

BUDGET AND FINANCE COMMITTEE

Council of the County of Maui

MINUTES

May 5, 2014

Council Chamber

RECONVENE: 10:02 a.m.

PRESENT: Councilmember Mike White, Chair
Councilmember G. Riki Hokama, Vice-Chair (out 10:49 a.m., in 10:50 a.m.)
Councilmember Gladys C. Baisa, Member
Councilmember Elle Cochran, Member
Councilmember Donald G. Couch, Jr., Member
Councilmember Stacy Crivello, Member
Councilmember Don S. Guzman, Member
Councilmember Michael P. Victorino, Member

EXCUSED: VOTING MEMBERS:
Councilmember Robert Carroll, Member

STAFF: Michele Yoshimura, Legislative Analyst
Chancy Hopper, Legislative Analyst
Jordan Molina, Legislative Analyst
Yvette Bouthillier, Committee Secretary

ADMIN.: Sananda Baz, Budget Director, Office of the Mayor
Jeffrey T. Ueoka, Deputy Corporation Counsel, Department of the Corporation
Counsel

OTHERS: Others (10)

PRESS: Akaku: Maui Community Television, Inc.
Melissa Tanji, *The Maui News*

**ITEM BF-1: PROPOSED FISCAL YEAR 2015 BUDGET FOR THE
COUNTY OF MAUI (CC 14-31 AND CC 14-82)**

CHAIR WHITE: ...(gavel)... This meeting of the Budget and Finance Committee shall reconvene.
Thank you, Members, for all your efforts on Saturday evening and for coming in for the full

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

May 5, 2014

day and into the evening on Saturday. We have completed and are passing out a revised Exhibit "1" which is the document that we're working off of through our decision making. And I believe we have caught most of the provisos that you requested and so if you have additional provisos that you would like to submit we'll do so after we take a recess so you can take a look through the documents. What I would like to do is recess for half an hour to allow you to review the document and make sure that all the provisos that we have drafted for you are clear and reflective of your intentions, and also please go through and make sure that all the changes that we've made to the Budget are consistent with what your understanding was at the time. So today is the day for corrections and technical changes. And with that if there are no questions, we'll take a half hour recess for you to take a look at the document. Any questions, Members?

COUNCILMEMBER VICTORINO: No, not at this time.

CHAIR WHITE: Okay, with that we'll recess until 10:30. ...(gavel)...

RECESS: 10:03 a.m.
RECONVENE: 10:41 a.m.

CORRECTIONS TO EXHIBIT "1" MATRIX

CHAIR WHITE: ...(gavel)... This meeting of the Budget and Finance Committee shall reconvene. Members, I'd like to go through a couple of adjustments get things started. If you'll refer on the, on Page 1, near the top of the page is the minimum tax adjustment and the minimum tax adjustment that was provided to us with a certification was \$2,073,612. But with the adjustments in the rates additional people are now in the minimum tax category. So that number increases to 2,107,703. Now with that adjustment the minimum tax allotment changes by \$34,091 and that adds small amounts to the Open Space Fund and the Affordable Housing Fund. Both, one is on Page 68 in the back of the document and the other is on Page 69. So the increase to the Open Space Fund is \$341 and the increase to the Affordable Housing Fund is \$682. And then, on Page 32, you'll notice on, oh we've dropped the line references, anyway, about a third of the way down the page we have the Motorcycles, you'll see an amount of \$175,000. And we didn't, we missed putting that back in. So you can write in the Restore column that figure of \$175,000. And we will be adjusting the Emergency Fund by that amount and that is -- well I've lost my page, which?

MR. BAZ: Page 69.

CHAIR WHITE: Sixty-nine?

COUNCILMEMBER COCHRAN: Sixteen?

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

May 5, 2014

CHAIR WHITE: Page 10, thank you. I was, yeah, I was looking in the back of the document as well. So the adjustment to the Emergency Fund will be that \$175,000 amount bringing it to \$3,372,798 for this Fiscal Year, and I believe our intention is to take the additional minimum tax adjustment of the 33,068 and adding that into the Emergency Fund as well. And I believe that takes care of the adjustments that we're, that we've caught and so...

COUNCILMEMBER VICTORINO: Mr. Chair?

CHAIR WHITE: Yes?

COUNCILMEMBER VICTORINO: I apologize, you know the Open Space, you said a figure and I didn't...I'm sorry I was trying to keep up but I missed that one.

CHAIR WHITE: Oh, no problem.

COUNCILMEMBER VICTORINO: I apologize for that.

