

PUBLIC HEARING

APRIL 25, 2018

A public hearing of the Council of the County of Kaua'i was called to order by Arryl Kaneshiro, Chair, Budget & Finance Committee, on Wednesday, April 25, 2018, at 1:34 p.m., at the Council Chambers, 4396 Rice Street, Suite 201, Historic County Building, Līhu'e, and the presence of the following was noted:

Honorable Arthur Brun  
Honorable Mason K. Chock (*present at 2:00 p.m.*)  
Honorable Arryl Kaneshiro  
Honorable Derek S.K. Kawakami  
Honorable JoAnn A. Yukimura  
Honorable Mel Rapozo

Excused: Honorable Ross Kagawa

The Clerk read the notice of the public hearing on the following:

“Bill No. 2703 – A BILL FOR AN ORDINANCE AMENDING CHAPTER 23, KAUA'I COUNTY CODE 1987, AS AMENDED, RELATING TO TAXICABS,”

which was ordered to print by the Council of the County of Kaua'i on March 28, 2018, and published in The Garden Island newspaper on April 5, 2018.

The following communications were received for the record:

1. Di Silvestri, Greg, dated April 24, 2018
2. Kubota, Debbie, dated March 30, 2018

The hearing proceeded as follows:

SCOTT K. SATO, Deputy County Clerk: We received two (2) pieces of written testimony: one (1) in opposition and one (1) providing comments. We have five (5) registered speakers. The first speaker is Dino Mikhal, followed by Carol Jameson.

Committee Chair Kaneshiro: Dino. This is public testimony. It is your turn to tell us what you think about the Bill. There is not going to be back and forth with the Council. The back and forth will go when we get into Committee. Have a seat. Push the button right in the front of that mic. Dino, you will state your name for the record. That light will go on and turn green. When it turns yellow, that means you have thirty (30) seconds left and when it turns red, that means your time is up. You will have two (2) three-minute testimonies, but you get the first three (3) minutes and

take everybody's first time around. If you need three (3) more, then you can come back.

DINO MIKHAL: Dino Mikhal. Unfortunately, we do have divisions and different groups that are proposing a different set of rules, fares, and so on. We are trying to compromise and get to the best for everybody. We did propose for the airports due to waiting time and fees. A fee of twenty dollars (\$20), which will entitle passengers to the same of Rate 1, which is three dollars (\$3) a mile. Some people did not like it. They rather have three dollars and fifty cents (\$3.50) per mile than keeping the rate. We do request an increase on the luggage from forty cents (\$0.40) to one dollar (\$1). That is about it.

Committee Chair Kaneshiro: Okay. Thank you.

Mr. Sato: The next speaker is Carol Jameson, representing the Kaua'i Taxi Company, followed by Janice Smolenski.

CAROL JAMESON: Good afternoon. My name is Carol Jameson. I am the owner of Kaua'i Taxi Company. I have been in the taxi business for the last thirty (30) years on Kaua'i. I was part of the team that made the original taxi ordinance for the County of Kaua'i, way back when. I have always supported most changes in the ordinance to benefit the industry, and right now, our industry is changing. With the opening up of the internet, people can now drive their personal cars, doing our same business, doing a taxi business, without legal licensing or registration or any kind of registration with the County or the State, using an application called "Uber" and "Lyft," which has caused competition directly with taxis. However, we are bound by ordinances, rates, fees, insurance, and licensing, when these people in their personal vehicles are not required to do so. So at this time, I am against any kind of increase including this twenty dollar (\$20) flat fee from the airport. For one, it is just not worded correctly and it leaves a gray area, whether that means twenty dollars (\$20) for the whole day. Does it mean twenty dollars (\$20) to Walmart? Does it mean twenty dollars (\$20) per mile? It is not written correctly. I really do not think it would be a good thing for the people working in the airport. I do not agree with that. I would like to see us get together and make a cleaner ordinance that maybe addresses some of these issues of people doing our same business without licensing and/or working on some rates that might appease everyone in the industry, not just one. This was actually proposed without my knowledge and I found out about it through the newspaper, so I was quite upset when I did hear about it because I think it definitely needs more input from owners of taxi companies, not just drivers. I think it is important that we all get together and try to work on this.

