

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

**MINUTES**

**May 9, 2011**

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

**RECONVENE:** 10:07 a.m.

**PRESENT:** Councilmember Joseph Pontanilla, Chair  
Councilmember G. Riki Hokama, Vice-Chair  
Councilmember Gladys C. Baisa, Member  
Councilmember Robert Carroll, Member  
Councilmember Elle Cochran, Member  
Councilmember Donald G. Couch, Jr., Member  
Councilmember Danny A. Mateo, Member  
Councilmember Michael P. Victorino, Member  
Councilmember Mike White, Member

**STAFF:** Scott Kaneshina, Legislative Analyst  
Michele Yoshimura, Legislative Analyst  
Carla Nakata, Legislative Attorney  
Camille Sakamoto, Committee Secretary

**ADMIN.:** Sananda K. Baz, Budget Director, Office of the Mayor  
Adrienne N. Heely, Deputy Corporation Counsel, Department of the Corporation  
Counsel

**OTHERS:** Terryl Vencl, Maui Visitors Bureau  
Debbie Cabebe, Chief Program Officer, Maui Economic Opportunity, Inc.  
Paul Janes-Brown  
One (1) additional unidentified attendees

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

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**ITEM NO. 1:            PROPOSED FISCAL YEAR 2012 BUDGET FOR THE COUNTY OF MAUI** (C.C. No. 11-80, 11-100, and 11-101)

**CHAIR PONTANILLA:** ...*(gavel)*... The Budget and Finance Committee meeting is now reconvened. Members, as you know on Friday we recessed the meeting.

. . . As Chairman of the Budget and Finance Committee, I would like to thank the Members for their diligent work in reviewing and revising the County's Budget for Fiscal Year 2012. I would like to express my sincere appreciation to the Committee. . .to the

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Mayor, agency representatives, and members of the public who have . . . come before the Committee to provide their insights on the information presented in the proposed Fiscal Year 2012 Budget. We have finally . . . reached the day for voting on the proposed Fiscal Year 2012 Budget that we have worked so hard . . . for the last several weeks. But before we begin voting, the Chair would like to share some adjustments that were identified over the weekend. First, there are two housekeeping revisions to the language of Appendix B. One removes outdated fees relating to the motor vehicle tax, weight tax that no longer apply as of January 1<sup>st</sup>, 2011. The other revision updates the Park Assessment requirements for consistency with recent updates to Section 18.16.320 of the Maui County Code. These housekeeping revisions are noted on the document that were placed on your desk this morning. The second set of adjustments relate to Exhibit 1. Over the weekend, additional savings in fringe-type expenses that were a result of the Committee's reduction of Premium Pay and expansion positions were computed. The adjustments and the Chair's recommendations are as follows. The additional General Fund dollars that were made available to Watershed Protection grants in the Office of Economic Development have been pulled back. Instead, the Chair is recommended . . . that the Watershed Protection be funded by the additional savings realized in the Water Fund. The new amount appropriated in the Department of Water Supply maintains the same allocation of monies among the various watersheds as recommended by the Committee. The Chair has also increased the appropriation for Miconia eradication. The General Fund dollars that became avail. . . available as a result of reallocating the Watershed Protection grants allowed to Chair, the Chair to incorporate a grant appropriation to Hospice Maui to assist in the funding . . . the construction of a new 12-bed care facility. Members voiced support for this appropriation last week, and the Chair is recommending that funds be appropriated for this purpose. Similar to the grant to MEO for its transit center, we are only funding half of the organization's request, and will include a proviso that County funds shall be withheld until the State funds are released. The Committee originally proposed that recycled water improvements to Central and West Maui be funded entirely through the issuance of General Obligation bonds. However, due to additional savings in the Sewer Fund, the Chair is recommending that this excess cash be used to reduce the amount of debt being requested. The overall funding of this project stays at the same level that the Committee discussed. The remaining surplus has been reallocated to self-insurance. And, Members, last week Friday the Chair had presented all of you . . . a memo dated May 6, 2011 in regards to grants. The Chair is withdrawing this subject matter and will be referred to the appropriate Committee.

. . . So at this time, the Chair is gonna entertain some motion . . .

. . . to recommend passage of the following bills on first reading. One, 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 Olinda Treatment Plant-Relining of the 8.5 million gallon sedimentation basin, Makawao-Pukalani-Kula Community Plan area, Fiscal Year 2012 Budget Ordinance. The purpose of the proposed bill, referenced in paragraph number

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2(e) of the agenda, is to authorize the Mayor to enter into an intergovernmental agreement to finance the Olinda Water Treatment Plant–Relining project with State Drinking Water Treatment Revolving Loan Fund monies in a principal amount not to exceed 1.5 million dollars. So the Chair is looking for a motion.

