

# BUDGET AND FINANCE COMMITTEE

Council of the County of Maui

## Agenda for Meetings on the Fiscal Year 2011 Budget

April 26, 2010

April 27, 2010

April 28, 2010

April 29, 2010

9:00 a.m.

Council Chamber, 8<sup>th</sup> Floor  
200 South High Street, Wailuku, Hawaii

website: [www.mauicounty.gov/committees/BF](http://www.mauicounty.gov/committees/BF)

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### VOTING MEMBERS

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Bill Kauakea Medeiros

Michael J. Molina

Wayne K. Nishiki

Michael P. Victorino

*AGENDA ITEMS ARE SUBJECT TO CANCELLATION. For a confirmation of the meeting date and time, and for tentative scheduling of agenda items, please contact the Committee Staff (Gayle Revels, Scott Kaneshina, or Yvette Bouthillier) at: Office of Council Services, 200 South High Street, Wailuku, HI 96793, 808-270-7838, 1-800-272-0026 (toll-free from Molokai), 1-800-272-0098 (toll-free from Lanai), 808-270-7686 (fax).*

*ORAL OR WRITTEN TESTIMONY on any agenda item will be accepted. If written testimony is submitted at the meeting, 18 copies are requested. If written testimony is e-mailed or faxed, please submit by 12 noon on the business day preceding the meeting so that copies can be provided to Council members in a timely manner.*

*INDIVIDUALS WHO INTEND TO ATTEND THE MEETING AND WHO HAVE DISABILITIES REQUIRING SPECIAL ASSISTANCE should call the Office of Council Services at least three days in advance.*

*DOCUMENTS ON FILE WITH THE COMMITTEE, which may include correspondence relating to the agenda items below, may be inspected prior to the meeting date. Photocopies may be ordered, subject to charges imposed by law (Maui County Code, Sec. 2.64.010). Please contact the Office of Council Services to make arrangements for inspection or photocopying of documents.*

*TO LEARN MORE ABOUT COUNCIL-RELATED ISSUES, tune in to Akaku: Maui Community Television.*

**BF-1**

### **PROPOSED BUDGET FOR FISCAL YEAR 2011 FOR THE COUNTY OF MAUI**

**DESCRIPTION:** The Committee is in receipt of the following:

1. County Communication No. 10-27, from the Chair of the Budget and Finance Committee, transmitting the matter of the Fiscal Year (FY) 2011 Budget.
2. County Communication No. 10-61, from the Chair of the Salary Commission, informing the Council of the Salary Commission's decision to maintain the salaries of the department directors and deputy directors at their current levels through FY 2011.
3. County Communication No. 10-68, from the Mayor, relating to the proposed budget for FY 2011 for the County of Maui. Included in the Mayor's transmittal are the following:

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- a. A proposed bill entitled "A BILL FOR AN ORDINANCE RELATING TO THE OPERATING BUDGET FOR THE COUNTY OF MAUI FOR THE FISCAL YEAR JULY 1, 2010 TO JUNE 30, 2011" with Appendices A and B. The purpose of the proposed bill is to appropriate estimated revenues for the operating and capital improvement budget. Incorporated within the proposed bill are Appendix A, which lists Grant Revenues and Special Purpose Revenues, and Appendix B, which is the Schedule of Rates, Fees, and Assessments.
- b. A proposed bill entitled "A BILL FOR AN ORDINANCE RELATING TO THE CAPITAL PROGRAM FOR THE FISCAL YEAR ENDING JUNE 30, 2011" with a report entitled "COUNTY OF MAUI, CAPITAL IMPROVEMENT PROJECTS REPORT, AS OF DECEMBER 31, 2009" and Appendix B. The purpose of the proposed bill is to set forth the Capital Program for FY 2011 and for the FY 2011 through 2016. The report is a list of all pending capital improvement projects and appropriations as of December 31, 2009, and Appendix B which is the proposed Capital Improvement Program for the FY 2011 through 2016.
- c. A proposed bill entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE ISSUANCE OF FORTY FIVE MILLION ONE HUNDRED FIFTY THOUSAND DOLLARS (\$45,150,000) AGGREGATE PRINCIPAL AMOUNT OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI FOR THE PURPOSE OF PROVIDING FUNDS TO PAY ALL OR A PART OF THE COST OF APPROPRIATIONS FOR PUBLIC IMPROVEMENTS OF AND FOR THE COUNTY OF MAUI; FIXING THE FORM, DENOMINATIONS AND CERTAIN OTHER FEATURES OF SUCH BONDS AND PROVIDING FOR THEIR SALE; AUTHORIZING THE DIRECTOR OF FINANCE TO DETERMINE CERTAIN DETAILS OF THE BONDS; AUTHORIZING THE ISSUANCE AND SALE OF A LIKE PRINCIPAL AMOUNT OF GENERAL OBLIGATION BOND ANTICIPATION NOTES IN ANTICIPATION OF THE ISSUANCE AND SALE OF SUCH BONDS; AND PROVIDING FOR OTHER ACTIONS RELATED TO THE ISSUANCE, SALE AND DELIVERY OF SAID BONDS". The purpose of the proposed bill is to authorize the issuance of general obligation bonds for various capital improvement projects.
- d. A proposed bill entitled "A BILL FOR AN ORDINANCE RELATING TO MOTOR VEHICLE WEIGHT TAX AND MOTOR VEHICLE DRIVERS' LICENSE". The purpose of the proposed bill is to repeal the section on miscellaneous taxes, the definition of provisional license, and clarify the payment requirements of license and permit fees.
- e. A proposed bill entitled "A BILL FOR AN ORDINANCE RELATING TO REAL PROPERTY TAX, DIRECTOR DUTIES AND RESPONSIBILITIES, AND ADJUSTMENTS AND REFUNDS". The purpose of the proposed bill is to allow the Director of Finance to stipulate, or authorize the Corporation Counsel to stipulate, to facts, procedures, and other matters for the hearing, resolution, or settlement of real property tax appeals filed with the Board of Review or Tax Appeal Court.
- f. A proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING SECTION 3.48.305, MAUI COUNTY CODE, PERTAINING TO REAL PROPERTY TAX LAND CLASSIFICATION". The purpose of the proposed bill is to combine the "Improved residential" and "Unimproved residential" land classifications into one classification entitled "Residential".
- g. A proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING SECTION 3.48.450, MAUI COUNTY CODE, PERTAINING TO REAL PROPERTY TAX HOME EXEMPTION". The purpose of the proposed bill is to revise the home exemption value from \$300,000 to \$200,000.
- h. A proposed resolution entitled "AUTHORIZING THE DIRECTOR OF FINANCE TO COMPROMISE THE PENALTIES AND INTEREST PORTION OF REAL PROPERTY TAXES ASSESSED AGAINST HAWAIIAN HOME LANDS HOMESTEAD LESSEES IN EXCHANGE FOR THE DEPARTMENT OF HAWAIIAN HOME LANDS MAKING PAYMENT OF REAL PROPERTY TAXES OWED BY HAWAIIAN HOME LANDS HOMESTEAD LESSEES". The purpose of the proposed resolution is to authorize the Director of Finance to compromise the penalties and interest portion of real property taxes assessed against Hawaiian Home Lands Homestead Lessees in exchange for the Department