Committee Chair Kaneshiro: Question?

Councilmember Yukimura: Yes. You said that you oppose all increases, so does that include the baggage and the surfboards?

Ms. Jameson: No, actually, I do not have a problem with that. That is fine.

Councilmember Yukimura: Okay. So it is the twenty dollars (\$20) that really bothers you?

Ms. Jameson: Yes. It is too much and it is vague, it is not accurate, and does not give an area or how long that is good for. It is kind of just not worded right if it was to be presented the way it is.

Councilmember Yukimura: Okay. Thank you.

Ms. Jameson: Okay. Thank you.

Mr. Sato: The next speaker is Janice Smolenski, representing North Shore Cab, followed by Asha Shiira.

JANICE SMOLENSKI: Janice Smolenski, for the record. I am here to support the rate hike; however, I am totally against the twenty dollar (\$20) optional ride out of the airport, because having it be "optional"—so you are going to charge some people the twenty dollars (\$20) and sometimes you are not? It all needs to be in black and white. I do not believe you can have an optional charge. What if two (2) people get together and say, "Yes, we both took a taxi from the airport to the Garden Island Inn. My cab ride was only ten dollars (\$10)." "Mine was twenty dollars (\$20). Why was that?" Something sounds fishy there. Also, along with Carol, I did not hear any of this until I woke up at 2:30 one morning and rolled over and saw that there was going to be a meeting. I did not know anything about this. It is better if we are all on the same page. Again, one thing I have to say about all of these vehicles that are running like Uber and Lyft is not only do you have that going on, but then you have people that are just running illegally, too. Since there is no real control over that, then you create this whole third avenue of illegal people driving around, trying to be taxis or trying to be Uber. They might tell their Uber people, "Do not call Uber, just call me and I will come and get you." That breathes a lot of that kind of illegal activity. Not very often is there ever luggage, possibly a surfboard that gets put outside the vehicle. I do not really care about that. As far as the twenty dollars (\$20), it has to be one way or the other. It cannot be "wishy-washy." It is not fair to the riding public. That is all I have to say. Thank you.

Committee Chair Kaneshiro: Thank you.

Mr. Sato: The next speaker is Asha Shiira, representing Kaua'i Taxi Company, followed by Ernest Andaya.

ASHA SHIIRA: Good afternoon. My name is Asha Shiira. I am the daughter of Carol Jameson with Kaua'i Taxi Company. I am here to just state my opinion on this current bill that is being proposed, as I have been driving for over ten (10) years. I have seen a lot of things happen in this industry. I do agree with them in what is going on with Uber and Lyft. They have presented another factor here on our island that was never a factor before and they have changed things a lot, not to our benefit. I feel that at this time, because they do not have regulation and there is nothing controlling that aspect of this, that I am not in support with this Bill

that is being proposed just because of that. I feel that it will be detrimental to our company, as well as others, to be charging more than we are currently charging now. I already get customer complaints that we are charging too much because they have taken an Uber for half the price. With that said, I do not support the twenty dollar (\$20) airport fee and I do not support the increase in the drop fee or the increase in the mileage. I do however agree with them that there can be an airport fee. I think some of us have agreed that that could be created without too much of a negative effect on us. I do support the five dollar (\$5) optional airport fee on the side, how we talked about. I do not know if Councilmember Yukimura proposed a bill, but...

Council Chair Rapozo:                      Committee Chair, can I ask a question?

Committee Chair Kaneshiro:              Council Chair.

Council Chair Rapozo:                      I do not know what five dollar (\$5) fee you are talking about.

Ms. Shiira:                                      Okay. We had a meeting with some of us, not all of us, with about ten (10) people in the room, that compromised that day because we all have very different views. So we agreed between us not to have the twenty dollar (\$20) optional airport fee, but to create a separate fee of five dollars (\$5) that could be charged from the airport as an optional charge, like how we do with surfboards and bicycles.

Council Chair Rapozo:                      So instead of the twenty dollars (\$20), it would be five dollars (\$5)?

