive is that correct?

Mr. Tabata: It costs three times more. So when I met with the key community members, they told us to save the money and just use asphalt. They were loud and clear they did not want to spend that amount of money for the parking lot.

Ms. Yukimura: That sound like the right decision, although if there is any flooding issue.

Mr. Tabata: The engineer designed it, so we have a swale at the tail to catch the runoff water.

Ms. Yukimura: And it is not that big of an area anyway. Thank you for looking into it.

Chair Furfaro: Mr. Dill?

Mr. Dill: Yes?

Chair Furfaro: Moving on.

Mr. Dill: Top of page, Island wide SCADA system. I believe we just recently received bids on this one. Bond Funded project. We are going to be updating/upgrading the existing SCADA, the supervisory control and data acquisition for the three plants.

Chair Furfaro: JoAnn?

Ms. Yukimura: Will this help you respond to emergencies as well?

Mr. Dill: Yes, it does.

Ms. Yukimura: So it makes it a really important project because of heavy fines if it gets into the ocean.

Mr. Dill: You have communications tied to a lot of key locations at the plant systems. So whereas in the past, you know, a light would go on and a bell would ring and hopefully somebody would hear it in the neighborhood. Now we have a callout list and calls outstanding the operators and tell us what the problem is at locations, so we can respond directly to the problem and we will respond a lot quicker. A great system.

Ms. Yukimura: Larry has this great background in Wastewater treatment. Was this qualified for SRF funding?

Mr. Dill: I will have to ask Ed to address that. Because I had the same question when I came on board.

Ms. Yukimura: \$4 million from the General Fund, which is actually the Bond Fund, which is a lot of money.

Mr. Tschupp: We have this on the SRF list, but it is low-ranked by the State because the way they qualify projects and as a practical matter, the funds are not available from SRF?

Ms. Yukimura: This too, this Bond money will be paid back by the General Fund rather than the users of the system?

Mr. Dill: Correct, by the citizens of Kaua'i, the County pays the debt service on the Bond Fund. This is a good example where the indirect benefits of the SCADA are strong in direct benefit to the entire community island wide. Because we pointed out our ability to respond to alarms and protection the environment and that is a benefit to everybody.

Ms. Yukimura: We all know the costs. We do not always quantify it, but there are huge costs when a hotel has to shut down their guests from using the ocean and there are costs that are also to residents, whether it is staying out of the water or getting sick from using the ocean. So I can see that argument. Thank you.

Mr. Dill: Thank you.

Chair Furfaro: Thank you, Ed. Page number, Larry?

Mr. Dill: We are near the bottom of page, Kalaheo Fire Station improvements. Next item is Kamalu Road culvert improvement and the quick fix was done and we have got a design now to replace the culvert, and design...it says "under review" but it should be out to bid by the end of the month.

Chair Furfaro: Next item?

Mr. Dill: Kanaele Road slope stabilization, a leftover project. We need to look at this remaining from last year. We have not moved forward on this one as I would have liked. We are in the process of preparing designs and hope to get a consultant on board to do the design work for us for this project.

Chair Furfaro: Because it deals with the guardrails?

Mr. Dill: No. This is an issue of slope stabilization.

Chair Furfaro: Go ahead, Mr. Kagawa.

Mr. Kagawa: Larry, where is this road?

Mr. Dill: In Kapa'a.

Mr. Kagawa: Are you going to remove that tree or the trees that the roots are growing onto the shoulder? I am thinking if you dig and cut out the roots it will just grow back in time. I do not know what the safest way is.

WALLACE KUDO, Chief of Engineering: Right now we are going through design/scoping of the project. It may entail removing those trees. It is a very steep drop-off, like a 30' drop-off to the lower land and we have houses along there. The guardrail along there is just hanging in the air. There is no support to hold up the guardrails. So it is going to take engineering to fix that steep slope. There is no drainage on that road, so everything that falls on that road falls on the embankment.

Mr. Kagawa: So you guys have to worry about the erosion, plus the trees?

Mr. Kudo: It is going to be a difficult task to fix, because of the limited road right-of-way, you know? You will probably need to...and it is 30' down. So it is going to be a very great task to accomplish.

Chair Furfaro: Wally, it will address the guardrails?

Mr. Kudo: Yes, because it is a 30' drop.

Chair Furfaro: Mr. Rapozo.

Mr. Rapozo: Is this one of the Shadows? I remember seeing a picture and I see the Mayor nodding about the floating guardrail.

Mr. Kudo: This area connects it to the road that goes to the refuse transfer station.

Mr. Dill: So we have road barriers there now.

Mr. Rapozo: So we have barriers? So that safety issue has been resolved?

Mr. Dill: That is the temporary measure.

Mr. Rapozo: Thank you and we will thank Shadow for bringing it to our attention.

Chair Furfaro: Thank you, Wally. Next item?

Mr. Dill: Kapa'a base yard structural renovation and two line items there, funding this project. We are winding that up. The project was... construction was managed by our Building Division. We are requesting an additional \$20,511 to complete the final resurfacing work to get done there to complete that project. Very close to completing that project. The next two line items both relate to the Kapaia Swinging Bridge that had fallen into disrepair and after the storms of last year, we have done the drawings to reflect the condition of the bridge after the March storm and those are being reviewed by various agencies. I know some of the reviews are complete already and when that comes out, those reviews, we'll be able to then move to procurement of initially replacing the two towers and requesting an additional \$100,000 to construct another construction work to get that bridge restored. We have been working closely with the community, the Kapaia Swinging Bridge Foundation, and they have quite a passion for this bridge. We are talking to them about a stewardship agreement by which once the County restores the bridge, they will take over responsibility for maintenance of that bridge.

Chair Furfaro: Thank you for working on that so diligently and getting us there. Mr. Bynum.

Mr. Bynum: So you would anticipate that the \$241,403 is sufficient to complete the project?

Mr. Dill: Yes.

Mr. Bynum: Okay. That is a big difference between \$2.5 million.

Chair Furfaro: \$2.5 million included the land acquisition.

Mr. Dill: The scope is significantly different.

Chair Furfaro: This is just restores the bridge. JoAnn?

Ms. Yukimura: So what do you mean by "complete?" You mean that the bridge will be repaired or restoration of the bridge will be complete and usable?