COUNCILMEMBER VICTORINO: So moved.

COUNCILMEMBER BAISA: Second.

CHAIR PONTANILLA: It's been moved by Member Victorino, second by Member Baisa. Any more discussion?

COUNCILMEMBER \_\_\_\_\_: . . . 1.5, yeah?

CHAIR PONTANILLA: If not, all in favor of the motion, please say "aye".

COUNCILMEMBER BAISA: Aye.

COUNCILMEMBER CARROLL: Aye.

CHAIR PONTANILLA: Motion is carried. Oh, any opposed?

. . . Motion is carried, 9-0.

**VOTE:       AYES:     Chair Pontanilla, Vice-Chair Hokama, and Councilmembers Baisa, Carroll, Cochran, Couch, Mateo, Victorino, and White.**

**NOES:     None.**

**ABSTAIN:   None.**

**ABSENT:   None.**

**EXC.:     None.**

**MOTION CARRIED.**

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

CHAIR PONTANILLA: . . .*(laughter)*. . . I gotta apologize. The Chair forgot to introduce all of you this morning.

COUNCILMEMBER BAISA: It's all right.

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COUNCILMEMBER \_\_\_\_: . . .*(laughter)*. . .

CHAIR PONTANILLA: Here with us this morning, we do have Member Carroll. . .Member--

COUNCILMEMBER CARROLL: Morning.

CHAIR PONTANILLA: --Baisa, Member--

COUNCILMEMBER BAISA: Good morning.

CHAIR PONTANILLA: Good morning. Member Cochran.

COUNCILMEMBER COCHRAN: Aloha.

CHAIR PONTANILLA: Good morning. Member Couch.

COUNCILMEMBER COUCH: Aloha and good morning.

CHAIR PONTANILLA: Aloha. Member Hokama. . .Member Victorino.

COUNCILMEMBER VICTORINO: Aloha, good morning, Chair.

CHAIR PONTANILLA: Aloha. Member White.

COUNCILMEMBER WHITE: Aloha, Chair.

CHAIR PONTANILLA: And Chairman Mateo. And representing the Administration, we do have Corporation Counsel, Adrienne Heely; and our Budget Director, Mr. Sandy Baz. Supporting the Committee, we do have Scott Kaneshina. . .Michele Yoshimura, as well as Camille Sakamoto. So, Members . . .*(laughter)*. . . going on to number two. . .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 Kahului Force Main Replacement, Wailuku-Kahului Community Plan area, Fiscal Year 2012 Budget Ordinance. The purpose of the proposed bill, referenced in paragraph number 2(i) of the agenda, is to authorize the Mayor to enter into an intergovernment. . .governmental agreement to finance the Kahului Force Main Replacement project with State Water Pollution Control Revolving Fund Loan monies in a principal amount not to exceed 2,790,000 dollars. Chair is entertaining a motion.

COUNCILMEMBER VICTORINO: So moved.

CHAIR PONTANILLA: It's been moved by Member Victorino.

COUNCILMEMBER \_\_\_\_: Second.

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CHAIR PONTANILLA: Any second?

COUNCILMEMBER BAISA: Second.

CHAIR PONTANILLA: Second . . . *(laughter)*. . . by Member Baisa. Any more discussion?

. . . All in favor of the motion, please say “aye”.

COUNCILMEMBER VICTORINO: Aye.

COUNCILMEMBER BAISA: Aye.

COUNCILMEMBER CARROLL: Aye.

CHAIR PONTANILLA: Motion is--oh, any opposed?

. . . Seeing none, motion is carried. . . nine “ayes”, zero “noes”.

**VOTE:       AYES:     Chair Pontanilla, Vice-Chair Hokama, and Councilmembers Baisa, Carroll, Cochran, Couch, Mateo, Victorino, and White.**

**NOES:     None.**

**ABSTAIN:  None.**

**ABSENT:   None.**

**EXC.:     None.**

**MOTION CARRIED.**

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

CHAIR PONTANILLA: A proposed bill entitled: a bill for an ord. . . 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 Wailuku Force Main Replacement Valve Box Wastewater Reclamation Facility, Wailuku-Kahului Community Plan area, Fiscal Year 2012 Budget Ordinance. The purpose of the proposed bill, referenced in paragraph number 2(j) of the agenda, is to authorize the Mayor to enter into an intergovernmental agreement to finance the Wailuku Force Main Replacement project with the State Water Pollution Control Revolving Fund Loan monies in a principal amount not to exceed 1.5 million dollars. Chair is entertaining a motion.

COUNCILMEMBER VICTORINO: So moved.

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COUNCILMEMBER BAISA: Second.

CHAIR PONTANILLA: Moved by Member Victorino, second by Ms. Baisa. Any . . .any discussion, Members?

