

**BUDGET AND FINANCE COMMITTEE**  
Council of the County of Maui

**MINUTES**

**May 3, 2010**

**Council Chamber, 8<sup>th</sup> floor**

**RECONVENE:** 9:03 a.m.

**PRESENT:** Councilmember Joseph Pontanilla, Chair  
Councilmember Danny A. Mateo, Vice-Chair  
Councilmember Gladys C. Baisa, Member  
Councilmember Jo Anne Johnson, Member  
Councilmember Sol P. Kaho'ohalahala, Member  
Councilmember Bill Kauakea Medeiros, Member  
Councilmember Michael J. Molina, Member  
Councilmember Wayne K. Nishiki, Member  
Councilmember Michael P. Victorino, Member

**STAFF:** Gayle Revels, Legislative Analyst  
Scott Kaneshina, Legislative Analyst  
Yvette Bouthillier, Committee Secretary

Leinaala Kihm, Executive Assistant to Councilmember Medeiros

**ADMIN.:** Frederick Pablo, Budget Director, Office of the Mayor  
Traci Fujita Villarosa, First Deputy Corporation Counsel, Department of the Corporation  
Counsel

**OTHERS:** Others (5)

**PRESS:** Akaku: Maui Community Television, Inc.  
Ilima Loomis, *The Maui News*

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**ITEM NO. 1: PROPOSED BUDGET FOR FISCAL YEAR 2011 FOR THE  
COUNTY OF MAUI (CC 10-27, CC 10-66, CC 10-68)**

**CHAIR PONTANILLA:** . . .(*gavel*). . .The Budget and Finance Committee meeting for  
May 3<sup>rd</sup>, 2010, is reconvened. Members, good morning.

**COUNCIL MEMBER:** Good morning.

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CHAIR PONTANILLA: Hopefully everybody had a restful weekend. At this time the Chair would like to introduce the Members that are here this morning. Member Molina.

COUNCILMEMBER MOLINA: Good morning, Chairman.

CHAIR PONTANILLA: Member Baisa.

COUNCILMEMBER BAISA: Good morning.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Aloha.

CHAIR PONTANILLA: Member Kaho'ohalahala.

COUNCILMEMBER KAHO'OHALAHALA: Good morning, Chair.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Aloha and good morning Chair.

CHAIR PONTANILLA: Member Nishiki.

COUNCILMEMBER NISHIKI: Good morning

CHAIR PONTANILLA: Member Mateo. Member Victorino.

COUNCILMEMBER VICTORINO: Good morning and aloha Chair.

CHAIR PONTANILLA: Good morning. Representing Administration we do have the First Deputy Corporation Ms. Traci Fujita Villarosa, as well as the Budget Director Mr. Fred Pablo. Supporting the Committee our Staff members are Gayle Revels and Scott Kaneshina both are Legislative Analysts with our secretary Yvette Bouthillier. Members, this is a reconvened meeting from April the 30<sup>th</sup>.

So at this time the Chair would like to read a letter to all of you this morning. . .(pause). . .and the subject. . .this is from the Chair and the subject is recommendation of the Fiscal Year 2011 Budget, which is BF-1.

As Chairman of the Budget and Finance Committee, I would like to thank you for your diligent work in reviewing and revising the Mayor's Proposed Budget for Fiscal Year 2011. I also would like to express my sincere appreciation to the Mayor, agency representatives, and members of the public who have come before

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the Committee to provide their insights on the information presented in the Proposed Fiscal Year 2011 Budget.

We have reached the final day of voting on the Proposed Fiscal Year 2011 Budget in the Budget. . .in the Budget and Finance Committee. Today we need to do a final review of the attached Exhibit "1", decide which projects to withhold bond authorization from, and review the changes to our provisions recommended by the Department of the Corporation Counsel.

Before we approve the budget package, we need to address an error that was identified during the review process this weekend. The error, which involves interfund transfers, dates back to when the Committee Staff and I developed my comprehensive budget proposal. Based on the proposal, this Committee reduced the Highway Funds appropriation for a transfer to the General Fund (Public Works - Highway Fund, on page 27 of the attached exhibit), to pay for the Maui Bus monthly pass system and countywide road improvements. However, the corresponding decrease to the General Fund was not included. This left the General Fund short by \$1.1 million. To correct this error, I am recommending moving a portion of the General Fund CIP projects that I had removed from bond to cash in the Chair's proposal back to the Bond Fund, as indicated: move Nahiku Community Center to bond in the amount of \$250,000; move a portion of the Countywide Police Facility Improvement back to bond \$200,000; move a portion of the Countywide Park Improvements back to bond and create a Community Center Improvements project \$200,000; move a portion of the Countywide Facility Improvements back to bond \$150,000; and move a portion of the Fire Facility Improvements back to bond \$150,000.

