

BUDGET AND FINANCE COMMITTEE

Council of the County of Maui

MINUTES

April 23, 2008

Council Chamber, 8th floor

CONVENE: 9:19 a.m.

PRESENT: VOTING MEMBERS:

Councilmember Joseph Pontanilla, Chair
Councilmember G. Riki Hokama, Vice-Chair
Councilmember Gladys C. Baisa, Member
Councilmember Jo Anne Johnson, Member
Councilmember Danny A. Mateo, Member
Councilmember Bill Kauakea Medeiros, Member
Councilmember Michael J. Molina, Member (out 7:36 a.m.)
Councilmember Michael P. Victorino, Member

EXCUSED: Councilmember Michelle Anderson, Member

STAFF: Lance Taguchi, Legislative Analyst
Michael Geers, Legislative Analyst
Gayle Revels, Legislative Analyst
Yvette Bouthillier, Committee Secretary

Leinnala Kihm, Executive Assistant to Councilmember Medeiros

ADMIN.: Fred Pablo, Budget Director, Office of the Mayor
Cheryl K. Okuma, Director, Department of Environmental Management
Tamara Horcajo, Director, Department of Parks and Recreation
Michael Miyamoto, Deputy Director, Department of Public Works
Traci Fujita Villarosa, First Deputy Corporation Counsel, Department of the Corporation Counsel

Seated in the gallery:

Sheri Morrison, Director, Department of Management
Marian Feenstra, Executive Assistant, Office of the Mayor
Jacob Verkerke, Information Systems Manager, Management Information Systems Division, Department of Management
Tehani Biga, Budget Specialist, Budget Office, Office of the Mayor

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

People that are testifying this morning you do have three minutes to testify, one minute to conclude. If you're gonna go longer than four minutes, then I would, you know, consider that you look at, you know, continuing on after everybody has spoken. The Chair will give you an additional three minutes. If you could provide us your name, organization that you represent so that the Committee will have a good idea who you are, you can go forward. This morning, again, you know, we do have one person that signed up for public testimony. Deidre Tegarden. And member of the audience if you wanna sign up for public testimony at this time, you know, if you could come forward. Thank you.

...BEGIN PUBLIC TESTIMONY...

MS. TEGARDEN: Good morning, Committee Chair, Committee Council Members. My name is Deidre Tegarden. I am the Coordinator for the Office of Economic Development, and this morning I'm here on behalf of the line item for Maui Electric Solar Water Heater Initiatives just to give some further clarification.

Oops. Sorry.

As we move forward with a future for Maui County, that is less dependent on fossil fuels, Maui Electric Solar Water Heater Initiatives grants for \$150,000 is extremely important to us. This revolving fund to date has allowed over 435 homes, predominantly lower income, to receive solar water heaters. With the \$150,000, forty new families are able to receive the solar water heaters. The loan program targets the first cost barrier that holds a lot of the applicants back from installing these systems, and the zero interest loan is paid back with payments that are equal to the expected savings from the usage of the solar water heating systems so that the applicant doesn't really see any added monthly expense as they pay back the loan. So it is just our humble request that the Committee look at the Solar Water Heating Initiative line item again as you move forward with your recommendations for our budget. Thank you.

CHAIR PONTANILLA: Thank you. Members, questions for the testifier this morning? Member Mateo.

COUNCILMEMBER MATEO: Thank you, Chairman. Good morning.

MS. TEGARDEN: Good morning.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER MATEO: Thank you for being here. Can you give me additional information regarding the revolving loan in terms of what your existing balance may be.

MS. TEGARDEN: The . . .the partnership with the County started back in 2002, and currently there is \$550,000 in the loan. Maui Electric administers the loan themselves.

COUNCILMEMBER MATEO: So the five hundred and fifty thousand in balance at this point these are not earmark monies. These are just monies to once again be able to enter into agreements with residents wanting to get solar systems?

MS. TEGARDEN: Correct. It is, it is specifically for the solar water heaters and for the residents who want those.