Mr. Dill: That is correct. This is an estimate, so I do not have a firm construction estimate on the second phase, because we do not have the drawings for that yet. This is our estimate, our plan is that these moneys would complete reconstruction of that bridge. So it will be a usable bridge.

Ms. Yukimura: When will the drawings be done?

Mr. Dill: Well, the first phase of the drawings is complete and almost completed review by the various agencies. We have not done the second phase.

Ms. Yukimura: What is the second phase?

Mr. Dill: The first phase is to construct the two towers and the second phase is whatever work has to be done on the stringers and deck and two approaches.

Ms. Yukimura: Okay. That sounds great. Thank you.

Chair Furfaro: Again, thank you, Larry. Next item, please.

Mr. Dill: Top of page 9. Kekaha Landfill. As Keith mentioned the first item is cell 1. That is basically work for cell 1 is complete and that work is wrapped up and removed that funding and we are zeroing it out. The next three all right pertain to the lateral expansion of cell 2 as we have discussed that one quite a bit. So we had approximately \$9 million for that effort and that money. The next item, a new project that we have discussed that item quite a bit. The next item Kekaha Landfill closure, \$800,000 is a previous appropriation remaining in the budget to take care of required closure work to be done at the Landfill. And we may begin tapping some of that work now for the portions of phase 2 that are ready to accept closure construction. The Fire Department helicopter hangar pad. The helicopter is housed in a temporary space and is being rented and this will allow us to construct a facility on a site that is leased on a long-term basis. This is a project for the Fire Department that the Department of Public Works has conducted.

Chair Furfaro: Larry, is this a hangar or a landing pad or is it both?

Mr. Dill: It is a hangar.

Chair Furfaro: It is a hangar. Okay. Larry you have a question.

Ms. Yukimura: Where is this?

Mr. Dill: It is at Līhu'e Airport.

Ms. Yukimura: There is no rent or anything associated with that?

Mr. Dill: Not with this project. I am not able to speak to the rent side of that project. This is just a construction project.

Ms. Yukimura: Is that the full amount that is needed?

Mr. Dill: This is the full amount to construct the hangar facility. Again, rent would be in addition to this.

Ms. Yukimura: Well, it says that the Department has recently acquired a long-term lease to a nearby site where permanent hangar facility can be constructed. So I guess it is presumed it is a lease with the DOT Airports, but can we confirm that staff?

Mr. Dill: Keith has more information.

Mr. Suga: I apologize I should have worded that more detailed. The Fire Department has an agreement with the Līhu'e Airport, not Public Works.

Ms. Yukimura: I assumed it was the Fire Department and the \$380,000 is sufficient to build the hangar?

Mr. Suga: That is the estimate that we received through the Engineering Division to construct...design and construct the concrete pad to be used as a base for the hangar facility.

Ms. Yukimura: Do you know the issues of the helicopter or not, this cost was included?

Mr. Dill: I do not know

Chair Furfaro: Let us not duplicate the question. It is a pad and a hangar?

Mr. Suga: Correct.

Ms. Yukimura: Okay. But I just want to ask staff to ask, this is not just the CIP-related, but that we get the total cost of equipment?

Chair Furfaro: We will have that sent over and have it answered when the Fire Department is here.

Ms. Yukimura: That is what I was hoping. Thank you.

Chair Furfaro: You know, I am going to excuse the Parks Department. We are on page 9 of 25, okay, members? Parks, you will be rescheduled for the 16th of April.

Mr. Dill: Kokee Road, 90% of that project and winding up with final punch list items. It is managed by our Engineering Division. Koloa Fire Station improvements, similar to the Kalaheo Fire Station renovations and permits to that facility.

Chair Furfaro: Question? JoAnn?

Ms. Yukimura: It says here project scope includes replacing the defective roofing materials? So were the materials that were in the Fire Station when they were first built defective?

Mr. Dill: I see our Building Division Chief has left the building for the moment. Can I ask when he returns...here he is.

Chair Furfaro: JoAnn, would you repeat your question?

Ms. Yukimura: Narrative says project scope includes replacing the defective roofing materials. Is that word accurate, they were defective?

DOUGLAS HAIGH, Chief of Building: It is more deteriorated, I think would have been a better word.

Ms. Yukimura: Okay. Well words matter.

Mr. Haigh: This is Kōloa, correct.

Ms. Yukimura: Yes, Kōloa. Well, Kōloa is?

Mr. Haigh: It is almost 20 years old is my memory.

Ms. Yukimura: Thank you, I am just glad it was not defective.

Chair Furfaro: Please make a note to correct that verb.

Mr. Suga: My apologies, Councilwoman Yukimura. I was copying off information from the old PID.

Ms. Yukimura: Well it should not have been in the old PID either. Thank you.

Mr. Tabata: Next project is Kōloa Crosswalk, lighted crosswalk. The first phase of it is completed. Crosswalks are installed and in operation. We have been working with...and it is a Holo Holo 2020 project and we have been working with the school crossing guard and the Principal to time the lights. So we completed those changes last week, Friday. The Principal just sent me an E-mail last night, very appreciative and the crossing guard is so enthusiastic. He even has enough time to get back after the children cross. We still have some work to do yet with the Roads Division to complete all of the striping. And then we are going to come to you with a resolution for traffic modification at the Waikomo Road intersection and creating one way out and one

way in only. Because there are two directions out, on each side in and out on each side of the tree.

Chair Furfaro: You have a question?

Ms. Yukimura: Yes. Well, a comment on the narrative. It is just that you are missing a bit of history on this. It was not that the community association and group of developers just came together and created \$300,000 for an area of circulation plan. It actually had something to do with the County Council, which was considering a bill to establish a moratorium on the building of new...building moratorium in Po'ipū / Kōloa and I am glad that it is unfolding in a way that is supporting safe routes to school.

Mr. Tabata: Because part of our sidewalk is not ADA compliant, we are using part of the travel way a pedestrian way and include bicycle facility coming uphill, and share the road with bicycles on the lane going down, southbound to the ocean.

Chair Furfaro: Just make a note over here, as a result of Council and developers coming together for a common cause. Okay?

Mr. Dill: Thank you.

Chair Furfaro: Let us move on. Some of the narrative, quite frankly, we can do without. Okay? We can send you notes. It is 3:30. We have 17 pages more to go. I do not want to do Public Works again. Okay?