Ms. Shiira:                                      Right. It would kind of give us room to charge accurately. If we say twenty dollars (\$20) from the airport to Līhu'e, some customers go from the airport to Kmart to buy milk, then they continue on to Po'ipū. So right now, the fare from the airport to Po'ipū is fifty dollars (\$50). With that increase of twenty dollars (\$20)...it just leaves a lot of gray area and would bring it up to seventy dollars (\$70). This way, it would be a flat rate of five dollars (\$5) that could be added from the airport and then continue on per mile, if that makes sense.

Council Chair Rapozo:                      This is the first I have heard of that.

Ms. Shiira:                                      Yes.

Council Chair Rapozo:                      I did not know about your meeting, so I was not sure where that came from.

Ms. Shiira:                                      It was just something that we kind of agreed upon because we all had mixed feelings in the room.

Council Chair Rapozo:                      Okay. Did you meet with just your taxi people?

Ms. Shiira: There was about ten (10) people in the room, Councilmember Yukimura was with us as well...I think we have a name list of the people that were there.

Council Chair Rapozo: Okay. This is the first that I have heard about a five dollar (\$5) option.

Ms. Shiira: Yes, it is something that we kind of created on the spot honestly, it was not something that was written.

Council Chair Rapozo: Okay. Thank you.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: Thank you, Asha. So you do not support the present bill because the twenty dollars (\$20), you think, would make you very uncompetitive with Uber and Lyft?

Ms. Shiira: Very much so.

Councilmember Yukimura: I think you and the group were thinking that five dollars (\$5) instead of twenty dollars (\$20) might work.

Ms. Shiira: Five dollars (\$5) on top of the current fair, yes, as an optional fee.

Councilmember Yukimura: So you would start with the three dollar (\$3) initial meter actuation and a five dollar (\$5) optional, meaning people can charge or not charge.

Ms. Shiira: Only from the airport, yes.

Councilmember Yukimura: Only from the airport?

Ms. Shiira: Yes, not as an additional charge from any destination. It would just be a specific from the airport fee.

Councilmember Yukimura: Okay. Thank you for the clarification.

Ms. Shiira: Thank you.

Committee Chair Kaneshiro: Thank you.

Mr. Sato: The next speaker is Ernest Andaya, representing City Cab, followed by Matthew L. Miner.

ERNEST ANDAYA: Hi, good afternoon everybody. My name is Ernest Andaya, for the record. I represent City Cab and I guess I am the oldest one in business as far as taxis. As of this year, I have been doing this for forty-six (46)

years now. Yes, it is nice that we all come together here and hope for a good outcome. We also had proposals. I talked to a few of you a few times and my proposal at the time, but it was not at the first meeting. At the moment, we have another proposal...too late, but hopefully...anyway, all these years, we have come and see the Council for a raise for taxi rates and we are so pleased about it. It is very nice...all of the County Council people give us the raise we ask for. In fact, the first time I have been here, we doubled the rates and it was approved. This year, it is only seven dollars and fifty cents (\$7.50), going from here to the airport. We ask for fifteen dollars (\$15) and we got it. We have some problems that we are afraid of, like different companies coming out and stuff like that. But we have survived all these times. At this time, we have a different type of competitions at the moment, but I guess we can survive again this time. Raising the rate, I believe...it is not really hard to come to that. As of now, for that twenty dollars (\$20) they are talking about, I totally disagree on that, for the fact that that would be unfair for people taking taxis from the airport, just going to the hospital, and then you charge...there is people that is taking the taxi from the airport and going farther and it is still twenty dollars (\$20). I feel that is not fair, especially for the older people. I have older people that I service. I have sick people just going to Honolulu for all this kind of stuff. I feel that is not fair.

Committee Chair Kaneshiro: Ernest, I am going to have to stop you right here, let other people testify, and then you can come back for another three (3) minutes.

Mr. Andaya: Sure.

Councilmember Yukimura: Can I ask him a clarifying question?

Committee Chair Kaneshiro: Can you save it until he comes back? He might say more stuff that you might have more questions on.