COUNCILMEMBER MATEO: Do you know what their average is in terms of how many families they service a year.

MS. TEGARDEN: The \$150,000 goes for 40 new families and to date 435 families have received solar water heaters through the program.

COUNCILMEMBER MATEO: Four hundred and thirty five that's for the last, the last six years.

MS. TEAGARDEN: Correct.

COUNCILMEMBER MATEO: Yeah, so the five hundred and fifty thousand at this point would not be sufficient for them to continue providing loan assistance?

MS. TEGARDEN: They can continue providing the loan assistance. It's just that the one hundred and fifty thousand allows 40 new families to receive the solar water heater. . .solar water heaters. So that as we do move forward with trying to cut down on fossil fuels and look at renewable energy initiatives, we thought that this was a very good way to go as a good partnership that we've had since 2002.

COUNCILMEMBER MATEO: Thank you very much.

MS. TEGARDEN: Thank you.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER MATEO: Thank you, Chair.

CHAIR PONTANILLA: Members, any more questions for the testifier this morning? Seeing none. Thank you again for being here.

MS. TEGARDEN: Thank you. Have a good day.

CHAIR PONTANILLA: The Chair would like to make one last request. If there's anyone out there that wanna provide public testimony at this time you could come forward? Seeing none, without any objections, Members, the Chair would like to close public testimony.

COUNCILMEMBER VICTORINO: No objections.

COUNCILMEMBER MEDEIROS: No objections.

COUNCILMEMBER BAISA: No objection.

CHAIR PONTANILLA: Thank you.

...END OF PUBLIC TESTIMONY...

**ITEM NO. 1: PROPOSED BUDGET FOR FISCAL YEAR 2009 FOR
THE COUNTY OF MAUI (C.C. Nos. 08-55, 08-56, 08-80,
and 08-88)**

CHAIR PONTANILLA: Members, we've completed three rounds of review of the proposed budget as submitted by your Chair, but before we go into more deliberations this morning, the Chair is . . . would like to tell you that we have an outstanding item that I think we all agree on in regards to the Traffic Impact Study for Maui County, and that cost has been estimated by Public Works at \$500,000. So, Members, I know we did some move, movements in regards to reducing, eliminating through our review monies from the proposed budget. At this time the Chair would like to holdback the excess money cash so that we can fund this Traffic Impact Study as being requested by Public Works Department. I think it's crucial that we do have this study, but instead of \$500,000 the Chair would like to recognize \$300,000 for that particular study. If there's any questions the Chair would like to address 'em at this time.

COUNCILMEMBER VICTORINO: No objection.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Thank you. So the Chair is looking for a motion to include in the Public Works area \$300,000 for the Traffic Impact Study for Maui, Mau County.

COUNCILMEMBER VICTORINO: So moved.

COUNCILMEMBER MEDEIROS: Second.

CHAIR PONTANILLA: Moved by Member Victorino, second by Member Medeiros to include \$300,000 for a Traffic Impact Study for Maui County.

COUNCILMEMBER VICTORINO: Chair.

CHAIR PONTANILLA: Any more discussion? Member Victorino.

COUNCILMEMBER VICTORINO: Just for a point of clarification, we have 35,000. That's 300,000 additional to that 35?

CHAIR PONTANILLA: In addition to the 35.

COUNCILMEMBER VICTORINO: So the total would be 335,000.

CHAIR PONTANILLA: Three hundred and thirty five thousand.

COUNCILMEMBER VICTORINO: Thank you for that clarification, Chair.

CHAIR PONTANILLA: Thank you. Member Johnson.

COUNCILMEMBER JOHNSON: Yes, I just wanted to also because I know that we've had some concerns about the I guess what all is included within the scope of the study, and I know that we had spoken a little bit about at least privately trying to get some kind of an RFP that would include transit. So would it be appropriate to insert some kind of a proviso that would allow at least the Planning Committee to have some kind of interaction when that RFP is actually formulated so that we get what's gonna be useful for us?