CHAIR WHITE: The contribution, the increased contribution to the Open Space Fund is \$341 and the increase to the Affordable Housing Fund is \$682 and that leaves 300...I'm sorry, \$33,068 that we'll be putting into the Emergency Fund.

COUNCILMEMBER VICTORINO: Okay. Thank you, Chair, for that clarification.

CHAIR WHITE: No problem. Okay, Members, we'll just go page by page so that we can each bring up the provisos as you'd like. So, any changes on Pages 2 or 3? Any Pages on 4 or 5? I mean any changes on 4 or 5? Any corrections on Pages 6 and 7...8 or 9?

COUNCILMEMBER CRIVELLO: Chair?

CHAIR WHITE: Yes —

COUNCILMEMBER CRIVELLO: Page 8.

CHAIR WHITE: --Ms. Crivello.

COUNCILMEMBER CRIVELLO: Page 8 under the Contractual Services for Convenience Center at Central Maui Landfill I'd like to...

CHAIR WHITE: Whereabouts is it on the page?

COUNCILMEMBER CRIVELLO: One, two, three, four, five -- sixth line, sixth row.

CHAIR WHITE: Okay.

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

May 5, 2014

COUNCILMEMBER CRIVELLO: Okay. So I'd like to add the proviso, a proviso that the \$200,000 is provided for the Contractual Services for the Convenience Center.

CHAIR WHITE: Okay.

MS. YOSHIMURA: Mr. Chair?

CHAIR WHITE: Yes?

MS. YOSHIMURA: On the line before that where there's a \$4 million amount in that box with all the verbiage, Staff put suggested language for the proviso of \$200,000.

COUNCILMEMBER COUCH: Yeah. Right there, yeah.

CHAIR WHITE: Okay. Yeah.

COUNCILMEMBER CRIVELLO: Oh, okay. I'm sorry, didn't see that.

CHAIR WHITE: No.

COUNCILMEMBER CRIVELLO: Okay.

CHAIR WHITE: No problem.

COUNCILMEMBER CRIVELLO: Thank you.

CHAIR WHITE: I didn't see that either. Okay Members any other pages on, any other corrections on either of those two pages? If not we'll move to Page 10 and 11. And you'll notice that the, there are corrections, or there're changes to the amount contributed to the Natural Resources ...*(inaudible)*... Base Fund and the Affordable Housing Fund there. And then the adjustment that we just mentioned regarding the Emergency Fund. Corrections on Page 12 or 13? Page 14?

COUNCILMEMBER COUCH: Mr. Chair? Sorry.

CHAIR WHITE: Mr. Couch?

COUNCILMEMBER COUCH: Back on Page 11 on the Fire/Rescue Operations Program, it looks like nine positions were cut, but I can't...oh, I see delete the 9.0, right, okay, never mind.

CHAIR WHITE: Okay. And Members, just to give you the changes in the E/P counts and their attendant salaries and wages. As we mentioned on Saturday we would go back and do the fringe recalculations, and the changes that we made reduced fringe costs by a little over \$2 million. So any changes on Pages 14 or 15?

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

May 5, 2014

COUNCILMEMBER VICTORINO: Chair, could I ask you one big favor, please?

CHAIR WHITE: Sure.

COUNCILMEMBER VICTORINO: We keep flipping because if you went just Page 16 and then from that point on like when 17, 18 'cause they're concurrent pages back side front side, that way would be easier to than flipping back and forth.

CHAIR WHITE: Oh well --

COUNCILMEMBER VICTORINO: Just.

CHAIR WHITE: --yours is different from mine. I thought.

COUNCILMEMBER COUCH: Yes, 14 and 15 is...

CHAIR WHITE: Fourteen and fifteen are...

COUNCILMEMBER VICTORINO: Okay well mine is different, okay so okay, maybe I'm just different, I'm sorry.

COUNCILMEMBER COUCH: You're special.

COUNCILMEMBER VICTORINO: You guys always make me different.

CHAIR WHITE: We gave you one just to keep you on your toes.

COUNCILMEMBER VICTORINO: Okay, thank you very much, I appreciate it. Yikes.

CHAIR WHITE: Okay. Any corrections on Pages 16 or 17?

COUNCILMEMBER BAISA: Chair?

CHAIR WHITE: Ms. Baisa?

COUNCILMEMBER BAISA: Chair, I spoke with Michele but I, so I think she's got it, but I want everybody to know the top line on Page 17, the MEO Inc. for Planning and Coordination Council Coordinator, we'd like that to say for the MEO Senior Planning and Coordination Council, that's the full name of it.

