

BUDGET AND FINANCE COMMITTEE

Council of the County of Maui

MINUTES

August 2, 2011

Council Chamber, 8th Floor

CONVENE: 1:35 p.m.

PRESENT: Councilmember Joseph Pontanilla, Chair (In 1:55 p.m.)
Councilmember G. Riki Hokama, Vice-Chair
Councilmember Gladys C. Baisa, Member
Councilmember Elle Cochran, Member
Councilmember Donald G. Couch, Jr., Member
Councilmember Danny A. Mateo, Member
Councilmember Mike White, Member (In 1:50 p.m.)

EXCUSED: Councilmember Robert Carroll, Member
Councilmember Michael P. Victorino, Member

STAFF: David Raatz, Substitute Legislative Analyst
Camille Sakamoto, Committee Secretary
Michele Yoshimura, Executive Assistant to Councilmember Joseph Pontanilla

ADMIN.: Sananda K. Baz, Budget Director, Office of the Mayor
Deborah Arendale, County Executive on Aging, Office on Aging, Department of Housing and Human Concerns
Robert G. Hill, Lieutenant, Uniformed Services Bureau, Traffic Section, Department of Police
David C. Goode, Director, Department of Public Works
Kyle K. Ginoza, Director, Department of Environmental Management
Tracy N. Takamine, Chief, Solid Waste Division, Department of Environmental Management
Adrianne N. Heely, Deputy Corporation Counsel, Department of the Corporation Counsel

Seated in the gallery:

Jo-Ann T. Ridaio, Director, Department of Housing and Human Concerns
Richelle M. Thomson, Deputy Corporation Counsel, Department of the Corporation Counsel

PRESS: *Akaku: Maui Community Television, Inc.*

VICE-CHAIR HOKAMA: ...*(gavel)*... The Budget and Finance Committee shall come to order. Today it is the Committee's meeting of August 2, 2011. Today present for this Budget and Finance Committee meeting are Members Baisa, Cochran, Couch, and Mateo. Excused at this time are Members Carroll, Victorino, White, and Pontanilla. Chairman Pontanilla had some

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last-minute requirements, Members, so I'll be taking his place till he returns unless we complete the business and we adjourn prior to his return. Okay. We have a interesting agenda today, we have BF-37. But first the Chair will ask if there is any public testimony to be presented? Is there anyone wishing to provide public testimony on any item that has been agendized for today the 2nd of August Budget and Finance Committee? Seeing none, with no objections, the Chair shall close testimony for today's meeting.

COUNCIL MEMBERS: No objections.

VICE-CHAIR HOKAMA: Thank you. So ordered.

ITEM NO. 37: AMENDING FY 2012 BUDGET: DEPARTMENT OF HOUSING AND HUMAN CONCERNS (HOSPITAL DISCHARGE PLANNING MODEL GRANT), DEPARTMENT OF POLICE (DISTRACTED DRIVING ENFORCEMENT GRANT), DEPARTMENT OF PUBLIC WORKS (PRIVATE DONATIONS) (C.C. No. 11-182)

VICE-CHAIR HOKAMA: Members let us go to BF-37, which is a multiple consideration of various departments, regarding the...amending the Fiscal Year 2012 Budget. I have reviewed the items on behalf of Chairman Pontanilla. So the first one we'll take up is from the Department of Housing and Human Concerns. Members, this is in regards to this Hospital Discharge Planning Model Grant, and as I understand it, this is a consideration of a proviso that will add 1.0 Limited Term Appointment, EP, and I believe we had a...we had discussed this in the budget process earlier. So at this time, the Chair will ask Mr. Baz if he has any comments to share with the Committee regarding this specific item.

MR. BAZ: Thank you, Mr. Chair. Yes, you're correct this was during the budget deliberation process discussed a grant called the Hospital Discharge Planning Model to be received by the Department of Housing and Human Concerns and operated through the Office on Aging. They...the need for a 1.0 Equivalent Personnel count, a Limited Term Appointment is expressed here. We, you know, according to our general budget provisions under grant revenue any item, any grant revenue expenditure that would be expended for personnel requires it to be within the budget. And so that's why we requested this section be amended for this budget amendment.

