

FY 2009-2010 Departmental Budget Reviews

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BUDGET & FINANCE COMMITTEE
FY 2009-2010 Departmental Budget Reviews

MINUTES

The FY 2008-2009 Departmental Budget Reviews of the Budget & Finance Committee of the Council of the County of Kaua'i, was called to order by Daryl W. Kaneshiro, Chair, at the Council Chambers, Lihue, Kaua'i, on Monday, April 6, 2008 at 9:10 a.m., after which the following members answered the call of the roll:

Honorable Daryl W. Kaneshiro
Honorable Bill "Kaipo" Asing
Honorable Tim Bynum
Honorable Dickie Chang
Honorable Jay Furfaro
Honorable Lani T. Kawahara
Honorable Derek S.K. Kawakami

OVERVIEW

Mr. Kaneshiro: All right. Good morning everyone.

Councilmembers: Good morning.

Mr. Kaneshiro: The...with a lot of smiles...the chair of the Budget & Finance Committee will call this budget review to order at this time. Before I begin, I just wanted to point out some highlights, okay. So maybe this is how we can proceed as we move along on this budget for the next couple weeks. And I guess the first point I wanted to make was that as we move forward with this budget, committee members, we...there...there's a very good possibility that as we move through this budget, keep in mind that we may still lose the TAT tax which is up to \$11.8 million. So I think that was a real important point I wanted to make first of all as we move forward and start reviewing. And I want to try to stay on the budget schedule and on track, and sometimes if you have some questions, you know if you need more clarification I would say that we write those questions down and we can get clarifications from the department rather than stall the process. So, if at times the department, you know, may need some time to...to get answers back to us, bear in mind that we need to give them some time and write the questions down and I'll try to get it back in a prompt manner from them. I also want you to know that we won't be making decisions at this point. This is a budget review process. We'll give the departments the opportunity to present their budget to us and in no times we'll be making any kind of decisions on the floor during this review process. And if at all possible, members, as we start moving forward on the departments, let's continue to do so. So, this way we don't have to go back again and come back again and go back again. Just move forward in a timely manner and again, you know, if you have questions, you can always write the questions down and have the department get back to us. And I really wanted to point out that in the mayor's budget, you all know that the administration has already taken steps to cut the budget and keep the budget as low as possible. I believe there was a small percentage decrease from last year's budget, so keep that in mind. And one important note, on the dollar-funded positions, we will need justification, okay. So I going to ask...as the budget chair I'm going to ask for a justification from,

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you know, the departments to the administration before we...we...we fund the positions in its entirety, so all the dollar-funded positions that we currently have on the budget. And keep this in mind also, there is an economic stimulus package available, but again, you know, that is only there to provide assistance. So let's not try to...try to think that there'll be some economic money around and try to put it into this budget and try to, you know, resolve issues as we move along this budget. And to the greatest extent possible, you know, I know all of you and the administration, we don't want to raise real property tax, especially now when people are on the verge of losing jobs. So keep that in mind as a...as a top priority as we move forward with this budget sessions and review, okay? So, any questions? Mr. Furfaro, go ahead.

Mr. Furfaro: Thank you. Mr. Kaneshiro, first of all I want to thank you for taking on the chairmanship of Finance and the budget process. This is probably the most important function we have as a group every year. So, thank you in advance. I just want to say this for the benefit of the admin., to give them some particular points that I shall be looking at and other councilmembers should be aware of as we move forward, especially during very difficult times. The first point I wanted to make to the administration and to my colleagues, payroll taxes and benefits as they are spread out in various departments this year was based on a request that we had made previously, and so the comparisons might be very difficult to make, but we wanted to make sure...one of our goals from a previous process was to make sure that there was more accountability by department heads on their o...own...their own payroll benefits and other cost associated with our biggest single exposure which is payroll. So that's item one. I...I want to make sure the administration knows that I will be focusing on that this year. Also, I have not seen it and I would like to make sure that we continue the strong point that I made last year that when it comes to managing utility cost, we wanted to see a combined management program of actually monitoring our consumption of electrical cost. And we did do this last year through Mr. Sato. He put together a total summary of utility cost consumed by...by the county. And so I wanted to remind them again after payroll, that's a significant operating cost for us. I also want to make sure that...and as I totally recognize, Mr. Kaneshiro, your comments that we should not be putting grant moneys into the budget on particular items, but as the stimulus package grows and I think as...as I've had previous conversations with Mr. Bynum and those of you that were able to go to NACo, grant management is going to be very important over the next 30 to 60 days and I want to see a policy statement driven by the administration that says our grant writers, whether they're in civil defense, public safety, economic development, I want make sure...I want to be assured that every day they're looking at the federal websites on grants that might become available. And I would like to make sure that as we start this budget process there is an administrative directive that indicates to all departments, especially those that deal with housing, transportation, the justice system, that money would be made available to us. I also had mentioned in two previous council meetings item four, that when we get to the finance department, as you suggested Mr. Kaneshiro, we actually have a review of revenues, especially how we arrived at the \$11.8 million on the Transient Accommodation Tax. So, we know what we have in our budget. It has a solid framework of how we arrived at those numbers. In the event that we lose that money, we're losing what we put in the budget and not more than we could have possibly been allocated. So that TAT piece is very important. And then also, since it's going to be a very lean year, somewhere when we get to finance, I would like to have a review of the treasurer's statement. And on those notes...

Mr. Kaneshiro: Okay.

Mr. Furfaro: I want to leave on that and thank you again for leading the charge on our budget review.

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Mr. Kaneshiro: Very good points, Mr. Furfaro. We'll have that noted and I guess the administration is here today and are making notes of that so you can prepare ahead of time. Thank you. Any one else? If not...Mr. Bynum.

Mr. Bynum: Just real briefly...

Mr. Kaneshiro: Okay.

Mr. Bynum: Jay talked about some of the things that I'm concerned about, but just for...our staff prepared a budget analysis, did a lot of great work, but just to highlight one of the things Mr. Furfaro said in...in finance/accounting there's \$11 million...11.3 that, you know, got moved into the various departments...

Mr. Furfaro: Got allocated out, yes.

Mr. Bynum: So what looks like a huge cut in budget finance, but it skews these percentages that are on this sheet and...and does make it more difficult to compare this year with last year. It's a good move, but it...it makes the budget analysis different. So even though a department may look like there's an increase, it...it's actually a...overall could be a decrease because of just the way this is accounted for. And regarding the stimulus funds, I...I intend to look, you know some of those stimulus funds are available now. They're on their way here. They're coming. Others are competitive and require our departments to step up and so that's certainly an expectation I would have that we aggressively pursue the funds that are available to us to serve the people of the county and some other questions I've been working on over the last few weeks. So, thank you.

Mr. Kaneshiro: Okay, with that I'll suspend the rules and we'll take public testimony first of all before we get the mayor's office up for their budget review. Mr. Asing, did you have...

Chair Asing: Yes.

Mr. Kaneshiro: ...a comment to make?

Chair Asing: Before we start...

Mr. Kaneshiro: Okay, go ahead, Chair.

Chair Asing: Regarding the stimulus package, is it the intent of the administration to keep us on-board on the package as things come in so that we will be kept on...on-board. I...I...I really think that we almost need someone special kind of handling that, just that stimulus package because, you know, it's a matter of tracking.

Mr. Furfaro: Yes.

Chair Asing: And unless we're on it all the time, we could be maybe losing out, so.

Mr. Kaneshiro: I'll...I'll have a communication sent over to the administration in that regard, Mr. Chair. Thank you.

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Mr. Furfaro: I think the Chair's point was excellent.

Mr. Kaneshiro: Yeah.

Mr. Furfaro: You know these grants are becoming available daily.

Mr. Kaneshiro: Absolutely.

Mr. Furfaro: And we need to be on top of it.

Mr. Kaneshiro: Okay. All right? So with that, I'm going to suspend the rules. Speakers that wanted to testify this morning?

There being no objections, the rules were suspended.

WILMA AKIONA, Council Services Secretary: The first speaker will be Mel Rapozo.

Mr. Kaneshiro: Mr. Rapozo, how're you doing this morning?

MEL RAPOZO: Groovy.

Mr. Furfaro: I haven't heard that for awhile.

Mr. Rapozo: Good morning.

Councilmembers: Good morning.

Mr. Rapozo: For the record Mel Rapozo and...and I understand you guys are ready to start the long, drawn out process, so I'll be brief.

Mr. Kaneshiro: You've been here before.

Mr. Rapozo: I'm sorry.

Mr. Kaneshiro: You've been here before.

Mr. Rapozo: Yeah, you know, and...and that...part of the reason for me coming is...is, you know, although I've sat through six...six budgets...

Mr. Kaneshiro: Yes, sir.

Mr. Rapozo: The first one was a blur and in fact for the new councilmembers, that first one is oftentimes, well for me anyway, it was the...it went by the quickest because I really didn't understand much, so. And my comments are really geared more to the new councilmembers, but I would ask that everybody take it really for what it's worth, but just some general observations about our economy. We know that this is not a short-term problem that we're facing. I mean it's...this...you know as a small business owner here, I'm feeling the effects and its...you know, I'm at a point right now where I gotta make a decision whether or not to lay off some

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employees and it's not an easy thing to do. But we gotta make the decisions...in my business we gotta make the tough decisions and I'm asking that you folks do the same. You know we hear a lot about the TAT, visitor arrivals, stimulus packages and all of that, and that's all fine and dandy, we gotta consider that, but the bottom line is it is what it is. And...and if we lose the...we gotta assume that we're going to lose the TAT. We just gotta assume that because you cannot budget for something that might not happen. The problem I see is that as we move forward through this tough economy, we have the advantage at the current of a surplus that we can tap into even till today. But even if the economy should turn around in two years and I think it's going to be longer than that, but if...let's say in two years the economy starts to turn around, it's going to take us years to recover even after the economy starts to turn around locally. It's gonna...it's gonna take some time to recover. So this is a...a long-term effort and...and I guess my point is the decisions that you folks make in the next few weeks are not to get us through this year or shouldn't be to get us through this year. It...it's to get us through the next ten years because the decisions that we make today are gonna affect this county in the next ten years, fifteen years, and I...I'm sure I'm preaching to the choir and I heard...one of the...the things I heard from the chair was the...the fact that the raising of property taxes should be the last resort and...and I totally agree. I mean right now we...you know and many of you know in my business we serve papers and we serve evictions, we serve collections. We serve all of these documents and we serve over 200 a month of families that are being sued because they cannot pay a bill. And they don't need to be...raise their taxes or fees raised. And I gotta tell you, maybe to some it doesn't really affect you if we raise the property taxes a little bit, but I think for the landowner or the homeowner, when you raise the tax, the rents gotta go up to cover. So, I think that it's something that we gotta really, really consider and...and that's kind of the overall observation, but more specifically I think as we go through that budget and you...you make the decisions that you gotta make, it boils down to really one question, I think, that you need to ask every single department head that comes up to this table and the question is a simple question. It's, do you need it this year. Can you do without this item this year? Simple. Because if they can, then you should not fund it. It's that simple. I mean, you know, we...we all want to be the nice guys, but I gotta tell you, and nice girls, I gotta tell you, in this time as you prepare a budget...and I'm not saying to cut it out for...forever and ever and ever, but if it doesn't have to be purchased or expended this year, why would you allocate the funds as responsible budget people?

Mr. Kaneshiro: Okay, Mel, your three minutes are up, but I'm going to...there's...how many more do we have signed up here. Only one more? I'll have you go ahead and give you...the other three minutes.

Mr. Rapozo: Okay.

Mr. Kaneshiro: And then we'll take the other speaker right after that...

Mr. Rapozo: Thank you very much.

Mr. Kaneshiro: ...since we only have one more speaker.

Mr. Rapozo: Okay, thank you.

Mr. Kaneshiro: Go ahead, Mr. Rapozo.

Mr. Rapozo: Thank you very much. And it...and...so it really comes down to essential versus nonessential. And if you ask that question and the department head or whoever

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the representative is up here and if they basically say, no, we can do without that this year...because I went through the budget. I did a cursory check; I didn't read every page, but I went through some of the items that I was familiar with and I see that it's still there, like the sister city, like a lot of the things in there that really...you can do without for one year. You're asking the public or we're asking...the government, federal, state and local asking the public to tighten up our belts, but some of these things are not essential. And if the answer to the question, do you need it this year, is no, then by golly, put a dollar in the fund, keep the line open for the next year so you can reassess. But to simply fund it because it's been funded every year or to fund it because you don't want to lose the item, put a dollar in it, save it and revisit next year. Or you could even visit throughout the year if the economy should change. And then the last thing is...is...is more of a personal note and I think I want to bring it up is...is...it's involving a position that the prior council put in the budget is a KPD legal analyst. And when I saw what happened, I got...I'm going to be honest, I got frustrated, I got...I got upset and I took it as a show of disrespect to the council in general. The council prior to your council based on what had been happening with KPD over the years in lawsuits, extreme amount of moneys paid out on claims felt that that department needed a legal analyst that could help them redo their policies, redo their procedures, help them through accreditation and bottom line, give the chief some advice to lower the claims in this county. The council put that position in. And we set it up so that the chief could appoint someone that he felt was in line with police procedures and policies. And this year as I reviewed the budget, I see that that position has been taken out of the police department and put in the county attorney's office, and dollar funded, which means this year, because as I understand it, that position was frozen. The administration froze that position and it prohibited the chief from even hiring that position after the council asked and...and...in the prior administration, it seemed like a common thing if the council put it in, they just never executed it, but in this case it was for a reason that this council, the prior council felt it was very important. And...and now I see that it...it...not only had they frozen it...froze the position and not allow the chief to hire—something that I feel would save this county millions of dollars. Now, it's been transferred to the County Attorney's Office and dollar funded. So, to me it's...it's a...with all due respect to the administration in the back, I gotta tell you, to me it was a show of disrespect to the body, to this body. And I would ask that you seriously consider putting that back in the chief budget so that he can fill that position and ultimately save this county millions of dollars and...and that's literally because we've...we've all seen it. And that's all I have, Mr. Chair. Thank you very much.

Mr. Kaneshiro: Thank you, Mel. Thank you very much. Any questions? You have a question?

Mr. Furfaro: Yes, I have...

Mr. Kaneshiro: Mr. Furfaro.

Mr. Furfaro: ...something for Mr. Rapozo. Mr. Rapozo, thank you for coming this morning to testify. Your history with the council and the past budget process is very gratifying that you remembered some of the points that are extremely important for us. I do plan to raise the KPD question about the legal analyst. As you know, it is part of our original plan for risk management....

Mr. Rapozo: Correct.

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Mr. Furfaro: ...that we did feel that a long-term goal for the police department is to get them certified. And certification of the department means being able to have access to the...the right legal training, the right legal resources for the police officers, but let me assure you that that is something I will follow up when we get to KPD. Thank you very much.

Mr. Rapozo: Thank you.

Mr. Kaneshiro: Mr. Kawakami, go ahead.

Mr. Kawakami: I also want to bring up a point that often gets overlooked, but the TAT tax that we're looking to lose is not just for one year. I think the proposal is for up to six years. So when we look at the economy turning around even within two years, it's going to impact us deeply for the next six years and that may have the...the ability to change the way the county operates and also is going to make us look into ways that we're going to need to balance this budget. So, the...that's the scary part. It's not this year.

Mr. Rapozo: I...and I...I agree and that's why I said it's not a budget for one year and oftentimes the public under...you know, and even some legislators, not just county, but state and federal look at the budget as either a one- or two-year budget for the state. And...and it...it's not because the decision, whether it's a position today which will...we know what happens with the positions. When you hire a new position, civil service and the collective bargaining, it's not something that's just going to cost today. It's going to cost tomorrow, the year after and the year after that. So...and that's all I'm saying, is as we make the decisions, if it doesn't have to be purchased or encumbered this year, then we should not be funding that item, whatever it is. Whether it's a camera, whether it's a vehicle, whether it's travel, whatever. If it's not an essential need for this county this year, then we should not be funding it. And I can guarantee if you do that, all of a sudden if we lose the TAT, it won't be as big of an impact. I promise.

Mr. Kaneshiro: Thank you, Mel. With that, the next speaker, please.

Chair Asing: Let...let me make...make a comment.

Mr. Kaneshiro: Oh, go ahead Mis....oh, comment, go ahead.

Chair Asing: No, I think I...I think it's kind of directed at you a little bit. I guess, Mel, now you understand what I was talking about many times during the budget processes, that, you know, I don't think that you've experienced a budget like this. And all during the time that you were on, yeah, money was not a major problem, right?

Mr. Rapozo: Correct.

Chair Asing: Always had money, was...it was...it was easy.

Mr. Rapozo: Lots of it.

Chair Asing: Lots of it. It was easy and you remember my reflecting back and saying, now councilmembers, you need to understand that there were times that we didn't have money.

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Mr. Rapozo: Correct.

Chair Asing: And this is that particular time now.

Mr. Rapozo: And I...

Chair Asing: Again we...we...we go in cycles and this is the down cycle time.

Mr. Rapozo: I will tell you, Mr. Chair, from my first budget you made those comments. Every budget you made those comments and we all, I guess because for me personally I had not seen or been involved in a budget that the money was a problem, I do not envy you folks because I know some tough decisions are going to have to be made. But I will say this, that as a member of the public and I'm here as a citizen, I'm not here representing anybody, that I think the people understand that. I think the people understand and expect the tough decisions to be made. So, it's not an issue of, you know, counting votes or whatever. It's really an issue of what has to be done and I used to always use the analogy of the leaking roof versus the swimming pool. And right now, we gotta fix the leaking roofs and put off the swimming pool until we are in better financial economic times. And...and I appreciate that Mr. Chair and I'm here to tell you that you were right all along...all along and that's why I think, thank God we no more term limits yet. You still get a few more years.

Mr. Kaneshiro: Okay, Mel, thanks.

Mr. Rapozo: Okay, is that it?

Chair Asing: Yeah, I just...I just want to make one more comment and that's the comment that was made by Councilmember Kawakami regarding the possible loss of the TAT for maybe six years. It's not maybe six years, maybe forever.

Mr. Kaneshiro: Yeah.

Chair Asing: If you look at the...the last comments coming out of the House, and I'm talking about the speaker, we may go back to a time that I can remember when we had Grants-In-Aid. That's how the money was coming to us. There was no such thing as TAT. It was Grants-In-Aid and Grants-In-Aid is just a matter of how much we want to give you when we want to give you, yeah. And so if you look at history, you're going to find that if you trace the TAT back all the way, you're going to find that it goes back and then you will notice that...

Mr. Kaneshiro: Yeah.

Chair Asing: ...when the TAT started just before then it was Grants-In-Aid. That's how we...we got the money. So, it's...there's no formula. It's just whatever we think that we can afford to give you is what you'll get. So, it could be even that bad. So, it's a...it's troubling right now, but anyway it...

Mr. Rapozo: Yeah and the responsible thing, Mr. Chair, is to plan for that. That's how we gotta plan and if at the end of the day they release some of that TAT back, whether

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it's \$10 million, \$15 million, \$8 million, then you consider that as part of the surplus for that year. But to...to count on that money at this point, as I've read the bills, I've read the notes coming out of the legislature on the TAT, it doesn't look good and I think you all agree.

Chair Asing: Thank you.

Mr. Kaneshiro: Thank you, Mel. With that, our next speaker, please.

Ms. Akiona: The next speaker is Mark Hubbard.

Mr. Kaneshiro: Mark.

MARK HUBBARD, KPAA Treasurer: Good morning.

Ms. Kawahara: Good morning.

Mr. Hubbard: Good morning, Committee Chair Kaneshiro and councilmembers. I'm Mark Hubbard, the treasurer of the Kaua'i Planning and Action Alliance. Diane Zachary, the KPAA CEO, had hoped to be here today, but she is facilitating a stakeholders meeting for the Kaua'i Energy Sustainability Plan. Since KPAA was created in 2003, we have been very fortunate to receive an annual grant of \$35,000 from the County of Kaua'i through the mayor's office. The funding received through that partnership with the county has enabled us to collaborate with government agencies, businesses, non-profits and community groups to tackle some of the challenges our island faces, especially those relating to our long-term sustainability.

Over the past year, we were able to leverage the power of the County's grant in a number of ways. Let me give you just a few examples. We secured an additional \$12,000 in cash and in-kind support to update the 2006 community indicators report *Measuring What Matters for Kaua'i*. That new report will be published within the next six weeks and has been designed to provide valuable information in eight different areas of life on the island as a tool for decision-makers. Our proposal to the American Institute of Architects' Sustainable Design Assessment Team program brought to Kaua'i the volunteer services of a talented team of planners, architects and policy analysts. They led a three-day charette last November for more than 300 community participants who gathered to plan for Līhu'e's future. That assistance was valued at more than \$35,000. The SDAT written report is expected later this month. KPAA collaborated with the county's transportation agency to prepare congressional appropriation of \$200,000 in fiscal year 2010. If approved, that funding would enable KPAA to provide support to the county to coordinate the initial implementation of the long-range transportation plan that will be developed in the coming months. As a benefit to our residents and visitors, we were able to secure a \$1.225 million state grant-in-aid to repair the first two miles of the Na Pali Coast Trail and the CCC Camp in Kōke'e State Park. That project has just been launched and will be completed in late 2010.

More information on our projects is attached to your copy of this testimony. You have a listing of KPAA's accomplishments in 2008, along with a listing of our 2009 programs. Also attached are charts that offer a breakdown of KPAA's revenue sources for the past two years. County funding has been critical to our success in securing grants, contracts, membership, participant fees and contributions. Currently the mayor's budget includes \$20,500 for KPAA for the next fiscal year, a decrease of 41% over previous years. We are appreciative to be included during this difficult economic time when there are so many needs to be met with fewer dollars. At the same time, if it is

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at all possible, we ask you to consider increasing the KPAA grant to its previous funding level of \$35,000. We recognize that the additional \$14,500 requested may not seem significant, but to KPAA it is an essential part of our funding plan for the next fiscal year.

KPAA looks forward to continuing its partnership with the county and we thank you for your willingness to carefully balance the community's many needs and requests. Thank you.

Mr. Kaneshiro: Thank you. Any questions for Mr. Hubbard? Mr. Furfaro, go ahead.

Mr. Furfaro: I just wanted to thank Mr. Hubbard for the...for reconciling how effective you've been in leveraging the money that we've given you to increase either data or scope capacity on probably the most important thing for the county is long-term planning. And your memorandum helps me put all of that in perspective. Thank you so much.

Mr. Hubbard: Thank you.

Mr. Kaneshiro: Questions for Mr. Hubbard? Go ahead, Lani.

Ms. Kawahara: Thank you. I really appreciate the KPAA and I feel like it's only one of the very few organizations that actually does take a long-term view of how and where we want to go with the island. So, I...I just wanted to say that, that I really appreciate all the work you do and I had a question about, if I could ask you about the state contract that you get which is...says here 55% of your operating...your revenue. What is that contract?

Mr. Hubbard: The...you...you're talking about...oh, the 50...

Ms. Kawahara: This 20...268.

Mr. Hubbard: Oh, the 268, that's part of the \$1.225 million grant for the Na Pali Coast Trail and the CCC Camp...

Ms. Kawahara: Okay.

Mr. Hubbard: ...Kōke'e.

Ms. Kawahara: So that was a...

Mr. Hubbard: So it's just that part that's coming this year.

Ms. Kawahara: The grant and contract.

Mr. Hubbard: Right, well it was a grant-in-aid and the...we now have a contract, but it goes over multiple years.

Ms. Kawahara: Okay, that's specific. Okay. (inaudible)

Mr. Kaneshiro: Go ahead, Mr. Bynum.

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Ms. Kawahara: I just wanted to know what that was. Thank you.

Mr. Bynum: Thanks, Mark, for being here today and you know we're...it is a difficult year. You heard the opening and...

Mr. Hubbard: Yes.

Mr. Bynum: You know, we were hoping that the few non-profits we do fund that maybe they'd take a cut similar to the state, to our hopeful 10%. But I think I just want to mention that the grant that Lani just talked about, it's a great example of collaboration. That having the county funding gives KPAA credibility when going out for other projects and you know one of the first projects of KPAA was the Parks Action Team. I was fortunate enough to be one of the volunteer members of that Parks Action Team. And because of that effort, I think it resulted in getting these moneys for Kōke'e and for the Na Pali Coast Trail...

Mr. Hubbard: Right.

Mr. Bynum: ...which enhances our visitor product and makes it available for people and so, it's that kind of collaboration that KPAA does that...for the funds we give them, they gave to many people in...in efforts for the future of Kaua'i. So, we'll do our best. Thank you.

Mr. Hubbard: Great, thank you.

Mr. Kaneshiro: Thank you. With that...

Ms. Kawahara: Excuse me, one more thing.

Mr. Kaneshiro: Question or comment?

Ms. Kawahara: Comment.

Mr. Kaneshiro: Comment, we'll save that for later.

Ms. Kawahara: Okay, (inaudible), okay.

Mr. Kaneshiro: Any questions for Mr. Hubbard? I think, yeah, we need to keep the comments for later discussion. But if you do have a question for Mr. Hubbard, you know, go ahead and address your question. I have one for you. Did you go before the legislature for some funding because I know you have some state funding that you people have been helped in the state with.

Mr. Hubbard: We've...we've asked for, I think four point some million grant-in-aid to do the rest of the Na Pali Coast Trail.

Mr. Kaneshiro: No, I'm asking about to fund the...to fund your alliance.

Mr. Hubbard: I'm sorry, what was...

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Mr. Kaneshiro: If you've gone before them to ask for some funding like how you came before the county to ask for funding...some of their funding.

Mr. Hubbard: No. No, we have not.

Mr. Kaneshiro: Okay. I...I just brought that up because I saw how much money you got for the state...from the state to do state projects.

Mr. Hubbard: Right, okay.

Mr. Kaneshiro: Thank you. With that, I don't have any more questions and I don't think any committee members have any questions. Okay, with that I'm going to call up the mayor's office. Do we still keep the rules suspended? I believe so.

RICKY WATANABE, Council Services Coordinator: Yes.

Mr. Kaneshiro: Yes. Okay. We have the mayor to give their overview on their budget and we can proceed with that.

GARY HEU, Administrative Assistant: Okay, good morning, Council Chair, councilmembers.

Councilmembers: Good morning.

Mr. Heu: It's a pleasure to be here this morning with you folks to kick off our 2009-2010 budget discussions. First of all, relative to the overall budget, I think I just wanted to say that probably this year more than any other year, we've attempted to make our budget and our discussion of the budget more transparent and available to the community. You folks, I think all seven of you, were here when the mayor did his state of the county address and he covered in great detail his budget and the budget...the entire budget as well as the mayor's budget message is available on the county website and that's a...that's a first and I think we've gotten a lot of good feedback in terms of people who've really appreciated having that...that sort of access. I handed out copies of the mayor's budget message, but I'm certainly not going to sit here and recite it to you folks because I think, you know, we transmitted it with the budget, so I'm sure you have had an opportunity to see it and like I said, you folks have also heard...heard the mayor talk about the overall budget. I just wanted to make a few points as we...as we start into the discussion, number one, that it is a budget reflecting a total of \$154,000,000. It is a decrease of approximately 2.5% from the current fiscal year budget and I think to the credit of the mayor and his team, I believe this is the first time in about 14 years that we've er...we've ever had submitted a budget that was actually lower than current year budget and that didn't come without a bit of pain. As you folks are well aware, projected revenues are down about 4.4% or about \$6.3 million, and what that reflects is an estimated decline in real property tax revenues of about 3% and then it also assumes a TAT or Transient Accommodation Tax decrease of about 10.2%. Now having said that, as our speakers related to earlier, you folks all know that there is a tremendous amount of discussion taking place down at the legislature right now. In fact, I think decision making on the TAT bill in front of the Senate was supposed to take place at 9:30 this morning. And...and we...we fully expect that that bill will move out of the Senate Ways and Means Committee and will end up in conference as, you know, we think that most of the significant budgetary type of bills will move on to conference and in conference that's where all this will be debated and hammered out. I...I don't need to tell you folks

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all the different variations of things that are being offered up, you know, from increase in excise tax, increase in...or giving the counties the authority to raise sales tax. So, there are many things out there. They'll all end up in conference and it's going to be a wait-and-see type of exercise for us. As was related to earlier, we did not factor into the budget that we submitted a total loss of TAT. That...that is not what this budget represents. It...it shows a...a decline of an anticipated amount that we felt that revenues would be reduced by based on the overall reduction in TAT revenue statewide, but it does not account for an estimated \$12 million that we could lose if in fact the legislature decides to either suspend or as council chair said do away with the TAT tax. So, that's just you know, a 20,000-foot level view of the overall budget and as we get to the various departmental budgets, you folks will have the opportunity to drill down as you see appropriate to get specific answers to...to some of your questions.

I...I just wanted to address a couple things right up front that...that I heard this morning and I thought it...it might be useful just to kind of have a short discussion before I get into the actual mayor's office budget review. I heard...first of all, I heard Councilmember Kaneshiro talk about justification for dollar-funded positions. Now, I...I just wanted to get clarification as to...are you saying that when we come across to get those...those positions fully funded at a point in time where we think it might be appropriate, you're saying we need to provide full justification? Or are you saying that just to keep that dollar-funded position in the budget, you'd like the justification up front during this budget process?

Mr. Kaneshiro: Right and I guess what I referred to is that if you want to get that position funded...

Mr. Heu: Okay.

Mr. Kaneshiro: ...that's what I referred to.

Mr. Heu: Okay, okay.

Mr. Kaneshiro: When you have that position funded, that's when we would like to have the full...

Mr. Heu: The full, okay.

Mr. Kaneshiro: ...justification...

Mr. Heu: Got it.

Mr. Kaneshiro: ...as to the reason where the departments will give you, you know, hopefully the justification and you'll come and request that before us.

Mr. Heu: Okay. There was also quite a bit of discussion on the stimulus package and the projects and...and I got to tell you it...it is a challenge for us on the other side of the street. We have...we have an entire department head group that is...is being very vigilant about keeping eyes and ears open for any ARRA opportunity. The problem is that or the challenge, I should say, is this initiative...this federal initiative is so large that I think our lobbyist has a staff of like three people just monitoring the stuff. So a lot of the stuff we get comes from our lobbyist, so it's been a great resource for us. But I want to give you guys an example of how...how

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crazy this thing is. One night I was going through my email and I had received a...I think this was a Thursday evening and I received an email from Donald Fujimoto and it was just something that was for...that he forwarded up to me. It was a communication, as I started the email string, that started off with...with a gentleman at the USDA and he had shot this to all public works directors. So, you know, it came to Donald and Donald just passed it directly on up to me. So, what it showed was that there were...there was an opportunity through USDA to get appropriate projects funded and it said, please, you know, work with your local RC&D representative and for us that representative is Lauri Ho on-island. Now previously we had not heard anything about this, not got...been contacted by anyone. If...if Donald had not forwarded that email up to me, it would have been an opportunity missed. Now what...what the email said was that...as I read down and the due date for that submittal of those projects was the following day. And so that night I got on the phone with Lauri Ho and this must have been about 8 o'clock or so in the evening and I said, hey, Lauri, I mean, is this something that the county is eligible for. Can the county apply through this channel and she said she believed so. So, the next morning when I got in, I got together with Lani Nakazawa and we just went through this fire drill and I think we submitted a total of...there were about four projects that we were able to...to package, you know, in the course of the day and get it off to these people. And today, I mean I'm glad to report that right now where we sit today, three of the projects have made it through the initial scrub and they've come back to ask us for additional information. And it is a challenge because, you know, we've got the legislature going on and all the challenges that are...that we're facing there this year. We have our congressional package for normal congressional funding that we're working on with our lobbyist and...and so there's a constant exchange of information there and we go through fire drills all the time to...to get additional information to support our projects. And then we've got the ARRA and part of the difficulty is even as we communicate to congressional staff in D.C., they can't even provide us guidance in terms of...we see that funding is available out there. We just can't get clear how we access that funding. So it...it's a constant kind of thing. Quite frankly some of those federal agencies haven't even set up guidelines. And so although if you were to look at various sites, you'd say oh, wow, there's all this money available through this one channel, but when you contact them, they're...they're not even to roll their stuff out maybe till May sometime...they...because they don't have things in place. So, it's...it is...I agree it is a challenge. I was speaking with George Costa, our director of economic development one night, and he was, you know, he was wondering how do we get our arms around this and I said, that's a good question. I think everybody's asking the same sort of questions. Even where moneys seemingly have passed down through the state, let's say as an example relative to Energy Block Grants, we still can't get a good fix on how...We know that the...Kaua'i's share is about \$267,000, but the question is how do we get our hands on that \$267,000. So, I just want to, you know, I want to assure the council that, you know, we're doing everything that we feel we possibly can. I mean it would be nice if we could dedicate three bodies to do this, but we don't have that sort of resource. But...so it's...it's a collective effort really. I mean I've reminded department heads during our daily morning briefings many times that anybody hearing anything about an ARRA opportunity needs to funnel that information up to the mayor's office and let us make a determination as to, you know, whether it's something that can or cannot happen. And then we'll chase it down with our lobbyist. So, I just wanted to...and...and yes, chair, I...I...I think that, you know, we should be providing information to the council in terms of what we've already seen. But quite frankly, what we know of in terms of moneys that are flowing into...or that the county actually has an opportunity to...to receive or has been approved to receive, even that is not a comprehensive view of what Kaua'i may receive because there may be non-profits out there who are working through their channels applying for grants and we many not, in fact, know that that non-profit has received money until we read about it in the paper or we stumble across some other source that tells us, eh, you know YMCA just got awarded this.

