

PUBLIC HEARING

SEPTEMBER 20, 2017

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, September 20, 2017, at 1:36 p.m., at the Council Chambers, 4396 Rice Street, Suite 201, Historic County Building, Lihue, and the presence of the following was noted:

Honorable Mason K. Chock
Honorable Ross Kagawa
Honorable Arryl Kaneshiro
Honorable Derek S.K. Kawakami (*present at 1:43 p.m.*)
Honorable JoAnn A. Yukimura (*present at 1:41 p.m.*)
Honorable Mel Rapozo

Excused: Honorable Arthur Brun

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

“Bill No. 2665 – A BILL FOR AN ORDINANCE AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE COUNTY OF KAUAI FOR THE PURPOSE OF FINANCING CERTAIN PUBLIC IMPROVEMENTS; FIXING OR AUTHORIZING THE FIXING OF THE FORM, DENOMINATIONS, AND CERTAIN OTHER DETAILS OF SUCH BONDS AND PROVIDING FOR THE SALE OF SUCH BONDS TO THE PUBLIC; AUTHORIZING THE ISSUANCE AND SALE OF BOND ANTICIPATION NOTES; AND PROVIDING FOR OTHER MATTERS AND ACTIONS PERTAINING TO THE ISSUANCE AND SALE OF THE BONDS,”

which was ordered to print by the Council of the County of Kaua'i on August 23, 2017, and published in The Garden Island newspaper on August 30, 2017.

JADE K. FOUNTAIN-TANIGAWA, County Clerk: Committee Chair
Kaneshiro, we have two (2) registered speakers for this item.

Committee Chair Kaneshiro: Can we have the first registered speaker?

Ms. Fountain-Tanigawa: The first registered speaker is John Harder,
followed by Ana MoDes.

Committee Chair Kaneshiro: John, state your name for the record. Again,
the light is going to turn green. You have three (3) minutes. When you have
thirty (30) seconds left, it will turn yellow. Then, it will turn red when your time is
up. You can have another three (3) minutes after we have gone through everybody.

JOHN HARDER: Thank you. Good afternoon, County Council. My name is John Harder. I am a resident of Anahola. I am here today to talk about including funding for a Materials Recovery Facility (MRF) in the upcoming bond float. Improving our recycling efforts and increasing the efficiency of collections require moving beyond the current limited drop-off network to providing convenient curbside collection of commingled recyclables. An essential element of the program will be a development of a facility with efficient and cost-effective processing capacity for the collected recyclables or Materials Recovery Facility, known as a MRF. The two (2) major elements impacting the implementation of residential curbside recycling are the capital and operations costs of a Materials Recovery Facility, and the additional cost of operating an additional bi-weekly residential collection route. These costs are to be offset by the significant benefits of expanding recycling and improving the market value of our collected recyclables. Not only would the construction of a MRF provide potential revenue from the sale of collected materials, it would also significantly conserve the costly landfill capacity of the proposed new landfill. Expanding recycling would create local jobs, both in MRF operations and the additional collection personnel, and allow the elimination of the current drop box program, which is both expensive and inefficient. In addition, the construction of a MRF would allow the County to completely eliminate the current seven hundred thousand dollar (\$700,000) a year contract with Garden Isle Disposal to accept recyclables. Building the MRF could improve the economics of business recycling and help stabilize the existing redemption programs. Waiting until the proposed landfill is completed is not the answer. We need to begin maximizing diversion opportunities now. Please consider including funding for the design and construction of the MRF in the current bond float for implementation in the next fiscal year. *Mahalo.*

Committee Chair Kaneshiro: Thank you, John.

Councilmember Kagawa: John, did you used to work for the County Solid Waste Division?

Mr. Harder: Yes.

Councilmember Kagawa: My question is, does Maui and/or the Big Island have MRFs?

Mr. Harder: Maui has kind of a MRF. It is a low-tech MRF, but probably somewhat along the lines of what we would be looking at. I am not sure about the Big Island. They have two (2) operations on opposite sides of the island. I do not think they have ever consolidated.

Councilmember Kagawa: My question is that they have three (3) times the population of us.

Mr. Harder: Yes.

Councilmember Kagawa: If they are not doing it, it must not be so much of a slam-dunk and profitable, because then, what is the reason they are not doing it?

Mr. Harder: Well, like I said, Maui County is doing it. Because they have larger populations resulting in more recyclables, they have been able to work with the private sector, and the private sector is invested in those kind of facilities. Because of our smaller population based demographics, that has not worked out for us. In this case, I feel it is necessary for the County to invest in this infrastructure in order to provide the cost-effective and efficient processing.

Councilmember Kagawa: My last question, in your testimony you said that Garden Isle Disposal will no longer be needed. Currently, Garden Isle Disposal bundles it and ships the cardboard and whatnot to the mainland. Are you saying that if we have a MRF here, the cardboard would not have to be shipped to the mainland?

Mr. Harder: No. It would still be shipped to the mainland.

Councilmember Kagawa: So that cost is still there.

Mr. Harder: Right now, we are paying Garden Isle Disposal seven hundred thousand dollars (\$700,000) a year simply to accept recyclables from other commercial entities whether they are businesses or other commercial haulers.

(Councilmember Yukimura was noted as present.)

Mr. Harder: So we are paying for that cost. If we can provide a more efficient and more effective way to handle that material, it would eliminate the need for that contract.

Councilmember Kagawa: Do you believe that the County doing that service would be less of a cost than a private servicer?

Mr. Harder: I think that if the County provides the infrastructure, the private sector then can come in and operate the facility at less cost.

Councilmember Kagawa: Okay. Thank you.

Committee Chair Kaneshiro: Thank you. Next speaker.