VICE-CHAIR HOKAMA: Okay. Thank you, Mr. Baz. Committee, any questions for Mr. Baz?

COUNCILMEMBER COCHRAN: Chair?

VICE-CHAIR HOKAMA: Yes, Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you. Yeah. Exactly what does...what's the responsibilities of this person?

MR. BAZ: Mr. Chair --

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VICE-CHAIR HOKAMA: Mr. Baz?

MR. BAZ: --if you don't mind, I have the Director or the Office on Aging Executive that may be able to come down and express that.

VICE-CHAIR HOKAMA: Okay. That would be good, thank you very much.

COUNCILMEMBER COCHRAN: Thank you.

VICE-CHAIR HOKAMA: And for the record please introduce yourself and the position you are within the Department, please.

MS. ARENDALE: Aloha, Deborah Arendale, Executive on Aging for Maui County.

VICE-CHAIR HOKAMA: Thank you. Can you respond to Ms. Cochran's question, please?

MS. ARENDALE: Yes, Chair.

COUNCILMEMBER COCHRAN: Thank you.

MS. ARENDALE: Councilmember Cochran, thank you so much for the question. This person will be working in conjunction with initially Maui Memorial Medical Center. They'll be visiting the people in the hospital and then follow up with an at home visit, and then subsequent telephone calls. So that when folks are discharged from the hospital we are certain that we're working with the hospital in very close terms, so that people have the services they need in place upon returning home to avoid re-admissions.

COUNCILMEMBER COCHRAN: Thank you.

VICE-CHAIR HOKAMA: Ms. Cochran?

COUNCILMEMBER COCHRAN: And I mean how are the people picked? One person can't possibly be monitoring all the patients.

MS. ARENDALE: That's exactly right. We have a...we have worked out a system with the hospital to prioritize certain diagnoses. We've studied the hospital re-admission rates and the hospital has identified certain diagnoses, such as chronic heart failure or congestive heart failure, COPD, there's certain diagnoses we'll be targeting and those patients would actually be flagged at admission and then we'll be aware of that and go see them as soon as possible.

COUNCILMEMBER COCHRAN: Thank you. And, and other counties provide this type of service? Is this...

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MS. ARENDALE: This is...we're the first County in Hawaii that will be implementing this plan. It is a Statewide grant, but we're the first ones to implement because our hospital is ready to work with us very closely. Because as you can imagine for them to allow us in it does require a close connection. But this is moving across America, there is a national grant out called Care Transitions, that we will be building towards in our phase two.

COUNCILMEMBER COCHRAN: Okay, thank you, Ms. Arendale. Thank you, Chair.

VICE-CHAIR HOKAMA: Okay, thank you. Further questions from the Committee? One question I think the Committee would like some comment on from the Department is, this 51,312 is for a, let's see, SR-24 position and SR-24 is about 51,312. So can you tell this Committee how this individual is gonna be able to do operation? Is there no operational costs? And is the Fringes for this position already included in the 51,312?

MS. ARENDALE: We anticipate that initially this position will be, it will start off with a half-time. So, yes, we are going to pay for the Fringes out of that 51,312. So if we get additional monies and we move it to a full time then we'll be bringing in additional funds to pay for the Fringe. But we do understand that if we bring anyone on a Limited Term Appointment we are fully responsible for the cost of the Fringe, as well.

VICE-CHAIR HOKAMA: Okay. So hearing what you responded to the earlier question for this Committee, why aren't you asking for a .5 limited term position, instead of 1...a full position count if you're only gonna go half time?

MR. BAZ: Mr. Chair?

VICE-CHAIR HOKAMA: Mr. Baz?

MR. BAZ: Thank you. I think the reason why the Department's requesting a 1.0 Limited Term Appointment EP count for this would be that since it is a pilot project and she initiated the discussion of it being, starting off of a half-time position. Should the State, the funding source, provide more funds to this rather than having to come back for another budget amendment to, to do this that they would have the flexibility to be able to make that position full time. Should the Council see fit to reduce it to half time at this point and restrict it, they'd be willing to do that.