Mr. Dill: I will try to move it along quicker. Top of page 11, Kaua'i Police Department Kapa'a Substation User Needs Study. This is to do a user need study for a potential new substation in the area of Kapa'a. Managed by the Building Division. New proposed project. La'e Road Safety Improvements.

Chair Furfaro: Question, Larry? At least look up between items, okay? Okay. Nadine, you have the floor.

Ms. Nakamura: Now is this related to Armory or Mahelona properties?

Mr. Dill: It is not related to any particular property, but to identify what their needs are. This is the first phase in addressing a future permanent location. The armory as I understand is a temporary location...I guess I should say this is looking at what the needs are at the Mahelona Site and what would be appropriate for them to build there? Okay.

Chair Furfaro: JoAnn.

Ms. Yukimura: Did you say that the Building Division is managing this?

Mr. Dill: Yes. It is \$85,000.

Ms. Yukimura: Have we done these surveys before?

Mr. Dill: They will do the study to assess the needs in the area and what is appropriate for a Police Station in the area?

Ms. Yukimura: I was seeing how that might interface with the physical arrangements of service, you know? So I think it is appropriate to do a study. Thank you.

Mr. Dill: Thank you.

Chair Furfaro: Keith, what would we have done if we had the old forms and we did not have all of this narrative to expand on? You have done us a great service by having all of these explanations, but for each one that comes up that need to be corrected, make sure we correct those pieces.

Mr. Suga: Absolutely.

Chair Furfaro: It is very, very much appreciated of Larry, next item.

Mr. Dill: La'e Road safety improvements, we are in process of executing a new design contract. This is to address safety issues on La'e Road especially as it goes by the Elua reservoir. Top of page 12, Lihu'e Bypass Feasibility Study. This is a County match 20%. 80% Federal funds. This is currently negotiating with the design consultant to look at the feasibility and initial cost and issues related to a potential for Lihu'e-Mauka bypass. Lihu'e Wastewater Plant Chemical Lab renovation, this project is complete.

Chair Furfaro: Wait, go back to the previous one. JoAnn, asked us to hold on?

Ms. Yukimura: Please, thank you. So this is the one that is part of the...that is recommended in the 1997 Land Transportation Plan?

Mr. Dill: Correct.

Ms. Yukimura: And why are we doing it instead of the State?

Mr. Dill: We are doing it...it was originally discussed it would be a possibility considered in conjunction with the landfill and in recognizing that possibility, though now that is no longer the case. It was initiated at that time but because it is on the long-range transportation plan and it will determine whether or not there is something to continue with at that time. So we still recommend that we can complete this study and determine the feasibility of this project. It will address overall traffic conditions in the Lihu'e area.

Ms. Yukimura: And what is the projected cost?

Mr. Dill: \$100,000 County and \$400,000 Federal.

Ms. Yukimura: That is the feasibility study. If it were to be built, what is cost we are looking at?

Mr. Dill: That is what this study will tell us. I can just say it would be a very expensive effort.

Ms. Yukimura: About \$600 million?

Mr. Dill: No.

Ms. Yukimura: Well, give me a ballpark. You must have a ballpark?

Mr. Dill: I would ballpark \$50 million.

Ms. Yukimura: \$50 million. And repeat again, if we do not need it, why we are doing it and not the State?

Chair Furfaro: You know, we can take up these discussions a little bit. We just negotiated it down from \$600 million to \$50 million. The question is still alive and should be handled in JoAnn's Committee that deals with Transportation and you have given us the appropriate answers, but we will have continued dialogue going forward.

Ms. Yukimura: I am guessing that the Wailua-Kapa'a bypass that was started over ten years ago was probably projected at \$50 million, too, when they started. And I believe now it is about \$600 million.

Mr. Dill: I believe that is because of the river crossing. They have a huge expense with the river crossing which they do not have on the Lihū'e Mauka Bypass, but I hear you.

Chair Furfaro: Yes, and you heard what I said, right? When we get these items into Committee on Transportation, we can have further discussion...the agenda item right now is to understand the CIP piece and why it was plugged in. Mr. Hooser, you have the floor.

Mr. Hooser: The agenda item is on the budget and just for the record, I would like to say that I also believe that this money would not be money well-spent. You are going to look for other important needs with this \$100,000 could certainly be shifted elsewhere, because I do not think we will see this bypass or the Kapa'a Bypass in our lifetime or the lifetime of our children, given the condition of the federally-funded in Highway Funds and State needs. Thank you.

Chair Furfaro: And well-said and you can expand on that when we get it into Committee. Okay? This is an item that shows up here for now. Mr. Bynum?

Mr. Bynum: Process question, Chair? So we are going to put this in Committee for further dialogue prior to budget?

Chair Furfaro: Write me a Transportation item that you want in Committee and that is how we will put it in? Okay? So JoAnn can do that. Again, I do want to go through everything here. we do not necessarily have to go through all the details, but Keith, it is well-accepted that you are expanded the narrative, but I guarantee if we did not have this narrative, we would not be spending this kind of time right now. So

it is an advance placement. So JoAnn, if you want to put in that in a discussion in your Committee, we are certainly open to it. Next item.

Mr. Dill: Līhu'e Wastewater Treatment Plant Chemical Lab renovation, complete project. So remaining funds we are taking out of that appropriation. Next page, page 13, Maluhia Road Pedestrian Bridge replacement this is a new project we are proposing, \$150,000. Maluhia Road Pedestrian Bridge is by Anne Knudsen Park, but the scope turned out to be more and we are building a new bridge there.

Chair Furfaro: Question from Mr. Bynum.

Mr. Bynum: Sorry. There is no pedestrian walkway from this bridge to Kōloa Town at this point?

Mr. Dill: I believe, yes.

Mr. Bynum: We need the bridge. It would be nice to look at connectivity to Kōloa Town between the park and Kōloa. When you replace, it has to be ADA compliant and with that include some connectivity to something, you know?

Chair Furfaro: JoAnn. We are going to talk about connectivity, we are never going to be doing all of everything in a reasonable timeframe that might happen with JoAnn, Mr. Hooser, and my lifetime. We do not have the resources. We are going into the end of this budget year and we are not going to be able to put even \$10,000 back into CIP because we do not have that kind of surplus. Okay? So that is a bigger discussion that needs to happen. We need to be honest and truthful about how we are going to approach this connectivity, because we cannot do it all. Okay?