Councilmember Yukimura: Okay.

Mr. Andaya: Thank you.

Mr. Sato: Our last registered speaker is Matthew L. Miner, representing South Shore Taxi.

MATTHEW L. MINER: My name is Matthew L. Miner, for the record. I drive for South Shore Taxi. I have only driven for about four (4) years. The only thing I really wanted to weigh-in on is if you look in each of our taxi cabs, prominently displayed is a rate sheet that says the last time the rates were adjusted were September 1, 2006. That is about twelve (12) years ago. I just "for-fun" googled...you can all google this because it is all public information, but a Big Mac was one dollar and sixty-nine cents (\$1.69) in 2006. A one-pound box of spaghetti at Walmart was sixty-nine cents (\$0.69). Today, a Big Mac is three dollars and seventy-nine cents (\$3.79) and a one-pound box of spaghetti is one dollar and eighty-nine cents (\$1.89). Our taxi rates have stayed the same. The rates on your parking have doubled in that period of time. The rates on gasoline, insurance, and the cost of taxi cabs have more

than doubled. Carol and several of the people here talking today do not operate at the airport. They are basically off airport. Each month, we pay one hundred fifty dollars (\$150) to get a little sticker that allows us to be in the cue at the airport to pick up rides. The reason that people are not really too upset about this twenty dollar (\$20) thing is that we are being gamed, and the companies that are gaming us are Island Cars, Enterprise Rental Car, and Tip Top Motel, because what they are doing is they are saying, "Just get a cab, come over to Island Cars," and then Island Cars does not have to have a van to shuttle pick-up and drop-off. So we are waiting an hour and a half (1.5) or two (2) hours or three (3) hours in the cue and then getting a seven dollar and eighty cents (\$7.80) run to Island Cars or an eight dollar and ten cent (\$8.10) run to Tip Top. Then we get back in the cue and wait another two (2) or three (3) hours and it is an Enterprise Rental Car next to Kentucky Fried Chicken, which is a nine dollar and twenty cent (\$9.20) cab fare. So what happens is if you are getting a "St. Regis" for one hundred dollars (\$100) or "Po'ipū" for sixty dollars (\$60), then you are having a pretty good day. But you get three (3) or four (4) "Tip Tops" or two (2) or three (3) "Enterprise" or two (2) or three (3) "Island Cars," which is only a recent phenomenon, that is only maybe in the last year or two that we have been gamed so badly by these local businesses. That is where, in my belief, if we made it even higher, maybe twenty-five dollars (\$25) to thirty dollars (\$30) initial fare out of the airport, that is not going to affect anybody going to Po'ipū or to the St. Regis, but it is going to force Island Cars and Enterprise to get a shuttle van, pay the fees, and get the permits and pay the stickers to go into the airport, just like Hertz, Avis, Alamo, and everybody else. So the way I really want you to look at this is what industry in the last twelve (12) years has not had any increase in their fee structure? Your property taxes? Your sales taxes? I cannot think of a single thing. Thank you.

Councilmember Yukimura: I have a question.

Committee Chair Kaneshiro: Councilmember Yukimura.

Councilmember Yukimura: Thank you. I think you have told the story very well in terms of what reality is, but I think the concern is that because there are these other factors of Uber and others that the twenty dollars (\$20) will hurt in making the taxis non-competitive, so can you explain how you think it would actually work in that context?

Mr. Miner: I think what it would do, Councilmember Yukimura, is it would elongate the time we have to work, because if you listen to the Chairman of Mercedes Benz, he says that we are all going to be out of a job within two (2) years within driverless cars. So in the meantime, if you go over to the taxi stand on any day and you pull in where the little taxi cue line is and you look at the taxi drivers...there is Ernest and there is Francisco...there is about fifteen (15) other guys over the age of seventy (70). So where are the twenty-five year-olds, thirty-five year-olds, and forty-five year-olds? They cannot do it; they are not making a living. Now, if you are retired and you have pensions and you own a home and you are a landlord, you can do it. As far as some sort of a living wage, when you factor in the fees that you are paying to the airport simply to be there...