I chose projects that should have a 20-year life and are appropriate for bond. This leaves more bond appropriations than I had originally intended, but still \$150,000 less than what was originally proposed by the Administration. The remainder of the shortfall was balanced with adjustments to the Fringe and Overhead totals and the allocation of the funds set aside for Insurance and Self Insurance.

So, Members, over the weekend it was discovered that an error was found, and also over the weekend the Chair decided to withhold General Obligation Bonds in a total amount of \$21,100,000. The withholding of two projects that the department need to come back for Council approval the Kihei Police Station \$20,000,000 and the Lahaina Fire Station addition \$1,100,000. We had verified with the department in regards to these projects. The total General Obligation Bond Authorization will be \$23,900,000. Members, I am gonna have Staff provide you with the letter I just read from and the proposed bill that will be before us. And, Members, if you do require some time to review the Chair's proposal, the Chair is willing to provide you--

COUNCILMEMBER BAISA: No.

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COUNCILMEMBER JOHNSON: No.

CHAIR PONTANILLA: No. Okay, thank you. . .(pause). . . As you note, what was passed in total amount last week Friday that total amount hasn't changed any.

Okay, Members, we're gonna review the proposed bills that are before us in regards to the Fiscal Year 2011 Budget. . .(silence). . . Everybody got the bills? Okay, Member Johnson.

COUNCILMEMBER JOHNSON: Yes, I just wanna. . .I had a specific question from one of my constituents and that was in regard to the. . .it would be I guess it's number three on the. . .I guess with real property tax home exemption, reducing it from 300 to 200. Now, my question is because we passed the budget and we didn't focus really that much on this particular part, my question is is the budget that we're adopting predicated upon this taking place? And if not, can we do the same thing that we did to take it out into the community to gather input similar to what we did on the other measure last week?

CHAIR PONTANILLA: The budget that we just passed, this proposed bill is not predicated to that.

COUNCILMEMBER JOHNSON: Okay, yeah, because my personal request then is in the same way that we're discussing the condominiumzation and the issue with taxation and zoning, I would say the same thing because then that way we can have a chance to study the impacts.

CHAIR PONTANILLA: Okay. Okay, Members, we'll go one by one in regards to the proposed bill. The first bill *[sic]* recommending adoption of the following resolution or resolutions.

One, "AUTHORIZING THE DIRECTOR OF FINANCE TO COMPROMISE THE PENALTIES AND INTEREST PORTION OF THE *[sic]* REAL PROPERTY TAX *[sic]* 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". And the purpose of the proposed resolution is to authorize the Director of Finance to compromise the penalties and interest portion of the real property tax *[sic]* assessed against Hawaiian Home Lands Homestead Lessees in exchange for the Department of Hawaiian Home Lands making payment of real property tax *[sic]* owed by Hawaiian Home Lands Homestead Lessees. Members, I need a motion to adopt this resolution.

COUNCILMEMBER VICTORINO: So moved, Mr. Chair.

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CHAIR PONTANILLA: Moved by Member Victorino. Any second?

VICE-CHAIR MATEO: Second.

CHAIR PONTANILLA: Second by Member Mateo. Any discussion Members?  
Member Johnson.

COUNCILMEMBER JOHNSON: I just wanted to know what the, you know, the financial impact is? Do we have any I guess quantitative number to this particular, Chair?

CHAIR PONTANILLA: Yes, we do. And Members on your proposed resolution on the third, page four this particular item. . .there are 243 delinquent Department of Hawaiian Home Lands accounts. The tax is \$260,671.21, the penalty is \$25,634.20, and the interest is \$208,752.97. . .that's the total penalty and interest. . .total penalty and interest is \$234,387.17. When you add all three totals it comes out to \$495,058.38.

COUNCILMEMBER JOHNSON: Yeah. And, and, you know, I'm just saying we're not gonna be able to collect the money. So in exchange for doing that then from the way I read the resolution it's gonna begin making payment of real property taxes as are indicated on the attachments?