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Mr. Kaneshiro: And...and...and that is why I pointed out in my notes that that is for assistance. You know, we...we...we can always keep that in mind as we move forward that if there is something that comes through, it's for assistance.

Mr. Heu: Right.

Mr. Kaneshiro: So, but we need to focus on the budget, the way the budget is written...

Mr. Heu: Yes.

Mr. Kaneshiro: And how we're going to move forward trying to, you know, meet the budget with some of the cuts we're going have. And then if this assistance comes in, then we can all smile and be happy about it, but I know how tough it is because we've been up at D.C. during NACo, you know, voicing and lobbying for many of these packages and it's really hard to track. So, we...we realize the situation.

Mr. Heu: Okay.

Mr. Kaneshiro: And I'm going to come with a communication to you so we can get...get, you know, too an idea of how we're going to set this up so we can have better communication in the stimulus package and so forth. So, just, you know...and that's why I said it's for assistance and we'll focus on the main budget. But before we start that, Mr. Furfaro.

Mr. Furfaro: Yes, thank you. You know these were your words, Gary, the mayor's state of the county gave great detail. Well, quite frankly under these times, which are full of fire drills, the detail that I'm looking, I'll be very honest, is I haven't seen anything that tells me, hey, if I get a lead, who do I send it to at the county? What is our policy? How do you frame it? Something gets on the radar screen, whose tracking it? Okay. That...that's what I'm looking for. And...and I think Kaneshiro was correct...

Mr. Kaneshiro: That's the communication I'm going to come with.

Mr. Furfaro: ...when he's saying, you know, we don't...we're not dealing with that in this budget right now, but I want to know because, you know, I get things from (inaudible-loud buzzing sound) development, I get things from serving on the Salvation Army, I get things from Habitat, you know. I want to know, is...are our three grant writers there, the catch people, you know?

Mr. Kaneshiro: So...so again, I'm going to send a communication, then we can...

Mr. Furfaro: I understand, but I want to make...

Mr. Kaneshiro: We can have some discussions on it.

Mr. Furfaro: I want to make sure I made myself very clear.

Mr. Kaneshiro: Yeah and...and that's why...

Mr. Furfaro: Because this is found money.

Mr. Kaneshiro: Yeah, but...but I don't want to get...keep going back into this discussion as we move forward with the mayor's budget. I'll come with my communication. When my communication comes back, then we can look at the communication and get contact with the office and have some discussion.

Mr. Furfaro: Thank you, thank you, Mr. Chair. That's all I'm looking for, the policy.

Mr. Kaneshiro: Thank you. Mister...

Mr. Heu: Could I...could I just answer...

Mr. Kaneshiro: Bynum.

Mr. Heu: ...the vice chair real quickly?

Mr. Kaneshiro: Yeah, go ahead.

Mr. Heu: Vice Chair, I would say please, if you do come across what you believe may be an opportunity, please feel free to forward it to me and I...and I will take that and have it distributed to wherever it needs to go.

Mr. Kaneshiro: Mr. Bynum.

Mr. Bynum: And those are my questions as I...I...I'm thrilled to hear what you're saying about sensitivity to this issue because it's an extraordinary year, it's an extraordinary opportunity and many of these funding sources do impact our budget because traditionally they've funded positions and...and what looked like six months ago was going to be cut is looking like increases in...in some of the circumstances. So, who is in...who is the contact person?

Mr. Furfaro: He just said he's the guy.

Mr. Bynum: I mean, I've been talking with Mr. Rezentes about some of these issues...

Mr. Kaneshiro: Well, that's what my communication will cover, Mr. Bynum. So, we'll do that, okay.

Mr. Bynum: But some of them are...have direct impact on what we would fund on the county budget depending on if we're looking at cuts or increases in areas that are traditionally funded, even salaries in...for some of our people.

Mr. Kaneshiro: I...I, you know, I want to stay away from that discussion because again, the stimulus package is to assist, you know, and many of the funding we've had or grants funding like those fundings and they...they're not part of the stimulus package or some of them are part of the stimulus package in some ways, but we've been focusing on anything that will assist the county. So, with that, we'll...we'll send a communication and if you want to add anything

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to the communication, committee members, please get it forwarded to me with your comments and we'll send that over to the administration with one correspondence rather than have several correspondence going back and forth to the administration.

Mr. Furfaro: Thank you, Mr. Kaneshiro.

Mr. Kaneshiro: I would really appreciate that. Okay, Lani.

Ms. Kawahara: Chair, can I ask you a question on the communications that you will be asking for.

Mr. Kaneshiro: Yes, yes.

Ms. Kawahara: They're going to be in a timely manner while we're doing the budget, their responses, yes?

Mr. Kaneshiro: Well, I'm hoping.

Ms. Kawahara: So that we can make a...

Mr. Kaneshiro: I mean, I can't tell them. It's not my position to tell them, but I believe they hear...I believe they hear, you know, they hear our concerns. So, you know.

Ms. Kawahara: I'm just...I'm just not aware, I don't know how it works, so...

Mr. Kaneshiro: Well, I think they got...we're giving them a clear message.

Ms. Kawahara: Yeah, so any resp...any kind of communications that we do send to you, they are considered urgent and priority and they get back to us as soon as possible so we can make educated decisions?

Mr. Heu: We...we usually get a series, an ongoing series of questions that come over during budget and we respond to them, hopefully in what you feel is a timely manner during the budget discussion session, yes.

Ms. Kawahara: Oh okay, okay. I appreciate it, thank you.

Mr. Furfaro: And Lani, in the past, all budget communications that go over during this process go through Mr. Kaneshiro or whoever is the budget chair so that there's one streamline effort.

Ms. Kawahara: Okay, okay.

Mr. Kaneshiro: Correct.

Mr. Furfaro: It was a good question.

Ms. Kawahara: And...and they all...

Mr. Furfaro: But that's been the past pra...practice.

Ms. Kawahara: Okay and those go through...

Mr. Kaneshiro: Mr. Bynum.

Ms. Kawahara: ...no matter what the question is, yeah.

Mr. Furfaro: Yes.

Mr. Bynum: I...I just want to say briefly that I've spent several weeks looking at federal funds and the stimulus package and I think some of it is assistance and some of it is integral to our operations and, you know, I certainly intend to ask questions of every department in what areas that traditionally that helped fund our budget...that...that we are moving forward to make those (inaudible) so. I think there's a distinction between what's in this package and what's in these funds that are coming that are assistance, that might be gravy or above the call, but there's also fundamental aspects of that and I certainly am anticipating that departments are aware of that. I'm sure they are and they are pursuing those aggressively because it's going to impact our general funding, how we provide services to the community.

Mr. Kaneshiro: Okay, Gary, continue with your...anything else you wanted to add to your budget message. Mr. Rezendes.

WALLACE G. REZENTES, Jr., Finance Director: I just wanted to... Councilmem... Councilmember Bynum, what you're talking to more or less is the...the...some of the recurring grants that we get outside of ARRA, right, the continuing operational grants that we receive from federal and/or state sources that...that come into our various departmental budgets, right? That's what you were referring to just now.

Mr. Bynum: Yes and no. I mean, some of the AARA (sic) grants are coming here with a...a...with an expectation from the federal government that other state and county resources are being impacted and they want to continue the level of services. So, it's both and, you know, there's certainly stimulus money that's coming...

Mr. Rezendes: Right.

Mr. Bynum: ...specifically that will bolster those other operations.

Mr. Rezendes: Yes, right, right.

Mr. Bynum: And that's the...you know, I want to make sure that we're taking advantage of the opportunities that are made available to us. And this comes from a long-term sense and...understanding that I know that Kaua'i has not always gotten its fair share of state and federal funds because we didn't step up and ask for them. You have not because you ask not. I think we've been doing a really good job at that. And so this isn't a criticism, but like, we don't want to...as you pointed out, Gary, this is a fluid thing that's happening daily and I'm glad to hear the...the point person is you. But...but they're both, Wally, yeah? I mean, it's...some of the...the stimulus money specifically with that in mind that the federal government knew that states were going to be burdened with other constraints and wanted to make sure that the level of services in

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education, justice, housing, you know, workforce development and, you know...and...would...would be sustainable. And, you know, that's a big issue at the state level where the board of education is very critical of the governor right now.

Mr. Kaneshiro: You know, I think we should keep this conversation back to the mayor's budget. At this point as chair, I'm going to send a communication over to the administration and when we get the communication back, we can get into more discussions. At this point, Gary, can you continue...

Mr. Heu: Sure and...

Mr. Kaneshiro: ...any other highlights you wanted to point out about the mayor's budget.

Mr. Heu: Yes.

Mr. Kaneshiro: Mayor's office budget.

Mr. Heu: Yes, there are, and I apologize for taking us on that bunny trail. Anyway, the first thing I wanted to say before we even get to the graph that I provided you folks is relative to that discussion on the funding for...or the reduction in funding for KPAA. And I'll just lay this on the table right now so that we don't have to get into too much more discussion as we go through the mayor's office review. But unfortunately I cannot sit here and tell you this morning how...what the rationale was for taking it from the \$35,000 down to the 20.5. All of that along with our funding for Red Cross and any number of other "special projects" roll up to a single line item, which is called special projects. And I saw the overall reduction in the special projects line, which was about \$80,000 or so. In my initial review of the detail within the special projects, KPAA was reduced by 10% like...as were a number of other special projects in that...in that category. I think Mel Rapozo mentioned sister cities, which I think took a 50% reduction, you know, but still all rolls up to the...the special projects. So, as I was doing a detailed view of the special projects in preparation for this...this...this discussion this morning. I tried to ascertain what the rationale was for going from 30 down to the 20.5 versus the 10% that had...that I originally saw in the budget. I have not been able to...to nail down an answer yet, but I will get back to you. I don't think it was the mayor's intent to take it down to 20,000 quite frankly. I think the...at...at...on the outside, all he was trying to do was say, hey, look, if we're asking all of our departments to take a 10% reduction, then and I don't want to use the governor's words, but you know, I think we all need to participate and, you know, give something. So that was the intent and...and how it got to be over 30% reduction I don't know, but I will find out the answer and get back to you guys on that.

Mr. Kaneshiro: Thank you.

Mr. Heu: Okay, now I would direct your attention to this graph that I provided you and what I tried to do for the sake of both time and resources so as not to kill a bunch of trees, I tried to do everything on this one graph. And the second graph is only to give you, you know, the pie chart behind that is only to give you another way of viewing it, but I think for the most part this...this...this...the bar graph will be able to illustrate what we've done in the mayor's office. So, first of all I would direct your attention to the red numeric one. And what that shows is that...it shows our budget for 2009 being \$2.1 million; it shows our proposed budget at being ov...a little over \$2.3 million for a variance of an additional \$193,430, okay. So, the initial, you know, blush is...okay,

Mr. Furfaro: Is...is there something that tells us specifically how you're...how you're trying to reduce travel?

Mr. Heu: Yes, that's a good question. Relative specifically to travel, we put out a directive back in January. So, it's in place today that we would be reducing proposed budget by 50% and current year budget, what we did was we said, as of December...as of the end of December, whatever your travel balance was, you reduce that by 50% and that needed to take you through the rest of the year. Now part of that was because we feel that travel needs to be budgeted down at the department head level. Historically it's managed out of the...out of the mayor's office. I mean I end up being the guy. I'm the bad guy. I'm the...I'm the...I'm the travel Nazi, you know. And...and...you know, I mean, I've got a bad reputation across the street. I've got a person down in an unnamed department who to this day still won't talk to me because I denied travel. It's a very sensitive thing, but I don't think we should be managing it out of the mayor's office. So, I...it's not for me to tell a department head, well, yes, this mainland conference is okay and this inter-island one is not okay. That's...as a department head, that's your responsibility. So, we give you the budgetary constraints by which you have to live by and you make the decision. If you want to send somebody to the mainland, to the east coast for a one-week conference at the expense of being able to send five employees to Honolulu for a two-day training, that's your decision, but these are the guidelines. We're also encouraging more video-conferencing and that sort of thing, and we...we've seen a major increase in the use of our video-conferencing facilities.

Mr. Furfaro: One more question, if I can, Mr. Chair?

Mr. Kaneshiro: Yes, go ahead.

Mr. Furfaro: And then Gary, when you reference the deferral of salary increases for the mayor's office, you're talking about the one that comes up December 1 of this year.

Mr. Heu: December...December of this year, yes, yes.

Mr. Furfaro: Okay, so it would impact about eight months of the 2009-2010 year?

Mr. Heu: Yeah.

Mr. Furfaro: Yeah, okay, that's it, thank you.

Mr. Kaneshiro: Thank you. Go ahead, Mr. Bynum.

Mr. Bynum: These numbers include...in...that you're talking about including the board...They include the boards and commissions that are under the mayor's office?

Mr. Heu: Yes.

Mr. Bynum: Thank you.

Mr. Heu: Yes.

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Ms. Kawahara: May I ask about specific programs that are under the mayor's office that are getting funded?

Mr. Kaneshiro: Absolutely, yeah.

Ms. Kawahara: Thank you.

Mr. Kaneshiro: Go ahead.

Ms. Kawahara: I want to congratulate you actually on getting the budget on-line and I really appreciate that. In relation to that I wanted to ask about the Hō'ike contract. I understand that it's ongoing. I have an invoice or I have invoices here and I am curious. I didn't even know what the Mayor's Kuleana was. What that is. If you could tell me what that is?

Mr. Heu: Sure, it's the mayor's program and I think this was actually start...It wasn't called Kuleana at that point in time, but I think it was started back when Maryanne Kusaka was the mayor. And it's just a...it's a venue for the mayor to be able to speak to the public and so I think different mayors have used it in different ways. I think there are periods of times where mayors have not used it at all. I think that Mayor Carvalho is beginning to use that on a weekly basis and it's an opportunity for him to have different guests on his show. It might be a department head talking about specific issues. It might be a member of the community speaking about community issues, but that's in general what it is. It's just a...again, like I said different mayors have used it for different purposes.

Ms. Kawahara: Could you show me where it is in his budget and what the funding is or is it a broad amount that includes all the boards and commissions?

Mr. Heu: No, it...it's just a...it's a...it's a bucketful of money for w...

Ms. Kawahara: Bucketful?

Mr. Heu: ...for...that funds these council meetings...

Ms. Kawahara: Right and the boards and commissions.

Mr. Heu: ...as well as police commission and other commission meetings, planning commission and Hō'ike.

Ms. Kawahara: Because...yeah...

Mr. Rezentes: It...it's shown as a line item in boards and commissions, on the one line. So it encompasses all the boards and commissions (inaudible). It's a (inaudible), one contract.

Ms. Kawahara: Yeah.

Mr. Rezentes: And right now Hō'ike is the contractor.

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Ms. Kawahara: Okay, for...just for record purposes, I guess, is it correct that it's \$265 an hour for...for those Kuleana ones? Are they charged at a different rate than the boards and commissions and at council?

Mr. Rezentes: I...I believe so, but I would need to confirm.

Ms. Kawahara: Okay, could I see this get back, chair?

Mr. Bynum: It's a higher rate.

Ms. Kawahara: It's the Ku...I would like to get the Kuleana rate.

Mr. Kaneshiro: What do you want?

Ms. Kawahara: I would like to get the Kuleana rate.

Mr. Kaneshiro: Okay, can you write it down and then we can...that's why we passed out this sheet here.

Ms. Kawahara: Yeah, but you've been talking about making a communication so, I thought that was it.

Mr. Kaneshiro: Well, we have this here, so...

Mr. Bynum: That's what the pads are for.

Mr. Kaneshiro: That's what it's here for...for the procedure.

Ms. Kawahara: Okay.

Mr. Kaneshiro: So, if you have any questions, write it down and then we'll have those questions addressed through this communication coming before me.

Ms. Kawahara: Yeah, I'd like to get that broken out, thank you.

Mr. Kaneshiro: Okay.

Ms. Kawahara: And from the budget here, I was wondering what happened to E-45, the position from last year?

Mr. Heu: E-45, that position was previously...the title of that position was previously commission specialist and is currently the mayor's administrative aide.

Ms. Kawahara: Administrative aide.

Mr. Heu: Yes, oh, I'm sorry.

Ms. Kawahara: What's the...under boards?

Mr. Heu: Boards and Commissions.

Ms. Kawahara: And what was the number on that E-45 and now?

Mr. Heu: It's just...the position number always stays the same.

Ms. Kawahara: The amount, the amount of moneys that funds it, the salary.
Is it different?

Mr. Bynum: 73.4

Mr. Heu: Let's see, I think...

Mr. Kaneshiro: 73.044.

Mr. Heu: I don't have the...

Mr. Kaneshiro: It's under boards and commissions.

Mr. Bynum: It's under boards and commissions.

Mr. Heu: Yeah.

Ms. Kawahara: Okay, 73...73.044.

Mr. Heu: Okay, yeah.

Ms. Kawahara: Okay. So now, but it's still in...that's still a mayor's
administrative aide and helps in that office.

Mr. Heu: Yeah, it's just...it's the title, yeah, yeah.

Ms. Kawahara: Okay, okay, thank you.

Mr. Kaneshiro: Okay. Any other questions? Mr. Furfaro.

Mr. Furfaro: I...I would like to on the Hō'ike cost, Gary, I think you know
as we come to the ends of the year and so forth, I know we have a...kind of a bundled number there,
but separately I'll...I'll ask for a communication that kind of breaks out the council's portion in the
event we have opportunities that...because we've been conducting business relatively within the
time frame that has been allowed. But you know, if we get to the end and we have an opportunity to
maybe publicize the county's year-end audit during review and so forth, it'd be nice to know that if
we do or don't have funds. So, I'll send that question out in a communication. Thank you, Mr. Chair.

Mr. Kaneshiro: Mr. Bynum.

Mr. Rezentes: I...I...I just wanted to let everyone...

Mr. Kaneshiro: Oh, go ahead, Wally.

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Mr. Rezentes: ...know the...the...I'm not sure how much longer...how relative the cost per hour is going to be because we're right in the middle of a new procurement.

Mr. Furfaro: Okay.

Mr. Rezentes: So depending on the new contractor's bid, the winning contractor's bid, it may...it may adjust, yes.

Ms. Kawahara: When are you expecting that to go through.

Mr. Rezentes: It's...I think it's being advertised now. Right, it's going through purchasing right now.

Ms. Kawahara: So it's not going to show up here for this budget.

Mr. Rezentes: We may know an answer for our May 8 submittal, so we could probably refine the number for our May 8 submittal to...to the council.

Ms. Kawahara: And I did want to thank you for tracking down those numbers for me because it was very important for me to find out how much money we did have and how much money the council could use because we have...I have put in a request to have the budget hearings televised. And I believe we had money to do that and I don't see it here, so...our tele-people here, so I just wanted to be clear on that, that that money is what I was looking at and that's why I was asking that question. Thank you.

Mr. Furfaro: I think the way we'll pose the question across the street...your question is similar to mine if...if there is credit available, we as a body can consider that.

Mr. Kaneshiro: Correct and again, we...we...we can have that discussion when the time comes.

Ms. Kawahara: Because, yeah, I'm looking at we are halfway through and we still have several million dollars, thanks.

Mr. Kaneshiro: Yeah, I don't want to get into that discussion right now. We'll go over with a communication with that unless you have a specific question, Mr. Kawakami?

Mr. Kawakami: No, not a specific question. I was going to address a statement that was just made.

Mr. Kaneshiro: Yeah, I...I know. I...I...I think, you know, we need to stay on track of what we're trying to discuss here, Lani. I think what happened is that there's communications going forward to the administration, budget communications that I think should come before me and then I'll send it over because at times you may get a different report from a different person. If it's not the right person that we send the information that we want to get this information from, you may get a different figure from a different...

Ms. Kawahara: Yeah.

Mr. Kaneshiro: ...you know, person. So, again, for budget issues, I would like to have the communication or you want to send something for budget, if you want to discuss it about...in the budget about this specifically to find out if there's money in a certain project, there's money in a certain fund, how much money there is.

Ms. Kawahara: That's what I'm asking.

Mr. Kaneshiro: I...I think...

Ms. Kawahara: I would like a communication and I'm writing it on our notes and questions, etc.

Mr. Kaneshiro: Okay, all right.

Ms. Kawahara: Thank you.

Mr. Kaneshiro: Because I don't want calls...be calling different departments saying, oh, how much money do we have in here or how much money and we come here and we start getting into a discussion when, you know.

Ms. Kawahara: I needed to...I needed to find out in order to see if it was even a viable thing.

Mr. Kaneshiro: Okay and this is why I don't want to start throwing out numbers until...

Ms. Kawahara: Okay.

Mr. Kaneshiro: ...we have a communication so each and every member can see that communication.

Ms. Kawahara: Thank you.

Mr. Kaneshiro: Okay. Mr. Rezentes.

Mr. Rezentes: In...in an effort to...to hopefully save time, you know, by other departments, I think Gary had touched on the OPEB cost and I know Vice Chair Furfaro is, you know, well aware of this...this item from...from I think fiscal year '08 when we had discussed it at length in the past, but for...for those of you who...who are new and...and weren't aware, basically the OPEB cost represents 19% of salaries. And we...we ob...we obtain that cost from the health fund annually. What...what they do is they hire an actuary...an actuarial firm to estimate the post-employment cost of all our...of our employee load right now. And...and they adjust it based on the life expectancies of...of...of...of employees in...in all the different areas, fire fighters, police, our regular employees. So, you know, you'll see the benefit section in the graphs that the departments all provide you that show an increase because of our allocation, our attempt to place cost where they...where they come from, you know. And...and it's something that we...we continue to work on and refine and I believe, you know, that was the intent of past councils to try to cost allocate out to the respective cost centers. So, you know, this, again, is an attempt to do that, but you'll see that with all departments.

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Mr. Kaneshiro: Yeah.

Mr. Furfaro: And I do want to thank Mr. Rezentes for that approach because it...it actually shifts some responsibility to manage those costs as well to the various departments. Thank you.

Mr. Kaneshiro: Okay, any other questions for the mayor's office? Mr. Bynum or Lani or...?

Mr. Bynum: All right...this is...also any questions about boards and commissions would happen during this period, is that correct?

Mr. Kaneshiro: Yeah, go ahead.

Mr. Bynum: I just want to follow up on questions I've asked the last two budgets really quickly and it can be in writing about the (inaudible), about whether we are completing the minutes of the boards and commission meetings within the 30-day statutory limit and if there's any ongoing challenges with that.

Mr. Heu: That's a good question. I...I believe that for...for most of the commissions that it...that's probably a true statement. I...I...I couldn't sit here and tell you for every commission that it's always within 30 days. I...I know that we've had challenges. I mean it's no secret with planning inter...I mean, you know, that their...their meetings are sometimes as complex and voluminous, you know, material as...as...as the council. And...and so...so I know that they...they did have a backlog; they were working on it. Whether they are now also within the 30-day period I couldn't tell you this morning, but we could get that information to you, no problem.

Mr. Bynum: Okay, thank you.

Mr. Kaneshiro: Anyone else has any questions for the mayor's office?

Ms. Kawahara: Sister city.

Mr. Kaneshiro: This is your chance now.

Ms. Kawahara: Sister city, sister city.

Mr. Heu: Yes.

Ms. Kawahara: Can you explain that to me, what \$10,000 is for?

Mr. Heu: That's for...that has been used in the past for when mayors travel to our sister cities, whether it's an established sister city or whether it's a new sister city. Let's see, we have many sister cities in Japan and when they come to visit us, you know, I mean it's the...it's the exchange of gifts and that sort of thing and just to support that...that effort. So I think we've reduced it by about 50% in...in the coming year.

Ms. Kawahara: Is there a plan for him...for the governor, I mean the mayor to do a trip with that money?

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Mr. Heu: I'm currently not aware of any international trip that he's planning at this point in time.

Ms. Kawahara: Okay, thank you. What's the JPO picnic?

Mr. Heu: That's just the function for in recognition of junior police officers, yeah.

Mr. Kaneshiro: Yeah. That's...they always have that every year where they do...all the people that participate in the JPO because the program also has kids involved in that, where they go out and help, you know, to learn the functions, so. They have a picnic after that.

Ms. Kawahara: One last question, I think. The Challenge Day, \$9,000, where does that go?

Mr. Heu: That's...that is a...that is a program used for drug and alcohol awareness and...

Ms. Kawahara: Drug and alcohol awareness.

Mr. Heu: For high school students.

Ms. Kawahara: High school students, okay.

Mr. Heu: Yeah, yeah, it's targeted at...

Ms. Kawahara: And it's three days.

Mr. Heu: It's at the three high schools, yeah, yeah. I mean all indications are that's a very...it's an impactful type of program. We think it's...it's...it deserves to be...to be funded on a continued basis, yeah.

Ms. Kawahara: Could I get...I'll write it down. I'm going to ask for measurements on that program and then also on the anti-drug programs. Thank you. For...yeah, measurables, statistics and the impacts.

Mr. Heu: Sure.

Ms. Kawahara: Thanks.

Mr. Furfaro: You know, I might make mention that...that it'd be hard to do a comparison because it's a relatively new item, just for your knowledge. I...I participated in the Waimea High School last year, but I think...I think Mr. Bynum might have more detail on that for you, so.

Ms. Kawahara: I'm going to ask him...

Mr. Kaneshiro: Go ahead, Mr. Bynum. Maybe...

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Mr. Bynum: Yeah, I...you know I want to recognize that, you know, a lot of these small funding amounts are critical to our community and the priority of things that we've done for a very long time. You know, I appreciate your comment earlier about looking at the funding of these kind of special programs because they're just...you know I tried to get Challenge Day in last year's budget and frankly the Challenge Day people didn't respond in a timely manner. So I'm thrilled to see that in here. You know, we...it's a tough budgetary time, but we can't stop engaging in things that are culturally and traditionally part of our community like you know Lights on Rice and you know don't take a whole lot of money but have a very large impact in the kind of culture of our community and so I was thrilled to see Challenge Day in here and...in...and I appreciate that you're seeking to have balance for...for these kind or programs.

Mr. Kaneshiro: And...and...just to add on top of that, many of these programs we participate in too, the council participates in too, so...especially like the Challenge programs and I've done that several years ago with Waimea High School, but it's a...unreal programs. I mean when you...when you participate you got a chance to participate with the kids and to really be on-line, you know, and see what they're going through, so. We...we've supported these projects and we're the ones that said I think we really need to put some funding in this projects.

Mr. Bynum: And I think...

Mr. Kaneshiro: Yeah, go ahead, continue, Mr. Bynum.

Mr. Bynum: Just a...yeah, it's like I think Mr. Hubbard made that..correct, you know that it's not a lot of dollars but in terms of what it...the leveraging it allows these organizations to do and...and their funds. You know, we're dealing with millions of...we look at thousands and...but for the...a lot of them, it's just like an integral part and it...and it can be part of what is like a...a lot of non-profits in particular have very targeted funds and so if they have something that gives them a little more latitude, it really goes a long way. So, thank you very much.

Mr. Kaneshiro: Okay. Dickie, you had something?

Mr. Chang: Thank you, Chair. I just wanted to say I think it's important that, you know, perhaps we also look into getting Island School, you know, not just the public schools, but I think if we can include them in. You know, we already lost Kula School. Kahili Adventist is a small school, but Island School has a big, you know, population and I think the kids, whether they're private or public schools, they go through the same challenges. So, if we can get them included also, thank you.

Mr. Kaneshiro: Okay.

Ms. Kawahara: I just want to be clear, if I could, Chair.

Mr. Kaneshiro: What's that?

Ms. Kawahara: I just...if I could be clearer. I'm asking about those programs not because of...

Mr. Kaneshiro: Go ahead.

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Ms. Kawahara: I'm asking about these programs just to find out what they meas...

Mr. Kaneshiro: Yeah, no problem, we understand that.

Ms. Kawahara: I want a measurable thing.

Mr. Kaneshiro: We understand.

Ms. Kawahara: So I can say I'm funding this because and I appreciate everybody...

Mr. Kaneshiro: Lani, we totally understand that.

Mr. Furfaro: We...we understand.

Ms. Kawahara: Thanks, okay.

Mr. Kaneshiro: We understand. It's not a prob...I'm not objecting to any of the questions that you're asking. I'm also helping...

Ms. Kawahara: Yes.

Mr. Kaneshiro: ...to answer some of the questions...

Ms. Kawahara: Thank you.

Mr. Kaneshiro: ...because we've had the opportunity to participate in some of those programs. It's just for clarity. So, don't take it that you know...

Ms. Kawahara: You know (inaudible)

Mr. Kaneshiro: Because you're questioning those questions.

Mr. Furfaro: No, no, no, when you asked about measuring the program, the reality I wanted to make sure you knew that we didn't have it from last year. So we don't have something to measure it with. But for the JPO program, you know I'm an ex-sergeant of the JPO in Waianae. I going measure myself as being pretty successful, so.

Mr. Kaneshiro: And...okay.

Mr. Furfaro: I turned out okay.

Mr. Kaneshiro: And...and Gary, you know, for me as a chair, I'm also going to be asking a lot of the...the ones that come before us if they have some other sources of funding too. Because often you have some state funding on some programs, you have some federal programs, you know on...on things like this, you know, that we do, so. Sometimes if I ask that, you know, it's just so I know and see how bad it is. They going say, yeah, we had state funding on this particular

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program that we're trying do, Teen Challenge or whatever, but now it's been cut and now, you know, it's falling upon the county responsibility and so forth, just so we have a better understanding on some of those programs.

Mr. Heu: Thanks for that clarification...

Mr. Kaneshiro: I just wanted to let you know.

Mr. Heu: ...councilmember because, you know, I...I think you guys...this...I'll...I'll state the obvious that...that in these kind of economic times, everybody's feeling the pain, so non-profits also, maybe more so than others. So, even if we reduce them 10% from current year, this was the year they probably were going to come in and ask for additional funding.

Mr. Kaneshiro: Because of other cuts.

Mr. Heu: Yeah and...

Mr. Kaneshiro: Correct. We understand that.

Mr. Heu: I'd be surprised if you guys haven't already heard from them, if you don't hear from them as we go through this process, so.

Mr. Kaneshiro: Okay, thank...thank you very much. Thank you for the presentation. Thank you, Wally, for being here and any other questions, we'll forward over...will come through communication from me. But thank you very much, appreciate it.

Mr. Heu: Thank you very much.

Mr. Kaneshiro: We...we'll take a five-minute break and then we'll go right into Economic Development if you guys don't mind. Five minutes okay?

There being no objections, the budget reviews recessed at 10:36 a.m.



The departmental budget reviews reconvened at 10:47 a.m., and proceeded as follows:

ECONOMIC DEVELOPMENT

Mr. Kaneshiro: Okay, Budget...Finance review is now called back to order. We'll start with the next department. Before we do, are there any comments? No? Thank you. Anyone here wanted to speak? No. Thank you. Okay, Mr. Costa, you're up in the hot seat.

GEORGE COSTA, Director of Office of Economic Development: All right.

Mr. Kaneshiro: Okay, all ready to go. Just give a brief summary on your budget.

Mr. Costa: Okay, aloha, Finance Chair Kaneshiro and members of the Finance Committee. George Costa, Director of Office of Economic Development, here to present our fiscal budget 2010. I believe all of you have the handout, which basically is a summary of our budget, our department budget. Just some of the highlights, on salaries, increase of 4% mainly due to allocation of Workforce Development funding. In the benefits section, there were significant increases through FICA, 49% or about a \$14,000 increase from the 2009 budget. The Employee Union Trust Fund was up significantly by \$106,000, over \$106,000 due to reallocation from the finance department. And the same thing with the retirement fund. It was up by 49% or \$27,750 due to the reallocation from the finance department. The main areas of focus are in operations and, you know, we followed the goal for...of Mayor Carvalho to start the budget process with a 10% reduction of overall department expenses and initially we...we presented a...a budget that reflected a 22% decrease in the operating expenses or about \$200,000. But then with the need to assist our Visitor Industry and the Cattlemen's Association, we increased the operating budget by \$500,000 for the Kaua'i Visitors Bureau Grant and \$50,000 for the Cattlemen's Association, respectively.

Mr. Kaneshiro: Okay. Any...as...

Mr. Costa: And that's the...the summary.

Mr. Kaneshiro: As George just pointed out they were to...basically most of the budget was kept the same except with some of the increases that he just pointed out. So with that, I'll open it up for questions. Mr. Furfaro, go ahead.

Mr. Furfaro: Thank you. So, Mr. Costa, thank you for this presentation. It looks like from previous years, I have to put back the HVB and the Cattlemen's money, but it looks like before we got to that point, your budget reduced by about \$130,000?

Mr. Costa: Yeah, we were actually almost 3% under budget from 2009.

Mr. Furfaro: Okay, that's the only question I have.

Mr. Kaneshiro: Okay. Anyone else has any questions for Mr. Costa?
Mr. Bynum.

Mr. Bynum: Good morning, George.