VICE-CHAIR HOKAMA: Okay. Thank you, Mr. Baz. Any further questions from the Committee for Mr. Baz or Ms. Arendale? Okay. If not, thank you much for your presence this afternoon. We'll take up the next item under Budget 37 at this time, which is requesting an addition of \$180,000 for the Distracted Driving Enforcement Grant, under the Department of Police. We have Mr. Baz and Captain Hill present.

COUNCIL MEMBERS: Lieutenant.

COUNCIL MEMBERS: ...*(Laughter)*...

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VICE-CHAIR HOKAMA: I'm sorry.

COUNCILMEMBER COUCH: He keeps trying to promote him.

COUNCIL MEMBERS: ...*(Laughter)*...

COUNCILMEMBER COUCH: All day yesterday too.

VICE-CHAIR HOKAMA: Well, we'll consider this the temporary Chair's prerogative.

COUNCIL MEMBERS: ...*(Laughter)*...

VICE-CHAIR HOKAMA: But, Lieutenant, if you'll join us please in case there may be questions for you, specifically, for your Department. And, Mr. Baz, if you have any comments you would share with the Committee at this time please?

MR. BAZ: No, Mr. Chair. This is a grant revenue the Police Department is gonna be receiving for distracted driving and Lieutenant Hill will be able to describe the operations of it.

VICE-CHAIR HOKAMA: Okay, Lieutenant, if you have any comments that you wish to share with us?

MR. HILL: Yes, sir, the grant application was submitted, it's actually for 30,799 and it was calculated out at approximately 380 hours of overtime for Officers to give citations for the distracted driving law which includes almost, well primarily the cell phone law for electronic devices, and we need to do this by September 30th.

VICE-CHAIR HOKAMA: Okay, questions, Members, for either Mr. Baz or Lieutenant Hill? Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. Lieutenant Hill, you mentioned that it was, how much was the grant?

MR. HILL: We had...the grant that we were approved for reimbursement is 30,799.

COUNCILMEMBER COUCH: Okay, but you're asking for...you're gonna actually get 180,000? No?

MR. HILL: That's not what we're asking for.

COUNCILMEMBER COUCH: Okay. I guess, Mr. Baz, the difference?

VICE-CHAIR HOKAMA: Mr. Baz, do you need some time to respond to Mr. Couch?

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MR. BAZ: Yeah, let me just look at the...I'm looking through my files here to see the reference from the Police Department for their request. I think we had put in \$180,000 based on the Department's request, but I don't have that information with me here. Lieutenant Hill has indicated that the actual grant amount received was \$30,799, this is through the State of Hawaii Highway Safety Office and it will be effective October 1st. Oh, I see, the project period was for this current fiscal year. So what we'd like to do, Mr. Chair, is, is if you'd like to recognize 180,000 as a ball park figure. The grant period expires September 30, 2011 and I'm not sure, maybe the Department has a recommendation if they might receive funds for this category in the future. That if we do leave it a little bit larger than the \$30,000, if they do receive additional grants during this Fiscal Year '12 budget process, we will not need to come back for budget amendment.

VICE-CHAIR HOKAMA: Okay. Mr. Couch?

COUNCILMEMBER COUCH: That's fine if that, if that's what the Department wants to do and the Chair is okay with that, I'm good with that. Actually, I'm sorry.

VICE-CHAIR HOKAMA: Mr. Couch?

COUNCILMEMBER COUCH: Does the Department anticipate getting funds for the next Federal, I'm assuming that's the Federal fiscal year?

MR. HILL: Yes, we...we're are working right now on applying for the other grants that we have. Our alcohol program, our seat belt program, our speed program, and I think there's a child or a safety seat program as well, that Mr. Hirata runs.

COUNCILMEMBER COUCH: But are you going to anticipate any more under Distracted Driving Enforcement Grant?

MR. HILL: I'm not sure.

COUNCILMEMBER COUCH: Okay, thanks.

VICE-CHAIR HOKAMA: Okay, thank you. Ms Baisa, did you have a question?