Ms. Yukimura: May I?

Chair Furfaro: Go right ahead.

Ms. Yukimura: The reason why we are bringing these up, is because CIP is the time where you might have an opportunity to make some connections, or to just structure it...I mean, the time of design and planning is when you might really link into opportunities. So I know I spoke with George Costa once about why do not we use that corner property where the trees are, which is, I guess zoned for commercial, but was very controversial. You know, for our Sunshine Market? And why do not we have a connecting pathway from Kōloa Park into town, where people could park at Kōloa, in the parking for the park and get to someplace in Kōloa Town and even move the Sunshine Market there? I am not saying it should happen, but when you bring the market into the town, then there is even more benefit to the town's businesses and you might solve some of the traffic problems that now are there. So that is the opportunity and I guess, I just want to ask you to look at that, as you design this project. Thank you.

Chair Furfaro: Members, if you want to talk about expanding Farmers Markets and new locations to go on that, you can certainly put those in the Planning Committee. Mr. Kagawa?

Mr. Kagawa: Yes, I agree with you, Chair. I would like to try and get through this, as much as we can. You know, fellow members if you have any specific questions about the bridges, staff has informed me that I have an item on April 17th

in my Committee and please, be ready and I want Public Works to be ready also. You have been hearing some of the concerns of the members about what bridges and if you do not have the answers at that meeting we can always defer it, but let us try to get through this CIP as fast as we can, please. Thanks.

Chair Furfaro: Thank you very much for extending that courtesy, and the fact that we are going to have something in your Committee soon on bridges. Let us move forward.

Mr. Dill: Next project, another of the Mayor's Holo Holo 2020 projects, Materials Recycling Facility and we have also discussed this at length. \$200,000 last year, doing the Environmental Assessment and preliminary design, contingent upon site selection, which hopefully will be confirmed shortly. We are requesting another \$300,000 to get final design done in Fiscal Year 2014. Moana Kai Seawall. Next line item, another one of the Mayor's.

Chair Furfaro: Mr. Bynum?

Mr. Bynum: I will be real brief as I will ask for a posting about the Kapa'a Ocean Study, which we received, because it gives us some alternatives and it is just something that I do not think we are all aware of and we all need to discuss. I have an issue now, but I will ask for a future posting to look at those bigger issues. Thank you.

Chair Furfaro: Any more questions? What page are you on, Mr. Dill?

Mr. Dill: Bottom of page 13.

Chair Furfaro: Periodically announce the page numbers.

Mr. Dill: I will try doing that with each new page. This is moneys to fund the ongoing work with the Resource Recovery Park and draft Environmental Impact Statement. Top of page 14, NPDES compliance, our consultant has identified for us some concerns about National Pollutant Discharge Elimination System compliance issues and basically the handling of storm water runoff at our transfer stations. So this is design moneys whereby we would design systems to manage our runoff in a more environmentally friendly manner and in compliance with NPDES requirements.

Chair Furfaro: Next item.

Mr. Dill: Next one is the Opaekaa bridge replacement. This is a project well-underway. This is one of three historic bridges in Kapa'a...Opaekaa, Puuopae, and Kapahi Bridges. We are into the 106 process that leads to the design work and remaining appropriation for \$157,000 as we encumbered the funds for that line item.

Pi'ikoi Interior Renovation. We have an appropriation...I am sorry, a contract that we are negotiating with the consultant to do the initial design work...the final design work I should say, for the Wastewater and Solid Waste Divisions. And also to update of the office space planning effort that was conducted, I believe in 2010, by Architects Hawai'i. Middle of page 15.

Chair Furfaro: Excuse me, Larry, what is \$974,000 get me? What do I get for \$974,000? Will this be some turnkey office space?

Mr. Dill: The work that we are pursuing currently is design funding.

Chair Furfaro: I heard what you said. I just wanted to reconfirm that for this building we are going on with almost \$1 million of design money?

Mr. Dill: What this does not reflect...you remember is a money bill to transfer to the Hardy Street project?

Chair Furfaro: Yes, thank you. Nadine has a question.

Ms. Nakamura: Larry, does this mean this is less the \$700,000?

Mr. Dill: Yes. A little over \$200,000 is remaining in that line item.

Ms. Nakamura: Which would then be used for?

Mr. Dill: To design the Solid Waste and Wastewater offices and update the office space plan.

Chair Furfaro: Could you give us an exact number?

Mr. Dill: Not at the moment, we will get back to you?

Chair Furfaro: Mr. Rapozo?

Mr. Rapozo: Hardy Street Improvements, that is what is showing in balance as of March 8, 2013, right?

Mr. Dill: Sorry, what page are you on?

Mr. Rapozo: Hardy Street is on page 6. So what we are showing is the balance on that account for that line from March 8th, which that was the moneys that the Council transferred?

Mr. Dill: No, we added \$760,000 from Pi'ikoi to the \$768,000 and that is our 20% County match. So that is a \$7.5 million project. Okay. Back to page 15.

Chair Furfaro: No, we are not. I am going recognize Councilmember Yukimura now.

Ms. Yukimura: I am sorry, I was not following the discussion. What are you taking from Pi'ikoi renovation?

Mr. Dill: Moving \$765,000 from that project W12353 on the bottom of page 14 to on page 6, the Hardy Street project, W12020. So \$760,000 plus \$768,000 we have appropriated for that line item.

Chair Furfaro: So it leaves \$200,000 something?

Mr. Dill: Correct.

Chair Furfaro: And that is what is being used for design, not a million bucks?

Mr. Dill: Yes.

Chair Furfaro: Thank you.

Mr. Dill: Pono Kai Seawall, that we are returning funding to, \$1.5 million and anticipate these projects will be out of permitting late this calendar year and will be able to go to construction. Puhi Road. This is...these are design funds... Puhi Road is Phase 1. Puhi Road is a collector road by the County, but only identified so by DOT. From Kaumuali'i Highway to Kaneka street. This is Phase 1 and also white topping and concrete road and our first white topping project. So we are adding funding to this as we are trying to expand the scope to include some complete streets improvements here. But I am not sure that we will be able to get those on the STIP. So we are working with Federal Highways and DOT to accomplish that. We are also...the State is going through a reclassification effort and we are strongly encouraging them to include Puhi Road from Kaneka to the Hulemalu Bypass.