CHAIR WHITE: So Planning and Coordination instead of...

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

May 5, 2014

COUNCILMEMBER BAISA: Coordinating Council — yeah, it's always been Coordination Council.

CHAIR WHITE: Okay.

COUNCILMEMBER BAISA: Yup.

CHAIR WHITE: So noted, thank you.

COUNCILMEMBER BAISA: Senior. Just wanna make sure.

CHAIR WHITE: Okay any other changes on those two pages? Pages 18 and 19? Pages 20 and 21? 22 and 23? 24 and 25? 26 and 27? 28 and 29? 30 and 31? On 32 and 33? On 32 we have the correction on the Motorcycles adding that back in. 34 and 35? 36 or 37? Okay, that takes care of the Operation Budget. We'll move to the Capital Projects starting on Page 39, any changes? Pages 40 and 41? 42 and 43? 44 and 45? 46 or 47? 48 and 49? 50 or 51? 52 or 53? If we need no corrections in that section, we're, we completed the CIP Budget. Do we need to revisit the back pages? Pardon? Okay, starting on Page, oh 67, yeah one of the changes on about two-thirds of the way down under Highway Beautification, remember we had deleted, there was 2.0 equivalent E/Ps for the Metals and Abandoned Vehicles Program. We had changed that to one and we realized we lost someone in the shuffle so that position is being returned to that so it should be, it should read, and does read, 2.0 Equivalent Personnel for the Metals and Abandoned Vehicle Program. And the following page you can see the adjustment on the Open Space Fund and that 221,166 will be adjusted with the \$341 amount. And then on Page 69 the 438,332 will be adjusted by the, by adding the \$682 mentioned earlier.

COUNCILMEMBER COUCH: Mr. Chair?

CHAIR WHITE: Yes?

COUNCILMEMBER COUCH: I noticed on Page 60, (CDBG) you pretty much made it a line item, you put each one as a line item. As provided by their reso.

MS. YOSHIMURA: Mr. Chair?

CHAIR WHITE: Yes?

MS. YOSHIMURA: Yes, we did list all the projects that was listed in the reso that was passed earlier by the Counsel and we did make the adjustment that we discussed earlier in the week.

COUNCILMEMBER COUCH: So the one where they sent back the letter saying they got lowered?

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

May 5, 2014

MS. YOSHIMURA: Correct, the adjustment of about \$43,000.

COUNCILMEMBER COUCH: Okay.

CHAIR WHITE: Any questions, Members? If not the Chair would like a five-minute recess just to make sure that I've got everything up here that I need. So we'll be — oh.

COUNCILMEMBER VICTORINO: No objections, Chair.

CHAIR WHITE: Oh, okay. So we'll be in recess for five minutes. ...*(gavel)*...

RECESS: 10:58 a.m.
RECONVENE: 11:08 a.m.

CHAIR WHITE: ...*(gavel)*... The Budget and Finance Committee will reconvene. And Members, we now are at the point where we will be going through each of the bills recommended for passage so please bear with me as I read out the bill titles. And regarding the first bill, the Chair would entertain a motion recommending passage of a proposed bill entitled A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO INTERGOVERNMENTAL AGREEMENTS FOR LOANS FROM THE STATE OF HAWAII'S WATER POLLUTION CONTROL REVOLVING FUND FOR VARIOUS WASTEWATER PROJECTS, FISCAL YEAR 2015 BUDGET ORDINANCE. Purpose of the proposed bill is to authorize the Mayor to enter into intergovernmental agreements to finance the following waste water projects: Paia Wastewater Pump Station Force Main Replacement, with funds not to exceed \$5.1 million; South Maui Recycled Water Distribution System Expansion, with funds not to exceed \$1,044,000; and Waiehu Wastewater Pump Station Force Main Replacement, with funds not to exceed \$1,300,000.

VICE-CHAIR HOKAMA: Chairman.

CHAIR WHITE: Yeah.

VICE-CHAIR HOKAMA: If there's no objections by the members of the Committee, I would recommend you make a master motion and include all the things you want in that one master motion.

CHAIR WHITE: Okay.

COUNCIL MEMBERS: No objections.

CHAIR WHITE: No objections. Okay. Staff, do I need to read each bill? Okay, Members you have the purpose of each bill on your sheet. So if you're alright with it I will just read the bill titles.

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

May 5, 2014

COUNCIL MEMBERS: No objections.