Mr. Costa: Good morning.

Mr. Bynum: The...I just want to clarify that what Gary was saying earlier about looking at the non-profit funding, some of which is in your budget...

Mr. Costa: Right.

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Mr. Bynum: ...that the cuts are, you know, significant percentage amounts, that that's being looked at overall. So, particularly the YWCA that is now...those are down more than 25% or something like that. I can't remember the figures. So, is that something that's going to be re-looked at in terms of...

Mr. Costa: Yes, the YWCA and I believe there were a couple of other non-profits that from what I've heard...haven't approached me yet but may have approached the council for either additional funding or funding levels that were reflected in 2009.

Mr. Bynum: Because what I heard Gary say is that the original intent was to spread the difficulties around 10%, that those cuts that are larger needs to be looked at and...like earlier we were discussing KPAA and now in your budget of gross significance is the YWCA. So is that going to be addressed differently?

Mr. Costa: Yeah, we would look at reallocating some of that. Obviously, there's this quite a bit of programs that we...we deal with in the Office of Economic Development. But if that's...that...that's an area that should get revisited, then we'll do that.

Mr. Bynum: Thank you.

Mr. Costa: You're welcome.

Mr. Kaneshiro: Lani, you have a question?

Ms. Kawahara: I just wanted to echo that too. The...looking at the YWCA funding and...and thanks.

Mr. Kaneshiro: Okay, Mr. Furfaro.

Mr. Furfaro: Thank you. I want to move on to another item now that you have some of your staff are here (inaudible). It has been the desire of this county to manage our utility cost and it is a burden that has to be put on individual departments, prosecutor, civil defense, building, and so forth, but the one mechanism we've used in the past is Glenn's ability to track all of the county's utility bills and kilowatt consumption. And that was started about three years ago when I was the Finance Chair. I want to make sure that we are continuing that going forward so that mid-year we can look at the differences in, of course, the bills, but the thing that really drives it is the management of the kilowatt hours. We now have three years of that data and much to the county's credit, our kilowatt hours have remained about the same for this period of time, even though there's been the fluctuation and the fuel surcharge that has changed the bill. But I...I would like to emphasize how important Glenn's ability to consolidate as our...as our energy man in your office, he's been able to consolidate all those bills so that we can measure our performance. We've had significant issues with the police building and the train system there. You know, it was designed to manage the circulating pumps and certain demand periods, but I think they've gotten that corrected. May I impose on you again and if...if not I will write through Mr. Kaneshiro the...the value of having Glenn consolidate the utility bills for us so...

Mr. Costa: Okay.

Mr. Furfaro: ...that we can control operating cost from that standpoint. And I'll put that over in a question, Mr. Kaneshiro.

Mr. Kaneshiro: Thank you, Mr. Furfaro.

Mr. Costa: Thank you, duly noted.

Mr. Kaneshiro: Any other questions for Mr. Costa at this point? If not, thank you very much, Mr. Costa. Is there any other questions with...for some of his staff or...because again, you have different...different, you know, ones here. You have any question about the film from Mr. Umezu? He's here or anything like that? How you doing, Art? No, I'm just joking.

Mr. Furfaro: I might...I might...I might have a question for Mr. Umezu when we're finished with Mr. Costa.

Mr. Kaneshiro: Okay, okay, so Mr. Costa? Oh, you have a question for Mr. Costa?

Ms. Kawahara: Yeah, yes.

Mr. Kaneshiro: Go ahead.

Ms. Kawahara: I was talking to you earlier and saying I was going to ask you this. The KVB Visitor Industry Grant...

Mr. Costa: Yes.

Ms. Kawahara: We have been discussing and I have it down that it's a bill, a money bill, but I was...I was wondering how far along you'd gotten on being able to actually measure and track the money that'll be coming back from that \$500,000 into the economy on Kaua'i in employment and (inaudible) blah, blah.

Mr. Costa: Okay. Sue Kanoho of the Visitors Bureau and I have been working on this for several months. Unfortunately until we actually get approval, a lot of our discussions have been preliminary and to the point where we...we contact some of our wholesalers and kind of throw out what-if scenarios. But until we actually have a firm number, then we can, you know, go to, you know, what we believe as far as one of the sections of our plan is to go to the top wholesalers that have shown a track record of producing visitor arrivals to the island. One of the best ways to track that is through a marketing code. Whatever program we come up with with each wholesaler, we would have to have a code, say Kaua'i County Aloha Stimulus or something to that effect, where when...when their clients book, that code is utilized. It would take a lot of tracking either from the Visitors Bureau and the various hotels or...or facilities where our visitors would be staying so we can collect that information. Part of that would be the coupon book. We're again working with Randy Francisco and the Visitors Bureau to...to put a coupon book together and...and utilize our various businesses on the island. Again, until we get approval, a lot of this is...is preliminary, but we've had discussions and we've had interest out there in the...in the business community to participate in something like this. Again, it's going to take a lot of effort once we do get approval and do put it in place to have, you know, these various businesses and establishments to...to report on a...on a weekly or monthly basis.

Ms. Kawahara: And they...so knowing how much work it is, you do have people interested in participating? And have you gotten any reaction from hotel managers about the plan?

Mr. Costa: Well, with...with the hotel managers, obviously anything the county can do to help, you know, support their efforts which they're already doing is much appreciated and...

Ms. Kawahara: Do they think...do they think that it's going to be effective?

Mr. Costa: They...they believe so.

Ms. Kawahara: Different from what is already happening?

Mr. Costa: Right, right. It's just additional awareness put out in the...in the general public and...and as I mentioned previously, you know, this plan is not only through the wholesalers but we're looking at the kama'aina and military campaign as well as radio and print media and a live radio spot, similar to something that the Marriott just recently did in their...in their campaign.

Ms. Kawahara: Okay, okay, because...yeah, I just was wanting to make sure it's not just more money going into a really bad economy already, that they're...they're not coming, they don't have the money. What difference is it going to make if we tell them to come? And just prior to this project, I was hearing that we just wanted to talk to the people that could come and they were the upscale ones.

Mr. Costa: Right.

Ms. Kawahara: Right?

Mr. Costa: Well...

Ms. Kawahara: So this one seems to be different from that approach.

Mr. Costa: Well, we'll be focusing on the key market areas that have shown even with this down...downturn in economy and lower visitor arrivals that those that are still coming, you know, we'll focus on those key marketplaces.

Ms. Kawahara: And...and then I just...I just have the concern about the radio and I was wondering about the effectiveness of that and how you would track that because there's no coupons and...

Mr. Costa: Yeah, the radio...the radio would be difficult. It's...it's an added piece that would continue to keep the awareness out there. And as I mentioned, like with the...the program that the Marriott just did, it helped to emphasize the...their...their ad campaign that they were doing. They had a bus program where they...they filled the bus with sales and marketing people and managers and went up and down the west coast and then throughout the country and their live-radio campaign helped to, you know, create more awareness. And we target this in, you know, key metropolitan areas where their drive time commute would...would be the...the focus. And the...the mayor and I personally participated in the Marriott program and it was interesting, you know, how many people were calling in, you know, on the live...the live radio program.

Ms. Kawahara: Okay. I think that was all I had. Thank you, appreciate it.

Mr. Kaneshiro: Okay. The other thing I wanted to point out is that we have this bill coming before us that's scheduled for public hearing. When this bill comes before us, we'll have an opportunity to hear from the Visitors side and also Mr. Costa do a presentation as a...we still got to work on this first part of the \$500,000. This is the second part of the \$500,000. At the same time, I will allow you to speak on this because it's part of this budget.

Ms. Kawahara: I was asking about the second half.

Mr. Kaneshiro: Yeah and I just wanted to point that out that we do have a bill pending before the council that will go public hearing, committee and then we'll work on that too. Mr. Furfaro, yes?

Mr. Furfaro: I'm glad you mentioned that. I think the public hearing for that is scheduled on April 22?

Mr. Costa: That's correct.

Mr. Furfaro: So, you know, that will be dealing...we're actually dealing with two halves...

Mr. Kaneshiro: Correct.

Mr. Furfaro: ...of a marketing plan and I do want to share, I think Councilwoman Kawahara asked some very interesting questions about the actual measurement portion. But I do want to add I think after myself, Mr. Costa is probably the second and third general manager on Kaua'i with the most longevity, so some of us have seen these reporting systems. You know, they started out where they...they get a block of rooms at these various hotels and they have management reports that used to come in weekly by mail reviewing their sales counts and you could compare them to last year's figures. As technology progressed, you now have a block of rooms that shows you the sales almost on a daily basis and you can actually get a comparison from the previous year. Mr. Costa's challenge is going to be to get those hotels to share information with one another.

Mr. Costa: Right.

Mr. Furfaro: If not, we have to lean more heavily on the Kaua'i Visitors Bureau, who will get the master management reports and could report on those specific consumption figures. So, to answer your question, there are a few ways to get that information out of them. If not, we go directly to the wholesales.

Mr. Costa: Thank you.

Mr. Kaneshiro: Okay, thank you. You had a question for Mr. Costa or was it particular...okay, go ahead.

Mr. Bynum: Or Nalani, but I...I didn't get a chance to do this comparison, but I want to...Hi, Nalani, welcome back. I wanted to just get an...an idea about some of the promotional programs like for the...supporting the festivals, whether the funding is the same, is it being reduced or...like for festivals and for...I think it's in these line items, right, KVB consumer, special events grants, tourism product enhancement? I didn't get a chance to compare those till last year. I just wanted to see if they were similar or there's a decrease or an increase or...

Mr. Kaneshiro: We're talking...we're talking about the...

Mr. Costa: Did you want Nalani to come up?

Mr. Bynum: Sure.

Mr. Kaneshiro: Yeah, you can, unless you can answer it or Nalani could. We're talking about the HTA match funds.

Mr. Bynum: Well, not...yeah.

Mr. Kaneshiro: Yeah, these are all matching funds. We put out 50%, HTA puts up 50.

Mr. Costa: Right.

Mr. Bynum: Right for the support we give festivals, greeters, related to the visitor industry, are we similar to last year or reduced?

NALANI BRUN: We are...this is the last...this year is the last of a three-year contract. So unfortunately we're coming into this year that we don't know what's happening because we don't even we don't even have a contract to look at. We're going to find out when you go up in...we need to for the first time in a long time, Hawai'i counties are going to get together to bang heads again with HTA and see where we stand. We're hoping...usually they give us about \$500,000 a year just on that separate funding. This year it got cut to \$350,000. So at the...we're hoping to at least get \$350,000 and so is the HTA; they're hoping to give that. So in the meantime, of course, we're starting to compare the festivals and events because this year we had some rollover so we were able to maintain our funding with everyone. But next year, it looks like we're going to be, you know, having to make some cuts, so we're having everybody look at...seriously looking at their budget or,

you know, is this the year that you're not going to want to have your event. Let's really work together, that if we're going to have an event and we're going to pay for it, we're really going to have to make, you know, the money work for us. So, we honestly don't know anything about CPEP. We're unsure about the greetings money. That contract also ends at the end of 2009. We do have the other product development money, which we're scheduled next year to get another \$100,000; however, this year we got cut completely. So, we don't have any money this year. So, just like the county, we are struggling to even find out what they're going to be doing. And as the TAT money, you know, begins to continue to take a dive, it's...it's scary. We have heard from HTA that if they are going to save something, they're going to try to save CPEP, the county product and they want to try to save as much of the greetings program as they can because they realize that there really is a lot of...a lot of people and a lot of kama'ainas that are involved with those programs and they're going to pick those over a lot of the other things that they try to fund. And that's what they've pretty much done this year. So, I think they're going to carry the course that way.

Mr. Bynum: So if the state chooses to reallocate TAT, then it's the question of how much they allocate into these visitor-related projects.

Ms. Brun: Right. Some things are by law like natural resources, right? So they automatically get that first million. But not a lot of the other things are...I don't know if that bill is still on the table to try to make sure that some of the funding goes to CPEP. That was the other one that they really want to make sure got some kind of funding...from the legislature. But I'm not sure if that one is still sitting on the table.

Mr. Bynum: I appreciate that overview, but I also am interested about the county's contribution to these programs of...in this budget.

Ms. Brun: Yeah, we have...

Mr. Bynum: Is it...are we sustaining the previous level or is it cut or...

Ms. Brun: We cut a little. We tried to, you know, take it like every other line item. We cut about 10% there and, you know, we tend to be as creative as we can with the money that we have. It's nothing like HTA money, but when we match it, we make sure we're matching, you know, 3:1 so that...

Mr. Bynum: Right.

Ms. Brun: So that it...we...it really makes it count. And even with those because those tend to be more of our sports ones which we're really kind of looking at now because we're looking at sports events and can we bring groups over that we can really track and those kind of things are kind of more falling within the county lines because they don't really fall in the HTA area. So, that's kind of where we're going. If we can really see bodies coming in off of this money at this point, that's...that's really where we want to go.

Mr. Bynum: Right. You know creative is a good word because you guys have been really good at that over the years and it's just an area I wouldn't want to see us make big cuts. I mean just like we're...we're going to invest in the visitor industry because it is our engine and you know these festivals and grants and greeting things is what sets us apart from other destinations and so, you know, generally I'm very supportive of funding for this. You know if we're...we're going to make, you know, the 10% cuts but please not 30, 40.

Ms. Brun: No. We appreciate it. Indeed, the public definitely appreciates it.

Mr. Bynum: Well it's a big bang for the buck kind of thing because you said it involves a lot of kama'aina, it involves a lot of creativity in leverage and again those things that leverage other resources for us, including human resources, right?

Ms. Brun: Yeah, important.

Mr. Bynum: Big time.

Mr. Kaneshiro: Okay? Any other questions for Lani or, I mean Nani or...

Mr. Bynum: Nalani.

Mr. Kaneshiro: Nalani or...

Ms. Kawahara: I have one for George.

Mr. Kaneshiro: George Costa? Go ahead.

Ms. Kawahara: Could I...could...could you...are you able to tell me a little bit about the papaya...papaya plant or...

Mr. Costa: That...

Ms. Kawahara: And that...

Mr. Kaneshiro: We can have...we'll have...

Ms. Kawahara: The \$20,000.

Mr. Furfaro: Have Bill come up.

Mr. Kaneshiro: We'll have Bill later if not.

Ms. Kawahara: Okay.

Mr. Kaneshiro: Bill can probably ans...answer some of the questions on the papaya, so. Hold on one second because...any questions for mis...

Mr. Bynum: One more.

Mr. Kaneshiro: One more for Mr. Costa? Go ahead.

Mr. Bynum: Was the Food Bank funding in...in your budget last year?

Mr. Costa: It was.

Mr. Kaneshiro: Yes, last year.

Mr. Costa: And when we came to the council to present an update with Judy Lenthall in January, when she received a grant for 2009, fiscal year 2009, there was an understanding that there would be no funding for 2010 and she would seek her own funding sources, which she agreed to and she did mention to the council, but that's one of them that I've heard is...is looking for...to come back with funds.

Mr. Kaneshiro: Okay.

Mr. Bynum: And I don't know when's the appropriate time, but...

Mr. Kaneshiro: I'm going to have her speak later.

Mr. Bynum: Oh, okay, great.

Mr. Kaneshiro: Yeah, I'm...we'll give her the opportunity to speak,
Mr. Bynum.

Mr. Bynum: Thank you.

Mr. Kaneshiro: And then if you have any other questions, you can ask it.
Okay? Okay, any other questions for Mr. Costa? If not, I wanted Art Umezu up here. I believe Jay Furfaro had a question for him or something? Is Mr. Furfaro around? If not, I'll get...I'll bring Bill Spitz up first and then we'll get back to you, Mr. Hollywood. Bill, just introduce yourself for the record...for our record here.

WILLIAM SPITZ, Agriculture Support Service: I'm Bill Spitz, Office of Economic Development.

Mr. Kaneshiro: And mostly agriculture (inaudible) is yours.

Mr. Spitz: Mostly agriculture, other things as assigned.

Mr. Kaneshiro: Okay. Lani, you had a question. Lani, regarding the papaya,
I guess funding.

Ms. Kawahara: Yes, the \$20,000. Is that for Disis...Disinfestation Plant for
the papaya?

Mr. Spitz: Yes.

Ms. Kawahara: It is?

Mr. Spitz: At Ahukini Road, there's a facility there, yes.

Ms. Kawahara: Is that to make it...is that to make it active and ready to go?
Because it's been a really long time...

Mr. Spitz: It...the chambers have been checked over and the chamber,
one now, is ready for certification, but they were last...they were checked six months or so ago, so
we'll have to do that. The problem is that we have a chicken and an egg balancing act too.

Ms. Kawahara: Your production, yeah?

Mr. Spitz: Well, we were short of production, but it's climbing. As you
may know, the...we obtained a grant and Dr. Sakioka of the College of Tropical Ag is training six
farmers. I think they're production is probably at around a thousand pounds per week. Once it hits

three thousand is when we'll probably try to certify the chamber. The U.S. Department of Agriculture is aware that it's in the offing. Harold Taira will be doing it. We no longer have to go to Hilo or bring people over from Hilo to have this done.

Ms. Kawahara: Okay.

Mr. Spitz: We have people on the island...people who are doing it with oversight from Hilo. This has been a long and drawn out project. Trying to aggregate resources and get the timing right, etc., etc. is difficult. The transfer of leases from the owner who is the University of Hawai'i, for those of you who do not know that, to the Agricultural Development Corporation, which is a state entity housed in the department of agriculture responsible for state-wide agricultural initiatives. There...there are a lot of people involved and we meet on a monthly basis with the various partners. On the 14th of the month they'll be meeting with the mayor...the main players.

Ms. Kawahara: Okay, so I heard you say there are six...six farmers in the program, right?

Mr. Spitz: The training program, new farmers. There are some old farmers who are out there waiting.

Ms. Kawahara: Oh okay, so..that's what I wanted to know.

Mr. Spitz: They're waiting to see what happens.

Ms. Kawahara: If...if there was going to be a demand once the...the facility comes...goes up and running and it'll be a...okay.

Mr. Spitz: They're...they've...you know, they're...they're...these guys have grown quite a bit of papaya before. Some of them were in the business in the year that Kaua'i grew 12 million pounds...

Ms. Kawahara: Right.

Mr. Spitz: ...which caused a real problem in the state-wide industry, by the way. But there...there are some folks out there who can do it, who have land and have the resources, but need to be shown that there's a reason for them to do it...

Ms. Kawahara: Okay.

Mr. Spitz: ...which is one of things we're trying to do with the plant.

Ms. Kawahara: Okay, thank you, thanks.

Mr. Kaneshiro: Thank you. Since I have him up here, any other questions about ag? Mr. Chair, go ahead.

Chair Asing: I want to follow up on that question that was just asked. On that...Disinfestation Plant, is...is that part of this \$20,000, no, huh?

Mr. Spitz: Part of the...

Chair Asing: That...this...this \$20,000.

Mr. Spitz: Yes, sir, it is.

Chair Asing: And you said that it was going to be up and running soon?

Mr. Spitz: Well, it's going to be certified...

Chair Asing: Certified.

Mr. Spitz: ...soon. That would be the first step.

Chair Asing: Are we talking about the one at the airport?

Mr. Spitz: Yes, we are. I would ask you to disregard its appearance because it's...it's like a...it's like an old beach beater car that we...

Mr. Kaneshiro: That we continue to run.

Chair Asing: (Inaudible) I look at that building almost every week and look like the building is halfway down.

Mr. Spitz: It's...

Chair Asing: Is it? Are you saying it's going to be operational?

Mr. Kaneshiro: That's what they're pushing for.

Mr. Spitz: The chamber...in...in the interior, Council Chair, there is what's called a fly-free zone, which is built into what used to be the main portion. From the end of the chamber that is going to be certified, there is a shade...basically a shade house structure built inside in which the packing will take place rather than having to secure from flies the whole interior of the building. So, I...I...I will agree with you. The University of Hawai'i hasn't done a thing with it since 1998 and the Ehukai...

Chair Asing: No, the...the only point that I'm trying to make is is it...you're telling me that is..it's going to be operational when? Or is it operational now?

Mr. Spitz: We can't operate it now, no. It will not...

Chair Asing: Okay.

Mr. Spitz: It will not...

Chair Asing: When do you anticipate it to be operational?

Mr. Spitz: I do not call the shots on this. What I would tell you is...well, I'll let my boss tell you.

Mr. Costa: Yeah, okay. In the...in the short time that I've been in the Office of Economic Development, I've had the opportunity to meet with the committee and the last one being about two or three weeks ago. I...I had the same questions because I go to the transfer station every week and you know, that was my first question. I said wait, wait a minute, you know, it doesn't look like anything's happening. But in the last two weeks, if you've been out there, they have gone in. They have grubbed. They've cleared the area. They started cleaning up the exterior of the building. When the workmen that were hired by KEO to clean the grounds were working on it the Saturday before last, I took that opportunity to go into the grounds and look at the area. So, yeah, it doesn't look like it's ready to go, but our goal is in the next six to eight months to have it, you know, at least fired up, certified and...and hopefully get...get going on...on that project.

Chair Asing: That's a state project now? No? Or...

Mr. Costa: Its...

Chair Asing: Or you're handling everything?

Mr. Costa: Actually we're...

Chair Asing: Are you funding everything for that?

Mr. Costa: No, no, we're not funding, no. We...we...

Chair Asing: Nothing?

Mr. Costa: Our...our \$20,000 is only a small portion...

Chair Asing: Okay.

Mr. Costa: ...of the entire grant. The bulk of it is through Kaua'i Economic Opportunity Office and...and maybe Bill can explain some of the background.

Mr. Spitz: The...the thing about this thing is that there are a lot of players in it. The Agricultural Development Corporation actually had \$150,000 to...do the chambers, some of the external work. KEO went to the legislature and has a quarter of a million dollars for a variety of different things, including some working capital to run the plant once it starts up for some repairs. The county has put money in basically for repairs and to help them get chartered. The...it...it really is a chartering for the entity that will run this organization that...that it will be the next thing that needs to fall into place and they're...they are working on that now. I...you know, I...I'll share your frustration. I came over here in 1991 and the thing was built by 1995. It went...that part of it went far more quickly. But from 2000 till now to get it back up and operating has been something of a challenge. However, pulled off, I think it's worth it because we're the only island that can grow a variety...or grow papaya that really doesn't have to be genetically modified. We don't have the ringspot virus over here.

Chair Asing: Well, let...let me ask this question. Which agency is the lead agency to operate that facility? Who is that? The lead agency that handles the facility, who is that?

Mr. Spitz: It...it will be the...the operator will be the organization that is in various stages of incorporating. They're probably...there are two of them. The lease is controlled by the Agricultural Development Corporation, the master lease, and the facility is owned by the University of Hawai'i. So there...when you get down to who ships the papaya, it will be the organization that we're now waiting for the charter on. I...I understand that it's confusing.

Chair Asing: Well...I...I'll send the question over.

Mr. Kaneshiro: Okay, all right, we'll...we'll have the chair, you know, write a communication and the communication will come through me and then we can have a better understanding as the channels of how and who's the organization going to be. I know it's been an ongoing thing. I've had some conversations with Mr. Oyama and the Farm Bureau on this too, so. And...and so we'll get the communication over and then that time you can...

Mr. Spitz: Okay and we'll...we'll answer it.

Mr. Kaneshiro: All right. Mr. Furfaro, you had a question?

Mr. Furfaro: You know my...my questions were just along the lines of the chair and I...I think the opportunity certainly sounds like the chair is going to take some written action. And I would also make recommendations if Bill separately could give a briefing to Councilman Kawakami in his relationship as liaison with legislation and the University of Hawai'i for us.

Mr. Kaneshiro: Okay.

Mr. Furfaro: I think that would be most helpful because we're all waiting for this. This opportunity is...is long overdue and you know we put money in in the past and so forth, so. That was my questions.

Mr. Kaneshiro: Okay, thank you. Any other further questions for Bill since we have Bill up here? If not, yes (inaudible).

Ms. Kawahara: So, I just want to be clear. You're confident that there's going...the expense of operating the plant will be offset by the interest of people that are going to be able to provide that volume of papaya, to grow it?

Mr. Spitz: I...I would fully expect the interest to be there.

Ms. Kawahara: Okay.

Mr. Spitz: Although, you know, these things are not...not always predictable. I...I don't think I would have been supportive of it had I not felt that it...it is an opportunity and..and there...there are other things that this plant can do down the way. It is at the airport. We can't ship pineapple without treatment. We have some growers who do very good pineapple.

Ms. Kawahara: Okay, great.

Mr. Spitz: I mean...people can pick it up at the airport. Down the line, if we get more value-added products and we have some like coffee and a few other things, that under the auspices of the Farm Bureau Corporation, (inaudible), this entity that will operate it, that can be done too and that will carry some of the operating cost.

Ms. Kawahara: Value-added processing? Great, great, thank you.

Mr. Kaneshiro: Derek, go ahead.

Mr. Kawakami: You know, I have a specific question because it deals with agriculture, but I think it may be more for...for George Costa. So, you know, I'm looking at the Kaua'i Made Advertising site. I know at one point with KDEB (inaudible) report there was an initiative to do also a Kaua'i Grown kind of marketing thing too. Because if we are still planning to move forward with Kaua'i Grown, does it fall under the Kaua'i Made budget as far as funding goes?

Mr. Costa: Actually, the Kaua'i Grown program, we're working with the Farm Bureau...

Mr. Kawakami: Okay.

Mr. Costa: ...to have them take...take...take that program and develop that and Melissa McFerrin, with the Farm Bureau, is working on that.

Mr. Kawakami: Okay, thank you.

Mr. Kaneshiro: Okay, all right, thank you very much. With that, Mr. Umezu, I know you've been waiting and anxiously to be...to sit up here.

Mr. Furfaro: Mr. Chair

Mr. Kaneshiro: How you doing Mr. Umezu? Yes, Mr. Furfaro.

Mr. Furfaro: Can we take care of a housekeeping item here.

Mr. Kaneshiro: Absolutely.

Mr. Furfaro: Can we put that black table on the other side of Mr. Costa because the three of us...

Mr. Kaneshiro: Yeah, we might need to slide it over, this way.

Mr. Furfaro: ...we look like we talking to a...a...a black blanket.

Mr. Bynum: Maybe...maybe we can like move the camera.

Mr. Kaneshiro: We'll...we'll slide it over.

(Inaudible – many people speaking at once.)

Mr. Furfaro: No, no, George, leave the table there. Move him over.

ART UMEZU, Film Commissioner: Oh, you guys get a film permit for this?

Mr. Furfaro: See, move that black table. It's portable, right?

Mr. Kaneshiro: Move the table. Yeah, on this...on...more down or something.

Mr. Furfaro: I don't know. Maybe they get...

Mr. Bynum: Then we won't be able to...

Ms. Kawahara: Yeah.

Mr. Furfaro: That's...that's fine.

Mr. Kaneshiro: There you go. There, now we got it. There...we see...you...you cannot hide behind the camera. Art, you're not supposed to be hiding behind the camera. You're supposed to be right there in the camera. Now we can see you.

Mr. Umezu: Art Umezu. For the record, Art Umezu, Kaua'i Film Commission.

Mr. Furfaro: Thank you.

Mr. Kaneshiro: All right. Mr. Furfaro, I believe you had a question or comment for Mr. Umezu.

Mr. Furfaro: Yes, Mr. Umezu, I...I...I wanted to hear from you how Hollywood is doing during these economic times. And with...and I do want to make note of this for the administration, we have a 17% drop in occupancy as reported and a 12-1/2% drop in rate. That's what our resorts are experiencing, 17% drop in occupancy, 12% drop in rate. And if Hollywood is seeming to be doing okay, does that pose any opportunities for the film industry on targeting Kaua'i more than some of our overseas competitors?

Mr. Umezu: Thank you for the question first of all and I apologize to my boss, I was about 10 minutes late. We have a...I have a film crew back in the office and I'll get to the answer for that question. For instance today I had a gentleman walk in and I've been working with this local production coordinator. He worked on a project last summer and it was a \$1.2 million budgeted TV reality show. I was not very fond of TV reality shows because of several incidents that occurred on Maui a few years ago. So I monitor closely as I can the production company because not all reality shows are the same. With this particular one and I'll name it because it's already out there and it's called high school reunion. And the gentleman last year and I happened to just be in the office when he called, and I had a late night dinner with this gentleman who is the producer. And just because of that one dinner I had at Bull Shed and he said, I'd like to come back to the island because we had a good reception from Kaua'i. This is...we're talking last year around July and he

because we had a good reception from Kaua'i. This is...we're talking last year around July and he had called earlier this year and says, we're coming back. We prefer Kaua'i over Maui and this crew happens to be...part of the crew is in the office right now this morning to say that they are coming back. It's a \$1.6 million project which will take up almost six weeks of prepping and actual filming on the north shore. I was just talking to a gentleman who is the local coordinator. There is a...he serves as a location and also a production coordinator and he's from Kaua'i. He did tell me that there's going to be 40 to 50 people employed during this month and a half. And we're looking at close to 2,000 room nights. This is for one production. And I do believe earlier this year before the Oscars, there was a mention in all the tabloids as well as the mainstream entertainment magazines and newspapers. In fact it was actually in the Wall Street Journal, I believe, that of all the various types of businesses that is affected by this economic downturn, it's...it's the healthcare, especially the long-term care parent...facilities and care homes and the film industry. I never thought you'd be putting those two together, but they seem to be the one that's surviving this economic downturn and at the same time there is two other film crews, two. I would say a television feature movie coming here and they're also returnees from three years ago and especially with...in light of our film credit that kicked in in July of '07. As you know July '07 I believe when we had the Tropic Thunder movie filmed here and that was a record breaking year for Kaua'i, for the state for that matter because we had major filming on each of the four islands in '07 and Kaua'i took the lead with Tropic Thunder which, I believe, the \$68 million expenditure on Kaua'i. Frankly and unfortunately, I don't think Kaua'i is going to experience that or that Hawai'i in itself will experience that. That was a great year. I work very closely with the hotels. Each hotel will get a heads up prior to these film crews visiting our islands to say that to give them the best rate you can, whatever you can give because they do stay even temporarily but they'll take up a lot of rooms. In this case we're looking at close to 2,000, maybe 3,000 depending on how long they'll shoot.

Mr. Furfaro: Thank you and I appreciate you acknowledging that in the film community we always want to put Kaua'i in the best light. I think it's also important that with the health and wellness industry growing, wherever we can promote the concept of health and wellness on Kaua'i, it's extremely important to portray that. So, thank you for giving us a quick update.

Mr. Umezu: Thank you. And especially when you mentioned Yoga, there was two Yoga video filming last year and it was a pretty hefty budget that they carried with them to Kaua'i. It was three or four days, but nevertheless they had a dozen crew showing up and they all stayed in hotels.

Mr. Furfaro: And I...I think the shorter programs, the Yoga again helped promote health and wellness. I think the work economic development is doing now on the upcoming marathon in September will show well for us. So, thank you very much.

Mr. Umezu: And I am meeting with a Japanese TV crew. I've been informed that Mainichi television, whom I'm very familiar with, I will be touch with them as well.

Mr. Furfaro: I think they were very conservative in the numbers in their proposal to us about participants from Japan, but they all felt that if there was any margin of growth, it would be with marathoners that would come here in September for participation in this first Kaua'i Marathon, so.

Mr. Umezu: Absolutely and it was noted to me again through Mr. Bob Craver, I believe, with the Kaua'i Marathon and a gentleman that I know from Japan is that he participates in the Honolulu Marathon for the last 15 years, and he was a co-producer for a smaller production that brought celebrities to these events. So I've been asked already to look into a few celebrities to participate even in this first year. It does make a difference for the future of the Kaua'i Marathon.

Mr. Furfaro: Thank you.

Mr. Umezu: Thank you.

Mr. Kaneshiro: Mr. Bynum.

Mr. Bynum: Art, is the...just real briefly, is the state messing with the tax credit, the film tax credit?

Mr. Umezu: Oh yeah, but you know, I don't know if the word is messing, but...

Mr. Bynum: Are they trying to raid it or steal it or eliminate it or...

Mr. Umezu: I gotta be careful because I'll be traveling with the State Commissioner next week to a four-day event in Los Angeles and this is the key event that I attend every year, the one and only that I would attend.

Mr. Bynum: Thank you for saying that.

Mr. Umezu: Yes, 60% of my travel has been cut prior to even being asked to. But I do go to this one event in Santa Monica, which is the one and only event where all the commissioners get together. We have a booth, not the Kaua'i booth, but the Hawai'i booth and we have our four commissioners there. And all the Hollywood producers, studio people, film-related people would attend this and I'm preparing for that already. And who's leading this is the State Film Commissioner. So I'll be very careful, but I think they're trying. We're all trying as a commissioner to make this work for all of us, not just for Kaua'i County but for all the counties. We're all struggling as you know and we're working very closely, especially with the hotel industry. I know Sue Kanohe, who wanted my job 22 years ago, believe it or not, she's been very supportive. She has a lot of contacts also in the business. So she gives me the heads up. So I'm very fortunate to have people like that to help me out.

Mr. Bynum: I appreciate that, but I didn't hear an answer. Is the state trying to eliminate or reduce the film tax credits?

Mr. Kaneshiro: He was careful not to say much.