COUNCILMEMBER BAISA: Well, it's, it's, it's an unusual situation. Normally, you know, the difference between 30 and 180,000 is a, is quite a bit of money. I can see where, you know, I'd be more comfortable if it was maybe they'd get another appropriation of this. But 180 and 30 seems like a whole wide range here. I'm not adverse to authorizing more if their sure that or, or likely to get more money, but this is a huge spread here. So maybe something more nominal.

VICE-CHAIR HOKAMA: Okay.

COUNCILMEMBER BAISA: Thank you.

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VICE-CHAIR HOKAMA: Well, Chairman Pontanilla did express his concerns to me prior to this meeting.

COUNCILMEMBER BAISA: I'm sure you have a recommendation. Thank you, Chair.

VICE-CHAIR HOKAMA: Thank you. Any other questions? Mr. Mateo?

COUNCILMEMBER MATEO: Not a question, but I too share the same concern as Baisa does. You know the rest of the grants just recognize the grant amount without any, I guess, not based on any expectation of additional funding come under this particular line. So it troubles me that we're only showing we're receiving a part of that grant but we're showing a considerably larger number attached to this grant award. So it bothers me and I think we should be a lot more specific in the amounts. Thank you.

VICE-CHAIR HOKAMA: Okay. Mr. Baz, some comments you wish to share?

MR. BAZ: Yes I do, Mr. Chair. And just let me express when I first started looking at the grant revenue section of the County, when I started a few months ago, there...some are very exact and some significantly different. A good example of that is the FTA funds that the County receives through the Department of Transportation. Last year they had appropriated some like \$8 million and I think they received 500,000. The...also in Public Works there's some Federal grants that they appropriated, I think 12 million and received zero. So there are indications within the grant revenue section of this budget of, of allocations that are not exact but, you know, that are just in case we do get those funds. It's completely up to the purview of the Council if you'd like us to revise that number before first reading to reflect the actuals, we can do that. But just as a historical reference there are many examples where the amount allocated in the budget does not reflect the actual amount received.

VICE-CHAIR HOKAMA: Okay, thank you. Lieutenant, any additional comments on this request?

MR. HILL: No.

VICE-CHAIR HOKAMA: I think for the Committee, Lieutenant, is there a problem right now under normal standard shift hours for the Department not to be able to enforce our Cell Phone Ordinance? And, and we need...and...

MR. HILL: Not necessarily. We've...we're --

VICE-CHAIR HOKAMA: And --

MR. HILL: --we do it as, as, as we can through the patrol section. This is just an extra one to give people a little more of an incentive on overtime to go out and specific...do specific targeting of this area and grant application showed some of the benefits of it to the public as well.

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VICE-CHAIR HOKAMA: Okay, okay. And again for the Committee to be clear in its understanding, Lieutenant, this if approved, this grant needs to be expended as of the end of September? Right? This year, September 30th of this year which is approximately two, two months and a week away?

MR. HILL: Yes, sir.

VICE-CHAIR HOKAMA: Okay, thank you very much. The Chair recognizes Mr. White, thank you for joining us, Mr. White. We are on item 37 on the second consideration, which is the \$180,000 consideration for the Distracted Driving Enforcement Grant. Do you have any questions you wish to move forward? Okay, we'll take...

COUNCILMEMBER COCHRAN: Chair?

VICE-CHAIR HOKAMA: Yes, Ms. Cochran?

COUNCILMEMBER COCHRAN: Thank you, Chair Hokama. So that...you mentioned the monies need to be expended in September. Is that the 30,799 or the 180? The 30,799?

VICE-CHAIR HOKAMA: It's your Chair's understanding as I've reviewed this and have, you know, worked with the Committee Staff, this is \$30,799.

COUNCILMEMBER COCHRAN: And so this 180 amount is not...is it just to avoid having to come back to this step again, in the future, when monies...if happens to appear in the future? I'm just again sharing concerns of Ms. Baisa and Mr. Mateo with the discrepancy in the number range and how the 180 had been pulled out of someone's hat or something to toss in here so.

VICE-CHAIR HOKAMA: Yeah, and, and so I, I will at...later on during this item I will give you the Chair's recommendation about some of the concerns --

COUNCILMEMBER COCHRAN: Okay. Thank you.