CHAIR WHITE: Okay, so we will take bills noted as Number 1 through 6. So the first one remains as stated with the note the proposed bill will be revised to reflect an effective date of July 1, 2014.

Secondly the recommendation is to pass on first reading a bill entitled A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO INTERGOVERNMENTAL AGREEMENTS FOR LOANS FROM THE STATE OF HAWAII'S DRINKING WATER TREATMENT REVOLVING FUND FOR VARIOUS WATER PROJECTS, FISCAL YEAR 2015 BUDGET ORDINANCE. Included in the motion is the proposed bill will be revised to delete the Lower Baldwin Waterline Upsizing project, as recommended by the Committee, and to reflect an effective date of July 1, 2014.

The third bill is a bill proposed....a proposed bill entitled A BILL FOR AN ORDINANCE TO AMEND CHAPTER 2.68, MAUI COUNTY CODE, RELATING TO VOTER REGISTRATION DATA.

The fourth is a proposed bill entitled A BILL FOR AN ORDINANCE AUTHORIZING THE ISSUANCE OF FORTY-EIGHT MILLION SIX HUNDRED FIFTY-NINE THOUSAND DOLLARS (\$48,659,000) AGGREGATE PRINCIPAL AMOUNT OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI FOR THE PURPOSE OF PROVIDING FUNDS TO PAY ALL OR A PART OF THE COST OF APPROPRIATIONS FOR PUBLIC IMPROVEMENTS OF AND FOR THE COUNTY OF MAUI; FIXING THE FORM, DENOMINATIONS AND CERTAIN OTHER FEATURES OF SUCH BONDS AND PROVIDING FOR THEIR SALE; AUTHORIZING THE DIRECTOR OF FINANCE TO DETERMINE CERTAIN DETAILS OF THE BONDS; AUTHORIZING THE ISSUANCE AND SALE OF A LIKE PRINCIPAL AMOUNT OF GENERAL OBLIGATION BOND ANTICIPATION NOTES IN ANTICIPATION OF THE ISSUANCE AND SALE OF SUCH BONDS; AND PROVIDING FOR OTHER ACTIONS RELATED TO THE ISSUANCE, SALE AND DELIVERY OF SAID BONDS. Pertaining to this bill, the proposed bill will be revised to incorporate the changes recommended by the Committee, including the change in the amount of General Obligation bonds in the title and the text of the bill.

Next bill is 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 BONDS WERE INITIALLY ISSUED, OR MAY OR SHOULD NOT BE APPLIED TO THOSE PURPOSES, AND DIRECTING SUCH PROCEEDS TO OTHER PUBLIC IMPROVEMENTS OR AUTHORIZED PURPOSES OF THE COUNTY OF MAUI. Pertaining to this bill, the proposed bill will be revised to incorporate changes recommended by the Committee, including the change in the

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

May 5, 2014

amount of lapsed bond proceeds and projects authorized. The projects authorized will now include 3.5 million for the Molokai Baseyard project.

And the sixth bill is a bill entitled A BILL FOR AN ORDINANCE RELATING TO THE CAPITAL PROGRAM FOR THE FISCAL YEAR ENDING JUNE 30, 2015. And with respect to this bill the proposed bill will be revised to incorporate the changes recommended by the Committee, including appendices updated to the most recent reporting period. Mr. Hokama?

VICE-CHAIR HOKAMA: Okay, you're just gonna do those, those six?

CHAIR WHITE: Those six and then...

VICE-CHAIR HOKAMA: I move that six bills, the six bills read by the Chairman be ordered for first reading be ordered to print, to also allow the Staff, the appropriate Staff to make any nonsubstantive changes to meet form and approval of requirements.

COUNCILMEMBER VICTORINO: Second, Mr. Chair.

CHAIR WHITE: It's been moved by Mr. Hokama, seconded by Mr. Victorino to pass the bills as read by the Chair. Any further discussion, Members? Seeing none, all those in favor, please signify by saying, "aye".

COUNCIL MEMBERS: Aye.

CHAIR WHITE: Those opposed, say, "no". Measure passes, eight "ayes", zero "noes", with Member Carroll "excused".

VOTE: AYES: Chair White, Vice-Chair Hokama, and Councilmembers Baisa, Cochran, Couch, Crivello, Guzman, and Victorino.

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmember Carroll.

MOTION CARRIED.

ACTION: Recommending FIRST READING of revised bills.

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

May 5, 2014

REVIEW OF PROVISOS

CHAIR WHITE: Moving onto the seventh bill which is the Budget ordinance, we have passed out for your review General Budget Provisions, and basically the purpose of these revisions is simply to put back language as it was stated last year, and the language did not come through on the Administration's copy of the proposal. Any questions on the provisions?