CHAIR PONTANILLA: Yes.

COUNCILMEMBER JOHNSON: Okay. And. . .without, you know, adding it all up what is the total of all of those?

CHAIR PONTANILLA: The total of all of these are \$495,058.38.

COUNCILMEMBER JOHNSON: Okay. Okay, that's with the real property tax?

CHAIR PONTANILLA: Yes.

COUNCILMEMBER JOHNSON: Okay. So I guess what it does is it balances out?

CHAIR PONTANILLA: Um. . .no, it doesn't balance out. The agreement on this resolution. . .and, and maybe Corporation Counsel can help me out on this one here, is that we're gonna forgive the penalty and interest, and what the County of Maui is requesting the Department of Hawaiian Home Lands, I guess there was a compromise that they pay \$260,000. . .\$260,671.21. So that was the compromise that was achieved between the County and Department of Hawaiian Home Lands.

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COUNCILMEMBER JOHNSON: Okay, well, it is what it is so we'll deal with it.  
Thank you.

CHAIR PONTANILLA: Thank you. Corporation Counsel any more comments?

MS. FUJITA VILLAROSA: No, Mr. Chair.

CHAIR PONTANILLA: Thank you. Thank you, Members. We have a motion on the floor to adopt this resolution. Any more discussion? All in favor of the resolution please say aye.

COUNCIL MEMBERS: Aye.

CHAIR PONTANILLA: Any opposed? Seeing none, the motion is carried, nine ayes, no noes. Motion is carried, nine-zero.

<b>VOTE:</b>	<b>AYES:</b>	<b>Chair Pontanilla, Vice-Chair Mateo, and Councilmembers Baisa, Johnson, Kaho'ohalahala, Medeiros, Molina, Nishiki, and Victorino.</b>
	<b>NOES:</b>	<b>None.</b>
	<b>ABSTAIN:</b>	<b>None.</b>
	<b>ABSENT:</b>	<b>None.</b>
	<b>EXC.:</b>	<b>None.</b>

**MOTION CARRIED.**

**ACTION: ADOPTION of revised resolution 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.**

CHAIR PONTANILLA: The second proposed resolution is 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 1st, 2010.

COUNCILMEMBER VICTORINO: Mr. Chair, I move.

CHAIR PONTANILLA: It is moved by Member Victorino.

VICE-CHAIR MATEO: Second.

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CHAIR PONTANILLA: Second by Member Mateo. Any more discussion, Members?  
All in favor of the motion please say.

COUNCIL MEMBERS: Aye.

CHAIR PONTANILLA: Motion is carried. Oh, any noes? Seeing none, motion is carried, nine ayes, zero noes.

**VOTE:**       **AYES:**       **Chair Pontanilla, Vice-Chair Mateo, and Councilmembers Baisa, Johnson, Kaho'ohalahala, Medeiros, Molina, Nishiki, and Victorino.**  
                  **NOES:**       **None.**  
                  **ABSTAIN:**   **None.**  
                  **ABSENT:**   **None.**  
                  **EXC.:**       **None.**

**MOTION CARRIED.**

**ACTION:   ADOPTION of resolution adopting the fuel tax rates for the County of Maui, effective July 1, 2010.**

CHAIR PONTANILLA: Okay, Members, the next item is being recommended for passage of the following bills on first reading.

The first one is "A BILL FOR AN ORDINANCE AMENDING SECTION 3.48.450, MAUI COUNTY CODE, PERTAINING TO REAL PROPERTY TAX EXEMPTION" *[sic]*. The purpose of the proposed bill is to revise the home exemption value from \$300,000 to \$200,000, effective July 1, 2011.

COUNCILMEMBER JOHNSON: Mr. Chair, I move to send this particular item to Committee.

CHAIR PONTANILLA: If I can have a motion on the bill and then. . .

COUNCILMEMBER JOHNSON: Oh, okay.

CHAIR PONTANILLA: Yeah.

COUNCILMEMBER VICTORINO: I move Mr. Chair on the motion.

CHAIR PONTANILLA: Thank you. Moved by Member Victorino.

VICE-CHAIR MATEO: Second.

CHAIR PONTANILLA: Second by Member Mateo. Member Johnson.

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COUNCILMEMBER JOHNSON: Yes, I move to amend to submit this particular bill for an ordinance to Committee for discussion and public hearing.

