

## MINUTES

### **PUBLIC WORKS / PARKS & RECREATION COMMITTEE**

July 5, 2018

A meeting of the Public Works / Parks & Recreation Committee of the Council of the County of Kaua'i, State of Hawai'i, was called to order by Arryl Kaneshiro, Vice Chair, at the Council Chambers, 4396 Rice Street, Suite 201, Līhu'e, Kaua'i, on Thursday, July 5, 2018, at 8:49 a.m., after which the following Members answered the call of the roll:

Honorable Arthur Brun  
Honorable Mason K. Chock  
Honorable Arryl Kaneshiro  
Honorable JoAnn A. Yukimura  
Honorable Ross Kagawa (*present at 9:55 a.m.*)  
Honorable Derek S.K. Kawakami, Ex-Officio Member  
Honorable Mel Rapozo, Ex-Officio Member

Minutes of the June 20, 2018 Public Works / Parks & Recreation Committee Meeting.

Upon motion duly made by Councilmember Chock, seconded by Councilmember Brun, and carried by a vote of 4:0:1 (*Committee Chair Kagawa was excused*), the Minutes of the June 20, 2018 Public Works / Parks & Recreation Committee Meeting was approved.

The Committee proceeded on its agenda item, as shown in the following Committee Report, which is incorporated herein by reference:

**CR-PWPR 2018-07:** on PWPR 2018-06      Communication (06/26/2018) from Committee Chair Kagawa, requesting the presence of the Director of Parks & Recreation and the Acting County Engineer, to provide a briefing on the status of repairs to Black Pot Beach Park and the roads leading up to Black Pot Beach Park. **(Received for the Record.)**

(Note: Councilmember Kaneshiro, the Presiding Officer, relinquished Chairmanship to Committee Chair Kagawa during discussion on PWPR 2018-06.)

(Note: The Committee was in recess from 10:21 a.m. to 10:32 a.m. for a caption break.)

Bill No. 2612      A BILL FOR AN ORDINANCE TO AMEND CHAPTER 14, KAUAI COUNTY CODE 1987, AS AMENDED, RELATING TO THE PLUMBING CODE (This item was Deferred to the October 17, 2018 Committee Meeting.)

Committee Chair Kagawa:      Can I have a motion to receive to discuss this Bill?

Councilmember Kaneshiro moved to receive Bill No. 2612 for the record, seconded by Councilmember Chock.

Committee Chair Kagawa:      It has been moved and seconded to receive. I will suspend the rules, and Doug, can you come up?

There being no objections, the rules were suspended.

Committee Chair Kagawa:      Doug, I just got off the phone with Tracy Tanouye from the Plumbers & Fitters UA Local Union 675 (Plumbers Union) in Honolulu. He has some issues with the current Bill, Bill No. 2612, and asked for a deferral until October 17, 2018. He hopes that he will have the amendments for this Council, not the next Council, to pass. He will have suggested amendments and as soon as we receive those amendments, I am going to forward it to you so that you have ample time by the next Committee Meeting.

DOUGLAS HAIGH, Chief of Buildings:      Thank you. Doug Haigh, Department of Public Works, Building Division. I am very familiar with the plumbing subcontractors' concerns. I am ninety percent (90%) sure it is related to the International Plumbing Code issue. In the document I sent you folks, I believe—oh, shoot. It was early this year or late last year. I kind of outlined the issue there because there are different points of views and it is a controversial section of the Code. I have no problem. I think the issue is out there, and it is going to be a decision on the Council's part on how you want to manage that.

Committee Chair Kagawa:      Well, I think Tracy represents the Plumbers Union, and he said his suggested amendments for the Council is not ready and needed more time.

Mr. Haigh:      Okay.

Committee Chair Kagawa:      That is all. At the end of the day, once we receive the plumbers' comments and we have your response on their comments, I think that is when the Council will make their final decision as far as whose point of view we are going to listen to and move forward. October 17<sup>th</sup>, and hopefully, we will get the response prior, because I would not want to show you the amendment on that day and then have you...