. . . All in favor of the motion, please say “aye”.

COUNCILMEMBER BAISA: Aye.

COUNCILMEMBER \_\_\_\_: Aye.

CHAIR PONTANILLA: Thank you.

**VOTE:       AYES:   Chair Pontanilla, Vice-Chair Hokama, and Councilmembers Baisa, Carroll, Cochran, Couch, Mateo, Victorino, and White.**

**NOES:   None.**

**ABSTAIN:   None.**

**ABSENT:   None.**

**EXC.:   None.**

**MOTION CARRIED.**

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

CHAIR PONTANILLA: . . . Number four, 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 Countywide Pump Station Renovations, Fiscal Year 2012 Budget Ordinance. The purpose of the proposed bill, referenced in paragraph number 2(k) of the agenda, is to authorize the Mayor to enter into an intergovernmental agreement to finance the Countywide Pump Station Renovation project with the State Water Pollution Control Revolving Fund Loan monies in a principal amount not to exceed 5 million dollars. Chair is entertaining a motion.

COUNCILMEMBER VICTORINO: So moved.

COUNCILMEMBER BAISA: Second.

CHAIR PONTANILLA: Moved by Member Victorino, second by Member Baisa. Any discussion? All in favor of the motion, please say “aye”.

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COUNCILMEMBER BAISA: Aye.

COUNCILMEMBER VICTORINO: Aye.

CHAIR PONTANILLA: Motion is carried.

. . . Any opposed?

*NOTE: Silence.*

CHAIR PONTANILLA: . . . The motion is carried--nine "ayes", zero "noes".

**VOTE:       AYES:   Chair Pontanilla, Vice-Chair Hokama, and Councilmembers Baisa, Carroll, Cochran, Couch, Mateo, Victorino, and White.**

**NOES:   None.**

**ABSTAIN:   None.**

**ABSENT:   None.**

**EXC.:   None.**

**MOTION CARRIED.**

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

CHAIR PONTANILLA: Number five, a revised 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 Wailuku Well - Development project, Wailuku-Kahului Community Plan area, Fiscal Year 2012 Budget Ordinance. The revised proposed bill, referenced in paragraph number 5(a) of the agenda, corrects an error in the description of the project, which was formerly referenced as the "Iao Well Project". The revised proposed bill authorizes the Mayor to enter in. . .intergovernmental agreement to finance the Wailuku Well - Development project with State Drinking Water Treatment Revolving Loan Fund monies in a principal amount not to exceed 2 million dollars. Chair is entertaining a motion.

COUNCILMEMBER VICTORINO: So moved, Mr. Chair.

COUNCILMEMBER BAISA: Second.

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

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COUNCILMEMBER BAISA: Aye.

COUNCILMEMBER VICTORINO: Aye.

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

**VOTE:       AYES:   Chair Pontanilla, Vice-Chair Hokama, and Councilmembers Baisa, Carroll, Cochran, Couch, Mateo, Victorino, and White.**

**NOES:   None.**

**ABSTAIN:  None.**

**ABSENT:  None.**

**EXC.:   None.**

**MOTION CARRIED.**

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

CHAIR PONTANILLA: Number six. . .a revised 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 Ulunui [*sic*] Road. . .and Ewa Place Waterline Replacement projects, Kihei-Makena Community Plan area, Fiscal Year 2012 Budget Ordinance. The revised proposed bill, referenced in paragraph number 5(b) of the agenda, corrects an error in the description of the project, formerly referenced as the "Kihei-Makena Distribution System Improvements project".

. . . The revised proposed bill authorizes the Mayor to enter into an intergovernmental agreement to finance the Ulunui [*sic*] Road and Ewa Place Waterline Replacement project with State Drinking Water Treatment Revolving Loan Fund monies in a principal amount not to exceed 850,000 dollars. Chair is entertaining a motion.

COUNCILMEMBER VICTORINO: So moved.

COUNCILMEMBER BAISA: Second.

CHAIR PONTANILLA: Moved by Member Victorino, second by Ms. Baisa. Any discussion? All in favor of the motion, please say "aye".

COUNCILMEMBER VICTORINO: Aye.



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COUNCILMEMBER WHITE: Aye.

CHAIR PONTANILLA: Any “noes”? Motion is carried--nine “ayes”, zero “noes”.

**VOTE:       AYES:   Chair Pontanilla, Vice-Chair Hokama, and Councilmembers Baisa, Carroll, Cochran, Couch, Mateo, Victorino, and White.**

**NOES:   None.**

**ABSTAIN:   None.**

**ABSENT:   None.**

**EXC.:   None.**

**MOTION CARRIED.**

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

CHAIR PONTANILLA: Number seven, a proposed bill entitled: a bill for an ordinance authorizing the issuance of thirty eight million five hundred eighty-nine thousand dollars 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 the public improvements of and for the County of Maui . . .