COUNCILMEMBER COUCH: Can I have few minutes to read it? Please.

CHAIR WHITE: Yeah, let's take a five-minutes recess. ...*(gavel)*...

RECESS: 11:16 a.m.

RECONVENE: 11:21 a.m.

CHAIR WHITE: ...*(gavel)*... This meeting of the Budget and Finance Committee will reconvene. Members, any questions? Mr. Couch.

COUNCILMEMBER COUCH: Thank you, Mr. Chair. Having looked at last year's proposal and this year's proposal I do notice a little bit of a difference.

CHAIR WHITE: Yeah, there's one change the Staff reminded me of.

COUNCILMEMBER COUCH: In Section 10 where it says "and budget details, as amended".

CHAIR WHITE: Correct.

COUNCILMEMBER COUCH: That wasn't in last year's and not sure but that sounds like that makes it kind of a line item budget, because it's saying that the budget details are part of the ordinance now.

CHAIR WHITE: Well I don't believe that's the case but...

COUNCILMEMBER VICTORINO: I don't, yeah, could we have Corp. Counsel address that, Mr. Chair?

CHAIR WHITE: Corp. Counsel?

MR. UEOKA: Thank you, Chair. Actually by incorporating it into the document it does make it a part of the document and it must be complied with at that point.

CHAIR WHITE: Yeah, but it's not making it any more of a line item than, it doesn't change the...

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

May 5, 2014

MR. UEOKA: Actually, depending on what the final details look like, it would be rather specific as to what funds are getting spent on, or should be spent on making it less, it'd be like a bunch of additional provisos into the budget.

CHAIR WHITE: I believe that's the purpose of the Budget is to identify the reason or the projects on which the monies are to be expended.

MR. UEOKA: I, it's a policy of the Council of course, but a program budget I believe is supposed to be a little broader but that's the policy of the Council, of course.

CHAIR WHITE: Okay, any further questions? Mr. Couch.

COUNCILMEMBER COUCH: Yeah, my concern is that, you know, did we look at all the, I mean we all looked at the budget details and some of us made change in some places and others made it in others, but when we went through in your first draft, it listed almost in every one kind of each line in the, sort of each line in the details just sometimes you would have the number, the actual index code and sub-object without the sub-object codes. But sometimes it would say just professional services that was split up between two or three, so I'm not sure that there's any...

CHAIR WHITE: Yeah, I don't see this as changing, this is not changing it to a line item budget in my view. My understanding this would impact the Capital Program more than changing the, if we were to...want to disallow the use of C Funds for salaries or B Funds for equipment that would be, I believe that would require different wording. Mr. Hokama.

VICE-CHAIR HOKAMA: I don't see this in any way restricting the three accounts at all. I think this is more about, you know, I'm not a fan of program budgeting, it ain't, it's not good enough for our people, it's not good enough for the taxpayers, it's not good enough for Councilmen. We move, you know, the attempt was to move, take program budgeting to performance budgeting and to me this is a hybrid component and this is what the Legislative Branch needs to make the appropriate assessment to appropriate money. That the Administrative Branch, the Executive Branch still has the flexibility to use the monies, we're not restricting accounts, Chairman, you know, we made the cuts and we're gonna let them manage, be true directors and division heads and be management employees that will use their tools to make this budget work. So I don't see this in any way being so restrictive that they cannot do their job. But I think it will help us measure performance, on how they do their job to make even better budgetary decisions for the next budget fiscal year's deliberation so I can support this. I wanna see how they're gonna perform and I think this is one way to measure performance, so I can support this Chairman, thank you.

CHAIR WHITE: Yeah, it's the Chair's view that this is simply saying if this is what you said you were gonna do, then follow the budget as amended.

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

May 5, 2014

COUNCILMEMBER VICTORINO: Chair?

CHAIR WHITE: Yes, Mr. Victorino?

COUNCILMEMBER VICTORINO: I would again beg your indulgence to have Corp. Counsel address this 'cause, I too agree somewhat with Mr. Hokama but the concerns Mr. Couch brought up I think valid enough. I really want clarification.

CHAIR WHITE: That's fine.

COUNCILMEMBER VICTORINO: Please if you don't mind.

CHAIR WHITE: Mr. Ueoka?