CHAIR PONTANILLA: Thank you. Members, you heard the amendment by Member Johnson to send this proposal to--

COUNCILMEMBER VICTORINO: Second that, Mr. Chair.

CHAIR PONTANILLA: --to Budget and Finance Committee meeting--

COUNCILMEMBER BAISA: Second.

CHAIR PONTANILLA: --Committee for public hearing and deliberations. Member Baisa.

COUNCILMEMBER BAISA: I second the motion.

CHAIR PONTANILLA: Thank you. Okay, Members, any more discussion? Seeing none, all in favor of the motion please say aye.

COUNCIL MEMBERS: Aye.

CHAIR PONTANILLA: Any opposed? Seeing none, motion is carried, nine ayes, zero noes.

<b>VOTE:</b>	<b>AYES:</b>	<b>Chair Pontanilla, Vice-Chair Mateo, and Councilmembers Baisa, Johnson, Kaho'ohalahala, Medeiros, Molina, Nishiki, and Victorino.</b>
	<b>NOES:</b>	<b>None.</b>
	<b>ABSTAIN:</b>	<b>None.</b>
	<b>ABSENT:</b>	<b>None.</b>
	<b>EXC.:</b>	<b>None.</b>

**MOTION CARRIED.**

**ACTION: APPROVE amendment to main motion (refer revised bill amending Section 3.48.450, Maui County Code, pertaining to real property tax home exemption, to the appropriate standing committee for further discussion).**

CHAIR PONTANILLA: Back to the main motion as amended. Members, any more discussion? Seeing none, all in favor of the motion please say aye.

COUNCIL MEMBERS: Aye.





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**VOTE:       AYES:       Chair Pontanilla, Vice-Chair Mateo, and Councilmembers Baisa, Johnson, Kaho‘ohalahala, Medeiros, Molina, Nishiki, and Victorino.**

**NOES:       None.**

**ABSTAIN:   None.**

**ABSENT:   None.**

**EXC.:       None.**

**MOTION CARRIED.**

**ACTION:     FIRST READING of bill relating to real property tax, director duties and responsibilities, and adjustments and refunds.**

**CHAIR PONTANILLA:** Next is “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 the clarifying the payment requirements of license and permit fees.

**COUNCILMEMBER VICTORINO:** So move, Mr. Chair

**VICE-CHAIR MATEO:** Second.

**CHAIR PONTANILLA:** It’s been moved by Member Victorino, second by Member Mateo. Members discussion? Seeing none, all in favors. . .all in favor of the motion please say aye.

**COUNCIL MEMBERS:** Aye.

**CHAIR PONTANILLA:** Motion is carried. Oh, any opposed? Seeing none, motion is carried nine ayes, zero noes.

**VOTE:       AYES:       Chair Pontanilla, Vice-Chair Mateo, and Councilmembers Baisa, Johnson, Kaho‘ohalahala, Medeiros, Molina, Nishiki, and Victorino.**

**NOES:       None.**

**ABSTAIN:   None.**

**ABSENT:   None.**

**EXC.:       None.**

**MOTION CARRIED.**

**ACTION:     FIRST READING of bill relating to motor vehicle weight tax and motor vehicle drivers’ license.**

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CHAIR PONTANILLA: Next bill is "A BILL FOR AN ORDINANCE RELATING TO CERTAIN OFFICERS AND EMPLOYEES OF THE LEGISLATIVE BRANCH". The purpose of the revised proposed bill is to specifically provide for furloughs or other temporary 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.

COUNCILMEMBER VICTORINO: So move, Mr. Chair.

VICE-CHAIR MATEO: Second.

CHAIR PONTANILLA: Been moved by Member Victorino, second by Member Mateo. Members, any que..., discussion? All in favor of the motion please say aye.

COUNCIL MEMBERS: Aye.

CHAIR PONTANILLA: Any opposed? Seeing none, motion is carried, nine ayes, zero noes.

<b>VOTE:</b>	<b>AYES:</b>	<b>Chair Pontanilla, Vice-Chair Mateo, and Councilmembers Baisa, Johnson, Kaho'ohalahala, Medeiros, Molina, Nishiki, and Victorino.</b>
	<b>NOES:</b>	<b>None.</b>
	<b>ABSTAIN:</b>	<b>None.</b>
	<b>ABSENT:</b>	<b>None.</b>
	<b>EXC.:</b>	<b>None.</b>

**MOTION CARRIED.**

**ACTION: FIRST READING of revised bill relating to certain officers and employees of the legislative branch.**

CHAIR PONTANILLA: The next bill is "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.