. . . fixing the form, denomination 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 . . .*(cough)*. . . excuse me. . .notes in anticipation of the issuance and sale of such bonds . . .*(cleared throat)*. . . and providing for other actions related to the issuance, sale and delivery of said bonds. The purpose of the . . .*(cleared throat)*. . . excuse me, proposed bill referenced in paragraph number 2(c) of the agenda is to authorize the issuance . . .*(cleared throat)*. . . of general obligation bonds for various . . .

. . . for various capital improvement projects. The proposed bill will. . .will be revised to incorporate the changes. . .record, recommended by the Committee, including a revision to the title of the bill to reflect the revised bond authorization . . .*(cleared throat)*. . . amount. The Chair is entertaining . . .*(laughter)*. . . a motion.

COUNCILMEMBER VICTORINO: So moved, Mr. Chair.

COUNCILMEMBER BAISA: Second.

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CHAIR PONTANILLA: Moved by Member Victorino, second by Ms. Baisa . . .*(cleared throat)*. . .  
Any discussion?

. . . All in favor of the motion, please say “aye”.

COUNCILMEMBER BAISA: Aye.

COUNCILMEMBER VICTORINO: Aye.

CHAIR PONTANILLA: Any “noes”? Motion is carried--nine “ayes”, zero “noes”.

**VOTE:       AYES:     Chair Pontanilla, Vice-Chair Hokama, and Councilmembers Baisa, Carroll, Cochran, Couch, Mateo, Victorino, and White.**

**NOES:     None.**

**ABSTAIN:  None.**

**ABSENT:   None.**

**EXC.:     None.**

**MOTION CARRIED.**

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

MS. HEELY: Mr. Chair, you want me to read it and you call for the motion?

CHAIR PONTANILLA: Excuse me?

MS. HEELY: You want me to read and you call for the motion?

CHAIR PONTANILLA: I think so.

MS. HEELY: Okay.

CHAIR PONTANILLA: I’m gonna have Corporation Counsel read the motions at this time.

COUNCILMEMBER VICTORINO: . . .*(inaudible)*. . . no voice.

MS. HEELY: We’re at paragraph 8, a proposed bill entitled: a bill for an ordinance determining that part of the proceeds of General Obligation bonds of the County of Maui heretofore issued is in excess of the amounts required for the purposes for which such bounds, or bonds were initially issued, or may or should not be applied to those purposes, and directing such proceeds to other

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public improvements or authorized purposes of the County of Maui. The purpose of the proposed bill, referenced in paragraph number 2(d) of the agenda, is to reauthorize the use of lapsed bond proceeds for various capital improvement projects. The proposed bill will be revised to incorporate the changes recommended by the Committee.

CHAIR PONTANILLA: Thank you. The Chair is entertaining a motion.

COUNCILMEMBER VICTORINO: So moved, Mr. Chair.

COUNCILMEMBER BAISA: Second.

CHAIR PONTANILLA: Moved by Member Victorino, second by Ms. Baisa. Any discussion?

. . . All in favor of the motion, please say "aye".

COUNCILMEMBER VICTORINO: Aye.

COUNCILMEMBER BAISA: Aye.

CHAIR PONTANILLA: Motion--any opposed? Motion is carried, 9-0.

**VOTE:       AYES:     Chair Pontanilla, Vice-Chair Hokama, and Councilmembers Baisa, Carroll, Cochran, Couch, Mateo, Victorino, and White.**

**NOES:     None.**

**ABSTAIN:  None.**

**ABSENT:   None.**

**EXC.:     None.**

**MOTION CARRIED.**

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

MS. HEELY: Paragraph 9, a proposed bill entitled: a proposed bill entitled a bill for an ordinance relating to the capital improvement program for the Fiscal Year ending June 30<sup>th</sup>, 2012. The purpose of the proposed bill, referenced in paragraph number 2(b) of the agenda, is to set forth the Capital Program for FY 2012 through 2017. Incorporated within the proposed bill are Appendix A, a report entitled "COUNTY OF MAUI, CAPITAL IMPROVEMENT PROJECTS REPORT, AS OF DECEMBER 31, 2010", which lists all pending capital improvement projects and appropriations as of December 31, 2010; and Appendix B, which is the proposed Capital

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Improvement Program for FY 2012 through 2017. The proposed bill will be revised to incorporate the changes recommended by the Committee.

CHAIR PONTANILLA: The Chair is . . . *(cleared throat)*. . . entertaining a motion.

COUNCILMEMBER VICTORINO: So moved, Mr. Chair.

CHAIR PONTANILLA: Moved by--

COUNCILMEMBER BAISA: Second.

