

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

August 25, 2015

Committee
Report No. _____

Honorable Chair and Members
of the County Council
County of Maui
Wailuku, Maui, Hawaii

Chair and Members:

Your Budget and Finance Committee, having met on August 3, 2015, makes reference to County Communication 15-202, from the Director of Finance, transmitting a proposed resolution entitled "AUTHORIZING THE EMPLOYMENT OF SPECIAL COUNSEL HAWKINS DELAFIELD & WOOD LLP, FOR THE COUNTY OF MAUI 2015 GENERAL OBLIGATION BOND ISSUANCE."

The purpose of the proposed resolution is to authorize the employment of Hawkins, Delafield & Wood LLP ("firm") as special counsel to represent the County on bond and disclosure matters relating to the anticipated issuance of the 2015 general obligation bonds. The proposed resolution would allow for total compensation not to exceed \$70,000 and expenses not to exceed \$2,500.

Your Committee notes Section 3-6(6) of the Revised Charter of the County of Maui (1983), as amended ("Charter"), authorizes the Council to retain or employ, by a vote of two-thirds of its entire membership, special counsel for any special matter presenting a real necessity for such employment. Section 3-6(6) of the Charter further requires that any such employment specify the compensation, if any, to be paid for the services.

Your Committee also notes the Council previously authorized employment of the firm for the issuance of the County's 2014 general obligation bonds by Resolution 14-51, for a total compensation not to exceed \$19,000 and expenses not to exceed \$750.

The Deputy Director of Finance said the firm was the winning bidder in the County's procurement process.

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Your Committee discussed the amount of compensation requested and questioned the substantial increase from last year. Michael Sean Tierney, Esq., a representative of the firm, said the compensation arrangement in 2014 was based on a fixed rate. He said the compensation requested for this year is more consistent with industry practices where compensation is based on the size and complexity of the bond transaction.


Your Committee was satisfied with the qualifications and performance of the firm in its prior representations of the County, and recommended the firm be retained.

Your Committee voted 8-0 to recommend adoption of the proposed resolution and filing of the communication. Committee Chair Hokama, Vice-Chair White, and members Baisa, Carroll, Cochran, Couch, Crivello, and Guzman voted "aye." Committee member Victorino was excused.

Your Budget and Finance Committee RECOMMENDS the following:

1. That Resolution _____, attached hereto, entitled "AUTHORIZING THE EMPLOYMENT OF SPECIAL COUNSEL HAWKINS DELAFIELD & WOOD LLP, FOR THE COUNTY OF MAUI 2015 GENERAL OBLIGATION BOND ISSUANCE," be ADOPTED; and
2. That County Communication 15-202 be FILED.

This report is submitted in accordance with Rule 8 of the Rules of the Council.



RIKI HOKAMA, Chair

Resolution

No. _____

AUTHORIZING THE EMPLOYMENT OF SPECIAL COUNSEL
HAWKINS DELAFIELD & WOOD LLP, FOR THE
COUNTY OF MAUI 2015 GENERAL OBLIGATION BOND ISSUANCE

WHEREAS, the Council alone is authorized to retain or employ special counsel by resolution adopted by a two-thirds vote; and

WHEREAS, the Council finds that there is a real necessity to retain the firm of HAWKINS, DELAFIELD & WOOD LLP to represent the County of Maui as Bond and Disclosure Counsel; and

WHEREAS, the Department of Finance issued a Request for Proposal for Qualified Bond and Disclosure Counsel on June 19, 2015; and

WHEREAS, HAWKINS, DELAFIELD & WOOD LLP was the highest scorer of the applicants as determined by the Department of Finance; now, therefore,

BE IT RESOLVED by the Council of the County of Maui:

1. That the Council hereby authorizes the employment of the firm HAWKINS, DELAFIELD & WOOD LLP, as bond and disclosure counsel to represent the County of Maui during its 2015 General Obligation Bond Issuance; and

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2. That the total compensation for the employment of the firm HAWKINS, DELAFIELD & WOOD LLP, as bond and disclosure counsel shall not exceed \$70,000; and

3. That expenses for HAWKINS, DELAFIELD & WOOD LLP, shall be limited to \$2,500; and

4. That the expenditures of additional funds shall require prior Council approval; and

5. That certified copies of this resolution be transmitted to the Mayor, the Corporation Counsel, and the Director of Finance.

APPROVED AS TO FORM
AND LEGALITY:



JEFFREY UEOKA
Deputy Corporation Counsel
County of Maui

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