- of Hawaiian Home Lands making payment of real property taxes owed by Hawaiian Home Lands Homestead Lessees.
- i. Booklets entitled "COUNTY OF MAUI BUDGET PROPOSAL, FISCAL YEAR 2011, CHARMAINE TAVARES, MAYOR" (Program Budget) and "COUNTY OF MAUI BUDGET DETAILS, FISCAL YEAR 2011, CHARMAINE TAVARES, MAYOR" (proposed Budget Details).
  - j. Compact disc entitled "Budget Proposal Fiscal Year 2011, County of Maui – State of Hawaii".
4. Correspondence dated March 16, 2010, from the Department of the Corporation Counsel, transmitting a revised proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING SECTION 3.48.450, MAUI COUNTY CODE, PERTAINING TO REAL PROPERTY TAX HOME EXEMPTION". The purpose of the revised proposed bill is to revise the home exemption value from \$300,000 to \$200,000, and to revise the effective date to July 1, 2011.
  5. Correspondence dated March 30, 2010, from the Budget Director, transmitting the following:
    - a. A proposed bill entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT FOR A STATE WATER POLLUTION CONTROL REVOLVING FUND LOAN FOR THE KIHEI NO. 2 FORCE MAIN REPLACEMENT, KIHEI-MAKENA COMMUNITY PLAN AREA, FISCAL YEAR 2011 BUDGET ORDINANCE". The purpose of the proposed bill is to authorize the Mayor to enter into an intergovernmental agreement to finance the Kihei No. 2 Force Main Replacement project with State Water Pollution Control Revolving Fund Loan (SRF loan) monies in a principal amount not to exceed \$1,710,000.
    - b. A proposed bill entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT FOR A STATE WATER POLLUTION CONTROL REVOLVING FUND LOAN FOR THE LAHAINA NO. 3 FORCE MAIN REPLACEMENT, WEST MAUI COMMUNITY PLAN AREA, FISCAL YEAR 2011 BUDGET ORDINANCE". The purpose of the proposed bill is to authorize the Mayor to enter into an intergovernmental agreement to finance the Lahaina No. 3 Force Main Replacement project with SRF loan monies in a principal amount not to exceed \$7,560,000.
    - c. A proposed bill entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT FOR A STATE WATER POLLUTION CONTROL REVOLVING FUND LOAN FOR THE ALAMAHA FORCE MAIN REPLACEMENT, WAILUKU-KAHULUI COMMUNITY PLAN AREA, FISCAL YEAR 2011 BUDGET ORDINANCE". The purpose of the proposed bill is to authorize the Mayor to enter into an intergovernmental agreement to finance the Alamaha Force Main Replacement project with SRF loan monies in a principal amount not to exceed \$1,260,000.
  6. Correspondence dated March 31, 2010, from the Department of the Corporation Counsel, transmitting a proposed resolution entitled "ADOPTING THE FUEL TAX RATES FOR THE COUNTY OF MAUI, EFFECTIVE JULY 1, 2010". The purpose of the proposed resolution is to adopt the fuel tax rates for the County of Maui, effective July 1, 2010.
  7. Correspondence dated April 13, 2010, from the Director of Council Services, transmitting a proposed bill entitled "A BILL FOR AN ORDINANCE RELATING TO CERTAIN EMPLOYEES OF THE LEGISLATIVE BRANCH". The purpose of the proposed bill is to specifically provide for furloughs or other temporary pay changes that may be required, add provisions to clarify the lines of authority for the Council Executive Assistant positions, delete obsolete provisions, and convert the Council Services Clerk positions from a clerical classification to a professional classification.
  8. Correspondence dated April 14, 2010, from the Department of the Corporation Counsel, transmitting a revised proposed resolution entitled "AUTHORIZING THE DIRECTOR OF FINANCE TO COMPROMISE THE PENALTIES AND INTEREST PORTION OF REAL PROPERTY TAXES ASSESSED AGAINST HAWAIIAN HOME LANDS HOMESTEAD LESSEES IN EXCHANGE FOR THE DEPARTMENT OF HAWAIIAN HOME LANDS MAKING PAYMENT OF REAL PROPERTY TAXES OWED BY HAWAIIAN HOME LANDS