CHAIR PONTANILLA: --Member Victorino, second by Member Baisa. Any discussion? All in favor of the motion, please say "aye".

COUNCILMEMBER VICTORINO: Aye.

CHAIR PONTANILLA: Any opposed?

VICE-CHAIR HOKAMA: No.

CHAIR PONTANILLA: Let the record show eight "ayes"; one "no", Member Hokama. Motion is carried.

**VOTE:        AYES:        Chair Pontanilla, and Councilmembers Baisa, Carroll, Cochran, Couch, Mateo, Victorino, and White.**

**NOES:        Vice-Chair Hokama.**

**ABSTAIN:    None.**

**ABSENT:     None.**

**EXC.:        None.**

**MOTION CARRIED.**

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

MS. HEELY: Paragraph 10, 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<sup>st</sup>, 2011 to June 30<sup>th</sup>, 2012. The purpose of the proposed bill, referenced in paragraph number 2(a) of the agenda, 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

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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.

CHAIR PONTANILLA: Chair is entertaining a motion.

COUNCILMEMBER VICTORINO: So moved, Mr. Chair.

CHAIR PONTANILLA: Moved by Member--

COUNCILMEMBER COCHRAN: Second.

CHAIR PONTANILLA: --Victorino, second by Member Baisa. Any discussion?

COUNCILMEMBER COCHRAN: Chair?

CHAIR PONTANILLA: All--

COUNCILMEMBER COUCH: Chair?

CHAIR PONTANILLA: Member Cochran?

COUNCILMEMBER COCHRAN: Chair, I, I heard you say the . . . corrections. . . in this. . . Appendix, and my question is in regards to the last comment I think we discussed, Mr. Baz, in regards to the water fees. Was that, were those corrections made in this?

MR. KANESHINA: Mr. Chair?

CHAIR PONTANILLA: Scott?

MR. KANESHINA: We discussed the rates and fees in regards to . . . that Member, Mr. Baz discussed last Friday. And the concern was that there, it was, it was impacting the *revenue* of the Water Fund. After further discussion, it would *not* have a impact on the *revenue* figure used by your Committee. It was purely a small charge for service type of expense that, I believe, went up by two dollars. And that's assuming that that service is actually used throughout the year. So because it's such a small amount, the, it wasn't incorporated, really, into the overall revenue picture of the Water Fund. So . . . the, we will make that, that correction.

COUNCILMEMBER COCHRAN: Okay. Thank you.

MR. KANESHINA: Thank you.

CHAIR PONTANILLA: Okay? Any more discussion? Member Couch?

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COUNCILMEMBER COUCH: Mr. Chair, I . . . I believe this is the place to discuss this. We still had, I still have some concerns about the minimum tax rate for agricultural leases. I'm asking if we can . . . in your list of things to . . . send to . . . appropriate standing committees that we talk about how we can figure out a way to make things work without possibly putting ag companies out of business. That, that kind of . . .

. . . is a sore spot. . . at least for me. I don't know the whole situation, but I, we have, when we have people come up here and say this could put us out of business, I'd like to take a look at--that's a unique situation with a lot of these ag lots, unique to ag lots. So I'd like to at least get this figured out how we could. . . mitigate that possibility.

CHAIR PONTANILLA: Um. . . I, Chair has an agenda item in regards to agriculture. So once we're done with budget. . . I'm gonna be taking up the homeowners exemption, as well as the ag portion.

COUNCILMEMBER COUCH: Okay. Thank you. Member Baisa?

COUNCILMEMBER BAISA: Yes, thank you very much, Chair. And I appreciate that. I got a e-mail from the Cattlemen's Association this morning, and they're also very concerned.

CHAIR PONTANILLA: Yes.

COUNCILMEMBER BAISA: So thank you.

CHAIR PONTANILLA: I understand. Okay, any more discussion, Members? Member White?

COUNCILMEMBER WHITE: Thank you, Chair. I would just like to thank you for bringing that up. . . as a consideration because that, that is a very. . . again, it's one of those unfair unintended consequences that happens when we. . . when we come up with an idea and, and we don't, we're not really aware of all the various ramifications. So I appreciate that consideration.

CHAIR PONTANILLA: Thank you. Any more discussion?

COUNCILMEMBER VICTORINO: Yeah, Chair?

CHAIR PONTANILLA: Member Victorino?

COUNCILMEMBER VICTORINO: And, and. . . it is, you know, we have worked on this for a number of years. And I think now's. . . like both parties, both situations. . . no longer can we waste time, we just gotta get it done. And I thank you for your consideration. And I still have con. . . concerns about raising the minimum. . . totally, in totality and having no ability to, you know, protect those who need the protection. It's one of those quirky situations we in. And if there's a way of finding something, I'll maybe ask the Administration to come up with something for us. Yeah?