MR. UEOKA: Thank you, Chair. Also I don't know if the Mayor's Budget details were formally, I think they are transmitted. Oh maybe they're not, yeah limited distribution, they're not transmitted so whatever's being incorporated into the Budget ordinance or I guess the Budget through Section 10, I guess I'd wanna or we'd need to know exactly what the budget details are before or they need to get adopted in some way, shape, or form by this body also. 'Cause I guess I'm unclear as to what budget details means in the context of Section 10.

COUNCILMEMBER COUCH: And, Mr. Chair, just --

CHAIR WHITE: Mr. Couch?

COUNCILMEMBER COUCH: --if we use that, what was distributed here in this book there's a lot of personnel information and proprietary information that's why it is limited distribution.

CHAIR WHITE: Limited, right. Chair's gonna take a recess to confirm with...or to confer with our attorney that drafted it, just to see what the intention was. So we'll be in recess for...give me ten minutes. ...(gavel)...

RECESS: 11:28 p.m.

RECONVENE: 11:46 p.m.

CHAIR WHITE: ...(gavel)... This meeting of the Budget and Finance Committee will reconvene and during the recess we've concluded that this was actually a little bit of fun because we gave poor Mr. Baz a bit of a heart attack.

COUNCIL MEMBERS: ...(laughter)...

CHAIR WHITE: And the Chair just wants to point out that there was never any intention to incorporate the Budget Details that we were provided as a part of the Budget document. The intent of this and it was to simply reflect the project descriptions from the Capital Program

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

May 5, 2014

which are part of the Proposed Budget. So at this point the Chair is more than happy just to go back to the wording from last year. So does anyone have any concerns about any of the other wording as noted in the handout?

COUNCILMEMBER CRIVELLO: He looks like he has a concern.

COUNCILMEMBER BAISA: Mr. Ueoka.

CHAIR WHITE: Mr. Ueoka?

MR. UEOKA: Question, Chair. Are you gonna make that addition to last year's language also, yeah? No?

CHAIR WHITE: Say that...

MR. UEOKA: Are you making an addition to the...

CHAIR WHITE: No, we're not, we're just taking last year's language and repeating it.

COUNCILMEMBER COUCH: For Section 10 only, right?

CHAIR WHITE: For Section 10 only --

MR. UEOKA: Oh.

CHAIR WHITE: --just to keep it simple.

MR. UEOKA: Okay, thank you.

CHAIR WHITE: So when I make my recommendation please understand that it will not, we're, I think I can do that just that my recommendation will not incorporate that change. So, okay, everyone cool with that?

COUNCILMEMBER BAISA: Yes.

COUNCILMEMBER VICTORINO: Yes, sir.

CHAIR WHITE: Okay. Then the Chair would entertain a motion to pass on first reading a bill entitled A BILL FOR AN ORDINANCE RELATING TO THE OPERATING BUDGET FOR THE COUNTY OF MAUI FOR THE FISCAL YEAR JULY 1, 2014 TO JUNE 30, 2015. The proposed bill will be revised to incorporate the changes recommended by the Committee, including updated General Budget Provisions and an updated Attachment B-1. Of course the motion does not include the change to Section 10.

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

May 5, 2014

VICE-CHAIR HOKAMA: Chairman I make that motion on the Committee's behalf and to also allow, the motion would also allow the Staff to make nonsubstantial changes to meet the requirements of form and legality.

COUNCILMEMBER BAISA: Second.

CHAIR WHITE: Thank you. It's been moved by Mr. Hokama and seconded by Chair Baisa that we pass the bill as stated and allow the Staff to make technical and nonsubstantive adjustments. Any discussion, Members? Seeing none, all those in favor, please signify by saying, "aye".

COUNCIL MEMBERS: Aye.

CHAIR WHITE: Those opposed, say, "no". Measure passes, eight "ayes", zero "noes" with Member Carroll "excused".

VOTE: AYES: Chair White, Vice-Chair Hokama, and Councilmembers Baisa, Cochran, Couch, Crivello, Guzman, and Victorino.

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmember Carroll.

MOTION CARRIED.

ACTION: Recommending FIRST READING of revised Budget bill.

REFERRALS TO COMMITTEE

CHAIR WHITE: With that we now move to identifying the referrals. And we refer to the Budget and Finance Committee, the matter relating to reallocation, reassignment, and creation of positions; and the referral will read as follows. This matter is related to whether the Administration can create positions; the Charter says the Council authorizes positions not the Administration. Budget Director stated, the Mayor creates positions as needed and these don't necessarily correlate to an E/P. We need to consider whether this approach is in line with the Charter. Additionally while the Counsel authorizes positions, the Administration needs to be able to reallocate E/Ps and manage operations without the Council having to go through the process of subtracting and adding E/Ps between departments to make moves. The Council isn't responsible for management of County operations; the Administration

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

May 5, 2014

needs to handle this. Mr. Baz states that it is incredibly difficult, it's challenging because temporary reassignment of a position has to go through union consultation and they can't move funding between departments so the department receiving the position would have to find funding from their existing buckets. Okay. Staff handed me a note saying, no need to read the notes.