Councilmember Yukimura: Which is you said one hundred eighty dollars (\$180)...

Mr. Miner: One hundred fifty dollars (\$150) per month, one thousand eight hundred dollars (\$1,800) per year. For me, I am looking at it and I am thinking to myself that I probably will not buy one for May because it is just not penciling out and does not make sense for me to go there anymore. That is why I say to myself if they do not enter these raises into the equation, it is just too much of a crapshoot that I am going to go there and get an "Island Car," an "Enterprise," or a "Tip Top" and have a seven dollar (\$7) or eight dollar (\$8) cab fare for two (2) or three (3) hours of time. That works out to about three dollars (\$3) an hour for an hourly rate.

Committee Chair Kaneshiro: Okay. Thank you. Anyone else wishing to testify for the first time?

STEVE CARVALHO: My name is Steve Carvalho and I work for Steve's Taxi, my own company. Coming to the twenty dollar (\$20) thing, we have all kind of discussed it and we agreed that that twenty dollar (\$20) fee might be a little too much. So we did have a couple of meetings and one was with Councilmember Yukimura, and we kind of decreased it because we figure that twenty dollars (\$20) is too much, so we decided that maybe five dollars (\$5) or seven dollars (\$7), which is almost half of the twenty dollars (\$20), which I think is more reasonable. Hopefully, everybody can agree upon that little fee for Lihu'e instead of twenty dollars (\$20), either five dollars (\$5) or seven dollars (\$7) and that is like cutting it in half, which is probably more reasonable for everybody and more affordable for the community. The business has changed. Uber has come in and a lot of different competitions, internets, and things like that, so we need to stay competitive with them. I really think we all can get together and we can all work it out. There is another little proposal that we kind of drew up with Councilmember Yukimura and everybody is going to throw out the twenty dollar (\$20) thing...we do not want that and that is for sure. An airport optional pick-up fee, which would replace that twenty dollars (\$20), like five dollars (\$5) and we do want to keep the five dollar (\$5) fee for the baggage and also the dollar raise for regular bags. With everybody coming together, I am sure that we can work something out and be happy for everybody's raises. The mileage rate of three dollars and seventy-five cents (\$3.75) is what they proposed...three dollars and fifty cents (\$3.50) would be fine...that is nice...it is a little less than three dollars and seventy-five cents (\$3.75), so I believe that a lot of us do not have a problem with that either. That is all I would like to say.

Committee Chair Kaneshiro: Thank you.

Councilmember Yukimura: I have a question. There was some talk about raising the thirty cents (\$0.30) to thirty-five cents (\$0.35) for a tenth mile; are you anywhere on that?

Mr. Carvalho: I agree with that. That is basically waiting time, so if you are in traffic or if somebody actually tells you to wait at a store because



they want to go shopping, you are sitting in the car and that is where that thirty-five cents (\$0.35) would kick in.

Councilmember Yukimura: Right now, it is thirty cents (\$0.30)?

Mr. Carvalho: Right now, it is thirty cents (\$0.30), yes.

Councilmember Yukimura: What is your feeling about that?

Mr. Carvalho: I agree. I would like to have that. I would like to see that put in.

Councilmember Yukimura: Okay. Thank you.

Mr. Carvalho: You are welcome.

Councilmember Kawakami: I have a quick question, Committee Chair.

Committee Chair Kaneshiro: Councilmember Kawakami.

Councilmember Kawakami: Would it be easier for the group in general, just hypothetically, if we just let you control your own destiny and set your own rates? We do not set Uber or Lyft's rates and we do not regulate them, so would it make it an even playing field? We are in direct competition with you because we run the Kaua'i Bus. At this point in time where we are at, does it help if we just let you regulate yourselves on rates? Is this model outdated?

Mr. Carvalho: Yes. I would have to defer that to everybody and all of the owners.

Councilmember Kawakami: Maybe that is the question. Maybe we just consider that you have insurance, that we do a background check, and then let the free market decide.

Mr. Carvalho: If everybody could agree upon it, it would be great.

Councilmember Kawakami: Okay. Thank you, Mr. Chair.