CHAIR PONTANILLA: Good question, Member Johnson. And the Chair is open to that. Presently we do have a Transportation Department that provides transit service through Maui County, and also as we plan forward the possibilities of more in fact different type of transit for Maui County I'm open to that.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER JOHNSON: Yeah, and, and, you know, I don't know how I would frame the proviso but basically if, if Chair Baisa has any recommendations that's fine, but otherwise I would just recommend that we try and come up with some type of a proviso that would satisfy the Members of the Council because I think each of us individually have had concerns about how the other study actually came out and then at the eleventh hour we found that we basically could not do what we wanted to do because there was a philosophical difference with the individual doing the study. The State Department of Transportation is also is undergoing with a different consultant some of their analysis. So I'll try. . .if I can just work on a proviso then with Chair Baisa or possibly with Public Works I would like to add something in to at least give us that kind of input or the ability to have input and interaction with the department.

CHAIR PONTANILLA: Thank you. Member Baisa.

COUNCILMEMBER BAISA: Thank you, very much, Chair, for the consideration because this is really a very important study that has to be done. It's standing between us and the ability to collect a lot of money. So I think it's a very good investment. I've had quite a few conversations with the folks in Public Works, both Mr. Arakawa and Mr. Miyamoto, and I think they're very clear about what is needed because, you know, we've been talking about this now for the last two years. And so I would not want anything that is cumbersome or that it will holdup the process 'cause you know I'm all about let's get this done, but I can appreciate what Member Johnson is trying to suggest. And just I think a simple statement that we would like to see what is gonna be included in the contract and what the products are that we will be expecting as outcomes is sufficient as far as I'm concerned.

CHAIR PONTANILLA: Thank you. Members, any more discussion on this? So Member Johnson and Member Baisa, both of you can work on something that's really simple to include transient [*sic*] transportation the Chair would appreciate that.

COUNCILMEMBER BAISA: Thank you.

CHAIR PONTANILLA: Okay, more discussion, Members? If not, the Chair would like to call for the question to move forward on this one here. Member Mateo.

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

April 23, 2008

COUNCILMEMBER MATEO: Yes.

CHAIR PONTANILLA: Member Baisa.

COUNCILMEMBER BAISA: Yes.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Aye.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Aye.

CHAIR PONTANILLA: Member Molina.

COUNCILMEMBER MOLINA: Aye.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: Mm.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Yes.

CHAIR PONTANILLA: The Chair votes yes. We do have eight ayes, one excused. Motion is carried.

VOTE:

AYES:	Councilmember Baisa, Johnson, Mateo, Medeiros, Molina, Victorino, Vice-Chair Hokama, and Chair Pontanilla.
NOES:	None.
ABSTAIN:	None.
ABSENT:	None.
EXC.:	Councilmember Anderson.

MOTION CARRIED.

ACTION: APPROVE.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Members, rather than start from page 1, I'd like to move forward on Grant Revenues on page 5 of 5. I'm sorry, let's see. . .(pause). . .as we went through our deliberations last night, there were some areas that we needed some confirmation in regards to funding that will be. . .that is being requested from the State of Hawaii as well as the--well, State of Hawaii as well as Federal Highway Administration. These are grant revenues that have been submitted to us by the Administration on March 15th. Looking at the top one, Department of Parks and Recreation, State of Hawaii Makena Lifeguard Services, again, the Chair's recommendation for that revenue grant is \$594,727. Is there any--

COUNCILMEMBER VICTORINO: So moved.

CHAIR PONTANILLA: Moved by Member Victorino. No second?

COUNCILMEMBER MATEO: Second for discussion.

CHAIR PONTANILLA: Second by Member Mateo. Members, discussion? Mr. Victorino.

COUNCILMEMBER VICTORINO: Well, I'll yield to Chair Hokama first.

CHAIR PONTANILLA: Thank you.