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COUNCILMEMBER VICTORINO: So moved, Mr. Chair.

VICE-CHAIR MATEO: Second.

CHAIR PONTANILLA: Moved by Member Victorino, second by Chairman Mateo.  
Any discussion Members? All in favor of the motion please say aye.

COUNCILMEMBER JOHNSON: Aye.

CHAIR PONTANILLA: Motion is carried.

<b>VOTE:</b>	<b>AYES:</b>	<b>Chair Pontanilla, Vice-Chair Mateo, and Councilmembers Baisa, Johnson, Kaho'ohalahala, Medeiros, Molina, Nishiki, and Victorino.</b>
	<b>NOES:</b>	<b>None.</b>
	<b>ABSTAIN:</b>	<b>None.</b>
	<b>ABSENT:</b>	<b>None.</b>
	<b>EXC.:</b>	<b>None.</b>

**MOTION CARRIED.**

**ACTION: FIRST READING of bill 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 project.**

CHAIR PONTANILLA: Next bill, "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.

COUNCILMEMBER VICTORINO: So move, Mr. Chair.

CHAIR PONTANILLA: Moved by Mr. Victorino,--

VICE-CHAIR MATEO: Second.

CHAIR PONTANILLA: --second by Member Mateo. Members, any discussion?  
Seeing none, all in favor of the motion please say aye.

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COUNCILMEMBER JOHNSON: Aye.

CHAIR PONTANILLA: Any noes? Seeing none, motion is carried.

**VOTE:       AYES:       Chair Pontanilla, Vice-Chair Mateo, and Councilmembers Baisa, Johnson, Kaho‘ohalahala, Medeiros, Molina, Nishiki, and Victorino.**

**NOES:       None.**

**ABSTAIN:   None.**

**ABSENT:   None.**

**EXC.:       None.**

**MOTION CARRIED.**

**ACTION:     FIRST READING of bill 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 project.**

CHAIR PONTANILLA: Next bill, “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.

COUNCILMEMBER VICTORINO: So move, Mr. Chair.

VICE-CHAIR MATEO: Second.

CHAIR PONTANILLA: Moved by Member Victorino, second by Member Mateo. Members, any discussion? Seeing none, all in favor of the motion please say aye.

COUNCIL MEMBERS: Aye.

CHAIR PONTANILLA: Any opposed? Seeing none, motion is carried, nine ayes, zero noes.

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**VOTE:**       **AYES:**       **Chair Pontanilla, Vice-Chair Mateo, and Councilmembers Baisa, Johnson, Kaho‘ohalahala, Medeiros, Molina, Nishiki, and Victorino.**

**NOES:**       **None.**

**ABSTAIN:**   **None.**

**ABSENT:**   **None.**

**EXC.:**       **None.**

**MOTION CARRIED.**

**ACTION:**   **FIRST READING of bill 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 project.**

**CHAIR PONTANILLA:** Next bill, “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.

**COUNCILMEMBER VICTORINO:** So moved, Mr. Chair.

**VICE-CHAIR MATEO:** Second.

**CHAIR PONTANILLA:** Moved by Member Victorino, second by Chairman Mateo. Members, any discussion? All in favor of the motion please say aye.

**COUNCIL MEMBERS:** Aye.

**CHAIR PONTANILLA:** Motion is carried. Oh, any opposed? Motion is carried, nine ayes, zero noes.

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**VOTE:**       **AYES:**       **Chair Pontanilla, Vice-Chair Mateo, and Councilmembers Baisa, Johnson, Kaho‘ohalahala, Medeiros, Molina, Nishiki, and Victorino.**

**NOES:**       **None.**

**ABSTAIN:**   **None.**

**ABSENT:**   **None.**

**EXC.:**       **None.**

**MOTION CARRIED.**

**ACTION:**   **FIRST READING of bill 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 project.**

**CHAIR PONTANILLA:** Next bill, “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 W..., DWTRLF monies in a principal amount not to exceed \$5,000,000.

**COUNCILMEMBER VICTORINO:** So move, Mr. Chair.

**VICE-CHAIR MATEO:** Second.

**CHAIR PONTANILLA:** Moved by Member Victorino, second by Chairman Mateo. Any discussion, Members? Seeing none, all in favor of the motion please say aye.