VICE-CHAIR HOKAMA: --shared by Chairman Pontanilla --

COUNCILMEMBER COCHRAN: Thank you.

VICE-CHAIR HOKAMA: And also we already have in the Budget Ordinance a component that the Department's with the Budget Director I believe is required to provide a quarterly report back to Council on all excess grant revenues received by the County of Maui.

COUNCILMEMBER COCHRAN: Thank you.

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VICE-CHAIR HOKAMA: And so that's another way for us to be on top of the oversight requirements of this Committee. Okay. We'll move to the third part of this consideration, which is from the Department of Public Works, under the heading of Private Donations of \$241,378, and we'll have ...(*chuckles*)... we'll have Public Works come up and join us. And, Mr. Baz, if you'll give us, the Committee, any opening comments?

MR. BAZ: No, Mr. Chair, just the Department of Public Works is here to add a new grant called, Private Donations, to the grant revenue section. and the background of this grant has a long history that Mr. Goode will be able to express.

VICE-CHAIR HOKAMA: Okay, this afternoon we have Mr. Goode, from Public Works. Mr. Goode, any comments for the Committee at this time?

MR. GOODE: I'll try to make it short, Mr. Chair. This is in relation to actually deferral agreements where certain improvements were deferred, and the deferral was secured by a letter of credit, and the letter of credit expires in March of '02, excuse me, '12, March of 2012. And it's time to collect on...time for us to collect on that so we've initiated collection, but we'd like to have the space within your budget as revenue so that we can match the collection with the revenue item.

VICE-CHAIR HOKAMA: Okay. Since you shared that with the Committee, Director Goode. Why would we not then consider be more specific of what this money is for than just put it under private donation? Since I don't consider this a donation, this is a requirement, from a agreement.

MR. GOODE: Well, I would defer to my colleagues on the left. But it's, it's correct, it's not really a donation it's an obligation, and it could be re-titled appropriately.

VICE-CHAIR HOKAMA: And there's no way to either extend the existing agreement or execute a new agreement with a new deadline that provides at least for this Committee future information on what specifically the money is gonna be used for? Since at this time I haven't seen...or let me ask you, what is this money gonna be used for since I have not seen information of a specific project?

MR. GOODE: It would be used for design and construction of the North-South Collector Road.

VICE-CHAIR HOKAMA: As it only regards to that specific area in front of this project that the agreement is...refers to, would that be a good understanding of this Committee?

MR. GOODE: Well, it has. I think it has more general than that, but that's encapsulating the body of the agreement, and I don't have that with me but we have reviewed it with Corp. Counsel, our Corp. Counsel for Public Works, Mr. Hopper. That, you know, the time...we can accept the money or provided there is a place in the budget and we're ready to, we're ready to do that. And we'd like to get the monies before the agreement expires without trying to extend it.

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VICE-CHAIR HOKAMA: Okay. Another thing I believe the Committee would like some clarification, in that document that we are referring to, my understanding, the County can collect up to, from the bank, 240,378 and yet the budget request is for a number that is not in the document. And in fact, it's higher than the document. So is there something we need to know which is the right number?

MR. GOODE: Sounds like it's a thousand dollars off? Maybe there's a typo. Personally I'd rather make the, the number in the budget 250,000 to just a round number so that if we have other deferral agreements out there, we have the capability of collecting on them. But whatever the number is in the agreement, is it 241?

MR. BAZ:: It's 240.

MR. GOODE: It's 240,378?

UNIDENTIFIED SPEAKER: Yeah.

MR. GOODE: Two - four - o - three -seven -eight.

VICE-CHAIR HOKAMA: Okay. Since the Chairman has returned I was gonna do something but, since it's his Committee, I'll let the Chairman do it. ...*(chuckles)*... But prior to the recess, is there any other questions by the Committee regarding BF-37? Mr. Mateo?