VICE-CHAIR HOKAMA: Yeah, Chairman, thank you. Currently at the Legislature under this consideration, Mr. Chairman, that we are able to confirm this morning, currently for this specific program area the Legislature has put in a total of \$406,469. In my conversations with Mayor Tavares earlier today we have philosophical agreement that if this does not cover the cost of the program, we should not be doing this program at all.

CHAIR PONTANILLA: Thank you.

VICE-CHAIR HOKAMA: So I share that comments that the Mayor and I had earlier approximately an hour ago or hour and a half ago. And this is what we know as of today, Mr. Chair, that they have reduced the requirements of this and this is suppose to provide for. . .let me read it. . .for compensation fringe benefits, training for the County of Maui. And so, Chairman, knowing that we only gonna get about, we're gonna be short \$150,000, we, maybe we need to have Parks ask us whether or not we're

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

gonna proceed with this 'cause I don't feel that we need to make up the shortfall.

CHAIR PONTANILLA: Thank you--

VICE-CHAIR HOKAMA: Thank you.

CHAIR PONTANILLA: --Mr. Hokama. Member Baisa.

COUNCILMEMBER BAISA: So that I understand this, I'm not really all that familiar with how this works. If we do what Chair Hokama is suggesting that we not cover shortfalls, then this \$594,727 is. . .we don't need it?

CHAIR PONTANILLA: As far as grant revenues from the State. Member Hokama.

COUNCILMEMBER BAISA: What does this mean? We've lost the revenues from the State is that what it means? I'm trying to figure out what, what we're doing?

CHAIR PONTANILLA: Yeah. Mr. Hokama.

VICE-CHAIR HOKAMA: The way we have been made to understand it Mr. Chairman is for the County of Maui to do the State obligation and responsibility of the scope and parameters that they wish for a St..., Makena State Park is approximately \$594,000. The Legislature is willing to ante up only \$406,000 to run this program. And so therefore we, we, you know, I would say for the Committee's understanding is that obviously what may be expected of us we may not be able to do with the monies that they are providing the County with. And my position, and we've talked to the Mayor. . .and again like, you know, the County has gone through this earlier, Ms. Baisa, the County use to provide some services, and at that point in time we didn't even get indemnification. So the County has paid millions in lawsuits taking care of State responsibility in that specific State Park area. I'm not sure that with the \$406,000 they're gonna give us we can perform at the level that makes the County satisfy of what our obligation would be if we entered into this program. And so in my discussions with the Mayor earlier this morning, and again, Chairman, if you wish to reconfirm with the Mayor please do so, but she is in agreement with me philosophically that maybe we shouldn't do the program if then we are gonna be expected to make up the difference

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

between what it totally cost to operate versus subtracting the State's less than adequate appropriation.

COUNCILMEMBER BAISA: Thank you very much. That makes it very clear. However, it does leave the question of liability for the County if. . .who's responsible? Maybe Corp. Counsel. . .you know I'm not, I have not participated in this huge longstanding debates about whose job it is and who gets sued and whatever and I'm learning it. But what happens if there are no lifeguards there because we decide we not gonna do the program and the State won't pay then what happens?

VICE-CHAIR HOKAMA: Chairman.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: The State would have to find a way to take care of their State beach park.

COUNCILMEMBER BAISA: So then in order we playing chicken. I'm with you, let's say no. Thank you.

VICE-CHAIR HOKAMA: And, again, Members, yeah, this is grant revenue, you know, the State can continue to give it to us. My concern that I've shared with the Mayor--the Mayor has in generally, you know, agreed with myself--is that should we do the program piecemeal or not with the full funding required to do a good job, you know we've, we've gone through this with other departments, Chairman, Prosecuting Attorney, we now gonna pay for something that was grant revenues in the past, and now we're gonna eat it with General Fund appropriations that has been the trend from Congress and the Federal government to the Legislature and State government. We end up with all their initiatives and great pump and circumstance about the benefits now becomes part of the County's responsibility to pay from its own funds where at onetime it was all grant fund revenues. So that's the concern I have is that the burden back on the County I feel is not fair, Chairman. Thank you.