Chair Furfaro: Mr. Bynum?

Mr. Bynum: This funding is from the college to Kaneka?

Mr. Dill: Correct.

Mr. Bynum: I know you are making the rest of that road a collector, so you can access STIP funds?

Mr. Dill: Yes.

Mr. Bynum: There was a commitment to deal with the sidewalks in-house? And now you are saying maybe we can get Federal funding for it, but that is going to take at least five years.

Mr. Dill: I do not know if it will take at least five years, but it will not happen overnight and in looking at that project, the estimate that was quoted was \$357,000. I do not think it will cover that necessarily. I also, to me, it doesn't make sense for us to piecemeal our projects, in other words, I do not want to build a sidewalk and come back later and build the rest of the road later. Also with that project, \$350,000 is correct, we can spend it as County project or use that to leverage Federal funds and get a project five times that amount. So it just makes sense from my standpoint to do that project when those funds become available.

Mr. Bynum: Bear with me for a few minutes, because I do not disagree with anything that you just said. This is the frustration for Councilmembers and more importantly for the community. You work two, three years lobbying, getting direction and get commitments and move down this road. You share that with your constituents or

with the Administration and everybody goes home saying it is going to happen. Your rationale makes sense, but it is then turn, shift gear and go a different direction and nobody is informed, right? I did not know there had been this big change. I tracked it this way. That is frustrating.

Chair Furfaro: Let Mr. Bynum finish and then you can respond.

Mr. Bynum: If you understand from the community's point of view, you go through years down the road and get commitments and it changes and nobody knows and it hurts all of your credibility, when we go this direction and change gears and sideline something for five, six years and that is my concern. My other concern is when we are accessing these funds, they generally have been for repaving, but now we are talking about putting new elements on the streets, like sidewalks or some kind of pedestrian facility. Are the Federal funds eligible for that as well, for upgrading the existing streets?

Mr. Dill: Yes.

Mr. Bynum: That is good news. I did not know that that we give our share for the repaving, but we will give our share for making complete streets. They will do that?

Mr. Dill: Yes.

Mr. Bynum: That is good news and I applaud your efforts to expand the streets that are identified as collectors, because that one certainly is. It is not like you are trying to...like we have done in the County in the past, and rename a street just to put something on it. You know, that is a logical thing, right? That is a collector. Maybe it was not 20 years ago, but now with the new subdivisions, it is. I just wanted to share that frustration about going down this direction and switching gears.

Mr. Dill: Well with all due respect to Mr. Chang and yourself, I do not feel we made a commitment to do this and we brought up what it costs and I think we have spoken with Council about Puhi Road and this issue because it is been a long ongoing issue about the reclassification of the roadways. So we discussed this at Council last year.

Mr. Bynum: I recall and that is why I am saying that I applaud your efforts and I think Lyle has been working on this particularly with negotiating these streets and I have nothing, but praise for that effort. I just want to not, communications is really important. Because this is going to be news to some people who live in that subdivision. Whether it was fair that it got communicated to them or not, they felt there was this plan. Thank you for letting me make those comments.

Chair Furfaro: Okay. Larry, do me a favor please go back and check the \$354,000? That bid came from your Engineering Office. Okay? So I think I should alert that to you before you say it is just not enough again. That came out of your engineering department. We will move on to the next item.

Mr. Dill: Top of page 16.

Chair Furfaro: Hold on a second, we have another question.

Ms. Yukimura: Just this ultra-thin white topping, I thought I heard you say this is a pilot?

Mr. Dill: It will be the first County road that we are using the ultra-thin white topping like the State has been doing on Kaumuali'i Highway and Kapule Highway.

Ms. Yukimura: On which?

Mr. Dill: On Kaumuali'i and Kapule Highways.

Ms. Yukimura: So what they are doing we would be doing on Puhi Road?

Mr. Dill: Yes.

Ms. Yukimura: It really increases the life of the road like about five-fold.

Mr. Dill: I do not know the numbers, but lifecycle costs pencil out because the cost of asphalt is a lot more expensive than it used to be and concrete is more competitive and as you pointed out the life of the road is longer.

Ms. Yukimura: Excellent. I will be interested in the results.

Mr. Dill: Okay. Top of page 16. \$111,000. There are safety concerns around Pu'u Road and we are currently negotiating with the design consultant and have them under contract shortly. Rice Street crossing improvements another one of the Mayor's Holo Holo 2020 projects and we are actually removing some of the funding to assist other projects. Restriping to include improvements. Salt Pond improvements. This is...wait a second. This is not the sewage. This is an effort supporting Parks on reconstruction work and we anticipate going out to bid in May of this year. No new funding. Existing project. The next one, Salt Pond was not the Wastewater improvement. We are looking to connect the wastewater systems at Salt Pond Beach Park to the existing 'Ele'ele Wastewater Treatment Plant.

Mr. Kagawa: I have been informed by people in the Building Division that have to go out and service. So when we have stuck toilets and what have you. A lot of it is the leach fields that have not been functioning with heavy rains. So connecting, as much as possible our Park facilities are a good thing to do.

Mr. Dill: Middle of page 17. Twin Reservoirs Equalizer Tunnel. The County is one of multiple owners and moving towards decommissioning, but these are moneys to do maintenance work. Next page 18. That is Wa'a Road.

Chair Furfaro: Question, JoAnn?

Ms. Yukimura: It is about the Twin Reservoir. What is the end goal of this?

Mr. Dill: The end goal, moving towards likely is decommissioning of those reservoirs.

Ms. Yukimura: Is that on County land?

Mr. Dill: The County owns the roadway that forms the dam. But there are multiple owners that own portions of that area. So we are working together with all of those owners.

Ms. Yukimura: Decommissioning, meaning, you are going fill up the land...the reservoir? I mean how are you going to?

Mr. Dill: Essentially you breach the dam. So it does not impound the water or any water impounds will fall below the regulatory threshold. Our concern is what would the impacts be on downstream flooding by decommissioning the dam?

Ms. Yukimura: Right.

Mr. Dill: So we just had a study done by the Corps of Engineers to assess that and that has brought some other areas to light that we have to address as parts of this issue. So we are working through those details.

Ms. Yukimura: That is very complex and for right now that \$95,000 is just to keep it maintained?