**COUNCIL MEMBERS:** Aye.

**CHAIR PONTANILLA:** Any noes? Motion is carried, nine ayes, zero noes.

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**VOTE:**       **AYES:**       **Chair Pontanilla, Vice-Chair Mateo, and Councilmembers Baisa, Johnson, Kaho‘ohalahala, Medeiros, Molina, Nishiki, and Victorino.**

**NOES:**       **None.**

**ABSTAIN:**   **None.**

**ABSENT:**   **None.**

**EXC.:**       **None.**

**MOTION CARRIED.**

**ACTION:**   **FIRST READING of bill 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 project.**

**CHAIR PONTANILLA:** Next bill, 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 Wakiu Well Replacement project with DWTRLF monies in a principal amount not to exceed \$500,000.

**COUNCILMEMBER VICTORINO:** So move, Mr. Chair.

**VICE-CHAIR MATEO:** Second.

**CHAIR PONTANILLA:** Moved by Member Victorino, second by Member Mateo. Members, any discussion? Seeing none, all in favor of the motion please say aye.

**COUNCIL MEMBERS:** Aye.

**CHAIR PONTANILLA:** Any noes? Seeing none, motion is carried, nine ayes, zero noes.



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**VOTE:**       **AYES:**       **Chair Pontanilla, Vice-Chair Mateo, and Councilmembers Baisa, Johnson, Kaho‘ohalahala, Medeiros, Molina, Nishiki, and Victorino.**

**NOES:**       **None.**

**ABSTAIN:**   **None.**

**ABSENT:**   **None.**

**EXC.:**       **None.**

**MOTION CARRIED.**

**ACTION:**   **FIRST READING of bill 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 project.**

**CHAIR PONTANILLA:** Um. . .hang on, Members.

.. (silence) . .

**CHAIR PONTANILLA:** Members, the next bill. . .before I go on with the next bill, the Chair had indicated earlier that we’re gonna be withholding bond for two projects for the County of Maui, and the two projects are Kihei Police Station in the amount of \$20,000,000 and the Lahaina Fire Station Addition in the amount of \$1.1 million dollars. Is there any objections to withholding funds from these two projects? Again, Members, prior to approval they need to come back to this Council to provide us with more information and we can go ahead if everything is met to approve those bonds. Any objections?

**COUNCIL MEMBERS:** No objections.

**CHAIR PONTANILLA:** Okay, seeing none. The next proposed bill “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...”--excuse me--“...NOTES IN ANTICIPATION OF THE ISSUANCE AND SALE OF SUCH BONDS; AND PROVIDING FOR

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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. All in favor--

COUNCILMEMBER VICTORINO: So move, Mr. Chair.

CHAIR PONTANILLA: --and Members the proposed bill will be revised to incorporate the changes recommended by the Committee. Member--

COUNCILMEMBER VICTORINO: So moved, Mr. Chair.

CHAIR PONTANILLA: Moved by Member Victorino.

VICE-CHAIR MATEO: Second.

CHAIR PONTANILLA: Second by Member Mateo. Members, any more discussion? All in favor of the motion please say aye.

COUNCIL MEMBERS: Aye.

CHAIR PONTANILLA: Any opposed? Seeing none, motion is carried.

**VOTE:       AYES:       Chair Pontanilla, Vice-Chair Mateo, and Councilmembers Baisa, Johnson, Kaho'ohalahala, Medeiros, Molina, Nishiki, and Victorino.**

**NOES:       None.**

**ABSTAIN:   None.**

**ABSENT:    None.**

**EXC.:       None.**

**MOTION CARRIED.**

**ACTION:     FIRST READING of revised Bond Authorization bill.**

... (pause) ...

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**CHAIR PONTANILLA:** The next bill “A BILL FOR AN ORDINANCE RELATING TO THE CAPITAL PROGRAM FOR THE FISCAL YEAR ENDING JUNE 30, 2011”. The purpose of the proposed bill is to set forth from the Capital Program for Fiscal Year 2011 and for Fiscal Year 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 Fiscal Year 2011 through 2016. The proposed bill will be revised to incorporate the changes recommended by the Committee.