COUNCILMEMBER MATEO: Chairman, and just continuing on, on your notice because in the submitted copy of the proposed bill, under 12b, Private Donations, it does show what the Director has just mentioned. And on the attached Appendix A it also shows the 240,000 amount. So I think for the sake of clarification it's either one or the other, but we're not gonna indicate both to contradict each other. So I think we need to take a look at what the number actually is, and the Department needs to tell us exactly what number they prefer being attached to these lines. Thank you, Chair.

VICE-CHAIR HOKAMA: Thank you, Mr. Mateo. We'll note that in the Committee report about the need to have conformity and consistency with the actual numbers and that...and also in the proposed legislation. Any other questions? Okay, then we'll take a short recess because I believe we are ready for the recommendation. Committee shall stand in recess. ...*(gavel)*...

RECESS: 1:59 p.m.

RECONVENE: 2:04 p.m.

CHAIR PONTANILLA: ...*(gavel)*... The Budget and Finance Committee meeting is now reconvened. At this time the Chair would like to thank our Vice-Chair for Budget and Finance, Riki Hokama, for substituting for this Chairman this afternoon. Members, any more questions regarding the Private Donation? Okay. Seeing none, the Chair would like to request at this time

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that the...because of all of the issues that we've had and we've heard regarding the three budget amendments, I would like to request that the Budget Director re-submit your request in three separate amendments, and in future amendments unless multiple amendments are, are for the same department, then go ahead and do it. But in this case here we had several departments that were involved and once we have an issue on any one of the amendments then it becomes an issue for the particular item. So I would suggest that in future budget amendments if it's multiple amendments that involve the same department, the Chair is willing to hear that. But if you do have separate departments, then I'm requesting that the Budget Director re-submit or submit requests for different departments separately. So at this time, Members, questions? Concerns? If not, Chair would like to make like his recommendation.

COUNCIL MEMBERS: Recommendation.

CHAIR PONTANILLA: Thank you. The Chair's recommendation is to defer County Communication No. 11-182.

COUNCIL MEMBERS: No objections.

COUNCIL MEMBERS VOICED NO OBJECTIONS. (excused: RC and MV)

ACTION: DEFER pending further discussion.

CHAIR PONTANILLA: No objections? Thank you.

COUNCILMEMBER COUCH: Mr. Chair?

CHAIR PONTANILLA: Mr. Couch?

COUNCILMEMBER COUCH: My only concern would be the 30-day or September 30th deadline. Are we gonna...are you gonna get that back as soon as they get it in or . . .

CHAIR PONTANILLA: Yes, once the Budget Director have separate the three amendments, the Chair is gonna...in fact we had already set it for the next Budget and Finance Committee meeting based on our discussion with the Police Department and the short turn-around time.

COUNCILMEMBER COUCH: Okay.

CHAIR PONTANILLA: Any more discussion, Members? Okay, thank you. The Chair is gonna call for a five-minute recess. We'll reconvene at ten after 2:00. This meeting is in recess. . . .(gavel). . .

RECESS: 2:06 p.m.

RECONVENE: 2:11 p.m.

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

ITEM NO. 38: AMENDING FY 2012 BUDGET: DEPARTMENT OF ENVIRONMENTAL MANAGEMENT (USED MOTOR OIL COLLECTION PROGRAM GRANT) (C.C. No. 11-192)

CHAIR PONTANILLA: The last item on our agenda this afternoon is BF-38, Amending Fiscal Year 2012 Budget, Department of Environmental Management, Used Motor Oil Collection Program Grant. The purpose of the proposed bill is to amend the Fiscal Year 2012 by adding an appropriation of \$48,000 for the Used Motor Oil Collection Program. At this time, the Chair would like to call on the Director.

MR. GINOZA: Good afternoon, I'm Kyle Ginoza, Director of Environmental Management. The reason why I'm here before you today is to go over the Used Motor Oil Grant, oh it's a Memorandum of Agreement with the State of Hawaii. There is...this is a program that has been going on for years and we're able to get grant funding again, which is why I'm here before you today. This program entails...basically we have 12 providers that collect used motor oil from household, households and we contract with Unitech who ships it to Oahu, so it's no change in the program and it's just accepting the grant funding.