COUNCIL MEMBERS: ...*(laughter)*...

COUNCILMEMBER BAISA: Yay, I love the Staff.

CHAIR WHITE: You can tell they've spent more time in this Chamber than they care to. Okay, so we are simply referring that matter to the Budget and Finance Committee in addition to the matter relating to additional Emergency Management Services Funding from the State that was in relationship to the question of the Fire Department whether they have requested additional funding since they handle many of the EMS calls. To the Economic Development, Energy, Agriculture, and Recreation Committee we are referring the matter relating to a potential redesign of the South Maui Gym in Kihei to a multipurpose center. As well as the same Committee we are referring the matter relating to an evaluation of the Maui Community Correctional Center Work Line Program, Maintenance Division, Department of Parks and Recreation, and the third matter referred to this Committee is the matter relating to volunteer agreements for park maintenance. To the Housing, Human Services, and Transportation Committee, we're referring the matter relating to animal management revolving fund fees and their use as well as the matter relating to equitably spreading the cost of animal control services to animal owners. To the Infrastructure and Management Committee, Environmental Management Committee we're referring the matter relating to an evaluation of the Waiko Road Subdivision sewer system project, including community outreach regarding costs and impacts to homeowners. There are seven items being referred to this Committee, and the second one is a matter relating to bridge design bundling and related cost efficiencies. Third, the matter relating to conversion of the Wailuku Municipal Parking Lot to a paid or metered system. The fourth is the matter relating to the County's information technology infrastructure, including updates from the Management Information Systems program and development of the County's computer security preparedness plan. The fifth is the matter relating to a universal trash pickup fee and associated cost recovery considerations. The sixth is the matter relating to sustainability, how it is defined, and its relationship to Section 8-15.3(4) of the Revised Charter of the County of Maui (1983), as amended. The seventh and last is the matter relating to expansion positions for the Solid Waste Division, Department of Environmental Management. To the Planning Committee, we're referring the matter relating to requirements on the County for compliance with Federal Metropolitan Planning Organization obligations. And secondly we're referring the matter relating to form-based code and its efficacy. To the Policy and Intergovernmental Affairs Committee we are referring the matter relating to cyber breach insurance as a part of the County's risk management activities. Secondly, the matter relating to cost recovery for ocean safety rescues. Third, we're referring the matter relating to water flow requirements for fire control in rural areas. To the Water Resources Committee, we are referring the

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

May 5, 2014

matter relating to optimizing the \$10 million investment in Countywide mainline and water infrastructure improvements recommended in the FY 2015 Budget by your Committee. The second referral is the matter relating to categories of Agricultural water rates, and the third and last item is the matter relating to water system development fee adjustments, including possible subsidies, available, availability of affordable housing fund assistance, minimizing impacts on real estate speculation, and rates for Molokai and applicants on the Upcountry priority list. Members, the Chair will certainly entertain additional referrals if we missed some that were brought up during the process. Mr. Couch?

COUNCILMEMBER COUCH: Thank you. Just a couple questions. The matter relating...in Policy and Intergovernmental Affairs Committee the matter relating to cost recovery for ocean safety rescues, I believe that was for all rescues.

CHAIR WHITE: Yeah, I recall that it doesn't need to be --

COUNCILMEMBER COUCH: Right.

CHAIR WHITE: --limited to ocean safety.

COUNCILMEMBER COUCH: Okay.

CHAIR WHITE: So if the Committee would like us to amend that we can amend it just to simply refer the matter relating to cost recovery for rescues by Fire and Public Safety personnel.

COUNCILMEMBER COUCH: No objection.

VICE-CHAIR HOKAMA: That's fine.

COUNCILMEMBER VICTORINO: Mr. Chair?

CHAIR WHITE: Any objection? Mr. Victorino?

COUNCILMEMBER VICTORINO: You know and many times involved in that is also the Police Department.

CHAIR WHITE: Right.

COUNCILMEMBER VICTORINO: They are many times involved with Fire, with the rescues themselves.

CHAIR WHITE: Right.

COUNCILMEMBER VICTORINO: Recoveries especially when scenes are, may contain suicide or other. So I think you can just put...