Mr. Umezu: They were trying. Yeah, I...I think we're...we're good right now.

Mr. Bynum: Because if I understand it correctly, I mean, we give them a tax credit but if they don't come, we're not getting any taxes anyway.

Mr. Umezu: Absolutely, yes. And there's another bill that it...it was the tax credit bill and they seem to have sort of got mixed up in the very beginning, but I think they're identifying this particular 88 bill which is good for us. If not, I think Mr. Ben Stiller would probably have shot Tropic Thunder in Mexico where they were originally going.

Mr. Bynum: Okay, thank you.

Mr. Umezu: Thank you.

Mr. Kaneshiro: Thank you, Art, it's been that long already, 22 years?

Mr. Umezu: The reason he picks on me is because he was the former Mr. Hollywood, so. Thank you.

Mr. Kaneshiro: Well, we...I remember the first time when we had to come before council and fund this program through economic development, so it brings back a lot of memories. But thank you, you're doing a great job.

Mr. Umezu: I learned most of what I know in this business from Mr. Kaneshiro. I'm talking back in 1985, '86, and '87. Thank you.

Mr. Kaneshiro: Thanks, Art. Any, any, anyone else, committee members, that...that you had some questions for the economic development or economic office, development office? If not, thank you very much, Mr. Costa. But before you do leave, I have, I believe, Judy? You wanted to do a presentation or something or speak? The rules are suspended so this is your opportunity now to do so. Mr. Costa, you can go sit down and relax.

Mr. Costa: Thank you.

JUDY LENTHALL, Food Bank: No, stay here.

Mr. Costa: Stay with you? Okay.

Ms. Lenthall: Judy Lenthall, Kaua'i Food Bank. Thank you for this brief opportunity. I will be brief. We're still seeking \$20,000 for next year's budget to continue for one year our Food Stamp Outreach Program. For the first three quarters of our program, we've brought in over \$150,000 new money to Kaua'i that has an economic impact of a dollar, about a dollar eighty. For every dollar that's brought in, there's an economic impact of \$1.80. That's only going to expand because the Food Stamp allocation just was increased about 14% effective April 1st. The demand is out there. The county is losing \$3 million every year of unclaimed Food Stamp money that goes directly to our local grocers, goes directly to our growers when...when they sell their product. It's a win-win all the way across the board. And our outreach program is...had some pretty good results so far. The county gave us a \$58,000 grant last year and George is right with the caveat that we should try and go raise that money some other place and we've raised about three-fourths of it, which we will lose if we don't have that additional \$20,000. We have secured a 50% reimbursement from the federal government. For the Food Stamp Outreach program, I wrote about four grants. One of them got funded and t...the time is coming up and I understand that a supplemental budget will be forthcoming and we'd like your consideration for this economic development program now more than ever.

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Mr. Kaneshiro; Okay, any questions? Mr. Bynum, go ahead.

Mr. Bynum: So we funded it at 58. It brought over \$130,000 of additional
Food Stamp funds to...

Ms. Lenthall: Over \$150,000 as of March 31st and we have one more
quarter.

Mr. Bynum: And we tasked you to go out and find other money and you
did find another...you found three-quarters of it.

Ms. Lenthall: Yup.

Mr. Bynum: You want us to fund a quarter because it will leverage the
three-quarters that you found and it will leverage an increasing amount of Food Stamps for local
people during a time when they're hungry, right?

Ms. Lenthall: Exactly.

Mr. Bynum: Have I got this all right?

Ms. Lenthall: That's about it.

Mr. Bynum: Hope we can find it.

Ms. Lenthall: Thank you.

Mr. Kaneshiro: Okay, thank you. Any other questions, mister...

Mr. Chang: Yeah, thank you.

Mr. Kaneshiro: Go ahead.

Mr. Chang: Judy, you mentioned that we're losing...the county's losing
like three million in...can you...can you explain that?

Ms. Lenthall: Sure. Food Stamps is what's called Snap Now. They changed
the name because it's supposed to be a snap to get it and erases the stigma, so I have to keep
reminding myself it's a snap. Snap is an entitlement program. Anybody who qualifies gets it. The
number of people who are eligible and not receiving this entitlement, we've got about a 72%
elig...participation rate in the state, so we're not even three out of four that are participating and
could get this money. Instead, I don't know what they're doing. They're robbing the Food Bank, I
can tell you that. A couple months ago we got robbed. Our pantries have been robbed. People need
food here. I would...kill for three million food dollars for Kaua'i. That's...that's...that's a wonderful
opportunity. The only reason we're not getting it is because people aren't signing up. The reason
they're not signing up is because it's a 21-page no-can-see font application. It's kind of hard. The
seniors can't...can't complete it. A lot of the seniors can't complete it without our help, so we do the
outreach. We get some prequalified. We help them with their full application. We get them to the
interview. We monitor and make sure they don't miss their appointments and get booted out

because \$3,000,000 is a terrible thing to waste for food when there are so many people hungry in our community, when we're scrounging over...I scrounge over pennies. Just to see \$3,000,000 sit there kills me. We need that money here on Kaua'i. We can get it with aggressive outreach.

Councilmembers: Thank you.

Mr. Kaneshiro: All right, thank you, Judy and also Mr. Costa. And at this time I'll go ahead and recess the budget review...

Mr. Furfaro: Oh, I have one item, Mr. Kaneshiro.

Mr. Kaneshiro: Yes, go ahead. If any comments, go ahead.

Mr. Furfaro: Ah...ah, just for my colleagues at the table, I wanted to circulate the breakdown of the State Transient Accommodation Tax so that you understand that it came up in the discussion here where...how is HTA funded. This is a response to questions I sent to Murray Towill as well as how is the Convention Center debt carried. And as you can see from this piece, it shows 32.6% of the TAT fund going to fund HTA which is the state's marketing group, 17.3% goes to fund debt service for the State Convention Center, leaving 44.8%. This was done at a time when the legislature was considering how to allocate an additional sales tax for the rail system and that summary is attached as well. But just so that we're very clear, the legislature that's in front of us now is talking about the 44.8%. They are funding the HTA and they are funding the debt service for the Convention Center. I just wanted to pass this out so we were clear going forward.

Mr. Kaneshiro: Thank you very much, Mr. Furfaro. With that, we're in recess and we'll be back at 1:30 p.m. with the County Attorney.

There being no objections, the budget reviews recessed at 11:42 a.m.



The departmental budget reviews reconvened at 1:30 p.m., and proceeded as follows:

COUNTY ATTORNEY

Mr. Kaneshiro: Okay, this budget review session is now called back to order. At this time, we'll have the County Attorney's office up for their review. Mr. County Attorney, can you please be...oh, you're there.

ALFRED B. CASTILLO, Jr., County Attorney: Good afternoon.

Mr. Kaneshiro: Just state for the record your...

Mr. Castillo: Okay, Al Castillo, County Attorney, good afternoon, everyone.

Mr. Furfaro & Mr. Asing: Good afternoon.

Mr. Kaneshiro: Good afternoon. Al, basically just go ahead and highlight your office budget.

Mr. Castillo: Okay, I guess when we were...earlier, I guess a month or so ago, we were put to the task to reduce our budget and you know, what we completed, I guess, on the administrative side, we compe...completed the...and we ga...we gave you two graphs and it basically shows 2009 and 2010, the budget comparison and in the back the pie chart. But you know basically, it...it...it...just looking at the pie chart below, it...it...it shows via a picture of a pie that we have reduced our budget not...not in the terms of the salaries and benefits which I really didn't touch at all. But when put to the task and...and...and looking at the...the...the line items, you know, we...we...we cut a lot of things by actually by 50...by 50%. And I guess what you...what we submitted to you is the budget preparation worksheet for the fiscal year 2010, which basically...You know what I did was, especially the training and the airfare, you know from where we had training budgeted in previous years we went from 2008 \$30,000; 2009 \$10,000; and 2010 \$6,000. And that's just to give you an example of the...and may...maybe if you can see at the bottom left of our budget preparation worksheet where it says litigation and discovery training for deputies and staff, that's where we went. I'm sorry, I mean that's where we had a drastic reduction. I know we don't show it here in our budget preparation worksheet, but when I asked...when...when I...when I did our research and how much we cut...I mean I don't know where you want to go with this, but just the numbers alone we submitted to you, the pie sheet or the pie chart to show you in total our reductions. So, I don't know what else to tell you. What...my concern is having gone to the mediation, the Ka Loko mediation, and having to deal with this special counsel and litigation cost. When I look at the special counsel and the litigation cost, our litigation cost from 2009 to 2010 went from 200 to 125 and our special counsel went from...we kept it at one million two hundred. But you know, these are items that I cannot sit here and tell you what the future will be. I can only tell you that I will be requesting to meet with the council or...or even in special session matters involving the Ka Loko Dam case and that's for a later day which probably will be a couple of weeks from now or maybe even a...in as we submit it on Wednesday or Thursday, maybe we can have the hearing next week. However, the...for the litigation cost, when I went through the Ka Loko Dam mediation, what is...what was clear to me was that the discovery process was really kept at a minimum and that did not sit right with me because that meant if we're...we're gearing up for trial, which trial is scheduled for June, it'll go...it's going to cost...the litigation cost might be more. The special counsel might be more. You know even if we will get reimbursed at the end, you know that's a reimbursement at the end. So, those are big ticket items that I'm sorry I have no control over.

Mr. Kaneshiro: Okay, Mr. Furfaro, go ahead.

Mr. Furfaro: Thank you. Al, I really think for this...for this budget process what...what I have I'm having a hard time digest. Let's take the Ka Loko Dam matter separately. It was a very tragic and very unfortunate situation, which we all understand we will have to support with legal counsel. What I want to make sure that I'm sharing with you here, we had a budget for last year of a million two for special counsel. It looks like we're going to end the year one million six

ninety...six ninety five. \$490,600 higher than what we budgeted for special counsel. This budget coming back here is going to be at a million two and we understand there's a lot of variables. But my thinking with the...with the previous council was we were going to add a legal support person for the chief. And I see in this budget that came over from the mayor that position was dollar funded and was transferred over from the police department to you. Now, this was a component of a bigger process. First of all we want to set some goals for the police department to get, you know, their certification. We also want to minimize risk associated with all the things that our police department are expected of today in law enforcement from the servicing of warrants to, you know, the gathering of...of critical information for a case. I felt and I still do that that position was very important in the police department because that person is there. That person can offer them some sound advice on, you know, search and seizure, arrest, all of those but...and he...he's kind of at the fingertips of the chief and the police department. Secondly, for our accreditation, which I think is a goal for Chief Perry, at least that's...he has shared that with us here at the council. This person would actually be involved in police science training for the officers and we have a sizeable group. I think 91 officers took the test for this last go around. Forty-five of them are pursuing the application, but all will require legal training as well. So, I don't understand and I...I believe with the group of attorneys you have organized in your office that and, of course, with your litigation experience, we will find ourselves probably defending ourselves more often and therefore, I understand the rationale between budgeting the million two. What I'm trying to go about is how do we save the \$490,000 that we exceeded last year's budget on without necessarily giving the police department the kind of legal beagle, I guess, and training that is going to be required for accreditation and...and it's been moved back to your department. I think that...that is extremely important for you to know that was a goal of the previous council: loss prevention and the support of someone for the police department. Could I just get your...

Mr. Castillo: Sure.

Mr. Furfaro: ...kind of gut feeling on this?

Mr. Castillo: Sure. I...I...I have more than a gut feeling. The reason I say that is I share your concerns. The reason why I share your concerns is that because coming in...before coming in or making my decision to help our county, one of...I...I had thought that the police they were going to have a legal analyst and I thought the water department was going to have a legal analyst. And I was wondering which attorneys or what level of attorneys would be vying for those positions. The concern that I had was these positions, from what I understood back then, were positions where they would be so-called like civil service. I wondered if the person that would be in the police department would be as competent as I would have wanted that to be in my police department. The reason why I said that is because I started with the prosecutor's office way back with Gerald Matsunaga. I spent four years with Judge Matsunaga when he was a prosecutor. Chief Hiram was the chief back then. I personally went through many chiefs: Chief Hiram, Peachy Sheldon, Hans, Chief Fujita, Chief Fujiuchi, Chief Lum. When I was four years under Judge Matsunaga, he was the prosecutor, I was the...although I was the newest attorney, I was the attorney that was sent to the...to the police department every day. During that time I developed a good relationship with the police department, in fact a wonderful relationship that has existed and flourished till this very day. My allegiance is with the police department. The...spending time at the police department, you get the ability, the opportunity to understand the difficulty of their...their work. When Kenny Robinson was having a hard time in his disciplinary decisions, and if you read even one of his disciplinary decisions, you would see that he was well-read. He knew the law. He was on top of things. He would come to me for legal advice, not only in his disciplinary decisions, but for a lot of the opinions that were rendered by the county attorney's office at that time because at that time many times he needed a second opinion and I would give that to him. As a prosecutor this relationship with the...with the police department grew even closer. As the first deputy, I was able to be privileged to work within the intelligence unit, the vice unit, to know what goes on...on...on this island. Therefore, when I think about who is best to serve the police department, you know, unfortunately I found that me. So, who would be a good extension of me. It would be a deputy that I can have hands-on with. This is not a control thing. This is for the protection of our island so that there's consistency, there's uniform, there's accountability, there's history. You put out a...a...a...you...you hire an attorney that who's out there on an o...on his own; it's like an island. That person would not have the wherewithal to know what to do in the multitude of things that the

police department does, not only the criminal side. The criminal side, I...I...I...I, you know, I...I know it in the back of my hand. The civil side, there's so many different things that this attorney has to do, which you all know: the arbitration, the unemployment, the EEOC things, standard operating procedures, manuals. I was the one that did a lot of training with the Kaua'i Police Department with their detectives. Mel Rapozo was one of the detectives I trained with the other detectives, which to this day I credit his ability to learn from me because we had a major murder case where the baby was drowned in 'Anini that...not...because of the training that he received and what he latched onto, we were able to save that case. So, I can go on and on but maybe...

Mr. Furfaro: No, you don't need to. I just want to reconcile what I heard from you. First of all, you said when you were there you were in the county attorney's office but every day you went to the police department.

Mr. Castillo: Yes.

Mr. Furfaro: I like that. Secondly, the ability for that individual to be able to come back and spend time with you to get second opinions on particular needs, you would be making yourself available. You're not talking here about control but really continuity. So the only question I have left is will that attorney, being in your office and fully available to the police department, will that still get us to accreditation? I mean that's the chief's goal.

Mr. Castillo: Yes...wait, wait, yes, if that person has the energy, the gumption to do what it takes...necessarily takes to...for that position. I cannot tell you who is going to be in that position. I can tell you...I mean, what if you open it up...what if it was separate and apart from the county attorney's office and we had no say. Then whoever that person is there gets the job...

Mr. Furfaro: You've...you've answered me the first three parts, three-quarters, you've answered it.

Mr. Castillo: Okay, okay, I'm sorry.

Mr. Furfaro: I'm...I'm just worried that we have an understanding with the chief. His long-term goal for the Kaua'i Police Department is accreditation and this loss prevention/risk manager/legal analyst was part of that plan. I think we still, at some point, need to understand his goal for accreditation.

Mr. Castillo: I met with the chief and I fully believe that his goal is what I have been wanting for these many years. They...you all know the...what lies ahead in front of this chief. So, it's...it's...we know it's a hard task. To achieve that goal takes hard work and, you know, he's up to the task, I'm up to the task.

Mr. Furfaro: That's all I needed to hear, Mr. Chair.

Mr. Kaneshiro: Thank you. Mr. Bynum, you had a question?

Mr. Bynum: Thanks very much for that answer and what I heard was and I agree I think that given your background and your long-term involvement in the community that there is a chance for outstanding collaboration between the police department and the county attorney's office and that you want to nurture that relationship. But we still have to address the dollar funding, right? I mean we still have to address actually...so you would be committed to hiring an attorney to be focused on the police department under your supervision.

Mr. Castillo: You know, when I first caught wind that this was happening, my first thought was I have to...that position has to have an experienced deputy, not just anybody because it's a...because of the nature of the job.

Mr. Bynum: So, it...so, you're committed to having a deputy assigned to that...

Mr. Castillo: Yes.

Mr. Bynum: ...arena under your supervision and you feel confident that the chief's okay with that?

Mr. Castillo: You know, I...like I said I sat down with him. To me, we can work together in accomplishing that goal. I...I...you know, I sincerely believe that.

Mr. Bynum: I very much appreciate your answer because it's not just the criminal side, it's the internal things that...you know one of...the chief wants to do an invest...internal investigations unit, a very comprehensive look that you just gave of the police department as opposed to, you know, what maybe may have been my more narrower view like how do we keep from getting involved in these lawsuits, right? And that would be part of it, but you're giving a more comprehensive view of that.

Mr. Castillo: And...and...and the lawsuits, I'm...I'm...I'm a...I'm aware of and I understand where it's...it's coming from.

Mr. Bynum: I...I agree that given your background you're in a great position to really bring some real nice assets to this effort.

Mr. Kaneshiro: Al, did you have a chance to...to I guess go over this budget before it was submitted to us and the dollar-funded position? Or you were just coming on board at that time?

Mr. Castillo: I...I was...I was just coming on board and...and what is unfortunate is I would have wanted to really have a hands-on knowledge of the mechanics of what I helped put together. So, I...I...I...I...I, go ahead.

Mr. Kaneshiro: Let me, let me...the reason I ask that because you have seven other attorneys, right? So when I look at the budget right now with a dollar-funded position, it seems like at this point to accomplish what you're trying to accomplish with the police department, you're going to have to use one of the seven attorneys right now to do that in this new current budget. So, because it's dollar-funded.

Mr. Castillo: You mean if...yeah, okay. Well, I...I...I'm mindful with the amount of people that I have and the amount of work that I have. So I...I...and...and that still doesn't take away from my belief...

Mr. Kaneshiro: Okay.

Mr. Castillo: ...that the police department because of the nature of their business has to have an attorney of a certain level. You know, but...but organize...me coming in March 6...

Mr. Kaneshiro: Okay.

Mr. Castillo: ...and organizing this law firm...

Mr. Kaneshiro: Okay.

Mr. Castillo: ...that I have for this county...

Mr. Kaneshiro: Yeah.

Mr. Castillo: It's...it's a huge responsibility.

Mr. Kaneshiro: All right. I...I agree with you. I can agree with you, but at the same time then what you're saying to me that you...you really realize that this is really an important position and hopefully that you would want to fill and that there'll be some funding to fill that position.

Mr. Castillo: Espe...yeah, I...I certainly agree.

Mr. Kaneshiro: Okay. It's just that when a dollar-funding pops out that's why. You know what I'm saying because...

Mr. Castillo: Yeah, I...I...I...

Mr. Kaneshiro: ...and...okay. Any other questions for Mr. Castillo on...besides this or even on this particular item? Mr. Chair?

Mr. Asing: Yes, I would have one.

Mr. Kaneshiro: Go ahead.

Mr. Asing: Al, thank you for your...your answer. Would this person that we're referencing right now, this dollar-funded position person, would that person be housed at your office or would that person be housed at the police department?

Mr. Castillo: If I had my...my...if it was up to me, yeah, the...It's a mixed bag. It's a mixed bag because I know, you know, because we all here...we're all here when we figure yes, you have the person there, that person is readily available for the police. To me that makes sense to have the person there. And obviously the county attorney's office, we don't have that much room, so it makes sense to have somebody housed there. That's the main...but...but then we would like some coordination so maybe report to the county attorney's office in our meetings and then housed there, but I cannot...The thing about it is because I...I'm...I'm trying to run the county attorney's office like a law firm and law firms go on billable hours, yeah, I need to find out how much time this person is really needed because when I was there I know how much...how many officers or how lack of officers, you know, that used to come and visit me. But that was way back when. We're talking about 1980, I'm sorry 1982, 1983, many years have gone by. So, but I think for me it makes more sense that the chief has somebody there so the chief can have this communication and rapport building and understanding with the...with the deputy.

Mr. Asing: Okay, so that person would be housed there.

Mr. Castillo: That...that's...that's...makes more sense to me.

Mr. Kaneshiro: But under you as...

Mr. Castillo: Yes. It does make more sense to me, but I...I...you know, I...it's...I don't think it's up to me. It's up to...

Mr. Asing: Al, I have to apologize, but at the same time, I am asking you a question.

Mr. Castillo: Okay.

Mr. Asing: And I would like for you to, you know, try to answer it as best as you can.

Mr. Castillo: Okay, now, the best way I can is yes, I want...I would like to have that deputy and if dollar-funded means not yet, I would like that deputy as soon as possible and to serve the police well, yes the deputy should be there. Did I...did...did...did I...I don't know if I'm answering the question because I...

Mr. Asing: Apparently it's a tough question for you.

Mr. Castillo: No, I...because I don't know, I...I...I...I cannot...I don't know if I'm the one to make that decision that's why where that person is housed. I...I...you know I can say yes I would like the person there.

Mr. Asing: Okay, thank you.

Mr. Castillo: I'm sorry.

Mr. Kaneshiro: I got it. Mr. Kawakami.

Mr. Kawakami: So if the chief says it's okay, put him there, then you're fine with it then in...in...in a nutshell.

Mr. Castillo: I'm fine with it.

Mr. Kawakami: Oh, okay.

Mr. Castillo: Because it's not...you know, it's...it's the service that's rendered. It's the accountability and the consistency and the uniformity that I'm worried about. I'm not...it's not form of a substance. I...I...I rather have the substance, the work done, yeah. So if the chief says here, then it's no problem with me.

Mr. Kaneshiro: Thank you, thank you very much. Any other questions for the county attorney's office?

Mr. Furfaro: I have one.

Mr. Kaneshiro: Go ahead, Mr. Furfaro.

Mr. Furfaro: This is more an observation than anything, Al. I just...I think you might want to revisit your training budget because it seems...it seems from previous years, you know \$10,000; \$36,000; \$26,000 and then this year showing up at \$6,000. Unless you're planning to do a lot of the training yourself, I...I think you need to revisit that number.

Mr. Castillo: Yeah, we, you know, we had in...in...we had to address the issue of no funds, so we tried to do the best we can. We really realize how tough things are and do the best we can.

Mr. Furfaro: Well you know you're...you're in an office that has exposure to a very large portion of the county's treasury.

Mr. Castillo: Understood.

Mr. Furfaro: So, you know, you need a little bit more in there, when we get into deliberation maybe we can talk about this again, Mr. Chairman.

Mr. Kaneshiro: Absolutely.

Mr. Furfaro: Thank you.

Mr. Castillo: Thank you.

Mr. Kaneshiro: Mr. Bynum, go ahead.

Mr. Bynum: Two things real quickly. One is just to point out that on your chart the dollar increase in benefits has a lot to do with that restructuring of the benefits, so overall the total may be slightly down. And the other is when you get more settled, you can share with us

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how deputies are assigned to what kind of task in the future. You know, we already talked about probably it will be a deputy primarily focused on planning or there'll be somebody, where that'd be their primary responsibility.

Mr. Castillo: Yes, yes.

Mr. Bynum: And I don't want...need to know who or all that now, but eventually we could discuss that.

Mr. Castillo: Yes.

Mr. Kaneshiro: Okay? Committee members, any other questions for Mr. Castillo or his staff?

Mr. Castillo: Okay, thank you.

Mr. Kaneshiro: Thank you very much, Al.

Mr. Bynum: Thank you.

Mr. Furfaro: Thank you, Al.

Mr. Kaneshiro: At this time, council staff, are we having the next department up? We'll take a five-minute break for now and then you let me know and let us know when we can again...Well, we'll take a short break and we'll see if we can make a call and see where we're at.

There being no objections, the budget reviews recessed at 1:59 p.m.



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PROSECUTING ATTORNEY (4)

The departmental budget reviews reconvened at 2:26 p.m., and proceeded as follows:

PROSECUTING ATTORNEY

Mr. Kaneshiro: The chair of the Budget & Finance Committee now calls this budget review back to order. At this time we have the Prosecuting Office before us.

SHAYLENE ISERI-CARVALHO, Prosecuting Attorney: Thank you, thank you for that introduction, Budget Chair. Thank you for having me here, Council Chair Asing, Budget Chair Kaneshiro and the rest of the Councilmembers. Thank you all for indulging in your time last week in meeting with me on four separate occasions so that I was...I had the...a full opportunity to provide you what the prosecuting attorney's office will be seeking in this budget year. We all realize that this is a very tumultuous time in light of the uncertainty that we are facing. And having that in mind is how we prepared our budget. I did provide additional information today based upon the discussions that he had had with the individual members. I also have another handout that I would like to begin the discussion with. And as indicated earlier in my meetings, we had started off this year on December 1, which was a Monday, where the very next day our office was required to go to court. We started off with pretty much 50% of the staff, some by choice, and in light of that, there were a lot of flurry of activity that had taken place. I would like to point out that on the first handout that we provided this shows the salaries that were in existence from the old administration back on November 1 and then the new administration up until April. It's very clear that our department exercised its responsibility in being very frugal with the county's money. In actuality our...our attorneys were hired at a much lesser pay and were required to do a lot more skilled work. As indicated, if you look on the first handout, the old administration on November 1 had pretty much all of their positions filled and...and their monthly salary that were being paid was approximately \$71,000. With the new administration on December 1, we pretty much started with about a half of the amount of staff that the old administration had and in that first month, we saved the county over \$45,000 in salaries. You can see in the proceeding months after that, we have, up until this date, we'll have saved the county almost \$100,000 in salaries.

If you look at the amount of positions, we are asking in this budget just to give the amount of positions, really, that existed on November 1. We did some restructuring, reallocation to maximize the efficiency of the office, but clearly the amount of positions that we are requesting for the attorneys are the same amount that was on November 1. What has changed, as we all know, is that the grant funded positions have, at this point, been down to nothing. We have already, beginning April 1, started paying an attorney that was previously funded by grant out of county funding because we have lost all moneys under grant funding at this point for attorneys. So, although it shows on April 1 two vacant positions, those positions exist without any money in it and that is the two attorney positions that the prosecuting attorney's office is requesting. Again, it shows up in the county budget as new positions. These are not new positions for the office. These are in actuality transferred positions that were previously funded by grant. And really that's what has taken up most of the increases that the Prosecuting Attorney's Office is requesting.

We are also requesting a special investigator and a legal clerk. As indicated, we came onboard without over 4,000 outstanding legal documents. We also had, when we inherited the office, approximately 400 backlog of circuit court felony cases. These are different types of reports. In each defendant they have multiple charges, so we're looking at over a thousand plus charges outstanding till today. We have approximately inherited 300+ adult family and juvenile cases that were uncharged. These cases range from 2005, 2006, 2007, 2008. I can tell you...and...and district court we have approximately 300 to 400 cases a day that we inherit and that we handle. We have from December 1 that we have taken office till April 1 absolutely no backlog in the screening of cases. Our attorneys have exerted basically 24/7 efforts without any addition in pay in making sure that none of these cases are not unscreened or looked at...not looked at. We have increased grand jury proceedings. We have one every...every other week. We have, from December 1 to April 1, charged approximately 140 new felony cases of different defendants. If you add up all the charges of 140, clearly they would add up to approximately 500 or so charges. Those cases are new cases. People have started...we have brought forth people that have been arrested on a charge and committed an offense within less than a month. They are facing arraignment and plea in circuit court. The

is...there...there are a lot of time issues that are involved in any prosecution of a criminal case. Whenever a person is arrested and they do not post bail, we are required to give them a hearing within 48 hours. This is an extremely time-sensitive area of prosecution. If we do not, that person gets released. It doesn't matter if that person committed a murder, a sex assault, a robbery or domestic violence or a DUI. They are required a hearing within 48 hours and we need to provide witnesses and put on evidence in order to hold that person in custody, evidence that we can prove the case of probable cause at that point and of course beyond a reasonable doubt at trial. So, it's very time-sensitive. We have only six months from the date of charging until the date of trial in order to bring a case without any (inaudible) periods. So, again, time is of the essence here. We have been extremely strapped with the amount of attorneys and other positions. Our...our clerical staff were hired at a much lower level of education and experience. The...the amounts that were provided were for legal clerk III's. We in essence hired regular receptionists and senior clerks to do legal clerk work. That work...that has caused a major delay in documents being filed and also the accuracy of the documents being not what it would be normally if a legal clerk had handled the case. In a case if a number is off, the case is subjected to getting dismissal, a criminal number. If the date of offense is not the same date as the date that it occurred, that is subject to a case being dismissed. If the complaining witness is in error and it's a wrong name or a wrong spelling of the name, that in essence could cause a dismissal of the case. And so this is not only a time sensitive but a one...an occupation where accuracy is a top priority or else the victim would suffer.

And so we are faced right now with crisis. If you look at the newspaper, you will hear that a lot of the kinds of crimes that we are facing here even on Kaua'i have changed the lifestyles that we have been experienced. We are used to feeling safe. You can go on the street now and talk to any of the local people who've lived here 20, 30, 40 years and they do not have that sense of security that they once had. We are now have...having home invasions when people are actually present in the home. That was not something, four years ago, that we experienced. I had been at the Prosecutor's Office as recent as four years ago, and so the type of violent crimes, the type of domestic abuses that are happening, the type of cases that had been dismissed in the past. Fredlynn Hoapili, a victim that sustained injuries leading to her death, she had five prior abuse cases that were all dismissed and which led finally to her murder that happened just two months ago. And so we are facing with...these kinds of crimes and very brutal crimes and exponential increase in the type of crimes.

And so I implore you to look at the positions that we once had. If you look at the sheet that shows in...in 2009 the total attorneys 10.75, we had at that time 6.75 county funded and four grant funded. If you look at fiscal year 2010, that's the same amount of attorneys; however, there is only one attorney now that is supported by grant funding because we have no other money to support any other attorneys. And so we are requesting that 9089 and 9091 to be continued as grant funded...I mean that was once previously funded by grant to county attorneys. If we look at the types of cost that are associated, most of these costs have to do with fringe benefits. I believe we are up to 60+ percent now and all the fringe benefits are being required to come out of county funding and so if you look at the differences on page 2, that kind of shows you the OPEB for those positions that are being requested. We are gracious that the administration was able to provide the dollar-fund for those positions, but as the occupations go with attorneys and as we've seen with the recent county attorney, for attorneys, they develop attorney-client privileges. So it is almost impossible to get an attorney hired within two weeks or even a month. What happens, it'll take approximately at a minimum three months before an attorney can leave the clients and make sure that they go and file papers in front a court to get released from handling that case. And so it's not like any other occupation where if you had been a clerk you can easily leave your work and transfer to being a clerk in another position. That is not the case. Once you have an attorney-client privilege that has been established, it is something that has to be done by a court. So the attorney cannot just leave the case. They need to get that...granted that privileged in order to move to a different case or have that case load transferred to someone who is as competent as the attorney that was handling the case.

And so, if you look at, again, we've...we have taken the opportunity to try to be as frugal as possible within these four months. However, in light of the crisis we're at and the conditions that we are facing, a lot of extra work that we had done...On Friday we had to inform the police department and other agencies that we are no longer going to be able to provide those services but must concentrate on the current workload that...workload that we have. For example, we had been providing an attorney 24/7 for the Kaua'i Police Department. Effective on Friday, we canceled that

until further notice. If we do not have any attorneys that are granted, we will not be able to provide that service at all. We have been getting approximately five...three to five new cases every weekend where there is consultation between...and conferral with the police department and the attorney regarding interpretations of law. That has stopped effective on Friday. We provided training to the police department. We did recruit training for a whole month. We sacrificed an attorney for a whole month, which was myself, to do the entire training for Kaua'i Police Department for a month. We also provided the detective training and conferral every hour on Friday, one hour on Friday at a minimum. We have suspended that. We are unable to provide that service in light of the budget cuts that we are facing. We also provided 24/7 review of 48-hour documents and all search warrants. We have suspended that. We only will be reviewing search warrants and 48-hour packets during normal business hours, which is 7:45 a.m. to 4:30 p.m. We provided appointments. Any time anyone wanted to make an appointment, they were free to do so and in fact, if we were present we dropped everything to handle that appointment. We no longer do that. We are requiring one week in advance appointments. So this is the level of service we had provided earlier that we no longer are going to be able to provide. If...if these positions are not granted, we will not be able to provide this service that was, I believe, a great service to the community. We also provided all...conferral with victim witness. That we have stopped. We will cons...consider providing services with ongoing cases, which is what we have been doing in addition to pre-conferral cases. We have stopped that and will only be handling ongoing cases. So there's a lot of things that we provided in the past that we won't be able to do and will make...re-evaluate those decisions on July 1.