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CHAIR PONTANILLA: Okay.

COUNCILMEMBER VICTORINO: Thank you, Chair.

CHAIR PONTANILLA: Mr. White?

COUNCILMEMBER WHITE: I'm sorry, Chair. I forgot to mention, Mr. Victorino brought up the . . .thought. One of the concerns that I have, we were going, I believe we were going to address the Circuit Breaker in the, in the Budget bill, but. . .I don't believe we've gone there yet.

CHAIR PONTANILLA: Not at this time.

COUNCILMEMBER WHITE: Okay. So as long as that, that can be brought up--because I think that may be a way to. . .to help the, the Ag Park. . .as well.

CHAIR PONTANILLA: Okay . . .*(cleared throat)*. . . I, I'll have staff do a referral to the Committee--

COUNCILMEMBER WHITE: Okay.

CHAIR PONTANILLA: --regarding Circuit Breaker.

COUNCILMEMBER WHITE: Thank you.

CHAIR PONTANILLA: Okay. Any more discussion, Members?

. . . All in favor of the motion, please say "aye".

COUNCILMEMBER BAISA: Aye.

COUNCILMEMBER WHITE: Aye.

CHAIR PONTANILLA: Any opposed?

. . . Seeing none, motion carried--nine "ayes", zero "noes".

**VOTE:       AYES:     Chair Pontanilla, Vice-Chair Hokama, and Councilmembers Baisa, Carroll, Cochran, Couch, Mateo, Victorino, and White.**

**NOES:     None.**

**ABSTAIN:  None.**

**ABSENT:   None.**

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**EXC.: None.**

**MOTION CARRIED.**

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

CHAIR PONTANILLA: Corporation Counsel, next?

MS. HEELY: Chair--

MR. BAZ: . . . *(inaudible)* . . .

MS. HEELY: Okay. I had a quick question and maybe Budget Director had a quick question regarding the following.

MR. BAZ: Yeah, Mr. Chair?

CHAIR PONTANILLA: Go ahead.

MR. BAZ: If you don't mind. . .the next item on here is recommending the filing of the following proposed bills, and there's three proposed bills--

CHAIR PONTANILLA: Uh-huh.

MR. BAZ: --listed regarding the Piiholo Water Treatment Plant, the USDA Loan--

CHAIR PONTANILLA: Uh-huh.

MR. BAZ: --and the . . . Waikamoi Flume. These were items that are. . .have appropriations in there and the appropriation amounts have changed. So I don't know if you. . .intended to recommend the *filing* of these completely. . .and, and removal of these proposed bills or modify them similar to the, the other revised bills.

CHAIR PONTANILLA: These bills will still remain intact as we move forward. Staff?

MR. KANESHINA: Thank you, Mr. Chair. I believe that these, these bills--because your Committee discussed and agreed on a minimal appropriation for these and allowing the Administration to come back when plans are drawn up--

CHAIR PONTANILLA: To the Budget Committee?



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MR. KANESHINA: Yes, for the, so for the time being, the action *is* to file these bills, and when we are receipt of the revised plans, they come back to Committee and, with the revised amounts. And we can amend the Budget that way.

CHAIR PONTANILLA: Thank you.

MR. BAZ: Okay, and that goes for the US, the 17 million dollars for the. . .Kihei Police Station as well?

CHAIR PONTANILLA: Yeah, because we really don't know. . .I don't know if we had any feedback regarding some of the conditions on the. . .the loan itself. And that's the reason why it's like this.

MR. BAZ: Okay. Thank you, Mr. Chair. I just wanted to clarify. Thank you very much.

MS. HEELY: Thank--

CHAIR PONTANILLA: Corporation Counsel?

MS. HEELY: Okay. Recommending filing of the following proposed bills. One, 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-Pukalani-Kula Community Plan area, Fiscal Year 2012 Budget Ordinance. The purpose of the proposed bill, referenced in paragraph number 2(f) of the agenda, is to authorize the Mayor to enter into an intergovernmental agreement to finance the Piiholo Water Treatment Plant Improvements-Organic Carbon Reduction project with State Drinking Water Treatment Revolving Loan Fund monies in a principal amount not to exceed 5 million dollars.

CHAIR PONTANILLA: Thank you. The Chair is entertaining a motion.

COUNCILMEMBER VICTORINO: So moved, Mr. Chair.

CHAIR PONTANILLA: Moved by Member Victorino. Any second?

. . . Second?

. . .*(laughter)*. . . No second?

COUNCILMEMBER COCHRAN: Second . . .*(laughter)*. . .

CHAIR PONTANILLA: . . .*(laughter)*. . . Second by Member Cochran. Any discussion?

. . . All in favor of the motion, please say "aye".