Mr. Dill: Correct.

Ms. Yukimura: Okay. Thank you.

Chair Furfaro: Larry, May I expand on that?

Mr. Dill: Sure.

Chair Furfaro: Those two reservoirs are very, very delicate situations for the flooding and the flooding downstream, okay? And we need to make sure that we pay great attention to the decommissioning and we are following everything as recommended by the appropriate engineering consultants.

Mr. Dill: Absolutely.

Chair Furfaro: Thank you.

Ms. Nakamura: Have we talked to the agricultural users about the decommissioning and they are on-board?

Mr. Dill: Yes.

Ms. Nakamura: Thank you.

Chair Furfaro: Thank you, Larry, go right ahead.

Mr. Dill: Page 18. This is actually the Wa'a Road Drainage Study. So we are going to be conducting a drainage study down there to figure out how to mitigate drainage problems there. New proposed project, \$100,000.

Mr. Tabata: In addition, to add to this, there was a sinkhole over there, and Grove Farm Museum took on the responsibility and completed the project.

Ms. Yukimura: May I, Chair?

Chair Furfaro: Yes, I just was thinking, because I was going to say something, but I will wait. It is Waha or Wa'a.

Mr. Dill: Wa'a.

Ms. Yukimura: Thank you. I am familiar with this, because I made a personal request about it. It is right across Rice Street, right here and I am thankful that you are paying attention to it. It was a difficult situation, especially with the sinkhole. So the proposal is to do a drainage study.

Chair Furfaro: May I just interrupt you for a second?

Ms. Yukimura: Sure.

Chair Furfaro: You gentlemen need to know there are tunnels under Līhu'e that go to the reservoir by the Airport? As the plantation is closed and the tunnels dry out, we are apt to have additional sinkholes, so please make sure that we are very close to this one. I have met with Planning and the County Attorney on this two years ago. I am sorry, JoAnn.

Ms. Yukimura: No problem. This \$100,000 is for a drainage study?

Mr. Dill: Actually to come up with a drainage solution, yes.

Ms. Yukimura: And are you planning to get consultants or are you doing it in-house?

Mr. Dill: We are going to procure consultants.

Ms. Yukimura: Thank you.

Chair Furfaro: Moving along.

Mr. Dill: Next is the Wailua Emergency Bypass improvements as we have actually worked to establish a scope for this work, we have determined that we can actually give up \$400,000 in funding and we are finalizing the scope and specifications for the project and anticipate going out to bid by the end of this fiscal year to get this work done. Page 19 at the top. Wailua Wastewater Treatment Plant. This project is winding up and should be complete by the end of this fiscal year.

This is various improvements at the Wailua Wastewater Treatment Plant.

Highway Fund biennial bridge inspections. They are funded out of the Bond Fund. Next project comprehensive roads maintenance plan. This is additional funds we are requesting for implementation of the program. This is the maintenance management information system we talked about earlier. The full tanks at Kapa'a Base Yard.

Chair Furfaro: Go ahead, Gary.

Mr. Hooser: So this could be funded by the Bond Fund as well? It could be shifted out if that was the desire?

Mr. Dill: Yes.

Mr. Hooser: Thank you.

Mr. Dill: Top of page 20. We talked about Hanapēpē Bridge and this is where a portion of the funding is coming from. Hanapēpē Road Resurfacing. This is a County Match project. We are talking about resurfacing that main loop of Hanapēpē Road and we are currently negotiating with the design consultant. This is a Federal Highways funded program and this represents our 20% match of the project. Island Wide Resurfacing, this just reflects again the comments made by the audit we are no longer funding this in CIP and we are removing the funding from the project.

Chair Furfaro: I would like to hear from the Finance Director right now about how exactly this is carried over to a two-year program. Could you respond to that, just so we are all clear? And then I will give the floor to Mr. Hooser.

Mr. Hunt: As you are aware we had to move the Bond CIP into an operational within Highways Fund per the audit. Within the Highways Fund, those funds lapse annually from the operational budget, but they stay within the Fund. So we are going to be earmarking and tracking those funds to get that leveraging every two years.

Chair Furfaro: Okay. Because I am a little hazy on this, but typically, if we let funds lapse, a portion of that can just be regenerated into CIP money from General Fund and so forth. This one you are going to actually earmark it as a carry over?

Mr. Hunt: It has to stay in Highway Fund.

Chair Furfaro: It has to stay in Highway Fund?

Mr. Hunt: Correct.

Chair Furfaro: So this is very, very certain we are going to do it this way based on what is being presented here? Thank you. You answered my questions we can go to Mr. Hooser.

Mr. Hooser: So is it correct \$1,891,000 is transferred into this budget and operating resurfacing?

Mr. Hunt: In the operational side, I believe it is a \$1,200,000.

Mr. Hooser: Where is the difference between \$1.2 million and \$1.9 million?

Mr. Hunt: It has gone into other Highway Fund projects. It is staying within the fund, but absorbed in other projects. It came out of CIP and went into operations, correct?

Mr. Hooser: Okay. Thank you.

Chair Furfaro: Thank you, Mr. Hooser. JoAnn?

Ms. Yukimura: Steve, so what is the system or the way that you will be accumulating the moneys for a biennial resurfacing project?

Mr. Hunt: Within the budget itself, we are noting the amount that is being allocated to specifically the road surfacing and operations in Highway Funds. That amount will be again whatever appropriation amount we ask for, for the second year will be added to this year's rollover or lapse within that Fund and will be requested to be spent within that next year.

Ms. Yukimura: So you are just going to keep it in the operating budget, and lapse it and then reappropriate it along with the second year's appropriation?

Mr. Hunt: Correct. It will be in the operational budget and we anticipate it lapsing bringing to the ledger on the fund side within Highways and then for the second year, once it is been approved and appropriated, that full amount, last year, this year's amount and next year's amount will come back for those projects.

Ms. Yukimura: This is very trusting of the Council and the Mayor.

Chair Furfaro: We will have more people able to bid and bring over expanded equipment and we might do 10-15% more work by bundling it in a two-year project. That is the benefit? At least that is what I heard.

Mr. Hunt: Correct.

Chair Furfaro: Mr. Hooser?