Now, we have provided a list of all of the grant opportunities. So if you look at the second paragraph...I mean second...handout that consists of three pages, these are the amounts of moneys that we will be applying for. We have these Recovery Act moneys that we have not received any notification of when we will...when they will let us know if...any dates on when they will let us know whether we have it or not. If you look at the ones that have asterisks, which is the...it begins with Recovery Act, Edward Byrne Memorial Comp. Grant, these are the total amounts. We are requesting a portion to fund that community prosecuting attorney as well as the crystal meth attorney that we lost. If we are able to provide that on the Recovery Act, those are...are two of the positions that we're requesting. We are also requesting continuation of the Domestic Violence Unit, which is DVPU. We have PCPU, which is Property Crimes Unit and we also have a career criminal which is a CCP program that we are requesting. The ones with the asterisks are based on competitive grant and that's why we've had our grant coordinator who is here Jamie Chong. We also have our departmental staff assistant, Cyndie Johnson, and my first deputy, Lori Wada, who originated from O'ahu, present to answer any questions that the council may have. So we have aggressively pursued and continually to...continuing to aggressively pursue all of these opportunities for grant moneys. However, they will not note...we have not been any...basically it's to be determined as to when we will get notice once we fulfill the application and the due date. So, again, you see all of the moneys that we are trying to secure from the federal agencies. If we receive...are fortunate enough to receive any of these moneys, then clearly we will utilize federal funding before we touch any county money, which has been the policy under my administration which is why at this point we have basically exhausted the grant moneys for attorneys and have continued the attorn...the other attorney that was under grant under county funding. That in a nutshell is basically where we are at. Again, we are at a crisis and whatever questions that you may have, I'll be more than happy to answer them.

Mr. Kaneshiro: Okay. Questions, committee members? Mr. Furfaro.

Mr. Furfaro: Thank you. Shay, thank you very much for the presentation. Maybe you can give me some clarification so I can understand the...your statement here that your policy has been to use grant moneys before any county moneys. On the bottom of your grant application...

Ms. Iseri-Carvalho: Yeah.

Mr. Furfaro: ...there's this footnote and it says, grants are being submitted and will be part of a competitive grant application process. Is that grants that we need to be competitive with other counties on?

Ms. Iseri-Carvalho: Yes, yes.

Mr. Furfaro: Okay.

Ms. Iseri-Carvalho: And the other ones that aren't are those that are determined by formula. And so these other ones...there's going to be an amount. We know a decreased amount, but we don't know until they let us know what that amount will be. But those moneys are determined, again, based on a formula that has been predetermined. So, if you see we had a...that \$191,000 under the Edward Byrne Justice Grant for example. That money...we have to split with the police department and then the rest it just depends.

Mr. Furfaro: And your grant writer she's here with us?

Ms. Iseri-Carvalho: Yes, she's right here, Jamie.

Mr. Furfaro: Jamie?

Ms. Iseri-Carvalho: Yeah.

Mr. Furfaro: So...

Ms. Iseri-Carvalho: Jamie, maybe you...come here...or here.

Mr. Furfaro: You can go on this side Jamie so you can have a desk in front of you. So hi, Jamie.

JAMIE CHONG, Grant Coordinator: Hi.

Mr. Furfaro: You should introduce yourself for the record.

Ms. Chong: Jamie Chong, Grant Coordinator for the Prosecuting Attorney's Office.

Mr. Furfaro: Thank you. So as I'm going to check off these items that do not have the asterisk next to them, as I'm reading the Edward Byrne Justice Grant, applying for continuing funding for VOCA, I guess, is the acronym for that and the VWP. Do you apply simultaneously with the other grant writers from the other counties?

Ms. Chong: Yes.

Mr. Furfaro: Okay, so it's kind of a packaged approach to this.

Ms. Chong: Yes and we are aware of the amounts all at the same time.

Mr. Furfaro: Okay and do you, when you write the grant, do you kind of have a formula that says, okay we're applying for this \$186,000 and Kaua'i's share is 20%? Or how...how do you do that?

Ms. Chong: Usually the AG's office gives us the amount that's available for the County of Kaua'i and with that amount we kind of work in the budget of what we can use that funding for. The victim witness program, which is the VWP, and the VOCA, can only be used for victim witness counselors. We can't use it for attorneys or clerks. They are very restricted with those two grants.

Mr. Furfaro: Okay, so they're...they're for other skilled professional people.

Ms. Chong: Yes, yes.

Mr. Furfaro: No attorneys.

Ms. Chong: No attorneys.

Mr. Furfaro: And you said that the AG's office is the one that kind of determines the – I'm going to use the term even if we may not agree with it – they determine, the AG's Office, the fair share by counties?

Ms. Chong: Right.

Mr. Furfaro: Is there a standard formula, yeah?

Ms. Chong: I think they go by population.

Ms. Iseri-Carvalho: Population. Most of it is by population.

Mr. Furfaro: Population, okay. So it's done by census.

Ms. Chong: Yes.

Mr. Furfaro: Okay, that's my two questions for right now to understand these charts better.

Mr. Kaneshiro: Okay, any other questions, councilmembers or...

Ms. Kawahara: I...

Mr. Kaneshiro: ...members of the committee? Mr. Bynum.

Mr. Bynum: Hi Jamie.

Ms. Chong: Hi.

Mr. Bynum: So, we've had some of these (inaudible) grant sources for a long time, yeah?

Ms. Chong: These...the Recovery Act grants are actually...were produced with the stimulus package. So these are new grants.

Mr. Bynum: Right, so they're potential new funds.

Ms. Chong: Yes, new funding.

Mr. Bynum: But we've had positions funded by grants in the past.

Ms. Chong: Yes.

Mr. Bynum: So, let me start with VOCA. We have \$186,840 for VOCA and if I read these budget documents correctly, we're asking for two positions that would be county funded and one position to be funded three-quarters by VOCA and one-quarter by the state. Is that correct?

Ms. Chong: Hold on...but the VOCA funding, it's restricted to just victim witness counselors. So we're not...

Mr. Bynum: So I'm focused on victim witness right now. So you have...in your budget you have three people in the victim witness program.

Mr. Kawakami: Two.

Ms. Iseri-Carvalho: We have two victim witness advocates and one director.

Mr. Bynum: Right. So the director's salary and the one advocate is funded
by...

Ms. Iseri-Carvalho: County.

Mr. Bynum: County funds.

Ms. Iseri-Carvalho: Yes.

Mr. Bynum: And so the one counselor, if I read it correctly, is three-
quarters from VOCA and one-quarter from state.

Ms. Iseri-Carvalho: Yes.

Mr. Bynum: Okay, so what is the three-quarter amount for a three-quarter
time victim witness person including benefits is how many dollars?

Ms. Iseri-Carvalho: It just depends on what step they are. So approximately
\$60,000 is the amount we pay for a victim witness counselor.

Mr. Bynum: So three-quarters of that including benefits are going to be 65
or 70...

Ms. Iseri-Carvalho: Plus and then you do the fringe, which is about 40,000...40%.

Mr. Bynum: So 75,000 then...

Ms. Iseri-Carvalho: Yeah.

Mr. Bynum: ...for a three-quarter position and a...

Mr. Furfaro: Excuse me, I'm a little confused here. Forty percent of 60,000
would be roughly 24,000, so it would be 85.

Mr. Bynum: Okay.

Mr. Furfaro: Okay. I just want to make sure I'm getting the numbers
right.

Mr. Bynum: So, 85 for a fulltime position.

Ms. Iseri-Carvalho: Yeah.

Mr. Bynum: And three-quarters of that is 62? 63? Roughly?

Ms. Iseri-Carvalho: Mm-hm.

Mr. Bynum: 60? Okay, so 60 from the VOCA grant for that one position.
But the VOCA grant's 186. So what happens to the other 120,000.

Ms. Iseri-Carvalho: We provide services for the YWCA and other nonprofits that
they work as sub-grantees to the prosecuting attorney's office.

Mr. Bynum: Right, so last year's funding of the YWCA was how much?

Ms. Iseri-Carvalho: 65,000.

Mr. Bynum: And other sub-grantees?

Ms. Iseri-Carvalho: We had Hale 'Ōpio too. Training and then we used money for training of our victim witness advocates.

Mr. Bynum: Right, so 65 for YWCA, 60 for the position, and how much for Hale 'Ōpio and those other things?

Ms. Iseri-Carvalho: About...plus the fringe, yeah, you said 60 for the salaries, you need to add, it's about \$85,000 with the fringe.

Mr. Bynum: Well, we...we...I'm sorry, we just went through that. 60, but you're doing three-quarters with VOCA.

Ms. Iseri-Carvalho: Mm-hm. So, yes, and then...and then we have the...the fringe. That but...and then we also have for the YWCA. So YWCA, Hale 'Ōpio and the salary of the victim witness advocate. We previously had three victim witness advocates.

Mr. Bynum: Right and I'm trying to figure out where that 186 goes. How does that 186 get divided up.

Ms. Iseri-Carvalho: Well, we don't spend it all in one time. It gets allocated and then if they have programs that they want to add on, then they would propose, you know, additional funds. So this money, if we get approval from the AG's office can be increased for sub-grantees. So they don't get...we don't spend the entire amount up front is what I'm saying.

Mr. Furfaro: Can I kind of reconcile this so I...I understand it. The grant is 186,840. We take 85,000 of that for the one fulltime person, including benefits.

Ms. Chong: Yes.

Mr. Furfaro: Okay, then we take another 63,750 for the three-quarter victi...victim witness counselor and that's with benefits.

Ms. Iseri-Carvalho: Mm-hm.

Mr. Furfaro: Then that's 38,000 balance which...which is allocated to Hale 'Ōpio and YWCA. Does that sound right?

Ms. Chong: Yes. It's split up between YWCA and...and counselors, basically (inaudible).

Mr. Bynum: What I'm trying to figure out...and I...I didn't follow that at all, Mr. Furfaro, because you said out of the VOCA grant three-quarters of one position, victim witness position is being funded. Correct?

Ms. Chong: Mm-hm.

Mr. Bynum: Okay, so that's around...

Ms. Iseri-Carvalho: That's the 65.

Mr. Bynum: 65,000.

Ms. Iseri-Carvalho: Right.

Ms. Chong: Plus (inaudible).

Mr. Bynum: Okay and 65 that goes to YWCA. Okay, that's 130. Where's the rest of that?

Ms. Chong: Did you add...did you add the fringe, though because 65,000 is just salary and then you gotta add the fringe on top of that.

Mr. Bynum: So you had the 60,000 for salary, 24,000 for fringe, comes to 84,000, but you're doing three-quarters of that position, right?

Ms. Chong: Right.

Mr. Bynum: So three-quarters of 84 is 60...

Ms. Iseri-Carvalho: So about 65, Councilmember Bynum.

Mr. Bynum: That's, yeah, that's...so.

Ms. Iseri-Carvalho: And then 65 to the Y.

Mr. Bynum: And then 65 for the position, 65 to the Y, and where's the rest of it?

Ms. Iseri-Carvalho: And then we have Hale 'Ōpio.

Mr. Bynum: Okay, how much is that?

Ms. Iseri-Carvalho: Is...10...10.

Mr. Bynum: 10.

Ms. Iseri-Carvalho: Yeah.

Mr. Bynum: So now we're up to 140.

Ms. Chong: Then we have training.

Mr. Furfaro: Training.

Ms. Chong: So, we (inaudible).

Ms. Iseri-Carvalho: Per diem.

Ms. Chong: Training which is about another 2 (inaudible).

Ms. Iseri-Carvalho: And then we also have the VOWA meetings that the...the state VOWA meetings that we fly to O'ahu for too. So there's the meetings that we have during the entire year that they meet, all of the counselors on O'ahu. We also have AG meetings. They're actually going up for a budget meeting.

Mr. Bynum: So these meetings and trainings are \$46,000.

Ms. Iseri-Carvalho: No, they're a portion of that. But we don't spend all of the money up front. Like I said the 186,000, we don't allocate up front because if there are programs that come up during mid-year that they would like, for example Crime Prevention, Crime Awareness, those kinds of things that they provide, then we'll go ask the AG's if it's okay to appropriate funding for those purposes. So even if we had \$186,000, we wouldn't spend all of that money up front. We would put into other programs and the YWCA, in fact, they have also sought for funding for direct witness services on cases that the DHS are no longer going to cover.

Mr. Bynum: Previous budget you had three vic...four victim witness advocates and now you have three.

Ms. Iseri-Carvalho: We had four...we had five.

Mr. Bynum: You had five and now you have three.

Ms. Iseri-Carvalho: Not...we had four victim witness advocates and one director. We have two victim witness advocates at this point.

Mr. Bynum: So two victim witness advocates have been cut.

Ms. Iseri-Carvalho: Have been eliminated as positions. Yes, for the services that we were not able to provide for our office and one of those...two of those was for prevention and awareness of offenses. That was not something that was covered for in our current...well, in the past prosecutor's current mission. It is one of those programs that we'll...we will be addressing.

Mr. Bynum: So services to victims have been reduced.

Ms. Iseri-Carvalho: Services for victims that were needed have not been reduced. As you recall, we had approximately a thousand plus backlog in cases. On those uncharged cases, we don't need any victim witnesses because they aren't any cases for the victims to contact people on. And so what we had to do was restructure the office so that we would be...because we were bottom heavy, and so we had five, which is the most that we had had per ratio per person...per ratio...on Kaua'i, more than any other county has had. But because we do not have the amount of cases because cases weren't being charged, it was unnecessary to have five victim witness persons and not have attorneys or clerks who were actually charging cases or actually doing the legal paperwork for cases to be filed. So, had the cases been filed, potentially we could have used five of those victim witness people. But at this point when you have thousand plus cases on backlog, the services that are much needed at this point is in preparing the complaints, preparing the indictments, preparing the felony information charging and also taking these cases to trial, which we haven't been able to do and so, the victim witness counselors, basically, were there without sufficient work to do because the cases were not being charged.

Mr. Bynum: So your argument is that the victim witness counselors didn't have anything to do?

Ms. Iseri-Carvalho: Oh, I didn't...they...they have lots to do. It's just that the amount of work for that amount of salary and where the needs were not met is where we had to reallocate and ask for positions on. So, in fact, under one of those grant positions, we had to reallocate to get an investigator and a legal clerk to handle the 4,000 legal warrants that were outstanding.

Mr. Bynum: Right.

Ms. Iseri-Carvalho: And that's why we have a special investigator and we have also a legal clerk position that was opened in order to handle the cases that were not being charged. So given the amount of victim witness people, we are now even higher than other counties still even after not fi...filling those two positions.

Mr. Bynum: Well, we didn't just not fill those two positions, we let two people go.

Ms. Iseri-Carvalho: We've...we had those positions...those funds reallocated to awareness and prevention and outreach.

Mr. Bynum: And I guess I'm concerned that we have two long-term county employees that are providing victim services that are gone in two weeks when I believe there's funding for them to continue.

Ms. Iseri-Carvalho: And if you want them...if you want them funded, I think you should fund them on the county and fund...and so these services can be...these funding can be allocated to...

Mr. Bynum: I'm asking now about the VOCA funding.

Ms. Iseri-Carvalho: The funding that we have are for the missions of the prosecutor to do prevention and awareness. None of those goals have been addressed for the last eight years. That's where the resources are needed most. And that's where these moneys that were let up from those positions are going to be able to address those missions and goals.

Mr. Bynum: So the YWCA and Hale 'Ōpio would be seeing an increase in their funds.

Ms. Iseri-Carvalho: Potentially with the programs that we have discussed with community diversion and other kinds of programs. That's the funding that will address prevention and education and awareness.

Mr. Bynum: So the two positions that were long-term in the prosecutor's office are gone and they're not coming back?

Ms. Iseri-Carvalho: It depends. If the county wants to fund those, that would be...I would be more than happy if that's where you wanted your resources to go.

Mr. Bynum: When you get the...when you get the VOCA stimulus money that will be here forthcoming, where's that money going to go?

Ms. Iseri-Carvalho: Where is the VOCA stimulus money?

Mr. Bynum: \$586,000 that's going to be distributed in April.

Ms. Iseri-Carvalho: We don't have that in our budget. We have not gotten any word regarding that VOCA stimulus money.

Mr. Bynum: Are you aware of \$586,000 of VOCA funding coming down through the stimulus package.

Ms. Iseri-Carvalho: This is all the amount of money that we receive from the AG's office that potentially will come to this county.

Mr. Bynum: Are you aware of \$586,000...

Ms. Iseri-Carvalho: This is the money that we have...that we have been given by the Attorney General's Office of the money that will be coming to Kaua'i County.

Mr. Bynum: Is there a meeting at the AG's Office in April to discuss distributing \$586,000 of VOCA funding to the counties?

Ms. Iseri-Carvalho and Ms. Chong: There is a meeting.

Ms. Chong: We are aware that there is a meeting.

Mr. Bynum: This is public information. There is \$586,000 of additional VOCA funding. You have \$186,000 of VOCA funding now and you...and you've laid off two long-term county employees.

Ms. Iseri-Carvalho: Councilmember Bynum.

Mr. Bynum: As of April, next week, yeah?

Ms. Iseri-Carvalho: Councilmember Bynum, we have looked at the amount of services that are needed in our office. There were thousands of cases that were uncharged. This is where the funding should go. It is unnecessary at this point to have victim witness counselors when there aren't thousands of cases that have not been charged. Victim witness services are put in at the back end to get restitution to talk to victims about their case charging, to talk to victims about their trials, to assist victims and show up in court. They are not necessary to charge a case. They are not necessary to actually file legal documents. They don't do that. They do that at the time of sentencing. But we do not get to sentencing or disposition until we charge a case and this is the dilemma because we've had for the past 8 years, in fact 12 years, we've had five victim witness counselors and yet we've had a backlog of 4,000 legal documents that have been pending. This is charges that have been filed and haven't been served. We also have approximately at least two thousand plus cases that are uncharged. So all this time we've had all this victim witness people waiting for cases that haven't been charged. So until the case gets to court, the victim witness person is unnecessary.

Mr. Bynum: Of the 4,000 cases that you have, how many of those are traffic warrants?

Ms. Iseri-Carvalho: Oh, it would be...I would say of the 4,000 cases approximately...because at this point the Kaua'i Police Department, as you know when I met with you, told you that they do not track cases by misdemeanors or felonies. So at this point we are unable to say by KPD records which ones are traffic and which ones are not.

Mr. Bynum: I'll go back to VOCA funding. VOCA funding, as you've said, is only available for victim services.

Ms. Iseri-Carvalho: That's correct.

Mr. Bynum: This...this funding is the same as last year.

Ms. Iseri-Carvalho: The funding is that same as last year's, yes.

Mr. Bynum: In addition to that, there's additional funding coming.

Ms. Iseri-Carvalho: Potentially.

Mr. Bynum: These funds have been used for years to fund the victim witness program.

Ms. Iseri-Carvalho: Which we have fully funded what we need at this point. We have fully funded the victim witness program at this point with the amount of cases that we have charged, yes.

Mr. Bynum: So your choice is to take these funds that are only available for victim services to increase funding to the nonprofits at the expense of county workers.

Ms. Iseri-Carvalho: It's not at the expense of county workers. We're getting more bang for our buck by making sure that these cases do not appear in court, by making sure that these cases...these funds go towards education, prevention, go into training. This is where the money is needed desperately at the prosecuting attorney's office.

Mr. Bynum: So the victim advocates that had been providing this service for the last two years, they've been twiddling their thumbs and not had any work...

Ms. Iseri-Carvalho: I have not been there the last two years. I started, as you know, December 1 and I can tell you from December 1 on, we have made the victim witness counselors contact every victim that a case is being declined on. So we have produced thousands of

documents to victims to ensure that they are kept abreast of the cases that are presently being declined or not. That is something that they have taken on as a duty. We have also allocated, which victim witness never did do, every felony case has a victim witness advocate, which previously for the last twelve years they were not going to court. So we have maximized the use of the three staff at a benefit to the county in a savings in a grant money of \$130,000+ to assure that this funding will be used for direct prevention and education and outreach so that these cases do not end up in court. That was the reallocation and because of that decision, we are saving this county thousands of dollars.

Mr. Bynum: Okay, so you're aware that the county general fund gives money to the YWCA.

Ms. Iseri-Carvalho: Am I aware of that? Yes. I advocated for that.

Mr. Bynum: I know you did and if they're going to get all of this VOCA funds...

Ms. Iseri-Carvalho: Oh, we do not know that at this point. Right now we have allocated the same amount because they have provided a lengthy justification for how the money is spent, how much cases they have handled on crisis. They have provided the amount of services that...that...in...in not only the amount of people they have serviced but the amount of savings to the county. They have provided all of that in a statistical data report that I have that I fully am pleased that we were able to save so much money by having the services of the YWCA. And they are well deserving of the money they receive.

(Inaudible)

Mr. Kaneshiro: (Inaudible)...to get some other information. Let me...you have another question?

Mr. Bynum: I have other questions on other topics.

Mr. Kaneshiro: Okay, let me get to one of the other councilmembers and we'll come back again. Mr. Furfaro, go ahead.

Mr. Furfaro: Thank you. I just want to reconcile this again, Mr. Chairman. So, somewhere I may have misinterpreted what you were saying about the staffing. I want to go back and visit again on...on VOCA. We have...if...we don't have two people there. We have one person there who is fulltime...a three-quarter time. That's correct, right? So it's a...it's a \$60,000 salary with approximately \$24,000 worth of benefits...

Ms. Iseri-Carvalho: Mm-hm.

Mr. Furfaro: ...which comes out to \$85,000. Three-quarters of that is \$63,750. I think I deducted twice from there. Then we have from that \$186,000 we currently have...that comes out...that leaves us about \$120,000. How much of that \$120,000 would you say in past went to Hale 'Ōpio as one item, YMCA as another and other counseling services? Do you have rough numbers for me?

Ms. Chong: Well, for 08-09, we did have two positions funded.

Mr. Furfaro: Oh, okay.

Ms. Chong: Two positions funded. The current projection for next year's with this amount of money is to have just one person...

Mr. Furfaro: Okay, so in the previous year, this trend...

Ms. Chong: Right.

Mr. Furfaro: There was a fulltimer and a three-quarter person.

Ms. Chong: Right. There were two, yeah.

Mr. Furfaro: Okay, okay. I'll just make that note for now that we're agreeing on that was approximately \$85,000 with benefits. And did I get the list right? Hale 'Opio benefits, YWCA benefits and other counseling services.

Ms. Iseri-Carvalho: Mm-hm.

Mr. Furfaro: Okay. Now going back to...I'm going to rephrase Mr. Bynum's question a...a little differently here. On the victim witness protection, I thought I heard Shay...of the 4,000 cases 400 of them were probably felony cases and of those you're saying they all have...they're all covered where needed on a...on advocates for victim witness programs?

Ms. Iseri-Carvalho: The...well, the 4,000 is...4,000 was the number...

Mr. Furfaro: Total?

Ms. Iseri-Carvalho: No...of legal documents outstanding that have already been charged.

Mr. Furfaro: Okay.

Ms. Iseri-Carvalho: Okay. The 400 cases that I was referring to...

Mr. Furfaro: Is part of that 4?

Ms. Iseri-Carvalho: No. This is in addition to.

Mr. Furfaro: Is in addition to.

Ms. Iseri-Carvalho: Okay, so we have cases that have already been charged. That's 4,000 cases that we have that have outstanding bench warrants, outstanding arrest warrants, and have outstanding penal summons.

Mr. Furfaro: Okay.

Ms. Iseri-Carvalho: That is cases have been charged, investigation has been done, a complaint has been filed. That is totally separate from the cases that are uncharged.

Mr. Furfaro: Okay.

Ms. Iseri-Carvalho: Uncharged cases, we have 400 plus defendants. Now each defendant...some defendants have 20 charges, some have 40 charges, some has 3 charges. So if you add up all the different charges per defendant, you're going to add up with thousand plus charges that was left over from the last administration just in felonies. And then we have three to four hundred in adult family court. And then we have another...we had approximately a thousand just in district court alone. These are just backlog cases that we haven't been able to address at all because we have kept current with the cases that since December 1, the cases that are charged from December 1 are all in court. There is absolutely no backlog on the December 1. The only backlog is in felonies, we have not char...I mean served 13 arrest warrants out of all of 140 cases, which means we have a 90% service rate from December 1 of the circuit court case and these are the felony type cases. But we have absolutely, Councilmember Furfaro, no backlog from December 1 to present in any court.

Mr. Furfaro: Okay.

Ms. Iseri-Carvalho: On charging.

Mr. Furfaro: And then what I want to know is the people that are victims of these cases, are they...everyone that is necessary to have an advocate in a victim witness program, you are telling me right now they are covered.

Ms. Iseri-Carvalho: Mm-hm.

Mr. Furfaro: They are covered?

Ms. Iseri-Carvalho: Yes.

Mr. Furfaro: There's no one that's short-changed?

Ms. Iseri-Carvalho: Oh, no. In fact, they are double covered because previously the victim witness people never went to court, rarely ever unless they were requested. We have mandatorily requested that they appear at every court. Remember now, we had no comprehensive database system. So nobody before December 1 would know when the court date was coming up. So nobody would appear in court.

Mr. Furfaro: You...you understand where I'm coming from here because quite frankly we don't have jurisdiction over the structure or the personnel or the performances in your office.

Ms. Iseri-Carvalho: Mm-hm.

Mr. Furfaro: By charter, we are not engaged in that unless it turns out to be a formal grievance and comes through a personnel process. But on the flip side, I do want to make sure that if you have justified the reduction of these positions...you're justification that I heard was we haven't been able to process or I don't know how...what other legal term you do when you get them into the court system. At some point, all of this stuff has to be filed accordingly before you can offer the service. That's what I'm hearing from you.

Ms. Iseri-Carvalho: That's correct.

Mr. Furfaro: And that might be the discrepancy in this dialogue. But I do want to make sure that my question about making certain that people have outreach to have the appropriate advocate work for them as a...as a victim is in place.

Ms. Iseri-Carvalho: That...they have a lot more services than they utilized in the four years that they ha...they were present there in the four months. And you can have...I mean that can be confirmed by any victim witness person that you talk to and any clerk at our office and any attorney that you talk to. Because they...we are now utilizing less employees that are able to maximize the use of that employee.

Mr. Furfaro: I learned a long time ago it's not appropriate to micromanage somebody's department. As I've stated, the charter also prevents us from that. But the charter does not prevent us from making sure that we're providing citizens the entitlements that there are if they are victims.

Ms. Iseri-Carvalho: That's correct.

Mr. Furfaro: And you're assuring me that that is covered.

Ms. Iseri-Carvalho: We, in fact, provide more victim witness services than many, in fact all of the other counties. And this I have gotten by attending...In fact, we had this discussion when we attended the Hawai'i Prosecuting Attorneys Association where there were...we discussed

the amount of services that are being provided and clearly with the amount of proportionate attorneys to victim witness, we have one of the highest in the state, even after reducing it by two. And so...and...and we have again been able to provide a lot more services with the three victim witness persons that we have than they did with five.

Mr. Furfaro: Okay and then I just want to reconfirm because I heard earlier from your grant assistant that these five grants that are not...do not have asterisks next to them, you are vigorously going to pursue this with other county agencies on these potential grant amounts that are available, either from the AG's Office...it looks like all from the AG's Office...

Ms. Chong: Yeah.

Mr. Furfaro: ...whether it's the Edward Byrne Justice Grant or Stop Violence Against Women...

Ms. Chong: Yes.

Mr. Furfaro: You are actively going to pursue that.

Ms. Chong: Yes.

Mr. Furfaro: And you do confirm that given the opportunity that we get these grant moneys, they will be used before any other county moneys will be requested.

Ms. Iseri-Carvalho: Definitely. And I want to just add to that, Councilmember Furfaro, thank you for bringing up that question. The difference that we have...these moneys that are not by competitive bid, meaning by formula, they have a lot more stricter rules in the use of those funds. One of the problems with these kinds of funds were that they had restrictions on supplanting, meaning if you had an attorney that already was doing the work, we could not use federal funds to pay for the salaries of that attorney. You would have to hire another attorney to specialize. That's the difference with the Recovery Act in that the mission of the Recovery Act was to not only create jobs but to continue sustainability of those jobs and that's why we are able and are aggressively pursuing that those funding that we have lost, meaning that the county now is paying for our domestic violence attorney, that that and sexual attorney, that attorney we are asking for under the third entry on the grants that OPA will be applying for to continue funding of that DV, Domestic Violence Unit.

Mr. Furfaro: It's that DVPU unit?

Ms. Iseri-Carvalho: Yes and that's the one that specializes in handling all domestic violence cases and sex assault cases. So, that's...you know, we're very happy with the opportunities of the Recovery Act because it allows us...there also used to be sustainability issues, meaning that if they provided funding for a period of time, like a year, you were required to continue that funding or the county funding in two or three years. That is not requirement. This money is just for infusion and they are not requiring us to put up any matches, number one, and number two, in requiring us to guarantee that we will continue this in funding for several years after the grant expires.

Mr. Furfaro: Okay and will someone will be in yo...from your office, maybe your deputy...will someone be available to attend this April dates that Mr. Bynum...

Ms. Iseri-Carvalho: We have in fact two people attending that meeting, our victim witness director as well as Jamie Chong, our Jamie...our grant coordinator. We also have met...law enforcement have met twice already. We've met two weeks ago in Honolulu where there were 60 people present including all the U.S. attorneys, the head U.S. attorneys, all the prosecuting attorneys from the neighbor islands as well as O'ahu, all of the Attorney Generals, Department of Health and the Judiciary that were present and...and the jail. And we also met, the Hawai'i Prosecuting Attorneys Association regarding funding and staffing on the Big Island just this past Tuesday.

Mr. Furfaro: Okay.

Ms. Iseri-Carvalho: So, we've been having a lot more meetings simply because we want to make sure and have been told by the AG's office that we need to have projects ready to go because, again, they're competitive bidding. So, even if you're a small county, if you have these applications ready, which of course we will have them ready, you are more likely to get yours granted if you turn it in as soon as the application process is...is finished. So, you know, we are aggressively pursuing those opportunities at this point and...and clearly, you know, the attorneys' position is where the work is needed the most and the clerk's.

Mr. Furfaro: May I ask one final question? It is unfortunate any time and I don't know enough about the structure of this division within the county, but whenever it is potentially we find ourselves with very skilled employees, employees with longevity in a department and so forth, you know, we need to reach out with some compassion, and I...I certainly hope with what you're presenting to us in your plan, those names, those positions have been shared with the HR Department in the event that we have some natural attrition, retirement, so forth. I think keeping loyal employees is important as part of retention and so, I...I would just reach out to you to say if it is at all possible and I know it's a, you know, very difficult department that you have with many moving parts in it in a downward economy. But just as important it is to see if we can't place employees that do get discharged, transferred or terminated that they know they're part of the family of county employees. I would encourage you to be talking to the HR Department.

Ms. Iseri-Carvalho: Yeah, we...we already have and so we've began discussions back in January...actually we were given better news in March and April than we had in December and January.

Mr. Furfaro: Well, I'm hoping you're coming back with better news on April 20 as well. Thank you, Mr. Chair.

Mr. Kaneshiro: I have a question for the grant writer. Are these grants just so happen all fell within this period or do you apply for these grants annually because I noticed one, two, three, four of them will be up in August or...

Ms. Chong: The Recovery...

Mr. Kaneshiro: So how does it work?

Ms. Chong: The Recovery grants are new grants that just came about.

Mr. Kaneshiro: Okay, so.

Ms. Chong: And the other grants are yearly, continuous grants.

Mr. Kaneshiro: So a lot of these...the top ones are new grants that we're going in for? Okay, all right. Lani, you had a question.

Ms. Kawahara: I have three, actually.

Mr. Kaneshiro: What's that?

Ms. Kawahara: I have several questions.

Mr. Kaneshiro: Okay, go ahead.

Ms. Kawahara: Thank you. Hi, thanks. Did you...did you mean to say that you...that your budget had been cut earlier and that's why you're going to have a crisis?

Ms. Iseri-Carvalho: No, we have a crisis regardless of...it's the budget, everybody's budget, yeah.

Ms. Kawahara: Okay because I thought I heard you say that your budget had been cut and therefore that's why...that's why we're shifting around positions because...because I've got original budget was \$1.042 and the adjusted budget for the mayor is \$1.356.

Ms. Iseri-Carvalho: If you look...if you look at the...when you talking about the budget one, remember there were increases in the salaries that were by Salary Commission, yeah. So that...that goes into effect during this period. So there was an increase in funding there. OPEB also increased. So if you look and...and we have the chart that the mayor had proposed on what they had given. You know the pie chart?

Ms. Kawahara: Yes.

Ms. Iseri-Carvalho: And I'm not sure, yeah, if you got that. If you look at...salaries actually went down and the OPEB went up. So if you look at the budget comparison from last year to this year, salaries were at 7% of the...70% of the budget. The salaries went down to 60% of the budget. If you look at the operations cost, it went up 1%. The benefits, if you look at, it was in '09 \$360,000 and if you look at 2010, it's \$659,000.

Ms. Kawahara: I'm...I'm trying to find my prosecuting attorney file.

Ms. Iseri-Carvalho: Okay.

Ms. Kawahara: But, I understand. So, we're saying...you're saying that the \$1.0 that was originally budgeted previous was increased to cover personnel and increases in benefits and other things. So, no positions were cut within the mayor's budget.

Ms. Iseri-Carvalho: I didn't say that. I'm saying that the position...

Ms. Kawahara: No, I'm...I'm just...for me...

Ms. Iseri-Carvalho: Oh, okay.

Ms. Kawahara: ...clarifying for me.

Ms. Iseri-Carvalho: The positions, as we looked, that's where we provided the sheet. If you look at the positions on page 103 on the comparison of the number and the cost of attorneys, and you look at the second page, it will show you that the total attorneys that we are requesting is 10.75, which is what they had in '09. So, we're...we're not requesting any change as far as the request for attorneys. It's just that the funding mechanism where initially we had four attorneys on grant-funded, we only have one position now, but actually two positions at 50% for the fiscal year 2010. So, I...I don't know if you have that.