Ms. Fountain-Tanigawa: The next speaker is Ana MoDes.

ANA MOHAMAD DESMARAIS (MODES): Good afternoon, Council. *Aloha* everyone. My name is Ana MoDes. Happy International Peace Day. That was so beautiful this morning; everything that was said, the students, the teachers, and everything that was said by all of you. That was gorgeous. There are many reasons why this is a beautiful and very special island, and that is one of them. To echo what was said this morning, that it begins at home, that is a very important concept.

(Councilmember Kawakami was noted as present.)

Ms. Modes: For those students who do not have that peaceful home setting, or home environment at all, or a house structure, we need to offer that as priority number one. I do not see this on the bonds. I see West Kaua'i development in a planning stage with five hundred thousand dollars (\$500,000) for it. I see a lot of more money allocated to different projects for the island. I need there to be more of a balance and consideration for the island as a whole. I understand there is infrastructure projects and things that are of high importance and, of course, health and safety, but we have to consider the Westside also. There is a treatment facility for adolescents on the Eastside, and I would like that to be mirrored on the Westside. If we could have that added into the West Kaua'i development planning section and have more money allocated for this, maybe something to equal the amount of the adolescent treatment center. This could be as a healing place or a sanctuary for those that do not have a shower to be able to have proper bathing for the students before going to school. It can be like a community environment on County property. I am not sure if the land where the Chinese Cemetery is still in play or if the appraisals came in and that is still possible for the County. But anything that the County owns that can just give this land. It can be as a tiny house development community and also a community structure where if you do not live in the tiny houses but you can to go and have a nice shower or maybe pick out some clothes that we can donate. I have so much clothes that I am going to give away right now because everyone that has children has to constantly do that. I want it to be able to go a place that will actually be used. I know the thrift store just gets bags and it is just overwhelming. So if we can consider a property on the Westside that can properly give to the needs of the residents there that are houseless at the moment, especially families with children that need this special care and consideration so that we can echo that "it begins at home environment." This is just the beginning for what I would consider the solutions for the homelessness on the island. I do feel that we need to focus on the Westside and I feel the same way for different parts of the island. That is my time.

Committee Chair Kaneshiro: Is there anyone else in the audience wishing to testify on this item, the bond?

EVAN PRICE: Evan Price. Thank you, Committee Chair Kaneshiro and Councilmembers, for entertaining this public testimony. I will try to

focus on the financial aspects of good planning and how that relates to the bond. For the comprehensive landfill diversion, there is a phased-in approach to get there that ultimately will require some correct size of compaction and bailing capacity. When you are a little boy, you grow up and you hear the Mike Mulligan and His Steam Shovel story. Then, there is a big giant diesel and there was one that was too big to work, but the right size one was the one that saved the day. On Kaua'i, that is what is needed to plan for the bond, the correct size and probably a double location of a couple smaller compaction and bailing facilities. Imagine the Grand Hyatt Kaua'i Resort and Spa, the multi-family housing, and commercial right now pay a hauler to take separated commodities to a place where they are compacted and bailed. So you start off with legislation to require compaction and baling, license a hauler to do that, and they get the sorting pretty efficient. Later on, you layer in the residential pick up of non-commingled recyclables that are compacted and bailed. So, the first week of the month, compaction and bailing of cardboard happens at a north and south facility. The second week of the month, compaction and bailing of plastics happen. The third week would be metals and the fourth week would be the fourth commodity. These are all quite sellable at high value amounts if they are not contaminated by commingling. For bond claiming purposes, even without the perfect tool to compact bail and the perfect facility decided on, we still need to budget bond money for a compaction, bailing, and collection facility that facilitates recycling, and it saves money in the long run. I cannot express all of the cost efficiencies that would occur in three (3) minutes, but for the financial part of it, it is not necessary to detail every single aspect. But we do need to set aside and earmark bond moneys that will go towards landfill diversion, extending the life of current landfill, and keeping the next phase of the landfill operational and in a cost-effective way.

Committee Chair Kaneshiro: Thank you.

Mr. Price: Are there any questions?

Committee Chair Kaneshiro: There are no questions. Thank you, Evan.

Mr. Price: Thank you.

Committee Chair Kaneshiro: Is there anyone else in the audience wishing to testify? Does anyone want to testify for a second time? John, do you have any more to say? Ana? We will go in the same order.


Ms. MoDes: Ana MoDes. Thank you for this opportunity. I just wanted to reiterate that if we are going add the debt to the bar graphs as is happening with the bond, I feel it is a great interest rate, but we are still adding debt. This is an intense stress. I understand that the Federal government adopts these practices, just raising the debt ceiling, but we really need to consider on this island what that really means for us. We have to have tangible and viewable solutions from

this. There are many unacceptables on this island, but this is a non-negotiable, in my opinion. This is an opportunity, and I do appreciate how when things have come before you, you are looking at the big-picture, dissecting it, and making sure there is no passing on opportunities. Please do this and consider this here for actually establishing a place of sanctuary as I described, and as you can all formulate together and the community can formulate together quickly within six (6) months so that we can actually see progress on this. It is truly important and this is a great opportunity to do that. Please. Thank you.

Committee Chair Kaneshiro: Thank you. Is there anyone else? Evan, did you want to speak for a second time? Okay. Is there anyone else who would like to provide testimony? Seeing none, this public hearing is now adjourned.

There being no further testimony, the public hearing adjourned at 1:50 p.m.

Respectfully submitted,

A handwritten signature in black ink, consisting of a large, stylized 'J' followed by several loops and a long horizontal stroke extending to the right.

JADE K. FOUNTAIN-TANIGAWA
County Clerk

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