CHAIR PONTANILLA: Thank you. One of the questions that I have is, in...if you look in the Fiscal Year '12 Budget, the Department of Environmental Management recognizes Recycling Program and Solid Waste Grant. I would consider that these to be broad categories and a catchall for grants pertaining to recycle and solid waste; therefore, feel that the request to include Used Motor Oil Collection Program Grant probably is unnecessary at this time. But I wanna have Corporation Counsel to provide us with your thoughts in regards to this matter here. And what I'm looking at, Corporation Counsel, is the ordinance, under "D", you have Solid Waste Grant, and under "E", you have Used Motor Oil Collection Program, so it's a separate issue. But what I'm saying is that we have a broad category, Solid Waste Grant, that we could have utilized as part of the receiving of that Used Motor Oil Collection Program Grant. So if you can comment?

MS. HEELY: Mahalo, Chair, and good afternoon, Committee Members. It is correct that it's broad enough to include that, but Section 11 of the General Budgetary Provisions in describing grant revenues explains that any revenues from County, Federal, State or private sources during the Fiscal Year 2012. So I think it was the Department's request to include the receipt of this specific grant revenue in the specific amount of \$48,000 for the specific program of Used Motor Oil Collection Program, just to recognize it pursuant to the budget ordinance and general budgetary provisions.

CHAIR PONTANILLA: So, do we have a problem if we just accept it under the Solid Waste Grant?

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MS. HEELY: See, I'm not sure what the Solid Waste Grant amounted from, amounts consist of and where they are from, but if it's up to the Council or the Committee if they want to include this, include this specific grant from the State, specifically for the Used Motor Oil Collection Program under the Solid Waste Grant so.

CHAIR PONTANILLA: Okay, thank you. Budget Director?

MR. BAZ: Thank you, Mr. Chair. While the Solid Waste Grant item is a general item that this may seem appropriate for, the historical reference of Used, Used Motor Oil Collection Program has since it's been in existence for a significant period of time, our Finance Department has a separate index code, it's a separate program and the historical reference will be lost if we combine this with the Solid Waste Grant. It, it is more appropriate that it be expressed as its own program for that historical reference. If you look at the Fiscal Year '11 Budget it was a separate line item, and the Department had expressed that they did not think they were going to receive the grant, so that's why we didn't put it in. Otherwise, it would have been allocated or requested in the Fiscal Year '12 Budget as well. I don't have the Mayor's proposed budget in front of me, but if you look back at that, there are specific descriptions of what those grants are for and I'm, I'm not sure if that specific Solid Waste Grant is for a different item versus this Used Motor Oil Collection Program.

CHAIR PONTANILLA: Thank you. As Corporation Counsel had told us earlier, it's broad enough that we could accept it under that Solid Waste Grant. At this time, Chair would open the floor to the Members for question.

COUNCILMEMBER COCHRAN: Chair?

CHAIR PONTANILLA: Member Cochran?

COUNCILMEMBER COCHRAN: Thank you, Chair Pontanilla. Is this kinda to distinguish between the cooking oil? 'Cause we have the cooking oil recycling that we do, the collection of that, right, from restaurants, what have you. So this is in specific to motor oil, which is a total different. So is that kind of what we're sort of kinda distinguish here in a way?

MR. GINOZA: Well, this one...oh, Mr. Chair?

CHAIR PONTANILLA: Go ahead.

MR. GINOZA: This one is particularly for just the used motor oil for households and we're getting State monies for that. The dealing with the cooking oil through our EKO contract with Pacific Biodiesel, I mean that's purely a County...within the County realm in terms of funding. And they don't process used motor oil for converting to biodiesel. This, as I mentioned, is shipped to Oahu for, for processing.

COUNCILMEMBER COCHRAN: Okay, thank you, Chair.

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CHAIR PONTANILLA: Thank you. Members? Member Hokama?

VICE-CHAIR HOKAMA: Chairman, I was looking at the proposed Memorandum of Agreement, and it's interesting because under the...as I understand the proposal, under County of Maui it's gonna be signed off I assume by, by DEM. It means the Director of Environmental Management. We do not enter into intergovernmental agreements unless Council approves and it is usually the Mayor that we authorize as the signator. So is this, is this a departure from our normal procedural practices, Mr. Chairman?