Ms. Kawahara: Okay, I do...I do. So, we're talking about the shifting of funds. In relation to that, when those grants are granted, are they not coordinated so that they run the full fiscal year so that that position doesn't run out of funds before the fiscal year is up?

Ms. Iseri-Carvalho: In a normal economic situation, probably if they are recurring grants. Like sometimes you have grants that are only for four years.

Ms. Kawahara: Right.

Ms. Iseri-Carvalho: And when that expires, you...you don't have that position and normally they require when we had grants that the county would have to commit towards hiring that on the county payroll after they provided the four years.

Ms. Kawahara: The COPS, the COPS Program.

Ms. Iseri-Carvalho: Yeah, we had the DV grant that was like that, the sex assault grant.

Ms. Kawahara: But the ones that we're talking about, like for VOCA, those are ongoing grants that should have...

Ms. Iseri-Carvalho: They are...

Ms. Kawahara: ...should have been...should be going all the way through the end of the fiscal year, but that you're saying that they're short?

Ms. Iseri-Carvalho: That...that...that wasn't...no, they go. I mean if you look at the chart that we provided, you know they're continuous.

Ms. Kawahara: Okay because I had thought that that was why there were less...

Ms. Iseri-Carvalho: No, we had other grants.

Ms. Kawahara: Less than five VOCA positions being brought up.

Ms. Iseri-Carvalho: VOCA is real different. Like I say VOCA you only can use those funds for limited persons, not attorneys.

Ms. Kawahara: Right, right.

Ms. Iseri-Carvalho: Yeah, those are for victim services. So it seems like you're mixing up the VOCA funding, which is for direct victim services with attorney positions and those...The attorney positions, the ones that we have, were the domestic violence, the property crime unit, the criminal...career criminal unit. Domestic violence was also tied with sex assault. So there were four units that were funded under the grant which we have one that we expect, meaning one, two 50%, that we expect, you know.

Ms. Kawahara: That's very possible, very possible that I have it mixed up because of the different percentages of funding coming from the different grants.

Ms. Iseri-Carvalho: And that's what we've had to do...

Ms. Kawahara: And I...I appreciated the handout that you did give us with the percentages. My question says for here though specifically is the two VW counselor positions, 1.5 grant funded and 0.5 county funded, have been eliminated, and this is according to what you had given us.

Ms. Iseri-Carvalho: Yeah, yeah.

Ms. Kawahara: And...and temporary...a temporary legal clerk III and a temporary special investigator have been added.

Ms. Iseri-Carvalho: Not added. That...that is not relative to that position...I mean that funding.

Ms. Kawahara: Yes, but it's kind of like you're trading out these skilled counselors with legal clerk and special investigator.

Ms. Iseri-Carvalho: Oh, that is inaccurate. No.

Ms. Kawahara: No?

Ms. Iseri-Carvalho: Not...totally inaccurate. We are not trading out skilled counselors for legal clerks and investigators.

Ms. Kawahara: Oh, okay.

Ms. Iseri-Carvalho: They are two totally different mechanisms of funding that are utilizing those funds.

Ms. Kawahara: You know, I mean but for your coverage of your whole...of all of your cases. You're...you're emphasizing now that you want to prosecute the cases that have been backlogged.

Ms. Iseri-Carvalho: That's correct.

Ms. Kawahara: Okay, so that's kind of what I'm saying.

Ms. Iseri-Carvalho: Not...not only prosecute, but to serve the warrants, okay. So that's what the...the contract that we have are specifically for that. That special investigator is required to address the backlog in the arrest warrants. That's their primary function.

Ms. Kawahara: Right.

Ms. Iseri-Carvalho: They are not there to assist in prosecuting cases...

Ms. Kawahara: Right.

Ms. Iseri-Carvalho: ...and all of that. It's just to address the backlog.

Ms. Kawahara: So...so it's a shift.

Ms. Iseri-Carvalho: The function is very limited. Yes, it's a shift.

Ms. Kawahara: The shift is to go to more to getting all this backlog, all your cases documented and served and prosecuted, yeah?

Ms. Iseri-Carvalho: Well, we need...we have to file it within six...I mean you have to charge it within six months.

Ms. Kawahara: Yeah.

Ms. Iseri-Carvalho: If you don't the case automatically by law gets dismissed. There is no option for the prosecutor.

Ms. Kawahara: I can tell, I can tell that you're real passionate about getting those done and getting them into the courts. At some point because you're going to be so good at it obviously, you're going to have more people coming in with more victims. How are you going to deal with the more victims after you cut...take away the two victim witness and...

Ms. Iseri-Carvalho: Because there is more than enough as far as the amount of services that these victim witness provide. Compared to every...any other county, we have...we have the highest amount of ratio between a victim witness advocate...

Ms. Kawahara: Yes, I...

Ms. Iseri-Carvalho: ...and an attorney and the amount of cases. We always had, in fact we had double the amount. We had almost one-to-one victim witness services and we had no cases to prosecute, so.

Ms. Kawahara: Right. Yeah, I heard...I heard that.

Ms. Iseri-Carvalho: We are reallocating...

Ms. Kawahara: My...my question is with the load that you're going to be getting going through with your emphasis now on getting those through the system and into the courts and obviously some of them are going to have victims, you can...you can assure us that the three that are left and the two that are gone won't...won't be detrimental and...won't be detrimental to victims that are being victimized.

Ms. Iseri-Carvalho: Definitely.

Mr. Kaneshiro: Okay.

Ms. Kawahara: Three are going to be able to do it.

Ms. Iseri-Carvalho: Definitely.

Mr. Kaneshiro: We heard that question from Mr. Furfaro.

Ms. Kawahara: I...I think I was slightly different.

Mr. Kaneshiro: Why? I thought Mr. Furfaro asked that question.

Ms. Iseri-Carvalho: It's the same question.

Mr. Kaneshiro: She said she would be able to...to serve.

Ms. Kawahara: He...he was asking...never mind.

Mr. Kaneshiro: That he would be able to...

Ms. Kawahara: I was asking about an extension of the time that she's going to be dealing with all of the new ones that are coming up. Not the present ones, the 400.

Mr. Kaneshiro: Oh, okay.

Ms. Kawahara: The ones that are obviously under her department are going to be seriously and dedicatedly going across these cases and getting them through court.

Mr. Kaneshiro: Oh, you know that's going to be Shay's call at that point because...

Ms. Kawahara: So, right. I'm just asking and I wanted to know...

Mr. Kaneshiro: You know, Shay knows that that's...right.

Ms. Kawahara: ...if that had been factored.

Mr. Kaneshiro: Hopefully, you know, she has that well planned because you hate to have something come back and bite us, you know.

Ms. Kawahara: Yeah, I just wanted to make sure that I was clear that that was going to be factored in.

Mr. Kaneshiro: Yeah.

Ms. Kawahara: When all those do come through...through prosecution and through the courts that the victims will be taken care of. Thank you.

Ms. Iseri-Carvalho: It...it would have been nice for us if we inherited an office that did not have 4,000 legal documents that were outstanding, that in fact we utilized the services of the victim witness advocates and utilize all of the skills that were there at the office and took care

of that backlog. As this current council knows the...the...one, two, three, four people that were here, every year that we came to council, there was 4,000 legal documents that were outstanding. Every year this was the story over and over and over again. And you know, we see it now that's coming to fruition. When you have a murder...person that has been murdered and had cases that were dismissed four prior times because cases weren't being looked at, that's a problem, that's a crisis and that's why resources in this budgetary times need to be reallocated to where it is needed most, which at that legal document stage because we have already paid all the overtime for the officers. We have already paid for the court clerks to file the complaints. We have already paid in talking to the victims and getting their statements. We have already done that and then we drop the ball two yards before the touchdown and there's no conviction. And the case in six months because it has not been filed gets automatically dismissed by law. And so that has been a pattern that we would like to intervene and stop because until we stop that pattern we are going to continually see the revolving door complex where a lot of people say, hey, I just saw that person getting arrested, why is he back on the street? I just got this person arrested. Why is he back on the street? It's because cases get continually dismissed because they are not being served in a timely manner and the court by law has to dismiss it within six months.

Mr. Kaneshiro: Okay, you had one more question, Lani.

Ms. Kawahara: I did and it's probably a naïve question. So you specially have some asterisks here about the number of attorneys has not changed, but you're requesting that the funding source be changed to the county.

Ms. Iseri-Carvalho: That's correct.

Ms. Kawahara: Right. So, if the number of attorneys hasn't changed, if you could just tell me in your...of the stuff that you're talking about and not doing 24/7 anymore, if the same number of attorneys are there.

Ms. Iseri-Carvalho: No, right now we...we don't have. What has happened is that the amount of attorneys that they had, for example we now have one attorney who used to handle only...I mean there were two attorneys that handled district court. Currently we have only one attorney that is handling district court. We have more courts now. We have basically two jury trials that are going on and we also have two other cases on motions for revocation, sentencing, etc. So in circuit court we now need four attorneys to handle those cases. We also need one attorney in district court. We also started grand jury every other week.

Ms. Kawahara: Okay.

Ms. Iseri-Carvalho: So we have increased the amount of workload that the attorneys are doing with cases because we are charging a hundred four...we charged more cases in four months than the prosecutor charged in the entire year last year, in four months. So, this is where all of the attorneys' work needs to be focused and that's where it is...it is being focused. And so all these extracurricular, I call them, meaning the training, the twenty...The prosecutor's office never provided 24/7 attorneys.

Ms. Kawahara: That was my next question.

Ms. Iseri-Carvalho: We provided that from December 1. The prosecutor's office never met with ISB weekly where we were able to confer and give training. We provided that. The prosecutor's office never did do all the training for the recruit class. That was a whole month of training by taking away an attorney. So we...the prosecutor's office never did training with the planning department. We started a sweep that took place on December 3 that has never taken place ever, that we coordinated with the planning department. The prosecutor's office before that never planned or coordinated things with the parks & rec department. We have met with the park rangers and are providing training for...for the parks & recs department. So a lot of the things that we were providing, the prosecuting attorney's office in the past administration didn't provide it during the whole four years. We provided in...within this four...first four months, which at this point we need to concentrate on all those 140 cases that we had charged within the four months and that's where

the allocation of our resources are going to be. It's going to be on the current cases and so all these extracurricular things that we did for free at no cost to the county, at no overtime pay to the county, is now being invested in the jury trial setting in bringing the cases to court.

Ms. Kawahara: So you're slowly going from crisis...crisis of...or these services from 24/7 and training and signing search warrants, da, da, da, da and shifting it over to the...

Ms. Iseri-Carvalho: Jury trials.

Ms. Kawahara: Make sure the jury stuff and gets through and then after that you're going to shift to victims. You'll have enough...

Ms. Iseri-Carvalho: No, while we're doing the trials we have victim witness counselors at every single felony case. So there is as I've shown you a structure that we currently have.

Ms. Kawahara: I'm just...I'm just...I'm just trying to see how you're progressing with the...in your line, yeah.

Ms. Iseri-Carvalho: The progression...the progression will always stay with the current cases, which is where we're at. If we have time, we'd like to provide the service to the community. We get call...calls all the time to provide training and we've done a lot of those within the four months. But right now what is the immediate crisis is to take care of the current cases that are proceeding through the trial process.

Ms. Kawahara: Okay, thank you.

Mr. Kaneshiro: Mr. Bynum, you had a question.

Mr. Bynum: So I'm a little confused because you said that the priority are these 4,000 backlog things. I understand that. You discussed that here when you were a councilmember. You wanted the police department to step up and do more of that service. Now I hear in this budget you're going to take that responsibility. You want positions to do that service that's...in the past been done by the police department.

Ms. Iseri-Carvalho: As this council knows, as you would know, that the police department hasn't been able to do that service because that's why every year we have 4,000+ documents to serve. They are not serving these penal summons cases. They have basically taken that out from their job description because they don't have the amount of time to do with the explosion of crime that has taken place. So what has happened is that the police department has focused on their current investigatory cases that come up, but all the prior ones on the penal summons they have not served that. Now, we have started a task force with the police department where they are currently now going out serving the penal summons, but...but that's only at our urging in collaboration with us. But it is more bang for your buck if you get a process server at the prosecutor's office that you pay \$30,000+ as opposed to taking a person off the street with six months of training that we pay \$60,000, \$70,000, \$80,000 with overtime as a police officer to serve these summons. So, if you look at the amount of cost savings you would have if you had the \$30,000 versus paying somebody \$80,000, I clearly would want to go with the \$30,000 position.

Mr. Bynum: Right, I understand what you're saying, but you are saying that you want your office to take over these responsibilities that were once at the police department.

Ms. Iseri-Carvalho: I...I do not want to take on that responsibility. It's just that if nobody does it, victims get hurt. Victims who are assaulted don't get their cases prosecuted because their documents don't get served.

Mr. Bynum: So the answer's yes.

Ms. Iseri-Carvalho: I don't want to.

Mr. Bynum: You're proposing to...

Ms. Iseri-Carvalho: If you want to give process service to the police department for them to take on, by all means I would be more than happy to entertain that thought. But when you have victims that are calling because their cases have not been served, that is a necessary part of the job. And that is at a cheaper cost if you had a civilian at \$30,000 instead of paying somebody \$60,000 to \$80,000 to serve documents.

Mr. Bynum: So in four months, you've been able to address this backlog. You're getting more cases into the system.

Ms. Iseri-Carvalho: It...I've...(inaudible) I've addressed the backlog, I would say that we have not been able to address the backlog. As I've said, we have...we still have 4,000 documents that are outstanding. I said from December 1 till April 1 of the 140 cases that we have charged our office, out of those we have been able to serve all of the arrest warrants in circuit court. We have been able to serve all of the warrants except for 13, which means that our office has taken on 90% of those services with the help of Kaua'i Police Department.

Mr. Bynum: So these efforts will result in more cases being brought at the prosecutor's office.

Ms. Iseri-Carvalho: Of course, crime is going up, Mr. Bynum.

Mr. Bynum: Okay, so there will be more cases brought and they're going to be adequately served by the two victim witness counselors...

Ms. Iseri-Carvalho: Three.

Mr. Bynum: ...you cut, a supervisor and two counselors, and you had a supervisor and four counselors.

Ms. Iseri-Carvalho: Three. We will provide the services that...more services than every...any other county in this state provides with the three service...victim witness counselors that we have.

Mr. Bynum: No, please get back to the budget. As you've said...

Ms. Iseri-Carvalho: I am on the budget.

Mr. Bynum: As you've said, the VOCA funds can only be used for victim services.

Ms. Iseri-Carvalho: Correct.

Mr. Bynum: Right.

Ms. Iseri-Carvalho: I think I've said that about ten times.

Mr. Bynum: And you're still asking us to fund two of these service...two of these positions with county funds but you're shifting...

Ms. Iseri-Carvalho: No. That is not true. The money that is being used by VOCA is not what we're asking for on the county. That is two separate funding. We could not fund an investigator or a process server under VOCA funding. That is for direct victim services only. It has a very special limitation. So, when you are bringing up apples and oranges, meaning you were talking about special investigator/process server and a clerk, those cannot be provided with VOCA funds. They cannot be paid with VOCA funds.

Mr. Bynum: I know that and I'm...what...

Ms. Iseri-Carvalho: Well, that's not clear.

Mr. Bynum: No it's not clear either in what you're saying because you're saying this is our priority. We're going to do this, so we don't need these victim counselors, but you're also saying but we can't shift these funds because they're for victims. So I'm trying to...

Ms. Iseri-Carvalho: Councilmember Bynum, I'm not saying that we don't need them. I'm saying that we don't...it...I would love to have all of these positions. If you are willing to fund the victim witness positions and all of the five positions that were in the budget before, my attorneys and utilize the services that are much cheaper, I'm more than happy to have all of these positions. Then fund it. But when you are asking me and you dollar fund and oh the positions that have been provided to you are dollar-funded positions, then I think I have a fiscal responsibility and also an ethical and moral and legal responsibility to request for funding that is necessary and critical to the operations of the prosecuting attorney's office. These are essential workers that are necessary to address these cases. Victim witness, the two positions, that we currently have are not essential positions in the state of affairs that we are at now. Now, if we had all the money in the world, we would love to have all of the positions that had been in place. Ah, but clearly that is not the case.

Mr. Bynum: And I'm trying to stay focused on the VOCA funding.

Ms. Iseri-Carvalho: And we have talked about that over and over and over again.

Mr. Bynum: Your VOCA funding has remained the same, you have more VOCA funding coming, you're funding three-quarters of one position with that funding, and the additional funds you intend to give to nonprofits.

Ms. Iseri-Carvalho: We are intending to provide the mission that was in my statement when I took office which the people are holding me accountable for, is to focus on prevention and awareness and education. That aspect, that wheel of prosecution or the criminal justice system has not been addressed in the prior administration and that's where those fundings can be utilized for those purposes.

Mr. Bynum: Can you...can you...

Ms. Iseri-Carvalho: ...instead of the county funds.

Mr. Bynum: Can you please answer my question?

Ms. Iseri-Carvalho: I answered your question. You may not like the answer that I give you, but that is the answer.

Mr. Bynum: But I haven't...So the three-quarters of one position with VOCA plus the \$65,000 you've traditionally given to the YWCA does not add up to 186 and it doesn't deal with the is...with the additional funding that we all know is coming here shortly, right? Not...we know it's a formula grant, it's coming. How it's going to be distributed state-wide is going to be discussed later this month. So, I have a problem when you let two long-term victim witness advocates that have worked for many years in this county go and then ask us to fund us those positions with general fund when you're...

Ms. Iseri-Carvalho: That is not...that is not accurate. I am not asking you to fund any positions that I let go with county funding. That is a totally inaccurate statement, Mr. Bynum.

Mr. Bynum: No, if you listen to what I'm saying.

Ms. Iseri-Carvalho: No, I heard you. You can play back the record. I heard you.

Mr. Bynum: I can show you. You gave me the documents. You have two victim witness positions that are funded with general fund money. That's your proposal, right?

Ms. Iseri-Carvalho: Those already have been funded. Those two have already been funded by county.

Mr. Bynum: I understand that.

Mr. Kaneshiro: We a...

Mr. Bynum: But you're going to have additional VOCA money that you're not going to use for victim witness positions. You're letting two people go.

Ms. Iseri-Carvalho: Mr. Bynum, have I not articulated clearly enough...

Mr. Bynum: No, you haven't.

Ms. Iseri-Carvalho: ...that the positions...if you feel you can run the prosecuting attorney's office better, then by all means go ahead. But as, Councilmember Bynum, you heard from Councilmember Furfaro, you are not here to micromanage the department. You can hire these two victim witness on county funding. I am more than pleased with that. If you want to provide...if you have enough to hire \$187,000 for two employees, \$187,000, then go ahead and fund it on the county budget. If you feel that that is imperative to get your point here across and to provide for the crisis that we are in, then by all means cover that in the county budget of \$180,000. I have articulated my mission is to provide funding with those VOCA funds to agencies that are able to provide prevention, education, and awareness so that we do not get into the court system. That is not what a victim witness counselor can do. That is not part of their job. Their job is to handle the back end of crime, which is to handle restitution, criminal compensation, victim impact statements. That is after a case has been charged. When we have 4,000 legal documents that haven't been served, when we have thousands of cases that haven't been served, where do we need these victim witness advocates when cases aren't even in court because they do not come into play until a case is charged. And I...you may not know how the prosecuting office attorney is run but that personnel for \$180,000, those personnel, we are saving this county \$180,000 in essence because we are providing prevention and education and awareness with VOCA funds that will lessen the amount of cases that will be going through the court judicial system at a savings of more than \$180,000 and that's why you...the county taxpayers are getting a great bang for their buck because of this reallocation and restructuring of the entire office from the last administration. We are clearly not neglecting any services of victim witnesses because we are still providing more victim witness services than any other county in this state including O'ahu with the amount of victim witness counselors that we will have with three...with three counselors instead of five.

Mr. Bynum: I'll put this to the head with one thing. The...the numbers speak for themselves. You are basically cutting two county...

Gavel sounded twice by Council Chair Asing.

Mr. Kaneshiro: I think...yeah, I think we need to cut our...

Mr. Asing: I think we are getting away from our mission.

Mr. Bynum: This is a budget question, Chair.

Mr. Asing: It's not a budget question.

Mr. Bynum: Yes, it is.

Mr. Asing: If you don't agree with something that...that the prosecuting attorney's office wants to do, you don't agree, you don't agree, don't agree. But this is not the time to do it. You will have your time if you want to make a change, make that change at that particular time. But don't go try to manage somebody else's department. That's not your function. Your function is to work on the budget...

Mr. Bynum: My function is the budget. I asked a budget question.

Mr. Asing: ...and you're not doing it. You're interfering with...with the operation that's not your...your responsibility.

Mr. Kaneshiro: No, I think...let me...let me get in here right now. We've heard the questions asked several times.

Mr. Bynum: We haven't heard the answer.

Mr. Kaneshiro: And the answer is...I've heard her answer what her desire is to do with the money and that's fine. We may not agree, we may not agree on how she wants to use that money for this particular prevention program rather than to put the money there for personnel at this point. So, I've heard that and I'm...I'm...I'm satisfied with how she wants to run her office. That's her office, that's up to her, okay? So if you don't agree with that, I don't think we should continue with this dialogue as Mr. Chair has said. You know, we...we can simply when it comes time to budget and make budget decisions, we can open that up to discussions here with the committee members, okay. But how in the world you going to change what Shay's vision is for her office and I believe what she said that's where she wants to use the money at this point. And that's it.

Mr. Bynum: Okay and I'll just close with a comment to you, Mr. Chair.

Mr. Kaneshiro: I don't need no comment. I just wanted to let you know that this is where we're at and we should move on. Lani, you had a question.

Ms. Kawahara: I just have two more quest...just two and they're...they don't relate to the...I hope not. So, is there a communication, I guess I would want from you is could you show the increase or...yeah, the increase of moneys that will go to YWCA and Hale Ōpio and the other programs that will...will actually benefit because of the two...the two no longer victim witness positions because those are the only, you know, specified required things that that money can be used for.

Ms. Iseri-Carvalho: No, the specified things that the money can be used for is any direct witness...I mean direct victim services. It's not specified for prevention; it's not specified for education; it's not specified for awareness, but those kinds of missions and goals can be utilized as long as it's within the realm of direct victim services. So whatever program that they provide, we are still in the process of determining that. The YWCA has gotten a humungous cut in their funding. And so if there are services that they can provide on behalf of the prosecutor's office for juveniles, for juvenile delinquency programs, for any kind of diversion program, teenagers, those are the kinds of programs that we will utilize those funds for. But they haven't come up with any of those types. There's multiple programs that they have, but until they realize what their budget is, then we'll be able to figure out how much money they're going to ask from us.

Mr. Kaneshiro: We'll come...

Ms. Iseri-Carvalho: So...

Mr. Kaneshiro: We'll come with a communication on that.

Ms. Iseri-Carvalho: Okay.

Ms. Kawahara: Yeah.

Mr. Kaneshiro: Then that way whatever you have now, you can provide.

Ms. Iseri-Carvalho: All right.

Mr. Kaneshiro: And then as it comes along, you'll be able to provide some of that information to us, okay? So, we'll write a communication.

Ms. Kawahara: And in the process of it, they have...do they come to us so we know what their requesting and if they're getting their funds?

Mr. Kaneshiro: What's that again?

Mr. Kawahara: With the YWCA requests...

Mr. Kaneshiro: With the grant funding?

Ms. Kawahara and Ms. Iseri-Carvalho: Yeah.

Mr. Kaneshiro: Yeah, when the grants are approved or let's say they have some funding, they would have to come before us for approval and at that point, we can have some statistics and we can have some (inaudible) and where they're going to be using some of their programs for.

Ms. Kawahara: When it comes out of prosecutor's.

Mr. Kaneshiro: Yeah.

Ms. Kawahara: Okay.

Mr. Kaneshiro: Because you remember, they...they...it comes before for us for approval. You know, we have the prosecutor's office, police office has a grant, who asking for council approval to move ahead and accept this grant.

Ms. Kawahara: Okay.

Mr. Kaneshiro: So at that point, we can have more discussions on that specific grant.

Ms. Kawahara: That's great. I'm hoping then that...that they'll be able to come up with some really good programs to use the possible ec...

Ms. Iseri-Carvalho: They provided for services...

Ms. Kawahara: Yes.

Ms. Iseri-Carvalho: ...in the past that have been excellent as far as results and the amount of justification that they provide for their programs are excellent. And again, we get a lot more bang for our buck by giving these nonprofits who are skilled at utilizing the least amount of funds to provide the greatest amount of services.

Ms. Kawahara: Okay. And...and just one more thing. The Hoku Program that you guys got up and running and it sounds like it's really doing a great job of tracking and really giving you good reports on what the status is of your cases, do they...do they also capture victim...victim information if there are victims or victimless crimes?

Ms. Iseri-Carvalho: We are, at this point, having the software developer, he's coming down in two weeks...in two weeks. I can tell you that there was absolutely no tracking system, so you could not really determine the success of any unit prior to the Hoku System and I...you know, thanks for bring it up because that was another additional \$100,000 that the prosecuting attorney's office saved by having a comprehensive data system. So, currently what we have now is all of the attorneys system. The victim witness system is still being utilized by this archaic paradox system which they are trying to transfer that information into the Hoku System.

Ms. Kawahara: (Inaudible) Okay.

Ms. Iseri-Carvalho: Yeah, so that they can interface with each other.

Ms. Kawahara: Oh, okay, okay.

Ms. Iseri-Carvalho: But until the software developer comes down in two weeks, we won't know if that is something that can occur or not.

Ms. Kawahara: Okay.

Ms. Iseri-Carvalho: But currently, the assignments for all of the victim witness counselors for each type of case is done immediately at the time that the case comes in for screening. So there is a victim witness counselor initially on the case when it first comes in as opposed to waiting till the back end.

Ms. Kawahara: Okay and I...I guess I would just like a communication then about the...those numbers...

Mr. Kaneshiro: You got it.

Ms. Kawahara: And then if they're able to make those compatible, the two databases compatible.

Ms. Iseri-Carvalho: Yeah, thanks.

Mr. Kaneshiro: ...(inaudible) everything.

Ms. Iseri-Carvalho: That's fine. Yeah, we'll...we'll...

Mr. Kaneshiro: Anyone else had a question?

Mr. Furfaro: On a new subject?

Mr. Kaneshiro: Yes.

Mr. Bynum: On a new subject, I have a question...

Mr. Kaneshiro: I'm not going back to victim witness, people, let me tell you right now.

Mr. Furfaro: I...

Mr. Kaneshiro: Let's go.

Mr. Furfaro: I have an understanding of where I'm at from my questions.

Mr. Kaneshiro: All right.

Mr. Furfaro: Shay, I'm trying to reconcile these two reports here. First of all...

Ms. Iseri-Carvalho: Okay.

Mr. Furfaro: I'm talking in terms of salary for your staff.

Ms. Iseri-Carvalho: Okay.

Mr. Furfaro: This number that's in here...

Ms. Iseri-Carvalho: Which one are you looking at Councilmember Furfaro?

Mr. Furfaro: I'm actually looking at the budget sheet.

Ms. Iseri-Carvalho: Okay.

Mr. Furfaro: The salary that...that does reflect the blended salary group by the Salary Commission.

Ms. Iseri-Carvalho: Yes.

Mr. Furfaro: Five months and seven months.

Ms. Iseri-Carvalho: Yes, yes, it does.

Mr. Furfaro: Now this worksheet that you gave us which was in your handout...

Ms. Iseri-Carvalho: Okay.

Mr. Furfaro: This is referencing savings.

Ms. Iseri-Carvalho: Yes.

Mr. Furfaro: This is not referencing fulltime employ...fulltime equivalents. This is reflecting savings or...

CYNDIE JOHNSON, Administrative Assistant: Staff.

Ms. Iseri-Carvalho: Yes.

Mr. Furfaro: Can somebody walk us through?

Ms. Johnson: That is a comparison of the actual...

Mr. Kaneshiro: Your name...your name for the record.

Ms. Johnson: Cyndie Johnson, Administrative Assistant to the Prosecuting Attorney.

Mr. Kaneshiro: Thank you.

Mr. Furfaro: Could you walk through this savings sheet for us?

Ms. Johnson: Yes, Mr. Furfaro. Basically what this is, this is a comparison of the actual amount that was being paid, not the allotted salaries. So, as of November 1, the total that was being paid for attorneys at that point in time, both county funded and grant funded, was \$70,698. That's not the allotted amount. The allotted amount would have been much greater than that.

Mr. Furfaro: Okay, got it.

Ms. Johnson: Okay.

Mr. Furfaro: Got it now.

Ms. Johnson: Okay.

Mr. Furfaro: I got the whole thing now.

Ms. Johnson: I got it.

Ms. Johnson: That was the key.

Mr. Furfaro: That was the key, thank you.

Mr. Kaneshiro: Mister...Mr. Bynum also has one question about the salaries.
Go ahead, Mr. Bynum.

Mr. Bynum: Currently the...the Salary Commission approved deputy
county attorney range is what?

Ms. Iseri-Carvalho: No.

Ms. Johnson: Maximum is 94...94,000 something.

Ms. Iseri-Carvalho: Yeah. It's not a range, it's just a ceiling.

Ms. Johnson: It's a ceiling.

Mr. Bynum: Okay, so the ceiling is 94...

Ms. Johnson: The ceiling is \$94,454 annually.

Mr. Bynum: 454 and you've...you've shared with us that your deputies are
being paid considerably less than that.

Ms. Iseri-Carvalho: At this current time, that's correct.

Mr. Bynum: What is the current deputy salaries?

Ms. Iseri-Carvalho: Well, we can tell you right here with the positions that we
had on December 1, the amount that we paid was \$45,090 in that first month and then the next
month we paid \$51,757, the next month \$51,757, the next month \$53,841 and then in April \$58,840.

Mr. Bynum: So you currently have eight and a half attorneys.

Ms. Iseri-Carvalho: Right now...with...as of April 1, yes.

Mr. Bynum: Okay and you have some new hires and you have some people
who were retained from the previous administration.

Ms. Iseri-Carvalho: We had two attorneys that were retained from the previous
administration.

Mr. Bynum: And those two attorneys, are they being paid the same salary
they were being paid earlier?

Ms. Iseri-Carvalho: They were actually being paid less than what they were
getting initially.

Mr. Bynum: What is their hourly...what is their yearly rate?

Ms. Iseri-Carvalho: At this time, we have paid...one was at \$75,000 and one at
\$80,000.

Mr. Bynum: So, those two deputies took a cut in pay.

Ms. Iseri-Carvalho: Correct.

Mr. Bynum: To stay in the office and the new deputies are being paid at what yearly?

Ms. Iseri-Carvalho: It varies depending upon the experience that they have and the amount of cases they handle as well as whether they are handling felony cases or misdemeanor cases.

Ms. Johnson: The brand new attorney that was just hired, that's at \$55,000.

Mr. Bynum: \$55,000.

Ms. Iseri-Carvalho: And is getting paid less than the investigate...less than a victim witness counselor. Our...that...two attorneys were hired at funds that were less than victim witness.

Mr. Bynum: Thank you.

Mr. Kaneshiro: Okay.

Ms. Kawahara: One...

Mr. Kaneshiro: Any other questions?

Ms. Kawahara: One thing...one thing about the...the two attorneys that took the pay cut, yeah? Those are...

Ms. Iseri-Carvalho: That is not the only attorneys that took pay cuts. I mean, everybody took a pay cut by coming to work under my administration. My first deputy took a \$30,000 pay cut. Another felony attorney took \$40,000 pay cut. So, basically, everybody took pay cuts in coming in our administration because these positions were anticipated that we wanted to change the focus to community prosecution and to assure that the crystal meth attorney would be funded and that was hopeful...we were hopeful that by saving \$100,000 that we could utilize those savings towards new positions that we felt was where the direction of the office was headed.

Ms. Kawahara: Okay, okay, and they...just because I work with unions, they're ordinance so that's why legal...

Ms. Iseri-Carvalho: We have no sala...right. But we have no control over the amount that they allocate.

Ms. Kawahara: Okay, okay and then the morale is okay with them taking their cuts?

Ms. Iseri-Carvalho: I...you can ask them.

Ms. Kawahara: Yeah.

Ms. Iseri-Carvalho: But they're still working and they've done twice as much work and they've been on duty 24/7.

Mr. Asing: Who's going to say, okay, cut my pay? Who's going to say that?

Ms. Kawahara: No, I mean if it's...

Ms. Asing: Who's going to say that, thank you for cutting my pay?

Ms. Kawahara: So I'm asking about the morale. They're...they're...they're overjoyed?

Mr. Asing: (Inaudible)
Ms. Johnson: But they're working very hard.
Ms. Kawahara: So they're...