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COUNCILMEMBER VICTORINO: Aye.

COUNCILMEMBER WHITE: Aye.

CHAIR PONTANILLA: Any opposed?

COUNCILMEMBER BAISA: No.

COUNCILMEMBER COUCH: No.

CHAIR PONTANILLA: Uh. . .motion is carried, eight “ayes”; one “no”, Member Baisa.

COUNCILMEMBER COUCH: Two “noes”.

CHAIR PONTANILLA: Oh. Two “noes”, I’m sorry. Seven “ayes”; two “noes”, Member Baisa and Member Couch. Motion carried.

**VOTE:       AYES:     Chair Pontanilla, Vice-Chair Hokama, and Councilmembers Carroll, Cochran, Mateo, Victorino, and White.**

**NOES:     Councilmembers Baisa and Couch.**

**ABSTAIN:  None.**

**ABSENT:   None.**

**EXC.:     None.**

**MOTION CARRIED.**

**ACTION:   FILING of proposed bill.**

CHAIR PONTANILLA: Corporation Counsel?

MS. HEELY: Two, a proposed bill entitled: a bill for an ordinance authorizing the Mayor of the County of Maui to enter into intergovernmental agreements for a 37 million dollar USDA Rural Development Loan for the construction of a South Maui Police Station. The purpose of the proposed bill, referenced in paragraph number 2(1) of the agenda, is to authorize the Mayor to enter into intergovernmental agreements to finance the South Maui Police Station project with US, United States Department of Agriculture Rural Development. . .USDA Loan monies in a principal amount not to exceed 37 million dollars. By filing this proposed bill, the Administration will need to return to the Council for authority when the terms of the USDA Loan are better defined.

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CHAIR PONTANILLA: Thank you. Chair is looking for a motion.

COUNCILMEMBER VICTORINO: So moved, Mr. Chair.

CHAIR PONTANILLA: Moved by Member Victorino.

COUNCILMEMBER BAISA: Second.

CHAIR PONTANILLA: Member. . .second by Member Baisa. Any discussion?

. . . Seeing none, all in favor of the motion, please say "aye".

COUNCILMEMBER BAISA: Aye.

COUNCILMEMBER VICTORINO: Aye.

CHAIR PONTANILLA: Motion is carried--

COUNCILMEMBER COUCH: No.

CHAIR PONTANILLA: Oh, I'm sorry. There's eight "ayes"; one "no". Who's the "no"?  
Member Couch. Motion carried.

**VOTE:       AYES:       Chair Pontanilla, Vice-Chair Hokama, and Councilmembers Baisa,  
                                      Carroll, Cochran, Mateo, Victorino, and White.**

**NOES:       Councilmembers Couch.**

**ABSTAIN:   None.**

**ABSENT:    None.**

**EXC.:       None.**

**MOTION CARRIED.**

**ACTION:    FILING of proposed bill.**

CHAIR PONTANILLA: Corporation Counsel, please?

MS. HEELY: Paragraph three, 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 Waikamoi Flume Improvements, Makawao-Pukalani-Kula Community Plan area, Fiscal Year 2012 Budget Ordinance. The

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purpose of the proposed bill, referenced in paragraph number 4 of the agenda, is to enter into an intergovernmental agreement to finance the Waikamoi Flume Improvements project with State Drinking Water Treatment Revolving. . .Revolving Loan Fund monies in a principal amount not to exceed 10 million dollars.

CHAIR PONTANILLA: Thank you. Chair is looking for a motion.

COUNCILMEMBER VICTORINO: So moved.

CHAIR PONTANILLA: Moved by Member Victorino. Any--

COUNCILMEMBER MATEO: Second.

CHAIR PONTANILLA: --second?

. . . Second by Member, Chairman Mateo. Any discussion? All in favor of the motion, please say "aye".

COUNCILMEMBER COCHRAN: Aye.

COUNCILMEMBER \_\_\_\_: Aye.

CHAIR PONTANILLA: Any opposed?

COUNCILMEMBER BAISA: No.

COUNCILMEMBER COUCH: No.

CHAIR PONTANILLA: Let the record show, motion is carried--seven "ayes"; two "noes", Member Baisa and Member Couch.

**VOTE:       AYES:     Chair Pontanilla, Vice-Chair Hokama, and Councilmembers Carroll, Cochran, Mateo, Victorino, and White.**

**NOES:       Councilmembers Baisa and Couch.**

**ABSTAIN:   None.**

**ABSENT:     None.**

**EXC.:       None.**

**MOTION CARRIED.**

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**ACTION: FILING of proposed bill.**

CHAIR PONTANILLA: . . . Corporation Counsel?