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

May 5, 2014

CHAIR WHITE: Maybe we just leave that off and just say --

COUNCILMEMBER VICTORINO: All rescues for all Departments.

CHAIR WHITE: --matter relating to cost recovery for rescues.

COUNCILMEMBER VICTORINO: Thank you, there you go.

COUNCILMEMBER BAISA: There you go. Yes. More generic.

COUNCILMEMBER VICTORINO: Amen. There you go, thank you.

CHAIR WHITE: Yup.

COUNCILMEMBER VICTORINO: Thank you, Chair.

COUNCILMEMBER COUCH: And the other question I had, Mr. Chair, was in the Planning Committee, the matter relating to requirements for the County for compliance with Federal Metropolitan Planning Organization obligations, while it has the word Planning in there it really affects Public Works and Transportation.

CHAIR WHITE: That's true. Yup.

COUNCILMEMBER COUCH: So...

CHAIR WHITE: So we'll move...

COUNCILMEMBER COUCH: I'm fine with taking it but if you, it I would think it would go more to Ms. Cochran's Committee.

CHAIR WHITE: Yeah. Ms. Cochran, you want Mr. Couch to deal with this or?

COUNCILMEMBER COUCH: I'll go either way if you can't...

COUNCILMEMBER COCHRAN: Just leave it where it is for now, Chair, and then we'll see who can get to it, I mean I got seven items, he's got —

COUNCILMEMBER COUCH: Okay, sure.

CHAIR WHITE: Yeah.

COUNCILMEMBER COCHRAN: --two.

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

May 5, 2014

CHAIR WHITE: No, good point, Mr. Couch, and...any other issues that require referral that we've missed?

COUNCILMEMBER BAISA: Somebody took good notes.

CHAIR WHITE: Okay. Staff, do we have anything else we need to cover?

VICE-CHAIR HOKAMA: So Chairman, you want a motion to move to Council for consideration the referral, recommendations, as well as your filing recommendations?

CHAIR WHITE: That would be nice, thank you.

VICE-CHAIR HOKAMA: I make that motion that the items read and attached to Page 3 and 4 and 5 of your handout dated May 5, 2014, be recommended to Council, for referral to the recommended Committees as well as the two filings of County Communications, one from Chair Baisa, 14-31, and one from Mayor Arakawa, 14-82.

CHAIR WHITE: Do we have second?

COUNCILMEMBER VICTORINO: Second, Mr. Chair.

CHAIR WHITE: Thank you. It's been moved by Mr. Hokama and seconded by Mr. Victorino to make the referrals as noted in the document with the modifications mentioned as well as filing of the two communications noted by the maker of the motion. Discussion, Members? Seeing none, all those in favor, please signify by saying, "aye".

COUNCIL MEMBERS: Aye.

CHAIR WHITE: Those opposed, say, "no". Measure of passes, eight "ayes", zero "noes", with Mr. Carroll excused.

VOTE: AYES: Chair White, Vice-Chair Hokama, and Councilmembers Baisa, Cochran, Couch, Crivello, Guzman, and Victorino.

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmember Carroll.

MOTION CARRIED.

BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

May 5, 2014

ACTION: Recommending REFERRAL of matters to various standing committees; and FILING of communications.

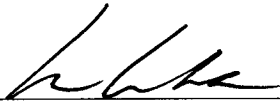
CHAIR WHITE: And I believe that brings us to the end of our requirements today. I wanna thank you all for a, for all of your attention and focus over the last several weeks. Actually last five weeks or so.

COUNCIL MEMBERS: ...*(laughter)*...

CHAIR WHITE: And thank you for your patience with the Chair and I wanna thank the Staff for their incredibly hard work and wonderful focus and with that, Members, we are adjourned. ...*(gavel)*...

ADJOURN: 12:00 p.m.

APPROVED:



MIKE WHITE, Chair
Budget and Finance Committee

bf:min:140505-reconvene:jp

Transcribed by: Jean Pokipala

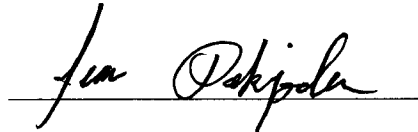
BUDGET AND FINANCE COMMITTEE MINUTES
Council of the County of Maui

May 5, 2014

CERTIFICATE

I, Jean Pokipala, 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 26th day of April, 2014, in Wailuku, Hawaii

A handwritten signature in black ink, reading "Jean Pokipala", written over a horizontal line.

Jean Pokipala