Mr. Haigh:      Okay.

Committee Chair Kagawa: That is the goal. With all of these three (3) Codes, I think as the Committee Chair, I want to see the conclusion to these Codes finished with this Council, because I think it would be unfair to bring a brand-new Council in December and put in time that we have already spent. Hopefully, we can “bang out” these amendments. Again, for this Code, the motion is to defer to October 17<sup>th</sup>. I am going to release you folks now. Do you have any more comments on the Plumbing Code?

Mr. Haigh: No.

Committee Chair Kagawa: Thank you. Before we take the motion, is there anyone from the public wishing to speak on the Plumbing Code?

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

Councilmember Kaneshiro moved to defer Bill No. 2612 to the October 17, 2018 Committee Meeting, seconded by Councilmember Brun, and unanimously carried.

Committee Chair Kagawa: Motion carried. Next item, please.

The Committee proceeded on its agenda item, as shown in the following Committee Report, which is incorporated herein by reference:

**CR-PWPR 2018-08: on Bill No. 2613**

**A BILL FOR AN ORDINANCE TO AMEND CHAPTER 13 OF THE KAUAI COUNTY CODE 1987, AS AMENDED, RELATING TO THE ELECTRICAL CODE (Received for the Record.)**

Bill No. 2710, Draft 1

**A BILL FOR AN ORDINANCE AMENDING CHAPTER 12, ARTICLE 6, KAUAI COUNTY CODE 1987, AS AMENDED, RELATING TO THE ENERGY CODE (This item was Deferred to the August 1, 2018 Committee Meeting.)**

Councilmember Yukimura moved to approve Bill No. 2710, Draft 1, seconded by Councilmember Kaneshiro.

Committee Chair Kagawa: It has been moved and seconded to approve. Again, we are going to defer to this Code to August 1<sup>st</sup> and hopefully, we can get some of the feedback from the Building Division as far as the questions that Contractors Association of Kaua'i (CAK) had presented and questions related to a listing of significant changes, line items, as well as a cost breakdown for each as far as what the impact of labor and material costs are for each one. Hopefully, when CAK gets to see it, they can reflect as far as their favorable or unfavorable approvals on each item.

Again, hopefully we can just be transparent and work with our local industry to make sure that we get the best-suited Bill for our County. Councilmember Yukimura.

Councilmember Yukimura: Could we have Doug come up?

Committee Chair Kagawa: Yes, sure. The rules are suspended. Doug and Leo.

There being no objections, the rules were suspended.

Mr. Haigh: Doug Haigh, Department of Public Works.

Councilmember Yukimura: Do you want to give your name, too?

LEOLYNNE ESCALONA, Supervising Building Inspector: Good morning. Leolynne Escalona, Code Enforcement Officer.

Councilmember Yukimura: Thank you. Do you have the costs for this Code?

Mr. Haigh: Okay. When we presented the Energy Code, we provided the key changes that we foresaw and also provided a document of a cost analysis that was done for Department of Business, Economic Development & Tourism (DBEDT). It had the cost of what it would cost for a typical residential structure.

Councilmember Yukimura: Can you recall what that was?

Mr. Haigh: I believe the costs—I would have to go back and look at it. I think it was four thousand dollars (\$4,000), maybe, is what I was looking at, but there is a savings in energy. I believe it was four thousand five hundred dollars (\$4,500). That is a vague memory that I have.

Councilmember Yukimura: I am looking at the cost-effectiveness analysis of residential provisions.

Mr. Haigh: Correct.

Councilmember Yukimura: I see a lifecycle cost-savings of twelve thousand six hundred dollars (\$12,600). Is this savings?

Mr. Haigh: That is correct.

Councilmember Yukimura: And a payback period of four point three (4.3) years, which is really good.

Mr. Haigh: Yes.

Councilmember Yukimura: Net annual consumer cash flow in Year 1, can you explain that?

Mr. Haigh: Okay.

Councilmember Yukimura: It says seven hundred forty seven dollars (\$747).