Ms. Iseri-Carvalho: They enjoy working for the quality of staff that they have, that we've been able to utilize. People are very conscientious of the budget and the crisis that we are in. I applaud all the attorneys that we've had because they have been working 24/7. I applaud the clerks and applaud all the staff because we have been able to achieve this phenomenal amount of cases being charged in this short time frame with staff not taking a single overtime or comp. time, except for the times that we spend on the budget, which Cyndie had to do. That was the only overtime that we spent and we've been able to provide you more than, I hope, enough documentation. By all means provide me whatever communication Mr. Budget Chair Kaneshiro and we especially enjoy all of the time that we're here. So whatever information we can share, we're more than happy to.

Ms. Kawahara: So more work for less pay, yeah?
Ms. Iseri-Carvalho: You can see it \$100,000 less pay in four months.
Ms. Kawahara: Okay, thanks, thank you.
Ms. Iseri-Carvalho: If we could just have one more comment from my first deputy since she (inaudible)...
Mr. Kaneshiro: Okay, sure since...go right ahead.
Ms. Iseri-Carvalho: So that she could at least be introduced to you all.
Mr. Kaneshiro: Yes, go ahead.
Ms. Iseri-Carvalho: I just...while we have the time. Lori Wada, she's my first deputy who took, you know, one of those pay cuts, \$30,000 pay cut, who had been a practicing prosecuting attorney and handled murder trials, sex assaults, domestic violence for the past 18 years and one of the highest paid attorneys over at Peter Carlisle to come to our lovely, beautiful Kaua'i.

LORI WADA, First Deputy Prosecuting Attorney: You know it's interesting you asked that question, Lan...Councilman.

Ms. Kawahara: I guess I take it back.
Ms. Wada: No, no, no, no...
Ms. Kawahara: I didn't mean for it to be funny.
Ms. Wada: No...no...it's...
Ms. Kawahara: I'm worried about morale and whether they're going to be able to do their work.
Ms. Wada: Okay and I can address that.
Ms. Kawahara: And not resent it.
Mr. Kaneshiro: She's...she's here to address that, so let her go.
Ms. Wada: Yeah, I...I can address that, Councilwoman.

Ms. Kawahara: I didn't think it was funny, I'm sorry.

Ms. Wada: Sor...no and then..I don't mean funny in a sense where it...it's...well, I mean kind of is funny, but I mean hilarious-wise, but it's also common sense in the sense where as Councilman Kaneshiro has said, who would say thank you for cutting my pay? My personal experience has been...I have done and been participated through Peter Carlisle and a lot of good in the community on O'ahu. And I've seen crime stats come down. I've seen the public trust and the confidence that Peter Carlisle has and he has been kind enough during his administration to take me under his wing so that I have had administrative background. I have had supervisory background and when I consulted with Mr. Carlisle in coming to Kaua'i, he was very sad to lose me. And he wanted to do whatever he could to keep me. But I said, Peter, it's time to share the mana'o and the aloha that you have fostered on O'ahu with Kaua'i and start the seeds from Honolulu here so that the people of Kaua'i could be and feel safe with trust, not only in KPD but with the prosecutor's office that work jointly together. I'm also familiar with Chief Darryl Perry and he as well was one of the reasons that I decided to come because we do work well together. And I can tell you, I've worked harder in the last four months than I've worked in 18 years under Peter Carlisle and I'm loving every minute. I haven't denied or I haven't regretted it and I think if you have a positive attitude with the outlook, it becomes infectious and it goes towards our attorneys working hard, our staff. I mean, you know no offense to the staff, but when do you have civil service government employees working overtime on Saturdays without requesting CT or OT? It's because they're excited with the change, they want to be part of the move, and I think that, to answer your question, is why people took not only the pay cut but we don't have a morale problem. And I think a lot of it has to do with Shaylene.

Ms. Kawahara: But I can see that.

Mr. Kaneshiro: Thank you, thank you for that summary. It's almost the same reason why we take this council position. No, but I think you know at times we're (inaudible). I think about things like that, but Mr. Furfaro, your last comment. (Inaudible.)

Mr. Furfaro: Yeah, I just want to say that...to the first deputy, we're very...very happy you're here. I have family members that have worked with you at the prosecutor's office, but I do want to make a very clear business statement here. We need to make sure that we are recognizing our obligation to those employees that are non-exempt and those that are exempt when it comes to compensation for time...time earned. And it certainly sounds like, to me, that you have done that, but we all need to know that the compassion that comes with doing a good job in the very beginning also needs to be perpetuated for the future and we're very glad to have you on-board.

Ms. Wada: Thank you.

Mr. Kaneshiro: Thank you. Mr. Dickie Chang.

Mr. Chang: Yeah, I...I'd just like to echo Councilmember Furfaro to all of you in the...I know it's a difficult, difficult job, sometimes maybe thankless, sometimes behind the scenes, but I had an opportunity to chat with Shaylene at NACo and she shared, you know, a lot of her challenges and it's tough because, you know, her previous life here as a councilmember, for the most part everything was good and fun and peachy. But, you know, she shared that, you know, when she's now in the court system, it's very difficult to see childhood friends or buddies or family members when you see on the other side in court and it's like, wow, this person changed or I didn't realize this person had this problem or that problem and...and I can just imagine the tough work that you guys went through this past couple of months under this new administration, under your watch, Shay, so sincerely, you know, congratulations to all of folks and Lori, welcome to Kaua'i, and thank you very much because it was very enlightening to see this, but we all know that with the recession and the tough times, you know, crime obviously is going up and we got a big concern in our community. So, I just hope we can be as supportive as we can because your department is one of the most important on our island of Kaua'i. So best wishes and success and keep up that morale and keep up the pace because you know I'm sure that...I hope you know that we got your back also. Thank you. Thank you, Chair.

APRIL 6, 2009
PROSECUTING ATTORNEY (4)

Ms. Iseri-Carvalho: Thank you, Councilmember Chang.

Mr. Kaneshiro: Thank you again. Shay, nice to see you on that side.

Ms. Iseri-Carvalho: Thank you, on this side? It seems so funny seeing Dickie over there.

Mr. Kaneshiro: So and thanks for all the hard work too.

Ms. Iseri-Carvalho: Thank you, thanks.

Mr. Kaneshiro: With that we will recess. We have anyone here that wanted to give public testimony...for this office? No? Okay. With that we're going to recess till 9 o'clock tomorrow morning and we'll start with the Fire Department tomorrow morning. Okay? This budget review session is now in recess.

There being no objections, the budget reviews recessed at 4:01 p.m.

The departmental budget review reconvened on April 7, 2009 at 9:06 a.m., and proceeded as follows:

FIRE DEPARTMENT

Mr. Kaneshiro: Good morning. By coincidence, we have the Fire Chief here today. Must be after you have seen the Garden Island, where it says, sparks fly.

ROBERT WESTERMAN, FIRE CHIEF: Yea, we brought some additional support with us this morning.

Mr. Kaneshiro: Well, I haven't seen it yet, but I just heard about it, so I said, wow, at least we have the Chief here today, maybe we are ready to put out some fire if anything goes further than the sparks. How are you doing Chief? Give us a brief overview and some highlights of your budget. We have a couple of hours to go over the budget. We will start off with you to give us the highlights.

Chief Westerman: Thank you Chair. First, I apologize for getting this to you late this morning. What you have in front of you is the report that I have assembled. It is kind of brief and then, in detail, discussion can follow up. I won't read it in its entirety, but I do want to read some items. You know, decreases in revenues and resulting... reduced budgets combined with already lagging infrastructure has widened the gap and the ability to provide adequate services and our continued preparation for the future. The eventual return of large scale building and large tourism numbers will have its effect as we move forward looking optimistically into the future. We continue to work and adjust our long range strategic plan and our short term goals and objectives to adapt to the dramatic swing in the economy. Our plan is work smartly as possible within the budget and the line items and transfer between funds only as necessary as we move through the budget year.

Our entire budget this year is an absolute minimum and all areas of the budget have been reduced and in some cases, eliminated. Even after adding the 15 SAFER (Staffing for Adequate Emergency and Fire Response) firefighters and that is the staffing for adequate emergency and fire response grant. The burden of 7% pay increase and the addition of the OPED (Other Post Employee Benefit), we have reduced our budget to 1% less than the previous years if you discount the OPED. We have no large scale equipment items in our budget and we have \$1 funded w firefighters and 1 senior clerk position... these will have little affects on overtime. We have worked diligently to improve and maintain our ISO rating and will work as smartly as we can to maintain staffing minimums, so as not to hinder those ratings.

We have tasked all Bureaus to reduce all consumables without effecting public safety and asked all employees to save, reduce, and reuse where it does not create a public health issue. A new energy conservation policy has been issued and as you look in the graph there as I go through this, it has already had its effect. We had a slowdown in kilowatt hour use and that is what this chart reflects in actuality. If you look at the cost chart that runs along with this, you would see both the cost and the energy adjustments pretty much go up and down, and slide along with the kilowatt hour usage, really, the comparison to those is really not sensible. What so I did was, I just pulled out the kilowatt hour usage. The reason for that is, after we started our campaign and if you look at this particular graph, you will notice that in January of this year, we had less kilowatt hours use for that month, than we've had since January of 2006 and a very significant reduction. That combined with the decrease in the adjusted energy cost has had a tremendous effect to the tune of almost \$6,000 a month for the last 2 months in savings to our budget. Also, we are working to help lower our electric cost by... we are going to replace 4 more refrigerators and freezers this year with new energy efficient items. We have been working on that project for the last couple of years... a couple each year and we know the effects that that has... a couple of them in particular, over 10 or 15 years old,

so they know that just replacing the refrigerator alone is going to create some energy savings, so we have 4 scheduled to that and those items are in the budget.

In the coming year, we plan on working with KIUC in hopes that there might be some rebates for this equipment purchases and also for some air conditioning units. Again, our most significant impact for us is the aging of America and the call load increase due to our in-home care where we respond more routinely to in-home calls that will be handled by nurser's staff versus 911.

And that gets us into our call responses. As you know, that year-to-date in March 2009, the Fire Department has responded to 3,099 calls for assistance. That call load is 433 less than the same time the previous year. As you see, we were on a steady climb up until last year. A couple of things happened. One of the things we did in early last year around budget time was we took a look at all the calls that we were responding down to the cruise ships... if you remember, the cruise ships were coming pretty routinely (3 a week) and that created a significant call increase in our responding an engine down to the harbors. In reality, those are just a transfer of care from a doctor aboard ship to the doctor in the hospitals. So we work with dispatchers and AMR to insure that is what the call was and then they no longer dispatch us on those calls that (inaudible). If they did have a need in the call like a particularly heavy person or they needed firefighters to help them move somebody out of the ship and into the ambulance, then we would go down there, so that significantly reduced our calls.

Of course, now, the quantity of ships coming in has reduced and the call loads continue to reduce for the response to the ships. We also are working with our dispatchers and we have some new dispatchers to ensure that we get the cards cut right and that the counts are correct. In some cases, they might not cut a card for fire, but they will cut it for police, therefore, our call load goes down, and we are working with them to ensure that those are counted because they are critical that we count them, and it would be part of our self assessment accreditation insuring that we do account for all the calls that we responded to.

Mr. Furfaro:

Mr. Chair, can I ask the Chief a broader question regarding to self assessment?

Mr. Kaneshiro:

Absolutely.

Mr. Furfaro:

Chief, can you expand on that self assessment program?

Chief Westerman:

Yes Sir. What the self assessment does really is kind of like it says. It is an evaluation of our services. It is an in depth look at what we do and how we do it. Apparently, we have an executive committee doing the self assessment, and in this last year, we also sent Battalion Chief Russell Yee to be our accreditation manager training. One of the most, I guess... I don't know if you want to call it the best or the most critical things that come out of that process is the real in depth look of how we are doing business and making sure that we are providing the service that the community expects... providing it at a level that they expect and that we are doing this based on some national standards, and not just something that we kind of pull out of the sky, and said that we should be doing it. Some of the things that I discuss later on will talk to that.

Mr. Furfaro:

But does this self assessment program that you document that routine standards are being checked on and so forth. Does that basically help, for example, when they make assessments about home insurance for homeowners?

Chief Westerman:

Yes Sir.

Mr. Furfaro:

It will.

Chief Westerman: It will.

Mr. Furfaro: Thank you Mr. Chair. I have no more questions on that right now.

Chief Westerman: And please feel free at anytime if you have any questions. Thank you.

Mr. Furfaro: I have no shame and I know you can handle the heat and have the appropriate extinguishers available.

Chief Westerman: We don't want sparks to fly today. Of course, you know, with the associated call increase, there is the associating increased cost of gasoline, diesel, and medical supply from equipment, overtime (inaudible)... and we try to hold those to a minimum as best as we can. Again, part of our reuse campaign. And our overtime monitoring, we had discussed last year and what we have done this year is... using the project code system in our AS400, we have actually got the staff acclimated to routinely asking for what they think might be charges that could be recovered from some other... when we do special projects or certain types of overtime, so they generate a project code and as long as they put it in routinely, they have gotten used to putting it in routinely, yet, it is very small increments of time and don't really add to the time. But when it comes time for us to assembling all of that data and to send a request for somebody to pay us with that overtime... an example of that might be the U.S. Fish & Wildlife because we have an MOA with them to fight fires on their reserves. By having those project codes already and already tracking those costs, when it comes time to sending them a bill, they are going to say, well, show us all of these, we can pull that project, go out and find the documentation real quick versus going back, checking log books, making sure that the firefighter did or didn't go. We have already gotten a little... kind of like a little place holder to indicate that that is something that we might be able to recover some moneys on. We don't generate revenues, but when we spend overtime working for somebody else, we want to try and recover it if we can.

So in the aggregate in 2008, we responded 51% of the time in less than 5 minutes to all fire calls. That is kind of what this picture shows and it goes to what Vice-Chair Furfaro had eluded to earlier measuring what it is that we do. Our response calls for medical, as you can see, where 94% of the time in less than 10 minutes and our response criteria to fire calls is less time than our response calls to medics. And then our rescue calls, we responded 65% of the time or less in 15 minutes. We do have some significant back to back and out of district calls right now in Hanalei District. This puts firefighters and some of the community in danger by responding with only partial crews to a call or waiting for an out of district engine. In this case, the out of district engine is Kapa'a which is quite a distance from Hanalei. So what we have instituted in that district is a minimum staffing to 5 firefighters in Hanalei... whenever possible to help reduce this risk and liability. We have accomplished this by adjusting our staffing islandwide, so if we have the extra firefighter in Kapa'a, for example, we would ship the firefighter from Kapa'a down to Hanalei to increase that staffing for the day.

Mr. Furfaro: Chief, I am going to ask a question on that. For the benefit of my colleagues at the table that are not used to your staffing guides... typically for the insurance... appropriate insurance coverage, we typically have 2 firefighters, 1 driver, and 1 fire captain is a typical crew for an engine?

Chief Westerman: Yes Sir.

Mr. Furfaro: That is correct right?

Chief Westerman: Yes.

Mr. Furfaro: So what you are sharing with us now, you have the redundant truck in Kapa'a and you have 1 additional man at times in Kapa'a? Is that what you are saying?

Chief Westerman: Well, pretty much any station we could additional person for the day.

Mr. Furfaro: A fifth person.

Chief Westerman: Right. Every station is staffed with 5 and that allows us to have somebody off sick laying lazy for the day. When they are not, that extra staffing person can me moved to adjust the station that might have 2 firefighters sick for the day.

Mr. Furfaro: Okay.

Chief Westerman: And then when we have the additional firefighter on because we have 2 or 3 stations that are all fully staffed and I have to admit that, you know, the morale is just great right now. The firefighters come to work routinely, nobody is abusing sick leave, nobody is abusing their vacation time, so we actually are doing very good in our staffing notes. The main thing that 4 per station, per day, our minimum staffing.

Mr. Furfaro: Well, it was important for me to revisit that because it has been some that we have been doing for the last 3 years in your staffing and it really has helped with leveling out insurance premiums for fire based on the fact the stations are now appropriately staffed. The key, I think, was your goal to get more than one station with a fifth or shall I say a floating guy.

Chief Westerman: Right.

Mr. Furfaro: That is still your goal?

Chief Westerman: Yes.

Mr. Furfaro: Thank you. Thank you Mr. Chair.

Chief Westerman: Thank you for bringing that up. As you can see, the standard is 80% and we are trying to achieve that standard, but that comes in different forms and as you will see, we will talk about how we are measuring that... that, then again, part of the evaluation program, that self assessment and accreditation how we measure everything that we do, so we can put a standard, and kind of find the pukas, so we can balance this out.

Mr. Bynum: So what you are trying to do is always have 5 in Hanalei because of the challenge?

Chief Westerman: Yes.

Mr. Bynum: Okay, thank you.

Chief Westerman: So right now, you were still averaging about 65% of our call load to EMS calls and a comparison to the last 2 years are (inaudible)... it seems to be tracking about the same. Our average response time is slightly highly this year for medical calls. And it is only until we get Ke'alia built in staff and Kapa'a station relocated will remain about the same especially in the Kapa'a District... we continue to lose ground with the large increase in call load as population spreads. We continue to monitor and inspect the dams and reservoirs. If you remember me talking about this several times last year... due to their critical support for our firefighting operations and

the corresponding dangers to our community. All of the updates to the GIS for our response and dams are being performed by our firefighters. They have taken on the task to speed up the process and put a firefighter spin on our (inaudible). We have worked diligently with the State to identify all the previously unidentified dams and reservoirs which, by the way is up to 102. It is no longer 52. We have started to actually receive some of the dams and safety guides that is required by the private landowners... after Ka Loko, you remember that they had the dam safety legislation and part of that was that the dam owners were responsible for insuring the safety of their dams. So the State went out and inspected all of the dams and reservoirs that they could find. They had identified all the owners and now the owners are responsible for creating an inspection guide for their dams and reservoirs in creating an emergency response guide for their dams and reservoirs. One of the first ones to turn that in, of course, was the Kaua'i coffee group, A&B...theirs was 2, 3 inch binders and they have 16 dams and reservoirs on their property. They are doing a very good job of identifying every one of them, identifying the critical failure points in their dams, and identifying who their emergency points of contact are... identifying where all their emergency resources are located should they have a problem with one, identifying how they empty them all out. You know, that is pretty easy when that is part of your visits. You need to maintain that and that becomes part of your business. What is becoming critical is private landowners who happen to buy a piece of property and now have a dam reservoir on their property and they really have no need for it. It has served its purpose in its day, so that is becoming an issue and that is why a lot of our dams and reservoirs are going dry.

I just had a comment the other day about... remember Jurassic Park and the picture where all of the dinosaurs were all drinking all through that? Well, that reservoir is no longer for water, so for agriculture, it is significant that we are not preserving this water and for firefighting purposes.

Mr. Furfaro: Chief, just for your information, this is a point that I have been trying to drive to the Planning Department. I will say it again to you as well as to the Administration that is present. The reality in our important ag land study, we have to identify water source. No water, no agriculture. Also, no water, no firefighting resources to refill your tankers and so forth. So as we move forward, I want you to know that the focus in Planning is going to be an identifying water sources for agriculture and for firefighting. Thank you.

Chief Westerman: Last year, through the hard work, the tremendous (inaudible) and steadfast determination of our firefighters, we wrote and we were awarded over \$2.5 million in various grants that supported the Department directly in assisting things like vehicle and equipment replacement. You are very aware that we received the SAFER grant worth \$1.6 million and over the 4 years, it adds 15 firefighters to our Department. The Driver Simulator was awarded through the AFG grant which will be a collaborative effort using the AFG moneys to also provide a benefit to the bus, to Public Works, and Kaua'i Police... even though it is a fire grant, that particular piece of equipment that we are buying to help train our firefighters in emergency vehicle operations can be... consoles can be put in and software can be put in, so bus drivers can use it for the bus, training for them, gets them off the road, and into a more secluded training environment. That is the same thing for firefighters. We can make them react to dogs jumping out in front of us and cars stopping fast in front of us. The same thing with Public Works for their semi-drivers and PD for their Police Officers, so that is a very good collaborative effort that we are able to put together with them. The last years burn trailer has finally arrived and is now operational with the 20th recruit class. This class will be the first to receive the benefits of this trail. It provides us with tremendous training opportunity, unprecedented in the history of the Kaua'i Fire Department. These young firefighters will be able to run through fire training scenarios over and over and over and over again, an opportunity that they never had as a recruit firefighter in this Fire Department before. What is critical about that is that because our fire call load is not 20-30 a day, it is 1 or 2 a month. It is critical that we prepare them for that occasion worst case for them which is the number 1 reason we have our firefighters (inaudible). So by having this control burning environment, we can put them deep into the hazard and if anything goes wrong, immediately push a button, everything stops, it is

propane, everything comes to a stop, all the smoke evacuates, the doors open, and then we can say, okay, here is what happened. Here is why the room flashed over on me which is the number 1 killer of firefighters today. Again, trying to get there and make the standard and get to a firefighter... get to a fire within 5 or 6 minutes, we have actually put ourselves in a little more dangerous environment trying to save that house because we now get into a flash over scenario where in about 9 or 10 minutes of a fire burning, that is when room flashes over. What that means is that as a room catches on fire and all the super heated gases build up into a room to a little over 2,500 degrees which will melt cooper, by the way, and you put the firefighter in there, and they pop the door open as they go into that burning room and add all of that oxygen and the whole room flashes over. It brings that 2,500 degrees down from the ceiling right down onto their knees.

So by putting them in this training environment, we are able to show them what is going to happen if they make the mistake and allow them to make the mistake because we can't get our burn train (inaudible)... it actually got sensors in it that will actually pop the doors open and turn the fuel off, and all those kinds of things, so we can get it pretty close. And we are going to provide everybody on the Council an opportunity when we do the burn trailer to actually come and experience that. We will put you in a set of turnouts, we will put an SCBA on your back if that is what you choose, and we will put you in there with a hose with a firefighting crew, and let you see what a... (inaudible)... if you choose not to, you can stand back and the (inaudible) you can watch from a distance, but you could still see what is like in a smoke filled room what the dangers are for firefighters as they go through during the job on a routine basis.

Next, we talk about our SCBA's which we have just awarded the contract of over \$275,000. This also comes from the State Home Land Security Grant. The opportunity that we have in the State Home Land Security Grant from the Federal government is, it was the terrorism grant, but they realize that if we just continue to buy stuff for terrorism, we just have a room full of stuff that we will probably never use. Most of the stuff that we buy for terrorism actually has multiple purposes. It is an all hazards approach which is what they are saying. So, you know, if they let off sting bomb in Kapa'a School, we can probably lend you the mask, but if they let off a muster gas from the airport, we are going to need (inaudible)... along with our firefighting gear. But it just so happens that we need the same onsombo when we go fight a fire. So we uses the all hazard approach in this grant to purchase things that provides service to the Department as a whole and, yet, still provide service should we have a terrorist incident on Kaua'i. The self contained breathing apparatus is the latest addition in the last 4 years of using that grant to put our firefighters in the latest and greatest most up to date NFPA compliant firefighting onsombo. That includes their boots, their turn out pants, their helmet, their gloves, the communication system, the SCBA's for fighting a fire.

Also, in the next 30 to 40 days, we will probably complete our mobile data terminal purchase. Those are the MDT's that will be in the fire engines. Those will go a long way to help us with our accreditation because it will help us more realistically monitor exactly what we are doing... the time we leave the station, the time we get on scene, to the time we clear, come back home, and punch a button on the computer in the fire truck... along with the CADS system, once PD updates the CADS, it will be very easy for the firefighters to basically punch a button, and record all of those times. It also improves the safety for the firefighters responding and our Police Officers. As you know, we share the dispatch site. So the less communicating that a single dispatcher has to do on the radio, the more that could be done electronically. That allows the dispatcher more time to concentrate on other things. If they have to concentrate talking to the fire crew responding to a fire call and Police Officers responding to the fire call, and the medics responding to a fire call, and answering 8, 9, 10, 15 times the same thing over and over and over, that presents a lot of work on the dispatcher. At the same time, there are 4, 5 other police calls going on and a couple other medicals going on around the island. So by doing this electronically, i.e., the firefighter gets in his engine, on his computer screen, there is a call and, again, the dispatcher doesn't have to repeat it. They will look right on the screen and it gets them the address and the call (inaudible)... that we are leaving the station (inaudible)...

doesn't even have to call the dispatcher. It pops up on the screen and that engine is responding. The dispatcher is at the call back or are you responding or did you respond yet, so it will have some significant impact on providing extra time for the dispatchers and safety for our firefighters.

And that kind of led into the self assessment accreditation program is continuing to work with 2 teams. Actually, the second team will be the operations team. There will be a fire captain and 2 firefighter three's... they will be tasked with just what you had discussed earlier with me Councilmember Furfaro where they actually get into the weeds, into the details of everything that we are doing, evaluating what we are doing, how we are doing it, and find the puka, so that we can have some (inaudible).

We have held back staffing request realizing that the shortfalls in the County budget, the current state of the State and the state of the Nation. While we are not asking for additional staffing at this time, we need to ensure that we continue to identify needs for future budgets. We still have a need for an additional fire mechanic as we stretch our minimum time between oil and filter changes to the maximum on all 26 pieces of fire rescue apparatus. As identified in our strategic plan and to fully comply with NFPA 1710, we are still short 3 Operational Battalion Chiefs, Drivers Aids, 1 Special Operations Battalion Chief, and a Public Information/Education Captain.

To improve the level of safety for our Water Safety Officers operating the jet skis, we require additional WSO's in each of the 3 jet ski towers to ensure minimum daily staffing of 3 WSOs. The conditions of facilities worsen and relocation of the Kapa'a Station is upon us as we start construction of the District 2 Keālia station. The training center is needed to provide adequate space for classroom for recruits and season firefighters, and provide acreage to collocate the fire burn trailer, the driver simulator that we talked about, and the emergency vehicle operations course. The headquarters space is inadequate for the staff to operate together at full efficiency. That is an overview of the year and I will now just get right in to the direct budget discussion... kind of give you what the numbers says, and then I think we will be ready for any questions that you might have.

Mr. Kaneshiro: Before we do that, some of my members have some questions, so let's go ahead and get those questions out.

Mr. Bynum: Regarding the driver simulator, are the other departments moving forward with their availability to use this equipment and do you know if they have an intent to use it in their training?

Chief Westerman: Yes, absolutely. Transportation, Public Works, and the Fire Department and the Police Department have been working closely on the grant even before we applied for the grant. They are actually going to be helping us as far as the matching and the software as we do the purchases because it is different software. The software required for the fire engine, the software for the buses, and the software for the tractor trailer trucks are different, and, yes, they are on board (inaudible).

Mr. Bynum: So Public Works and Transportation.

Chief Westerman: Yes.

Mr. Bynum: And tell me what CADS is?

Chief Westerman: Computer Aided Dispatch System. I am sorry about that.

Mr. Bynum: I thought, but I didn't know the exact words. So just a general question (inaudible)... right now, the Fire Department has the appropriate (inaudible) to do their job appropriately and (inaudible)... that is not an issue right now?

Mr. Furfaro: If I could add to... you know, we have over the last few years been pretty aggressive about equipment. One of the accomplishments I can say, you know, for your information, we do have a second engine at Kapa'a now and part of that is based on the plan that the Chief is trying to have with some redundancy. If there is any short equipment, I do believe I will query a little later about our efforts to acquire the Hanalei Courthouse for both public safety for Police and Fire when we are in a situation that the bridge is closed, residents have needs on the other side, but we have been and I have asked the ladies to reconcile the equipment purchases over the last 3 years. But on the flip side, I was concerned with your comment and your narrative where oil changes are going to the maximum, and when we get to your budget item, I feel that there is not enough repair and maintenance money in your budget, Chief, for equipment, so maybe we will get to that later. But we have been pretty aggressive Mr. Bynum in getting him up to par with equipment and I think we will have a number to share with you shortly.

Mr. Kaneshiro: Okay, any other questions for the Chief?

Chair Asing: Yes, I have.

Mr. Kaneshiro: Mr. Asing, go ahead.

Chair Asing: Chief, on the second page of your mission statement, the bottom of the page the third paragraph up. Our entire budget this year is an absolute minimum and in all areas of the budget have been reduced and this is the one question that I wanted to ask. In some cases, eliminate it. What are you making reference to that was eliminated?

Chief Westerman: A couple of different things have been eliminated in the sense that they weren't added and that is equipment is one major capital equipment purchases. There is no major capital equipment purchases. We have one position that we are going to removed from the budget and I will get to that in the personnel section and those cases, everything else has been reduced... reduce the travel cost, reduce equipment cost...

Chair Asing: Is going to be one person that is going to be eliminated?

Chief Westerman: 3 positions are going to be dollar funded and 1 position is going to be removed.

Chair Asing: Okay, and you will cover that at a later point?

Chief Westerman: Yes.

Chair Asing: Okay, and also your statement about the old refrigerators, do you still have some old refrigerators that are 15 years old? How many of those do you have?

Chief Westerman: 4 stations.

Chair Asing: So you have 4 more? Did you try to find some... get some reasoning on why you would not want to change that out also?

Chief Westerman: Oh, this 4 will change up all of the stations. I am sorry, the 4 that is in the budget this year will be the last 4, yes.

Chair Asing: That is it yet. I thought you still had more. I will hold the question until we get further. Thank you.

Ms. Kawahara: Can I ask a question on this one?

Mr. Kaneshiro: On just the previous... up to what he discussed so far and then we are going to get into the budget discussion next.

Ms. Kawahara: I wanted to say that I was very pleased to see... so far, you are the only department to actually think of cost savings in an energy efficient way and (inaudible) from the departments saying how they feel how important it is to save money by reducing their use on energy here. With your kilowatt hour per hour graph, I was just curious about the April to October jumps each year.

Chief Westerman: Summer time. I wish I had a better explanation, but it is simply just Summer time. You know, and we have worked... I have had several discussions with the Administration and we are trying to find even more ways to try and reduce that Summer time cost. You know, our facilities sometimes are not really the best for air conditioning, and yet, these are homes that firefighters live in for a whole 24-hour period and we try to acclimate as best as we can for them and that does cost us a little bit extra sometimes on energy. So we have been trying to find maybe facilities where we could change the windows to a different type of window, so we lose less of the cooling. We have air conditioners in to replace air conditioners... again, same time as the refrigerators. We have several air conditioning units that we are going to replace to newer units to help reduce the cost of the air conditioning cost.

Ms. Kawahara: And is it \$6,000 a month for a monthly savings you said?

Chief Westerman: Yes.

Ms. Kawahara: Yea.

Chief Westerman: My electric bill for the whole year is about... running right now at about \$145,000 a year, so we are trying drastically to reduce and I have only budgeted \$112,000, so we are trying to...

Ms. Kawahara: That is what I like to hear is that they are looking at every aspect of your spending and I do want to say that I am really pleased with that. Thank you.

Chief Westerman: And it (inaudible)... like I said, the only thing we can do is try and make it a little more energy efficient in those (inaudible).

Ms. Kawahara: When you get the 4 refrigerators and you were going to ask for a rebate for or work out something, is that something the County can help with?

Chief Westerman: Oh yes. We have person on staff that...

Mr. Furfaro: Our Procurement Officer would...

Chief Westerman: The energy efficiency guy because he has done survey on the buildings.

Mr. Furfaro: Just for all intentions purposes, I asked them to have Glenn to continue to reconcile all utility bills by departments, so we can have some measurement.

Ms. Kawahara: (Inaudible).

Chief Westerman: And they have come out and they have done an evaluation of every one of our stations and have made recommendations, so as we can, we are trying to make those changes.

Ms. Kawahara: How (inaudible).

Chief Westerman; (Inaudible) campaign this year (inaudible)... if we don't need them, turn it out... you would be surprised how much you can save by just turning lights off.

Ms. Kawahara: Thank you.

Mr. Kaneshiro: Okay.

Chief Westerman: As we move forward and as stated earlier, many of our budget decisions were based on our strategic plan and past efforts like our vehicle replacement schedule, like Councilmember Furfaro had alluded to, I am proud to say that we have no major pieces of apparatus or light vehicles included in this budget... an indication that our apparatus replacement plan is working. Getting back to that about... the meantime between failure for our oil changes that Councilmember Furfaro is... with our newer pieces of equipment too, one of the things that happens actually with new technologies and new vehicles is... you know, it used to be, you change your oil every 3,000 miles and now with new oils, new synthetics, new engines, some of them are routinely up to 10,000 miles, so that has actually helped us. Of course, as we spread that maximum, we still monitor it and try to get done everything that we can in that.

Mr. Furfaro: Chief, I am very confident that the technology and the type of equipment that we have gotten will red flag when we need to do oil changes and so forth.

Chief Westerman: Right.

Mr. Furfaro: I am going to be very direct now. Your budget has zero in it. Somewhere you are going to change oil... try and look under vehicle maintenance when you get a chance.

Chief Westerman: Okay.

Mr. Furfaro: You must have missed something...