Committee Chair Kaneshiro: Thank you. Anyone else wishing to testify for the first time?

CESAR FABIAN: Good afternoon. My name is Cesar Fabian, Taxi and Tourist Connection operator. As far as the rate is concerned, since September of 2006, on Rate 1, I would like to see an increase...I think we proposed three dollars and fifty cents (\$3.50) on the first drop and thirty-five cents (\$0.35) every tenth of a mile. As far as the twenty dollars (\$20), I am against it. To go back, I do not know if this is proper, but I would like to emphasize why the reason these things come up is because we have Uber and the competition is there. We allow Uber, with

my understanding, correct me if I am wrong, but before we can add a taxi line, we have to meet certain standards, which we created, the numbers of hotels, the numbers of condominiums, population-wise. It affects the transportation industry when we put up the Uber, so all of us are thinking, "What happened?" We allow Uber to sit in, but we do not allow us to add in anything. Uber can put in fifty (50) drivers right away, but us as a taxi, we cannot put in anyone because we have not reached the limit and we have not reached the regulation and the requirements. At that point, we are all coming together with all of these ideas. It is for you to help us in order for us to regulate the rates. We are hurting and it is because we...we go back...maybe we have to revisit the regulations or the requirements before we add up any transportation industry within this small community of Kaua'i. It is a small community and we put all together and everybody is fighting each other. We are all stealing each other and that is not a good environment. I think we want to see an "aloha spirit" to each one of us. When we pick up the people, we smile. I think that is the best thing we should have. Thank you.

Committee Chair Kaneshiro: Okay. Thank you. Anyone else for the first time? Does anyone else want to go for a second time? Mr. Andaya, did you want to continue speaking?

Mr. Andaya: I appreciate it. Yes, all the concerns we have here are about Uber, but that is all part of the business. You do your job, you get your passengers and people, and what I am here for is for all taxi companies on the island. I am not for the airport only. It is the whole island; owners, drivers are affected, so my proposal and some other taxi owners' proposal go on for three dollars and fifty cents (\$3.50) for the initial meter and make thirty-five cents (\$0.35) for one-tenth of a mile and that is all what I believe should be good enough...not even good enough to cover up expenses at this time. If we look at the rate from Honolulu to this, what some owners and drivers proposed, we were still below the rates from Honolulu. So I kindly ask to consider that. For the twenty dollars (\$20), I am not for that at all. That is all I can say. I hope everybody will be benefited. I believe that it is not really a big difference...it might be unnoticeable for the short fares because for one (1) mile, you are only adding thirty-five cents (\$0.35) or something for those ones. It should help us out a lot for all of the taxi drivers/owners. Everything goes up...the cost of vehicles and stuff like that has been going up. I do not believe in the optional kind of stuff, because that is a gray area there. I believe it will become questionable, because if I pick up Councilmember Yukimura and do not put on the five dollars (\$5) and then the next driver who picks up Councilmember Yukimura will put on the five dollars (\$5), then that would be questionable—the passenger is going to ask, "Why did the driver charge me five dollars (\$5)?"

Committee Chair Kaneshiro: Thank you, Mr. Andaya. Your time is up. Councilmember Yukimura, do you have a question?

Councilmember Yukimura: Yes. Ernest, I wanted to ask what your proposal was and I think yours is that you wanted the initial meter actuation to go to three dollars and fifty cents (\$3.50) and the one-tenth mile to thirty cents (\$0.30).

Mr. Andaya: One-tenth of a mile is thirty-five cents (\$0.35).

Councilmember Yukimura: Okay, yes. So you are against any optional fee, whether it is twenty dollars (\$20) or five dollars (\$5)?

Mr. Andaya: Five dollars (\$5).

Councilmember Yukimura: Okay. I think what you and all of the cab drivers would like is some level playing field so that we require at least insurance and background checks and some kind of regulatory fee on Uber drivers.

Mr. Andaya: Background check, yes.

Councilmember Yukimura: Background check and insurance?