Mr. Haigh: I am not sure. But if you dig deeper in that document, they do list what the added cost is.

Councilmember Yukimura: Okay. Consumer cash flow, net annual cost outlay, which is the difference between the annual energy savings and the increased annual costs for mortgage payments.

Mr. Haigh: Okay.

Councilmember Yukimura: Is this for new construction?

Mr. Haigh: Correct.

Councilmember Yukimura: Right. So, do they assume that it is part of a thirty (30) year mortgage?

Mr. Haigh: Correct.

Councilmember Yukimura: And amortized thereby. In the first year, there is an energy savings of one thousand ninety-seven dollars and thirty-one cents (\$1,097.31), which is a twenty-one percent (21%) annual energy costs savings. Actually, in the first year, you are already getting a savings rather than a cost. Well, twenty-one percent (21%) of the cost is being saved. So, over four (4) years, you are getting a payback of the whole thing, right?

Mr. Haigh: That is correct. That is what the study found.

Councilmember Yukimura: Okay. Is your recollection that it was about a four thousand dollar (\$4,000) cost upfront?

Mr. Haigh: It is in that document.

Councilmember Yukimura: Okay. Do you want to look at it? On a thirty (30) year mortgage, it would be much less than four thousand dollars (\$4,000), right?

Mr. Haigh: It was on page 9.

Councilmember Yukimura: Oh, I am sorry.

Mr. Haigh: Where they had the incremental construction cost, and they say that your typical slab construction is four thousand three hundred dollars (\$4,300).

Councilmember Yukimura: Okay. Thank you. We actually have all of the answers. They have been disclosed at the beginning, you have detailed all of the changes, and then you told us what the upfront costs would be.

Mr. Haigh: We provided the information in this analysis. I have not seen the letter with the questions, so I do not know exactly how they are phrased, and if that might affect it in how the information is presented.

Councilmember Yukimura: Okay.

Committee Chair Kagawa: Maybe I can help. The presentation did not show the itemized changes. For itemized changes that myself, Council Chair Rapozo, and Karen we looking at, we identified a lot of things that were missing in the presentation, which to us as lay people, looked significant and they were not broken out as far as how much that change would cost with labor and materials. It was a general total Code change that would cost four thousand five hundred dollars (\$4,500) or whatever, and the savings would be twelve thousand dollars (\$12,000) or whatever. What we are asking for is a little more detail, and hopefully, they can come up with it as soon as possible.

Councilmember Yukimura: Is that something you can do? I guess what I understand is being asked for, is a per house cost.

Mr. Haigh: Okay. We will do our best to get the best answers that we can get, and we will use whatever resources we can find to help us get that, but my passion is for Black Pot Beach Park.

Committee Chair Kagawa: Yes, within reason. We want to try and see if we can get as much information that CAK has asked for. CAK is not enemy. They are trying to be a good partner with our local residents in making sure that we do not add to our affordable housing problem. I think their partnership is really appreciated by me, for one, and I just want to get it right. It is not to create big fights or whatever. It is to get it right. Let us get it right as best as we can. More information is never a bad thing.

Mr. Haigh: I would just like to add that we appreciate specific questions because then we can provide the answers.

Committee Chair Kagawa: Thank you. Council Chair Rapozo, do you have anything? Seeing none...

Councilmember Yukimura: Thank you.

Committee Chair Kagawa: Thank you, Doug and Leo.

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

Committee Chair Kagawa: With that, like I said, I hope that as Committee Chair, that I will fulfill my duty and make sure that I do not pass all of this work that we and the staff has done, to a brand-new Council because I believe that would be totally unfair and a waste of past time. With that, Councilmember Yukimura.

Councilmember Yukimura: We did have a public hearing on this already, right?

Committee Chair Kagawa: This is good. We are good.

Councilmember Yukimura: And we deferred it once?

Committee Chair Kagawa: Yes.

Councilmember Yukimura: So, this would be the second deferral?

Committee Chair Kagawa: Yes.