Chief Westerman: Misidentified... as you can see in our budget request for this year is \$18.985 million. This includes the increase in negotiated wage and the associated items, plus the OPEB funding being transferred to departments to better line cost by cost centers. Remember we have been doing this over the last 2 or 3 years to move all of those additional cost into each department, so that we have a true cost on the cost centers. But if you take out of OPEB increase in our budget. Our budget is \$16,758,000 or a 1% decrease over the previous year. This means that we absorb the increase by reducing cost in other areas. Decreases in the Operating Budget include a \$10,000 decrease in overtime, \$20,000 decrease in travel, and a \$38,000 increase... decrease in equipment purchases. The budget distribution shows a significant downward swing in operations from the 2009 intent. A reduction of 3.3 might not seem a lot, but it has its effects and our ability to perform daily operations... significantly, there is a loss of \$356,000 in operating cost and, again, Chair Asing, that is kind of what we were talking about. Part of that \$365,000 is, though, items that we are not purchasing this year... capital items, i.e., fire engines and fire rescue trucks, and the individual trucks for the year. Luckily, all those purchases are caught up. The loss of the \$356,000 is a 16% reduction in operations over 2009. Again, a good significant portion of that is not purchasing heavy equipment (big equipment). As we continue to try and save, the impacts on services will become more and more critical as we have less funds to think for things like bandages, gasoline, and

toilet paper. Even with dollar funding positions, any next steps towards further reductions could have a significant impact on services. Therefore, going back to my earlier statements on what we are going to try and do to overcome this is: 1) energy savings, 2) make sure that we monitor all of our usage of things like Band-Aids and toilet paper and we are effectively using it as long as don't hinder public safety. The department equipment request include some areas identified in the strategic plan. Again, the condition of the existing fire station refrigerators, our replacement will also aide in our power consumption.

The Department has also worked hard to augment budgets where possible without supplanting budgets. An example is the VA, voluntary assistance grant provided as (inaudible) from the State to assist in wildfire protection. This year \$50,000 will be used to replace wild land firefighting booths for our firefighters and other fire line equipment. Next year, we will also use it to provide personal protective equipment. We will continue the WAVE program, the KauaiExplore.com program, the Junior Lifeguard program, and the CERT (Community Emergency Response Team) program this year. Funding for these programs is critical to providing our citizenry the opportunity to work together with the department in support life saving and educational and disaster preparedness programs.

Again, our apparatus committee continues to work off our replacement schedule to provide a constant in the budget process and avoid large last minute request of future year multi-million dollar additions. This year, we are not budgeting for any major apparatus. Actually, we are not budgeting for any moving apparatus at all, no trucks.

Mr. Furfaro: Just for clarification now, you have a grant writer that you share with the Police Department and with Civil Defense, am I correct?

Chief Westerman: You are talking about Elton?

Mr. Furfaro: Yes, you do share...

Chief Westerman: The State Home Land Security.

Mr. Furfaro: Yes, so we have been successful in the past when money has become available to pursue through grants certain equipment purchases.

Chief Westerman: Yes.

Mr. Furfaro: And I would assume that Elton is... you know, every morning when he has his first cup of coffee, he is looking at the Federal grant moneys available to see if there is anything that we might be able to piggyback on through spending by the Federal government.

Chief Westerman: Elton does the State Home Land Security grant. All the other grants that I have which is about 6, are done by firefighters in the Department.

Mr. Furfaro: By your own department.

Chief Westerman: Captain Netivier works with Elton on the State Home Land Security Grants which is significant. It is about a million to a million and a half a year for Fire. It is the volunteer assistance grant is done by a firefighter within the Department and we kind of move that from person to person to give them the experience because they know it is coming. They just have to work on writing the grant and making sure the right material is coming.

Mr. Furfaro: If I send over a question Chief that ask for the 6 names of those firefighters that are capable, qualified, and willing with their skills to apply and do grant writing, would you be able to comply to give me those names?

Chief Westerman: I can give you the last ones that did the last grants.

Mr. Furfaro: Okay, I will send that over. We would like to know those individuals.

Chief Westerman: And CDBG... we apply for CDBG every year. We have...

Mr. Furfaro: I don't need the names verbally now. I will send it over in written format. Thank you.

Chair Asing: Let me ask a follow up to that. You have more than one person looking into grants?

Chief Westerman: Do we have more than one person looking into grants?

Chair Asing: Yes.

Chief Westerman: Yes, we do.

Chair Asing: And how many are we talking about?

Chief Westerman: Well, all of the firefighters that are working in their programs continue to work. Kalapaki I(??) does the assistance to the firefighters grant along with Captain Dean Lake, so they constantly look at those grants. Part of that is... another part of that grant is the SAFER grant. Another part of that is the one for fire prevention and Captain Bukoski in his group constantly look at where that grant is, when can we apply the next time for those grants. We also have one for the State DOT and Captain Yamada is responsible for that grant and he constantly looks at... and that grant, every year, when it comes up, we are actually going to apply for Keālia equipment, but we are going to wait a year and buy stuff for the new recruits out of that grant. So we are constantly looking at every grant that we possibly can, plus we get assistance from the County Grant Manager and it also happens to be my wife keeps me very well informed of grants that are coming around. So if we have the ability to apply for them, we do through the Administration. They tell us that grants are available and we want you to apply for them and we just find a Fire Captain, and say, here it is, 3 bags full, read the documents, and let's get going. So I don't have anybody, you know, that is not their job. It is all part-time work, you know, and CDBG is an example. Every year, I grab a different station and a different Captain and I say, here is CDBG, figure out. They go to the Captains that did it the year before, get some of the basic help and information, and then they go on and get the grant. Captain Jimenez just got a CDBG truck for his station, station 6. The year before that was Kapa'a and the year before that was Hanalei.

Chair Asing: Yea, so you don't have a specific individual. The grants that you are making reference to are grants that is being followed through by these individuals, am I correct?

Chief Westerman: Yes.

Chair Asing: Okay, so what I was making reference to was looking for new grants.

Chief Westerman: I don't have anybody on staff just dedicated to do that. No I don't.

Chair Asing: And that was a question, I believe, Councilmember Furfaro asked.

Mr. Furfaro: I think, Chief, you need to recall that in previous budgets, we had hired some grant writers, and I thought certain grant writers fell under an umbrella... whether it is individual firefighters that are helping to apply or getting the technical skills, I was of the impression that we had, per say, a grant writer for Transportation and Housing, a grant writer for Civil Defense, Police, and Fire, you know, because those are public safety issues. I did not realize that the grant writer in Civil Defense is only working on Home Land Security. I thought he was working on...

Chief Westerman: Well, Elton does help us with some of the other grants that they get stuck because of his expertise. I will admit that. There are plenty of times when the documents might go from the Captain to Elton to review for technicalities because he really understands the intricacies of different grants, and then comes back to my office, so he does assist us greatly.

Mr. Furfaro: But you also answered a question I was going to ask later. Your intent is for the new Keālia Station, your intent is to really start submitting grant request and so forth next year that would apply to the new station at Keālia.

Chief Westerman: Right.

Mr. Furfaro: Thank you.

Mr. Kaneshiro: The other point that I wanted to make is that we will be having Civil Defense up here later this afternoon and Elton is part of the Civil Defense side.

Mr. Furfaro: I know everybody realizes where I am going with that because everyday, Federal money seems to be available. It is almost like everybody who is a grant writer in the County, their first cup of coffee should be looking at the screen man. What is available today? Let's go shopping, you know.

Chief Westerman: The Administration, in particular for me, has kept us very well informed of everything that has happened with the stimulus package. I have read every piece of legislation that has come through that I could and see whether or not we are eligible. There is not too much for Fire that is new eligible in any of the stimulus fund. There is one now, part of SAFER is available and it will allow us to hire more firefighters without the matching. There is one for facilities that is a possibility with the caveat that you don't have to worry about supplanting budgets which is significant now in some of the grant applications is whether or not you are supplanting budgets. In some cases, they say you can and in some cases they say that you can't.

Mr. Furfaro: But you answered my question when you said, I am reviewing every possible grant that I can. My point is, you can't read them all. I can't read them all. We had everybody reading it to hit some possible funding. Thank you Mr. Chair.

Mr. Kaneshiro: Tim, you had a question?

Mr. Bynum: You just said something really critical about some planting and I am really pleased that you have that awareness because as Councilmember Furfaro is saying, we have this extraordinary opportunity and want to make sure that we have (inaudible)... if I

understand you correctly, the Fire Captains writing their own grants is a really... I didn't know that and I think that is interesting because it gives them that kind of expertise and knowledge and awareness... like you said, you pass it around, is that like CDBG... because it is like, okay, this station this year gets to try to get equipment with that or is it for having that expertise or just spreading the workload or what is the rationale behind it?

Chief Westerman: All of the above. Absolutely all of the above, yes. In some cases, it might be... CDBG is a good example. If it is going to benefit their station, then I feel that the Captain would put a little bit more effort into it because it is going to be a direct benefit to him and his crew. In some cases, CDBG doesn't apply to every district, but you are right, it then provides the Captains an opportunity to (inaudible) a little bit more than fighting fires, you know. There is a possibility someday that they could be Battalion Chiefs or Deputy Chief or Fire Chief, so it gets them into the weeds of other things that we do at the Department besides running medical calls and fighting fires. So, again, I will talk a little bit about that as we talk about personnel in the next section of what we are trying to do to round out the firefighters so to speak.

Mr. Bynum: No, I think that is excellent because they are station Chiefs, so they are in charge of their station, but they are also administrators that are doing other responsibilities, so there is a training element for that kind of like the way the Police rotate assignments, so that is cool stuff Chief.

Mr. Kaneshiro: Derek, go ahead.

Mr. Kawakami: Chief, have you concluded your presentation or...

Chief Westerman: No, I just have the staffing.

Mr. Kawakami: I will save my questions until...

Mr. Kaneshiro: He is going over some personnel side right now. Do you have a question before we get into that? Go ahead Dickie?

Mr. Chang: Chief, did you see that your electric bill last year was \$128,600 and you are cutting it down... you want to cut it down to \$112,000?

Chief Westerman: Well, that is what we are budgeting.

Mr. Chang: In your budget, I noticed that the electric bill says, excluding Hanalei (electricity and water).

Chief Westerman: Yes. Police pay for Hanalei and we pay for Waimea. We have Fire and Police in both buildings, so Police pay for Hanalei and we pay for Waimea.

Mr. Chang: Thank you.

Chief Westerman: Let me go with submittal (inaudible)... questions. As you can see, we've had some changes in our positions that is page 9 of 10. I will start from the bottom up and the bottom 1, 2, 3, 4, 5, it looks like there might be significant changes here. But what we have done is, we reclassified our firefighters from Fire Apparatus Operator down to a Firefighter 1, 2, 3, instead of firefighter... Fire Rescue Specialist and a Fire Apparatus Operator, we call them Firefighter 1, Firefighter 2, Firefighter 3. So even though all of this looks like we might have moved, changed positions, it is actually reclassifying them. We did this for a couple of reasons. One, it is more typical on what is happening in the rest of the (inaudible) in Hawai'i... it is what they do in Honolulu and what they do in Maui. What it also provides for is the opportunity... like Councilmember Bynum

had said... to move our firefighters from place to place as a Firefighter 3, so if there is a Fire Apparatus Operator, they are not a fire service trainer in the training bureau or they are not a Firefighter 3 as a Fire Inspector, then we can make them... by making them all Firefighter 3, the same class, we can move them from a Fire Apparatus Operator, bring them into the 40 hour work week, put them in the training bureau, get them some experience as a trainer, upgrade their skills, give them a little more knowledge base, move them over the fire prevention, give them more knowledge and skill base, move them back up the line which gives us a little better qualified Captain in my view because then they have a little bit better view of what has happened. We can do that also in Captain ranks where we can now move Captains... we could move Captains from pretty much anywhere from a line to the Captain that is in charge of the bureau for fire prevention... so it gives them a little more rounded education so to speak, a little more experience other than just putting (inaudible)... that is why this major group is in... nobody is coming, nobody is going, it just changes their classification. The Senior Clerk is going to be dollar funded that is in the Administration bureau and the Deputy... and the Department Public Resource Coordinator is going to be eliminated. That is the one that was doing our CERT program and it is the only program that is being done by that position, so we are going to absorb that in the training bureau... certain programs in the training bureau... it just couldn't justify the salary for just that one piece of operation on this island.

Mr. Furfaro: Give me some history on that. Originally, the CERT funding came out of Civil Defense.

Chief Westerman: Yes.

Mr. Furfaro: Has that changed?

Chief Westerman: The CERT funding still comes out of State Civil Defense.

Mr. Furfaro: So how did the position get into the Fire Department?

Chief Westerman: The management of the CERT program... the previous Administration had asked me to take control of the program and improve... it was kind of (inaudible)... They had had a person in Civil Defense that was running the CERT program and that person had left, so there was a part-time person up there that really just managed the budget... bought the equipment and that kind of stuff. So there was nobody really doing the training and managing the program. So the previous Administration asked me if I would take over the program. As part of that, that person that I received to do that was also doing other things for the Administration. So it came to the Fire Department and we have, we have made some significant strides in the program, we've added over 250 people to the CERT training list, we've created a good... I think a routine training event quarter bringing members of the community together in the CERT program up to Lihue where we hold training events for them. We continue to train people and we continue to grow the program.

The other function that person was doing besides CERT have gone away, so that left me a person that is only doing really quarter work for the salary that was being paid, and there was no other function for that person in my department, so that is why I eliminated that position. But moved CERT into my training bureau which better lines CERT the way that it is managed in Maui and Big Island. In Maui and Big Island, CERT is run by the Fire Department and it is managed out of the training bureau and the training firefighter 3 is the head of the CERT program with Maui and Big Island. It is a lot different in Oahu because it is managed by the State. They have a person paid full-time to manage their program.

Mr. Furfaro: And are we... we are not jeopardizing any compliance with the money being channeled through Civil Defense and then onto the Fire Department?

Chief Westerman: Not that I am aware of Sir.

Mr. Furfaro: I just want to make sure because I think as we hear on many messages today, the accountability of funds and grants and the documentation seems to be on everybody's radar screen. You feel comfortable, Chief, because I have to tell you, you know, that I have participated in the CERT on the northshore whether it is me acting as the airport manager in an emergency and/or working with the Fire Department to have, you know, have people get to the other side based on, you know, they need kidney dialysis and so forth. I think it has been a very successful program... I want to make certain that we don't hurt it with any funding, so you are confident that this works? Everybody accepts how we are doing this to the Fire Department?

Chief Westerman: And so, you know, the Federal funding that we do get doesn't pay salaries, you can't pay salaries. It is really only for equipment and training, so that is why we have the money in my budget to help stimulate the program.

Mr. Bynum: I want to stick with this for a couple minutes. I have to ask these questions. Who is in charge of CERT in the Fire Department?

Chief Westerman: Shawn Smith.

Mr. Bynum: And he is going to be the identified contact point and the coordinator of CERT in the Fire Department?

Chief Westerman: I am sorry, what?

Mr. Bynum: He will be the identified contact person and the coordinator of CERT in the Fire Department?

Chief Westerman: Yes.

Mr. Bynum: And who else in the Fire Department will be involved in the CERT?

Chief Westerman: Well, right now, we are asking for volunteers out of the stations to be coordinators in their station. I don't want to just assign a firefighter, I wanted a firefighter that lived in that community to be the point of contact in each of the 7 station districts.

Mr. Bynum: Is CERT a valuable program for our community?

Chief Westerman: I think it is. You know, the very basic concept of CERT is probably one of the most critical aspects of the program and that is being self aware of being able to take care of yourself in a disaster. That is the very basics of the program and when you are taken cared of, then you can look to your neighbor and say, you know, maybe I can help my neighbor, maybe your neighbor (inaudible) brought up into the CERT program. So then you got 2 people in your town and then as you are going through the disaster mode in the first 24 to 48 hours when you are assembling your CERT team in your town and helping out what you can because we all know that in a disaster are emergency response resources... they are going to be overwhelmed and that is the basic concept of CERT is to take care of yourself and be able to take care of your town. And as time goes on when you assemble those folks as you have been through the training, they can then help the person responding.

Mr. Bynum: So our CERT team members... in the case of a disaster, are they... will they provide a contribution? How will that operationalize and when firefighters obviously are going to be busy with other things, you know, how will our CERT team members going

to be coordinated in the cases of, you know, what is actually a disaster or is it just a self awareness kind of... and a way to bring this kind of safety training to a larger... is my question clear? It is like... are we really a team that is going to operationalize during a disaster or is it really just a training and awareness component?

Chief Westerman: Well, it is both and the reason I say that is, you know, I would love to have the entire island CERT training, absolutely everybody. Everybody on the Council, everybody in the County, everybody in the State, every resident be CERT trained because the basic concept is being aired for the overwhelming disaster. For us, in this case and in most cases, it (inaudible)... so that you are aware of what you can do to help yourself because that is the number 1 thing that you can do to help emergency responders is truly understand how you can help yourself. Some people, I hate to say, just, you know, whether they don't have the time, their life is too busy, you know, they just haven't thought about the process of being fair. The other side of that is we... by institutionalizing it in the department, I feel we can get to that point. Are we there today? Probably not in the last bunch, but there are a couple of teams out there as Councilmember Furfaro mentioned in on the northshore because they have been at it a long time. You could get that Kilauea CERT together and say, hey, I need you guys to go here and I need you guys to do this. One of the biggest things that we have to understand about CERT is and this just came out of the national meeting when I went last year... a plug for travel... one of the good reasons that we need to travel the right places and attend the right meetings. The standard nationally is 5%, so is we train 300 people, only 5% are going to show up? How many people are actually going to show up?

Mr. Bynum: Right.

Chief Westerman: In any CERT team, that might mean the CERT team in Kekaha gets one person. How functional can they be as a CERT team to provide service? Well, maybe not much, but they do know that there are certain members in their town and they (inaudible) how to do their town inventory and take account of all the resources and then maybe go down to the fire station in Waimea and say, this is what Kekaha looks like. That is something. That is something that we don't have today. So the other part is, some of the community look at CERT a little differently. We know that we are trying to set the cap and what I mean by a good example is the Hyatt. I am sure that some of the other hotels might have the same philosophy. They wanted CERT, they provided us the place to train, they provided the food and drinks for the people to train the class. Low and behold when it is all said and done, we say, you got your CERT team, you come to certain meetings (inaudible)... Well, they see in the program that if they took their hotel staff and they made them all CERT members, they went home, they did their preparations at home, they prepared their family, so when a disaster comes, guess who can come to work? Their hotel employees and they are CERT members and they took that training from us. But you know what, that is okay with me because all of those people that got that training, their families are prepared, they are prepared, they are able to go to the hotel, and help the visitors that were there stuck in the hotel, and they continue to come to work. So that is kind of... you know what I mean, the basic premise of what CERT is all about. Are we going to have volunteer fire teams or police teams and rescue teams and everything around the islands for CERT, nothing. That is not what CERT is intended to be. It is intended to help your community in the disaster. In the meantime, they do a lot of good things. They help with the parade, they show up their vest and lights, and they help do the traffic and parade. They help do the school evacuations, the tsunami drills, and all those things. The other part of this is, they are also... all the American Red Cross Shelter Managers, you know, they are the service providers from the Salvation Army. If you took our list of our 300 some CERT volunteers, you are probably going to find that 50% of them are also volunteers somewhere else.

Mr. Bynum: And I don't want to belabor this because I like the answer that you are giving and I just don't want to raise false expectation among future CERT members about what their role is and you are giving a great explanation. Also, you touched on my next

question which is when it is not disaster time, of course, you can mobilize for education and community service and other things as well.

Chief Westerman: Sure.

Mr. Bynum: You know, the bottom line is, are you personally and is the Fire Department committed to serve and without a coordinator's position, is it going to die a slow death or is it going to continued to expand?

Chief Westerman: No, it is not going to die a slow death. There is a coordinator, it is just that it is a firefighter.

Mr. Bynum: And those are the concerns that are coming from the community. The other thing I just appreciate always your straight talk. You have mentioned that the Deputy Public Relations Coordinator position that you are eliminating was put there by the previous administration and we all know here that it was intent to preserve Ka Leo. It was an attempt to integrate and imbed... you mentioned, that is a person... it is a previous administration wanted them to do additional things beyond CERT which is basically maintain Ka Leo, so the 2 Ka Leo positions, one got embedded in Parks and one got embedded here. The Parks one remains, but I don't think that person... I think that person is doing park stuff and I don't think they are doing... it happens to be a same individual, right? So the other thing that this, you know, says to me, and just being straight talk is, this is also about the end of that concerted effort to do Ka Leo meetings in the community.

Chief Westerman: I don't know, you would have to ask the Administration.

Mr. Bynum: And I will because I recognize that. If it was still the previous Administration, this position probably would be funded and it probably would be doing part Ka Leo and part CERT. So, you know, I do disclosure that I worked in Ka Leo and so I have some investment. I obviously read... I appreciate the straight discussion about this position because there are many people in the community are unhappy that this position is going away, right? But I understand from the Fire Department's perspective... the key question for me is, does CERT continue to get its commitment and energy from the Fire Department and I appreciate your answer.

Chief Westerman: The next section about positions...

Mr. Kaneshiro: One more question before... the Chair has a question before we go to the next section.

Chair Asing: With the increase of... there are associated cost increases... gasoline, diesel, medical supplies, (inaudible), more equipment, (inaudible), and overtime. Overtime... monitoring system to include any possible reimbursement should they become available. How or has the issues with FLSA been resolved or do we still have those problems lingering?

Chief Westerman: We are paying FLSA (inaudible). In my department from the very beginning while I took over... when we had the FLSA issue, I created an overtime policy that no firefighter works overtime without pay, so that took care of whether or not they get paid or not. The other aspect of FLSA was making payment and I see it when I certify my payroll every 2 weeks. Not every 2 weeks do we pay somebody FLSA, but occasionally, we are paying FLSA, so they are calculating FLSA. Now that is not done in my department. That is done in Finance, but I do know that we are paying FLSA.

Chair Asing: Then I would like to have, you know, a run down of exactly how much we are expending in that account.

Chief Westerman: In FLSA?
Chair Asing: Yes.
Chief Westerman: Sure we can go that.
Chair Asing: Thank you.
Mr. Kaneshiro: Any questions or...
Chief Westerman: Just that last section. If you wanted to review it, that...
Mr. Kaneshiro: That vacant positions and current.

Chief Westerman: Now these are anticipated vacancies and it is usually not this big is because of the... we have to put in the Keālia station because we are doing the hiring of the Keālia firefighters. We do have a Waimea firefighter. One position that will be dollar funded. The Hanapēpē firefighter position that will be dollar funded on July 1 and then the rest of it is for the positions for the Keālia and the SAFER grant firefighters.

The next page, the anticipated vacancies, the firefighter 3, the Fire Captain retired on June 1 and at the end of year, a Battalion Chief and 2 Fire Captains are retiring at the end of the year. Those are all anticipated because of retirements.

Mr. Furfaro: So that is natural attrition.

Chief Westerman: So that is natural attrition. That page is natural attrition and then number 3, that is the State contract position for Kē'e Beach.

Mr. Furfaro: And what do we hear on those positions to have lifeguards at the end of the road.

Chief Westerman: So far it is still in the State budget. It is moving to a different department in the Department of Land & Natural Resources, but it is still in the budget.

Mr. Kaneshiro: I will open it up for questions now. Derek, did you have a question for the Chief?

Mr. Kawakami: Chief, thank you for the presentation. I just want to touch on your presentation and also the budget review section. You identified 3 challenges and I think these 3 challenges are going to be pretty consistent with all the departments, but one is decrease in revenues, reduce budgets, and lagging infrastructure. These are all going to be challenges for your department and, yet, you guys continually strive to reach national standards which I applaud you for, so thank you very much. It tells us a lot about your commitment, yet, you also say that this year's budget is at an absolute minimum and all areas of your budget has been reduced. I only can speak for 1 of 7, but I am pretty sure that everyone at this table considers public safety as a paramount concern for our community and as a County function. So I just want assurance and these are all "yes" or "no" questions, but does this budget address firefighter safety and also does it address your mission statement to keep our people safe?

Chief Westerman: Yes, I think it does.

Mr. Kawakami: Thank you.

Mr. Furfaro: I want to thank Councilmember Kawakami for addressing that because as you replayed in here, these are minimums... the reality is, in my dialogue, over... we have reconfirmed that you have gotten truck and engine levels up to 4 people which I would have preferred to use the word, we are meeting the standard. We are meeting the standard and thank you for summarizing that Councilman. Thank you Mr. Chair.

Mr. Kaneshiro: Mr. Bynum?

Mr. Bynum: As we anticipate the Keālia Fire Station, help me refresh my memory. Does the Kapa'a station close after Keālia is fully staffed, so it remains as fire station as well for a long time or...

Chief Westerman: It needs to move. It needs to be relocated and that is addressed in here, but, again that is...

Mr. Bynum: And is there a site determined?

Chief Westerman: There is not a site determined.

Mr. Bynum: That homesteads is a possibility or...

Mr. Kaneshiro: Anyplace is a possibility. He hasn't decided that.

Chief Westerman: It is not a good option, but anything is possibility.

Mr. Bynum: But we can talk about that off-line. I just want to know a little more about that. It doesn't have to be here now and I have another question, but it just escaped. It will come to me in a minute.

Mr. Kaneshiro: Okay, any other questions by Committee members?
Mr. Furfaro?

Mr. Furfaro: And we are investing in the staffing goals for that department now with the previous grants that we have applied for.

Chief Westerman: Yes.

Mr. Furfaro: And I do want to point out that we have, over the last 3 years, put in about \$1.6 million into equipment, but as the Chief... equipment upgrades, but as the Chief pointed out, we are going to start pursuing acquisitions really next year for the Keālia station through grants and so forth. And are you making the Administration aware of what those future potential needs are going to be for equipment?

Chief Westerman: And so you know, the acquisition for the fire engine is already made and it will arrive late next year, so it might be 6 months ahead of opening the doors, but that major purchase is already made.

Mr. Furfaro: And that is why I wanted to summarize the CIP items and other purchases that we have made in the last few years and a truck if I recall is about \$380,000?

Chief Westerman: They are a little more than that.

Mr. Furfaro: And this is the basic truck, right? And then you have all the other...

Chief Westerman: Yes, when you add everything to it, it is pretty close to half a million.

Mr. Kaneshiro: Tim?

Mr. Bynum: I just want to know that some of the decisions that we make about planning in the community that impact fire fighting... where we locate housing and apparatus and status, is that something that the Fire Department is aware of or contributes to the community discussion about how we build communities in the future and there are issues like densities and street widths. You know, is that something that the Fire Department is aware of or engaged in the dialogue at all?

Chief Westerman: As the documents all go through Planning, they send them out to all the departments for review and we do make comments on all of them. We do review things like density and street widths, especially when they do the neighborhoods and they do the planning for the neighborhoods, and they talk about what type of roads are going to be there... the Fire Inspectors all review those documents. Again, the challenge is always, for us, it is an in aggregate that eventually catches up to us at some time. So where do you say someone is going to start buying the land for the new station or someone is going to start paying for the people (inaudible)... as you build or enlarge a community, it usually comes down to the fact, like we did Keālia, after-the-fact when the community is built, we are starting to collect (inaudible)... we now realize that we have to build a station. We try and actively provide information to Planning on the possibility of where a station should go. They obviously know as we did the east sign plan with that group, some locations for the new Kapa'a station to be moved to. They know that our strategic plan does say that Kīlauea is in need and should be the next fire station built. And, you know, like I said, if you just kind of look at each one little project as it comes down the pipe, you know, it might not have the impact, but, you know, when you finally start to build up the whole community.

Mr. Bynum: I guess that is my... the bigger question is whether you look at the big picture. I mean, our General Plan, for instance says, let's do our housing development around our town cores which I think is easier to serve for firefighting.

Chief Westerman: Yes, exactly.

Mr. Bynum: Versus, say, Kalihiwai Ridge... I mean if you have a home at Kalihiwai Ridge, the response time... spreading out our housing, spreads out our fire response. So those are issues to discuss in community development plans, so like we are doing (inaudible) east now... we are contemplating Līhu'e and Kōloa. You know, is the Fire Department involved in those bigger pictures.

Chief Westerman: Yes, we are usually invited to...

Mr. Bynum: Thank you.

Mr. Kaneshiro: Okay, any other questions? Mr. Furfaro?

Mr. Furfaro: Yes, as it relates to stations and your comments about Kīlauea, you and I have had discussions in the past. I think we bought the smaller vehicle for Hanalei to get across the bridges and so forth, but I was of the impression that to fight fires in their incipit stages, you would find us maybe having a satellite station in Kīlauea and a satellite station in Hā'ena and/or even the old County baseyard in Hanalei. This... and especially that one being used

for support for the Police Department when the bridge closes, offices get on that side, they need to respond to something. Did I just hear you say that another station in Kīlauea versus what we saw us a hub station in Hanalei with 2 satellites? One in Hā'ena area and one in Kīlauea? Is that not a concept that we are going to pursue?

Chief Westerman: It is a concept that could be pursued, yes. I wasn't aware of that. It must have been a plan that was thought up before I came on board.

Mr. Furfaro: How about the Hanalei Courthouse? Do we know where we are at because Representative Morita and I, through her office, have had several discussions about a satellite station on the other side of the black bridge, Hanalei Bridge for the purpose of retaining firefighters and Police Officers in the event of, you know... I mean there seems to be maybe a need to have some discussion about this. It is like going back to CERTS, you know. The Chair just gave me a picture a couple of years ago of our Grandpa being the Civil Defense Coordinator in Hā'ena in a Jeep and Mr. Asing had that photo. Thank you for sharing it with us. But people get confused between CERTS and Civil Defense. There is a... I also want to progressively when we talked about a satellite station in Hanalei and I know that I have had this discussion with you and the old courthouse. Are we not pursuing that anymore? And could not spin off to a satellite station in Kīlauea?

Chief Westerman: Yea, we are still discussing the courthouse or any option down there in its capacity. There was the move when they... when the rotary was assisting us with the jet ski in Hanalei to do something a little bit bigger there, and kind of got way out of control and was brought back to just the jet ski. But it does not stop us from doing something else down there. I mean because we do, just what you say, when the bridge closes, we staff up Hanalei. We have to either bring in overtime firefighters where we bring them around from other stations... maybe run Hanalei short or Hanapēpē short to 3, and bring a firefighter around to Hanalei, so we can actually split the crew and have some semblance of a response team on each side of the island... (inaudible) each side of the bridge. In most cases, they stay at a friend's house. There is no facility...

Mr. Furfaro: I understand. You know, I have walked the river myself with officers on the other side, but I guess there is a concept of a plan to work on the westside as well... that, you know, there is a satellite station in Kekaha or a satellite station between Hanapēpē and Waimea. I mean do we have to build full fledged fire stations or could we look at this quick response in some of the communities until the larger station is able to respond with more manpower or personnel, and equipment. Is that not possible?

Chief Westerman: We are good.

Mr. Kaneshiro: We will send a communication on that because... and the only reason is that we don't see any of that in this budget at this point.

Mr. Furfaro: But I wanted to know the thinking going forward because Hanalei as a satellite station has been on the radar screen for a long time.

Mr. Kaneshiro: And the communication can be specific to address those concerns.

Mr. Furfaro: To the Fire Department and Planning.

Mr. Kaneshiro: Thanks. Any other questions for the Fire Chief?

Chair Asing: Yes, I have one question. Chief, did we resolve the problems on the 3 fire trucks that we ordered?

Chief Westerman: No Sir, not yet. We are still working with Senator Inouye's Office. We have the draft letters to go from his office to Secretary Napolitano asking for the relief of the funds and that has not yet going from Senator Inouye to Secretary Napolitano.

Chair Asing: Okay, that is still being worked on then?

Chief Westerman: Yes Sir. It is still being worked on.

Chair Asing: Does it have an effect on you presently? When do we need to try to see if we can resolve this?

Chief Westerman: It doesn't have an effect on our ability to perform. We were able to replace 2 of those vehicles with other grants. It will have an effect, I guess, if I have to pay the bill. That is what we are hoping to get relief from. That will be the only effect is that we will have to pay the bill eventually if we don't get relief.

Chair Asing: Yea, but you need the engine though?

Chief Westerman: We have them replaced

Chair Asing: Okay, thank you. Can I follow up on Chairman Asing's question?

Mr. Furfaro: Is the County of Maui still in the same predicament with that company?

Chief Westerman: Well, their middle man is in the same predicament. They actually have a buyer in between them and the manufacturer. He is still in that same predicament.

Mr. Kaneshiro: I don't want to get too much into this conversation because there might be some legal issues involved. Just be careful, but I think we got the information that we needed. Any other things that we wanted to discuss or have questions for the Chief while he is here on the budget? Anything else? Any other questions?

Chief Westerman: I would like to respond to Councilmember Furfaro about the (inaudible) change is... actually, the old changes is in our R&M of our vehicles. The oil line item is zero.

Mr. Kaneshiro: Specifically just for your office.

Chief Westerman: Yes.

Mr. Kaneshiro: Because you have all the different categories.

Mr. Furfaro: So I was only looking at your vehicle?

Mr. Kaneshiro: Yes.

Chief Westerman: Right.

Mr. Furfaro: So you won't (inaudible)...

Mr. Kaneshiro: Cost savings.

Chief Westerman: We have too many line items in this budget.

Mr. Furfaro: If we see that red truck on the side of the road...

Mr. Kaneshiro: Okay, thank you. Any other questions? We have the Water Safety Officers here also. If not, Chief, thank you very much and thank you all for coming. We appreciate you bringing the whole crew over. So at this time, I am going to just call this review back to order and recess.

The meeting was called back to order, and proceeded as follows:

There being no objections, the departmental budget reviews recessed at 10:33 a.m.