HOMESTEAD LESSEES". The purpose of the proposed resolution is to authorize the Director of Finance to compromise the penalties and interest portion of real property taxes assessed against Hawaiian Home Lands Homestead Lessees in exchange for the Department of Hawaiian Home Lands making payment of real property taxes owed by Hawaiian Home Lands Homestead Lessees.

9. Correspondence dated April 16, 2010, from the Director of Water Supply transmitting the following:
  - a. A proposed bill entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT FOR A LOAN FROM THE DRINKING WATER TREATMENT REVOLVING LOAN FUND FOR THE KAMOLE WATER TREATMENT PLANT HIGH LIFT PUMPS, MAKAWAO-PUKULANI-KULA COMMUNITY PLAN AREA, FISCAL YEAR 2011 BUDGET ORDINANCE". The purpose of the proposed bill is to authorize the Mayor to enter into an intergovernmental agreement to finance the Kamole Water Treatment Plant High Lift Pumps project with Drinking Water Treatment Revolving Loan Fund (DWTRLF) monies in a principal amount not to exceed \$5,500,000.
  - b. A proposed bill entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT FOR A LOAN FROM THE DRINKING WATER TREATMENT REVOLVING LOAN FUND FOR THE PIIHOLO WATER TREATMENT PLANT IMPROVEMENTS-ORGANIC CARBON REDUCTION, MAKAWAO-PUKULANI-KULA COMMUNITY PLAN AREA, FISCAL YEAR 2011 BUDGET ORDINANCE". The purpose of the proposed bill is to authorize the Mayor to enter into an intergovernmental agreement to finance the Piiholo Water Treatment Plant Improvements-Organic Carbon Reduction project with DWTRLF monies in a principal amount not to exceed \$5,000,000.
  - c. A proposed bill entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT FOR A LOAN FROM THE DRINKING WATER TREATMENT REVOLVING LOAN FUND FOR THE WAKIU WELL REPLACEMENT, HANA COMMUNITY PLAN AREA, FISCAL YEAR 2011 BUDGET ORDINANCE". The purpose of the proposed bill is to authorize the Mayor to enter into an intergovernmental agreement to finance the Wakiu Well Replacement project with DWTRLF monies in a principal amount not to exceed \$500,000.
10. Correspondence dated April 19, 2010, from the Department of the Corporation Counsel, transmitting a revised proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING SECTION 3.48.305, MAUI COUNTY CODE, PERTAINING TO REAL PROPERTY TAX LAND CLASSIFICATION". The purpose of the proposed bill is to combine the "Improved residential" and "Unimproved residential" land classifications into one classification entitled "Residential", and incorporate changes approved in prior ordinances.

**STATUS:** The Committee may consider whether to recommend passage of the proposed and revised proposed bills on first reading and adoption of the proposed and revised proposed resolutions, with or without further revisions. The Committee may also consider the development of other legislation related to the proposed budget for FY 2011. The Committee may consider the filing of the County Communications and other correspondence. The Committee may also consider other related action.

**NOTE:** With reference to this agenda item, one or more executive meetings pursuant to Section 92-5(a), Hawaii Revised Statutes, may be held:

- (3) To deliberate concerning the authority of persons designated by the County, the Council, or the Committee to conduct labor negotiations or to negotiate the acquisition of public property, or during the conduct of such negotiations;
- (4) To consult with legal counsel on questions and issues pertaining to the powers, duties, privileges, immunities, and liabilities of the County, the Council, and the Committee; and
- (8) To deliberate or make a decision upon a matter that requires the consideration of information that must be kept confidential pursuant to a State or Federal law, or a court order.