Mr. Hooser: I want to be clear, what it looks like that we are...we had \$1.9 million set aside for road resurfacing and now we only have \$1.2 million set aside for road resurfacing and we are raising fuel tax when we have the money for road resurfacing, but instead we are using it for Kapahi Bridge replacement and other projects that are not road resurfacing projects, but are available to be funded by the Highway Funds.

Mr. Dill: Well, remember the fuel tax does support all the other road-related projects and it is not simply for resurfacing and so the fuel tax supports all manners of road improvements.

Mr. Hooser: Right but the line item here is road resurfacing and you shifted those items to other highway improvements.

Mr. Dill: Those are all eligible for fuel tax.

Mr. Hooser: They are also eligible for Bond Funding, is that correct?

Mr. Dill: Yes.

Mr. Hooser: So the bridge improvements and fuel tanks could all be Bond Funded?

Mr. Dill: As long as they meet the Bond Funded criteria.

Mr. Hooser: They are Bond Funded now?

Mr. Dill: All those projects that are Bond-Funded meet those criteria. It is not a simple maintenance project.

Mr. Hooser: For example the Kapaia Bridge, \$400,000, fuel tanks, \$132,000, \$532,000 that could be funded in the Bond Fund and what is the 2% fuel tax generate? About the same, \$500,000. Is that correct?

Mr. Rapozo: \$569,000.

Mr. Hooser: So in effect we could shift those projects to the Bond Fund and not have any net impact on the road paving?

Mr. Hunt: To the extent that you could find projects eligible for the Bond Funding. This is Island wide road resurfacing within CIP that is not eligible for CIP because it is operational. Again, we have absorbed a lot of those back in other projects here and, as much as we can within Highways because some of these are specific to Highway funding. It is not always opening up necessarily in the General Obligation Bond.

Mr. Hooser: I think the two I mentioned, they would be eligible to shift over therefore freeing up the \$1.9 million, if that was the will of the Council and Administration. It would be also supplanting other projects such as the \$100,000 and \$400,000 to the Lihū'e Bypass that we just discussed. Thank you Chair.

Chair Furfaro: Thank you very much. Moving on.

Mr. Dill: I believe we just talked about the Hanapēpē Road Resurfacing, Island wide road resurfacing. Next Kamalu Bridge Stream Erosion, we did this in-house and open bids in February and awarded bid and goes to construction shortly. Kapahi Bridge Replacement is one of the three historic bridges that I mentioned earlier, this is first on our list of projects that we want to move forward with construction and we are requesting \$400,000 this year and requesting also matching STIP funds for that to proceed with construction of this bridge. In the bridge inspection of the three bridges this was rated in the worst condition so we are prioritizing it as the first of the bridges to go to construction. Koke'e Road Resurfacing, I believe we already talked about this one. Another of the Mayor's Holo Holo 2020 projects. 98% complete, winding up.

Chair Furfaro: Larry, we have a question from Councilwoman Nakamura.

Ms. Nakamura: On the Kapahi Bridge, is that a one or two-lane bridge?

Mr. Dill: One lane. Existing one-lane, proposed one-lane.

Ms. Nakamura: Okay, thank you.

Mr. Dill: Top of page 21, Maluhia Road Improvements, this is a project that we had on the STIP for widening of Maluhia Road, in light of other priorities and in discussions with our local Department of Transportation staff and when they envisioned their widening of Kaumuali'i Highway, we are proposing to remove funding from this project for this year. Next project, the Northern Leg of the Kōloa Bypass, we have gone through, and have completed an extensive Environmental Impact Statement Process and we are in the process of acquiring the land now from the landowners there. That is what we are proposing also on this project to put this on the shelf for now. Proposing to leave \$40,000 in there to complete the land transaction necessary. But like Maluhia Road we are proposing to defer this project until a later date.

Chair Furfaro: Mr. Bynum and I know we have had this discussion about the land acquisition prior. Mr. Dill, Mr. Bynum has a question.

Mr. Bynum: So the NEPA is good for five years? So your intention would be to get back on during that five-year period?

Mr. Dill: Likely.

Mr. Bynum: And if we do not, we have to redo the environmental study?

Mr. Dill: As you mentioned the NEPA has a shelf life to it. I believe it will not be a complete redo, but the longer we wait, the closer we get to the complete redo. That is correct.

Mr. Bynum: I concur with this decision. Last year, Councilmember Yukimura suggested that we remove this for the same reasons that you are stating. So I am glad you have come around to that conclusion. Thank you.

Chair Furfaro: One more question, Larry, Mr. Rapozo.

Mr. Rapozo: So why? Why is it being taken off?

Mr. Dill: In favor of what we consider to be more higher-priority items?

Mr. Rapozo: Really? Okay.

Mr. Tabata: 'Anini Bridge, because it is a health and safety issue moved up and we had to find money.

Mr. Rapozo: Okay. Again, 'Anini Bridge, I would disagree with the cost. I think it is way too high. I do not know, I thought this was a big component of that Po'ipū Plan. So we just are putting it on the shelf?

Mr. Dill: For the time being in deferring to other priorities, yes.

Mr. Rapozo: Okay.

Chair Furfaro: JoAnn?

Mr. Rapozo: I am sure JoAnn is happy.

Ms. Yukimura: Well, the way I read the Kōloa-Po'ipū Circulation Plan, this project is a much lower priority and then a lot of projects in the Kōloa area, and so I voted against the land acquisition but when I thought about it, actually the best of all worlds is to secure the land

Chair Furfaro: Thank you. I think that is what I said four years ago.

Ms. Yukimura: I was thinking about and I reflect on my votes so secure the land and not build until we are sure what kind of land transportation system we are going move towards. As Councilmember Hooser pointed out, Federal monies are going to be really scarce and we could spend millions up front and then not be able to complete the project. So not very smart to do that. So I think this is a wise decision and the Council's decision to acquire the land, you know, which I voted against was the right decision, too.

Chair Furfaro: Thank you very much for that, JoAnn. I do not think you ever turn away land, no matter what you are going to do it, but let us move on. We have 16 minutes left.