CHAIR PONTANILLA: It shouldn't be, it should remain the same.

VICE-CHAIR HOKAMA: Then I would ask Corporation Counsel --

CHAIR PONTANILLA: Maybe Corporation Counsel can...

VICE-CHAIR HOKAMA: --is this an appropriate proposal before the Committee since under intergovernmental agreements the Council usually authorizes the Mayor to sign?

MS. HEELY: Mr. Chair?

CHAIR PONTANILLA: Corporation Counsel?

MS. HEELY: Thank you, Member Hokama, for your question. And you are correct, the Code requires that any...before the Mayor enters into intergovernmental agreement, the Council has to approve via resolution...via ordinance. In terms of historical perspective, I consulted briefly with the Department's assigned Deputy and they informed me that it was previously known as a Grant Agreement, and only recently they revised it to a Memorandum of Agreement. And typically these have been recognized as grant funds and we've typically done...historically done a amendment to Appendix A to recognize this as grant funds. And given the change of the title to a Memorandum of Understanding it would be logical for a bill for an ordinance to authorize the Mayor to enter into an intergovernmental agreement with this being attached, as an option. Other than...another option would be recognizing as grant revenue which the Budget Finance Committee has typically and historically heard in regards to this area, so that's another option if the Committee wanted to file it or recommend the re-submittal of a proposed bill authorizing the Mayor to enter into an intergovernmental agreement to execute this MOA. And you do bring up a good point too, with this MOA it should have the Mayoral signature as well as our approval as to form and legality as the Corporation Counsel.

VICE-CHAIR HOKAMA: Thank, thank you for your comments. Chairman, I, I will be awaiting your recommendation, but, you know, you've heard my concerns about this document and, and its attachment.

CHAIR PONTANILLA: Uh-huh.

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VICE-CHAIR HOKAMA: So I will await your recommendations. Thank you.

CHAIR PONTANILLA: Thank you. Members, any more questions? If not, Chair would like to make his recommendation.

COUNCIL MEMBERS: Recommendation.

CHAIR PONTANILLA: Chair's recommendation...

COUNCILMEMBER COUCH: Mr. Chair, Mr. Chair?

CHAIR PONTANILLA: Mr. Couch?

COUNCILMEMBER COUCH: Sorry. I...can I ask the Department what they did last year since they said this is a thing that they had last year and they didn't anticipate this year? Did you have the same MOA? And or is this something new?

CHAIR PONTANILLA: Department?

MR. GINOZA: My understanding is it was just a regular grant agreement between the State and the County.

COUNCILMEMBER COUCH: So that, that is...that did get changed this year then --

MR. GINOZA: Yes.

COUNCILMEMBER COUCH: --to an MOA? Okay

CHAIR PONTANILLA: Any more questions, Members? Chair's recommendation is to file County Communication No. 11-192.

VICE-CHAIR HOKAMA: So moved.

COUNCILMEMBER BAISA: Second.

CHAIR PONTANILLA: Been moved by Member Hokama, second by Member Baisa. Any more discussion, Members? If not, all in favor of the motion, please say "aye"?

COUNCIL MEMBERS: Aye.

CHAIR PONTANILLA: Any opposed? Seeing none, motion is carried, seven ayes, two excused, Member Victorino and Member Carroll.

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

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmembers Carroll and Victorino.

MOTION CARRIED.

ACTION: Recommending **FILING** of communication.

CHAIR PONTANILLA: Members, that was the last item for this afternoon. So the Budget and Finance Committee Meeting for Tuesday, August the 2nd, 2011 is now adjourned. . . .(*gavel*). . .

ADJOURN: 2:23 p.m.

APPROVED:



JOSEPH PONTANILLA, Chair
Budget and Finance Committee

bf:min:110802

Transcribed by: Tehani Villalobos

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CERTIFICATE

I, Tehani Villalobos, hereby certify that the foregoing represents to the best of my ability, a true and correct transcript of the proceedings. I further certify that I am not in any way concerned with the cause.

DATED the 24th day of August, 2011, in Lahaina, Hawaii



Tehani Villalobos