MS. HEELY: Thank you, Chair. Recommending referral of the following to the appropriate standing committee. One, the matter relating to fees for the Department of Planning, including correspondence dated April 14<sup>th</sup>, 2011, from the Budget Director, transmitting correspondence dated April 14<sup>th</sup>, 2011, from the Planning Director, transmitting a document entitled "Final Report on the Fee Study and Cost Recovery Plan for the Department of Planning" prepared by Matrix Consulting Group, dated December 2<sup>nd</sup>, 2009.

CHAIR PONTANILLA: Corporation Counsel, if can you go, read right through--

MS. HEELY: Okay.

CHAIR PONTANILLA: --from one to six, please?

MS. HEELY: Okay. Second, the matter relating to vendor concessions in County parks, including a proposed revised page 15 of Appendix B, received by the Committee on April 26<sup>th</sup>, 2011. Three, the matter relating to an audit of the Waiehu Municipal Golf Course. Four, the matter relating to curbside recycling. Five, the matter relating to County grants and disbursements, including amendments to Chapter 3.36, Maui County Code, relating to the Maui County Grants Program, and the Chair's correspondence dated May 6<sup>th</sup>, 2011, relating to the General Budget Provisions. And number six, the matter relating to a performance evaluation of the County Department of Transportation.

CHAIR PONTANILLA: Thank you. Chair is looking for a motion.

COUNCILMEMBER VICTORINO: So moved, Mr. Chair.

CHAIR PONTANILLA: Moved by--

COUNCILMEMBER BAISA: Second.

CHAIR PONTANILLA: --Member Victorino, second by Member Baisa. Any discussion? All in favor of the motion, please say "aye".

COUNCILMEMBER BAISA: Aye.

COUNCILMEMBER VICTORINO: Aye.

COUNCILMEMBER WHITE: Aye.

CHAIR PONTANILLA: Motion is carried--nine "ayes", zero "noes".

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**VOTE:       AYES:   Chair Pontanilla, Vice-Chair Hokama, and Councilmembers Baisa, Carroll, Cochran, Couch, Mateo, Victorino, and White.**

**NOES:   None.**

**ABSTAIN:   None.**

**ABSENT:    None.**

**EXC.:   None.**

**MOTION CARRIED.**

**ACTION:   REFERRALS to the appropriate Council standing Committee.**

CHAIR PONTANILLA: Corporation Counsel?

MS. HEELY: Thank you. Recommending filing of the following County Communications. One, County. . .County Communication Number 11-80, from Council Chair Danny A. Mateo, relating to the matter of the proposed Budget for Fiscal Year 2012. Two, County Communication Number 11-100, from Mayor Alan M. Arakawa, relating to the proposed Budget for Fiscal Year 2012 for the County of Maui. And three, County Communication Number 11-101, from the Budget Director, transmitting a copy of Appendix B to the Budget bill, which reflects the changes proposed by the Mayor to the Fiscal Year 2011 Schedule of Fees, Rates, Assessments, and Taxes.

CHAIR PONTANILLA: Thank you. Chair is looking for a motion.

COUNCILMEMBER VICTORINO: So moved, Mr. Chair.

CHAIR PONTANILLA: Moved by--

COUNCILMEMBER BAISA: Second.

CHAIR PONTANILLA: --Member Victorino, second by Member Baisa. Any more discussion?

    . . . All in favor of the motion, please say "aye".

COUNCILMEMBER BAISA: Aye.

CHAIR PONTANILLA: Motion is carried--nine "ayes", zero "noes".

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**VOTE: AYES: Chair Pontanilla, Vice-Chair Hokama, and Councilmembers Baisa, Carroll, Cochran, Couch, Mateo, Victorino, and White.**

**NOES: None.**

**ABSTAIN: None.**

**ABSENT: None.**

**EXC.: None.**

**MOTION CARRIED.**

**ACTION: FILING of communications.**

COUNCILMEMBER \_\_\_\_: . . .(*inaudible*) . . .

CHAIR PONTANILLA: Hang on. Staff, anything else?

*NOTE: Pause.*

MR. KANESHINA: . . . Thank you, Mr. Chair. After recommending the filing of County Communications, there's no more. . .items of business today.

CHAIR PONTANILLA: Thank you. Members, if there's no objections, the Chair would like to . . .adjourn this meeting.

COUNCILMEMBER BAISA: No objection.

COUNCILMEMBER VICTORINO: No objections, Chair.

COUNCILMEMBER COCHRAN: No objection.

COUNCIL MEMBERS: No objections.

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CHAIR PONTANILLA: Thank you. The Budget and Finance Committee meeting is now adjourned  
...*(gavel)*...

**ADJOURN:** 10:37 a.m.

APPROVED:

  
JOSEPH PONTANILLA, Chair  
Budget and Finance Committee

bf:min:110509

Transcribed by: Camille Sakamoto