Mr. Andaya: Everybody knows that there were some incidents before that the driver did not have insurance and the family that was involved with this could not get anything out of...also, it is to protect the owners of the vehicles because some lose everything they are involved in a big accident.

Councilmember Yukimura: Okay.

Mr. Andaya: That is part of the worries of users for transportation.

Councilmember Yukimura: Yes, it could become a public safety issue.

Mr. Andaya: Yes.

Councilmember Yukimura: Thank you.

Mr. Andaya: Thank you.

Committee Chair Kaneshiro: Thank you. Becky.

BECKY SIQUIAN: Hi, good afternoon everybody. My name is Becky Siquian and I am a co-owner of Līhu'e Taxi. As mentioned, I support the meeting that we had with Councilmember JoAnn Yukimura, amending to create a five dollar (\$5) or seven dollar (\$7) airport fee. Also, I support the increase on the bicycle...the large baggage up to five dollars (\$5). I do not support the three dollars and seventy-five cents (\$3.75) or three dollars and fifty cents (\$3.50) rate per mile due to all of the reasons that were mentioned about all of the competition that we have right now. That is all. Thank you.

Councilmember Yukimura: Thank you.

Committee Chair Kaneshiro: Anyone else for their second time? Steve?

Mr. Carvalho: Steve Carvalho with Steve's Taxi again. There is one thing that I think everybody is confused about regarding the optional

airport fee of twenty dollars (\$20) or five dollars (\$5). Everybody has agreed upon, most of us, five dollars (\$5), and it is not going to be optional. It is going to be permanent for just rides from the airport to certain areas within Līhu‘e. I do not know where the optional came in, but it is not going to be an option; we are going to use that for every customer that comes in. So that is not going to be optional, that is going to be permanent for rides just from the airport to destinations within Līhu‘e.

Councilmember Yukimura: I have a question. I think there was some concern with people like Ernest that their customers, which they have long-term relationships with, who are not like tourists coming to visit, but have these trips to the hospital or doctors from the airports, one way or the other...anyway, short trips that they feel people with fixed incomes cannot afford. So they wanted to option of not charging that. I thought people said that was possible.

Mr. Carvalho: They still have that. They can use Rate 1, so if they wanted to use Rate 1...

Councilmember Yukimura: That is what “optional” means. They do not have to charge it if they do not want to, right?

Mr. Carvalho: Correct.

Councilmember Yukimura: Okay, so that is possible with the meters and all of that?

Mr. Carvalho: Yes, so they could use Rate 1, that particular...if it is a friend or whatever they want to do.

Councilmember Yukimura: Otherwise, they will use Rate 1 plus 2.

Mr. Carvalho: It would be Rate 3...

Councilmember Yukimura: Rate 1 plus Rate 3?

Mr. Carvalho: Correct.

Councilmember Yukimura: That is how you see it working?

Mr. Carvalho: Yes.

Councilmember Yukimura: Okay. Thank you.

Committee Chair Kaneshiro: Anyone else? Second time? If not, I just want to make this statement—I think it would be better if you folks could come to a consensus and come to us, because I think if you leave the decision up to us to make, we are not in the industry and we do not know what the fair market value of rates are. I think you folks understand the competition and everything way better than us, so I would say the more information that you folks can agree on and bring to us, the better, because you do not want to leave it in our hands to decide. I will just make

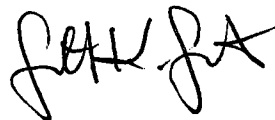
that statement. Personally, I think it would be better if you folks made the decisions and agreed.

Ms. Jameson: I have a question then—do we just get together and write something and propose it to you or are you folks going to help us write it?

Committee Chair Kaneshiro: When you folks come together, you can send us written testimony. We are going to have a Committee Meeting on this on May 9<sup>th</sup> to discuss it more and that is where amendments can come in and that is where we can change what is going on. Any information that comes in prior to May 9<sup>th</sup> will be able to get addressed. With that, this public hearing is now adjourned. Thank you.

There being no further testimony, the public hearing adjourned at 2:13 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "SK SATO". The signature is stylized and cursive.

SCOTT K. SATO  
Deputy County Clerk

:ct