**COUNCILMEMBER VICTORINO:** So moved, Mr. Chair.

**VICE-CHAIR MATEO:** Second.

**CHAIR PONTANILLA:** Moved by Member Victorino, second by Member. . .Chairman Mateo. Members, any discussion? All in favor of the motion please say aye.

**COUNCIL MEMBERS:** Aye.

**CHAIR PONTANILLA:** Any opposed? Seeing none, motion is carried.

<b>VOTE:</b>	<b>AYES:</b>	<b>Chair Pontanilla, Vice-Chair Mateo, and Councilmembers Baisa, Johnson, Kaho‘ohalahala, Medeiros, Molina, Nishiki, and Victorino.</b>
	<b>NOES:</b>	<b>None.</b>
	<b>ABSTAIN:</b>	<b>None.</b>
	<b>ABSENT:</b>	<b>None.</b>
	<b>EXC.:</b>	<b>None.</b>

**MOTION CARRIED.**

**ACTION: FIRST READING of revised Capital Improvement Project bill.**

**CHAIR PONTANILLA:** Next bill, “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 Fees, Rates, Assessments and Taxes. The proposed bill will be revised to incorporate the changes recommended by the Committee.

**COUNCILMEMBER VICTORINO:** So move, Mr. Chairman.

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VICE-CHAIR MATEO: Second.

CHAIR PONTANILLA: Moved by Member Victorino, second by Chairman Mateo.  
Members, any discussion? Seeing none, all in favor of the motion please say aye.

COUNCIL MEMBERS: Aye.

CHAIR PONTANILLA: Any opposed? Seeing none, motion is carried, nine ayes, zero noes.

<b>VOTE:</b>	<b>AYES:</b>	<b>Chair Pontanilla, Vice-Chair Mateo, and Councilmembers Baisa, Johnson, Kaho'ohalahala, Medeiros, Molina, Nishiki, and Victorino.</b>
	<b>NOES:</b>	<b>None.</b>
	<b>ABSTAIN:</b>	<b>None.</b>
	<b>ABSENT:</b>	<b>None.</b>
	<b>EXC.:</b>	<b>None.</b>

**MOTION CARRIED.**

**ACTION: FIRST READING of revised Budget bill.**

CHAIR PONTANILLA: Recommending filing of the following County Communications: 1) County Communication No. 10-27, from the Chair of the Budget and Finance Committee, relating to the matter of Fiscal Year 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 level through FY 2011; and 3) County Communication No. 10-68, from the Mayor, relating to the proposed budget for FY 2011.

COUNCILMEMBER VICTORINO: So move, Mr. Chair.

VICE-CHAIR MATEO: Second.

CHAIR PONTANILLA: Moved by Member Victorino, second by Chairman Mateo.  
Members, any more discussion? Seeing none, all in favor of the motion please say aye.

COUNCIL MEMBERS: Aye.

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**VOTE:**       **AYES:**       **Chair Pontanilla, Vice-Chair Mateo, and Councilmembers Baisa, Johnson, Kaho'ohalahala, Medeiros, Molina, Nishiki, and Victorino.**

**NOES:**       **None.**

**ABSTAIN:**   **None.**

**ABSENT:**   **None.**

**EXC.:**       **None.**

**MOTION CARRIED.**

**ACTION:    FILING of communications (CC 10-27, 10-61, 10-68).**

CHAIR PONTANILLA: Thank you. Members, that's all for our work for this morning. . . *(change tape, start - 1B)*. . . would like to have your approval in giving the Staff the ability to make minor changes.

COUNCIL MEMBERS: No objections.

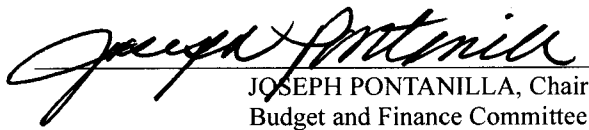
CHAIR PONTANILLA: Thank you. Ms. Revels, anything else?

MS. REVELS: No.

CHAIR PONTANILLA: Thank you. . . . *(silence)*. . . Okay, Members, that's all we have for this morning. So the Budget and Finance Committee meeting for May 3<sup>rd</sup> is now adjourned. . . . *(gavel)*. . .

**ADJOURN:** 9:35 a.m.

APPROVED:

  
\_\_\_\_\_  
JOSEPH PONTANILLA, Chair  
Budget and Finance Committee

bf:min:100503:yb

Transcribed by: Yvette Bouthillier