

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

February 19, 2010

Committee
Report No. _____

Honorable Chair and Members
of the County Council
County of Maui
Wailuku, Maui, Hawaii

Chair and Members:

Your Budget and Finance Committee, having met on January 12, 2010, makes reference to County Communication No. 09-338, from the Budget Director, transmitting a proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2010 BUDGET FOR THE COUNTY OF MAUI, AS IT PERTAINS TO REVENUES - FEES, RATES, ASSESSMENTS AND TAXES FOR ADVERTISING FEE".

The purpose of the proposed bill is to amend Appendix B of the Fiscal Year 2010 Budget to establish an advertising fee of \$13 for advertising display cards inside County transit buses.

The Director of Transportation explained that his Department would like to start a pilot program to allow paid advertisements inside County transit buses. Under the program, each advertiser would provide advertising display cards up to 11 by 28 inches in size that would be installed by the Department in each bus. There are currently 14 buses in use every day.

The Director proposed that Maui County adopt the fee structure used by the City and County of Honolulu and charge \$13 per card per month. The advertiser would be required to purchase a card for all of the buses currently running every day, and would not be able to choose specific bus routes. Purchasing advertisements for all of the buses would generate a total of \$182 per month per advertisement.

Your Committee expressed concern that the proposed fee is too low and that it would be a bargain compared to other types of advertising. Your Committee also expressed concern that it would be difficult to raise the fee at a later date if the advertisements become popular.

Your Committee decided to increase the fee from \$13 per card per month to \$25 per card. With the mandatory 14 bus purchase, the total cost per advertisement would be \$350 per month.

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Your Committee voted 8-0 to recommend passage of the revised proposed bill on first reading and filing of the communication. Committee Chair Pontanilla, Vice-Chair Mateo, and members Baisa, Kaho`ohalahala, Medeiros, Molina, Nishiki, and Victorino voted "aye". Committee member Johnson was excused.

Your Committee is in receipt of a revised proposed bill, approved as to form and legality by the Department of the Corporation Counsel, incorporating your Committee's recommended revision.

Your Budget and Finance Committee RECOMMENDS the following:

1. That Bill No. _____ (2010), as revised herein and attached hereto, entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2010 BUDGET FOR THE COUNTY OF THE MAUI, AS IT PERTAINS TO REVENUES - FEES, RATES, ASSESSMENTS AND TAXES FOR ADVERTISING FEE", be PASSED ON FIRST READING and be ORDERED TO PRINT; and
2. That County Communication No. 09-338 be FILED.

This report is submitted in accordance with Rule 7 of the Rules of the Council.



JOSEPH PONTANILLA, Chair

ORDINANCE NO. _____

BILL NO. _____ (2010)

A BILL FOR AN ORDINANCE AMENDING
THE FISCAL YEAR 2010 BUDGET FOR THE COUNTY OF MAUI,
AS IT PERTAINS TO REVENUES – FEES, RATES, ASSESSMENTS AND TAXES
FOR ADVERTISING FEE

BE IT ORDAINED BY THE PEOPLE OF THE COUNTY OF MAUI:

SECTION 1. Ordinance No. 3651, Bill No. 38 (2009), as amended, "Fiscal Year 2010 Budget", Appendix B, "Revenues – Fees, Rates, Assessments and Taxes" is hereby amended as it pertains to the Highway Fund, Charges for Current Services, by inserting a new fee for advertising inside County transit buses, to read as follows:

"COUNTY OF MAUI
REVENUES – FEES, RATES, ASSESSMENTS AND TAXES

ACCOUNT	REVENUE SOURCE	FEE, RATE, ASSESSMENT OR TAX	HRS	COUNTY CODE	ORDINANCE
HIGHWAY FUND					
CHARGES FOR CURRENT SERVICES:					
3493	Public Transit Fares	Route Description	One-Way	Chapter 3.05	
		All Fixed Routes..... \$1 (except for the following fixed routes with fares designated other than \$1).			
		Wailuku Loop..... Free			
		Wailuku Loop (reverse)..... Free			
		Kahului Loop Free			
		Kahului Loop (reverse)..... Free			
		Lahaina Villager..... Free			
		All Commuter Routes..... \$1			
		Monthly Pass Rates shall be as follows: General boarding: \$35 for all routes. Passengers 55 years and older and students: \$30 for all routes.			
		AMERICANS WITH DISABILITY ACT (ADA) ADA Paratransit Fare: One-way fare shall be two (2) times the regular one-way fare. No monthly passes shall be provided.			
	<u>Advertising Fee</u>	<u>Advertising inside County transit buses\$25 per card per month</u>		<u>11.02.030"</u>	

SECTION 2. New material is underscored.

SECTION 3. This ordinance shall take effect upon its approval.

APPROVED AS TO FORM AND LEGALITY:



TRACY FUJITA VILLAROSA
First Deputy Corporation Counsel