Councilmember Yukimura: And the proposal is to defer to August 1<sup>st</sup>. Okay. Are we in discussion then, Committee Chair Kagawa?

Committee Chair Kagawa: Yes, you may go ahead.

Councilmember Yukimura: Thank you. I will not object to a second deferral. I do not want what happened to the Electrical and Plumbing Codes to happen to this particular Energy Code, because actually what it is showing, is that there is going to be savings rather than costs, that if people install these required changes, that in the first year, they will be saving one thousand dollars (\$1,000) because they are more energy-efficient. Over the lifecycle of these different, more energy-efficient applications, is going to be a twelve thousand dollar (\$12,000) savings for our families. So, that is really significant. We are really talking about savings, not costs. The more we put this off, people will build houses without these requirements and therefore, not get these savings. The longer we defer it, we are denying them the opportunity for these savings. Then, also included among the materials that came from the Department of Public Works, Building Division, is the Hawai'i Energy testimony, Department of Accounting and General Services (DAGS). They are projecting annual savings, collectively, if the whole state were to adopt this, that in the first year, there would be megawatt hours per year of twelve thousand nine hundred (12,900) to the tune of four million dollars (\$4,000,000) in savings. Then by the year 2036, there would be an annual saving megawatt hours per year of four

million seven hundred thousand (4,700,000) to the tune of cost-savings of one billion four million dollars (\$1,400,000,000) a year that we are keeping here in our State, rather than paying fuel costs that goes outside. It is a huge sustainability measure and I personally do not want to hold it off for a long time. I will be voting for this next deferral, but not after that.

Committee Chair Kagawa: Is there any further discussion? I want to totally disagree with what you just said. The homeowner can do it voluntarily whenever they want to. Not passing this Code does not prevent anyone from being safer, more savings, a better saver, or anything. You can do it. You can do whatever you want in this Code here, right now. Just do it. Like Nike, "Just Do It." You can do it. It is not a problem to just do it. What this Code does is it forces people to do it. There is no other County in the State right now that is forcing their residents to do it, but in every County in the State, you can just do it. So, there is a big difference. Forcing you to do it or just doing it, there is a big difference. Like I said, I hope that our due diligence will provide for a solid bill that we can all be proud of, rather than just relying on numbers. You can read anything. I can read things on the internet and this and that. Like I said, when the Contractors Association has concerns, I have concerns. I want to work with them and come up with a good solution rather than just being a layperson, forcing them to do something and forcing the residents do something without getting all of the information before me. That is how I operate. Councilmember Yukimura.

Councilmember Yukimura: People can do it if they know about it, but how many people know about it? What this Bill does when it becomes law is it actually educates, but it does not just educate. It is also something that is going to benefit the community at-large, because they are going to save money and we are going to save energy and will not be using that much in fossil fuels. We have supported all of these various renewable energy projects around our island, and this is the same thing. This is a source of energy that we are freeing up because we are not wasting it by using the proper energy-saving applications. This is something that if we delay, as Doug has said, it is going into effect in two (2) years even if we do not pass it, but all we are doing is delaying savings for our people.

Committee Chair Kagawa: Is there any further discussion? I am speechless. With that, all those in favor of—can we have a motion now?

Councilmember Kaneshiro moved to defer Bill No. 2710, Draft 1 to the August 1, 2018 Committee Meeting, seconded by Councilmember Brun, and unanimously carried.

Committee Chair Kagawa: Motion carried. Seeing no further business, the Public Works / Parks & Recreation Committee is adjourned.

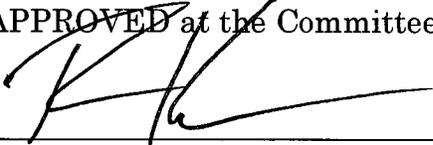
There being no further business, the meeting was adjourned at 11:15 a.m.

Respectfully submitted,



Allison S. Arakaki  
Council Services Assistant I

APPROVED at the Committee Meeting held on July 18, 2018:



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ROSS KAGAWA  
Chair, PWPR Committee