Mr. Dill: Okay. Bottom of page 21, Puhi Road Construction I have already spoken to. This is additional...this is additional funds for that same effort and we are looking for County match to match funds for this project. We are currently in the process of processing a design contract for this project. Pu'uopae Bridge Replacement this is an existing project, \$34,000 is remaining at one of the three historic bridges in Kapa'a and moving towards final design as we get through the 106 process. Resurfacing of collector roads. This is a line item that we use to go to resurface our collector roads we can use this line item. \$255,000 remaining in there. Speed hump traffic-calming program, the County has this program on a case-by-case basis, when need for traffic-calming arises and it is appropriate to install a speed hump, this is where we get the funding.

Chair Furfaro: We have a question here.

Ms. Yukimura: About the speed hump program. I was going to initiate a change to the Speed Hump Ordinance because it is so limited and we have seen how well the speed tables work at Weke Road leading to Black Pot Beach Park. I think we need flexibility in how we do our traffic-calming. So if it is something Public Works is interested in, I would like to partner in terms of modifying the Ordinance to be more

current with Smart Growth and traffic-calming and modify it to embrace those different possibilities. May I go back to Pu'u'opae?

Chair Furfaro: Yes.

Ms. Yukimura: Is this one lane or two lanes?

Mr. Dill: Existing all three bridges are one lane.

Ms. Yukimura: The design for repair is to keep it one lane?

Mr. Dill: We have made that determination for Kapahi. For Pu'u'opae and Opaekaa we have not made the official determination yet. I hope to be finalized design next fiscal year. We are requesting construction funds in Fiscal Year 2015 for the other two bridges.

Chair Furfaro: Mr. Bynum?

Mr. Bynum: I think I heard we are going to have a bridge item on a future agenda. So I have been saving my questions, but I do have one. My read of this narrative was that when you did the bridge inspections, Opaekaa was not as strong a concern as Puuopae? So Opaekaa can wait a little longer.

Mr. Dill: The only thing that I can say for sure is that Kapahi was rated the worst of the three. I cannot remember about the others.

Mr. Bynum: I will wait for that posting for a lengthier discussion.

Mr. Dill: Okay. Top of page 23. Hanapēpē-Waimea Levee Erosion Control, we have a small amount of funds towards the grassing/irrigation work. Hanapēpē Pedestrian Walkway that is a little bit of funding that we are using towards the previously mentioned project. Kamalu Bridge Stream Erosion, this is a previously mentioned project. The Kapa'a Fire Station. We are pretty much waiting the LEED Certification. Actually it is the Kaiākea Fire Station.

Chair Furfaro: Mr. Bynum has a question.

Mr. Bynum: Kamalu Bridge that is the one-lane bridge? The only bridge I know of on Kamalu.

Mr. Tabata: Yes.

Mr. Dill: Kōloa Improvements. This is a 90/10 match on the Federal highways. So this represents our 10% match, 90% Federal Highway funds. Moana Kai Seawall. Piikoi Retrofit. Is this closed? We are working on final payment. Page 24 the top of 25, this lists all the FEMA projects as a result of the March storm last year, when we came to Council and requested funding to initiate that work. So I am not going to go through those.

Chair Furfaro: Just tell me how are we reading this? Are we reading the balances as referencing what are going to be our reimbursements? How are we reading this?

Mr. Dill: These are the 25%, right? These are the 25%.

Chair Furfaro: So if I reconcile this to a money bill I should come out to these numbers?

Mr. Dill: Correct.

Chair Furfaro: We can go through the FEMA page, there is nothing.

Mr. Dill: We are *pau*.

Chair Furfaro: Okay, let me just make a footnote for everyone. We have moved the CIPs for the following: Parks, Planning, IT, Economic Development, Housing, and Transportation to start on the extra day that was put in the schedule at 9:00 a.m. on April 16th. Okay? Is that correct? We have Planning in the afternoon? We are not finished yet. We are not adjourned. Planning is 9-12. And so this will be 1:00-4:30, okay? Before we end I am going to ask the Mayor if he wants to come up and say something?

Mayor Carvalho: Just quickly. First of all, Council Chair, thank you very much and for the healthy discussion today. I just wanted to focus on the CIP program and just a little history and acknowledge some people. And you are correct, Councilmember Bynum, when we started to discuss how we are going to better manage CIP period, knowing the many challenges and the different projects that we have had on the table, I said to our team members at that time, that I wanted every project to have a story. So that when somebody asks about any project, they would know what is the objective? What is the goal? What is timeline? What is the cost? How far into construction are we? Is it just design-build first? How far? What is the reality of every single project that we have, every single project? So that was the first thing and then secondly, find out how we can manage and get to a place that we can share information and that was the second thing. And so whether it is enhance the PID, Project Identification Document, that is what it was at that time. And I wanted to acknowledge Tommy Contrades and acknowledge Joe Blevins and I wanted to acknowledge Ed Renaud and of course Ken Teshima. Those are the guys at the beginning who took it in the beginning and things shifted around and new teams members added on the other pieces, whether it is tying it into the fiscal system, tying it into IT and making sure that we the right software and making it come to life. So there were many different parts that started from one place and now we are here today discussing it. I believe it is still a work in progress, in process, if I may and I know you folks being a Department Head once upon a time sometimes you do not want to give too much information and my message is that we want to give as much information as we can to we get to the place that the information is flowing back and forth and on your side of the table, you are being questioned on how are the projects being managed and, by the way, your staff is awesome.

There are so many things that you folks do that they are working closely with our staff and our team members and I wanted to point out that CIP in general is such a big, big part, just one part of all the other stuff that we have to manage. So with the team members in place and work collectively, I think each project has a story and we will continue to

develop the story together, so in the end we will develop the foundation, if it is going to happen and God forbid if we are here or not, it will continue because we have built a solid base and we have imbedded it already and moved forward. That is all I wanted to say in the CIP part. I know there is much more coming forward and much more discussion and we may disagree or not, but be assured until today, I have talked to a lot of ours who...I will not use the word "afraid," but at least being open and talking about it and there will come a time that we disagree and that is okay and we move on and make adjustments and we move on again. So that is all. Thank you so much. I look forward to more discussion. *Mahalo*. Thank you.

Chair Furfaro: Thank you for being here today, Mayor and I just want to remind everybody, we are going to recess until Thursday, 9:00 a.m. Remember, Thursday, we started this last year, we are going to focus on revenues for Thursday, okay? On that note, I would like to recess this meeting, and tomorrow we have a regular Council Committee meeting. We are in recess until Thursday, 9:00 a.m.

There being no objections, the Committee recessed at 4:46 p.m.