CHAIR PONTANILLA: Thank you. Members, any more discussion? Before the Chair makes. . .or call for the vote on this one here, the Chair is gonna have Staff contact the Parks Department to provide us with some comments and some answers in regards should we move forward how they're gonna handle the shortfall.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

VICE-CHAIR HOKAMA: So Chairman.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: If I may, I would make a motion to amend the main motion by inserting a new number which is \$406,469.

COUNCILMEMBER VICTORINO: Second.

CHAIR PONTANILLA: Motion by Mr. Hokama, second by Mr. Victorino to amend the estimated revenue from the State to \$406,000. . .and what was the last--

VICE-CHAIR HOKAMA: Four hundred sixty nine dollars. That is currently what is in the, in the--

CHAIR PONTANILLA: State Leg.

VICE-CHAIR HOKAMA: --the legislative appropriation bills, Chairman, as the grant and aid for the Makena program.

CHAIR PONTANILLA: Thank you. Members, any more discussion?

COUNCILMEMBER VICTORINO: Yeah, Mr. Chair.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Yeah, and I can support this and also support what Chair Hokama has been bringing up. The unfortunate part of this whole deal is that whenever we don't have sufficient safety at beaches, whether they're State or County, I just feel sometimes our people are left out there. And I've had family functions down at Makena State Park and not having lifeguard sometimes is truly a real challenge, and I can imagine for the visitors and others that are down there. . .now, again, I, I've said this many times, when a problem occurs it's a problem that occurs here with our people, and the problem is when the monies, like Chair Hokama said, in many times has been brought in with full pump and pageantry and then disappears and then we're stuck with the bill 'cause our people expect that. They expect the safety, they expect that. So I hope they understand that if we bring this forward we can only provide as much services as we can with the 400,000. . .\$406,469. And whatever shortfall, I don't know if we'd be able to afford to pay for it in such an

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

austere time, but having some lifeguard or some coverage is better than no coverage at all. It's like better something than nothing. And I think that's the way I'd approach this in this respect, Chair. Thank you for my time.

CHAIR PONTANILLA: Thank you. Member Baisa.

COUNCILMEMBER BAISA: Chair, this still leaves me feeling really uneasy, and what Member Victorino says is what bothers me. I really would like to hear from the Parks Department what this would mean in terms of coverage. Does it mean that we'll have less hours where lifeguards are on the beach, or less lifeguards or. . .you know I'm terrified about losing anybody's life, and none of us know who that might be. It could be a family member because, you know, local people use the beach just as much as tourist, and anybody can have a heart attack or whatever, and with nobody there we don't know what might happen. And while I totally agree with Member Hokama and it's not fair that we are constantly saddled with things that should be taken care of by the State, and if we're gonna draw the line and get rid of everything that the State is suppose to pay for it, we're gonna have a real nice budget here and lots of money. But I'm concerned about the health and safety of our people.

CHAIR PONTANILLA: Thank you. Members, any more discussion on the amendment? Okay, if not the. . .Mr. Pablo.

MR. PABLO: I just like to make a comment for the consideration of the Committee. When we place this in Appendix A as Grant Revenue, this, this is the amount that we anticipate of receiving. And if we receive amounts, awards from the State we can receive up to this amount. Having a lower amount may limit whether we can accept a large amount. We'd have to come down for a budget amendment.

CHAIR PONTANILLA: That's. . .Mr. Pablo, that's the reason why we want the Parks Director to be here to explain to us should we move forward, knowing that we have a shortfall of \$150,000, how they will support this particular program. So, Member Johnson.

COUNCILMEMBER JOHNSON: Mr. Chair, in terms of balancing our revenues with the actual program expenditures, if we reduced this it's gonna put us out of balance is that correct?

CHAIR PONTANILLA: Yes.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER JOHNSON: Um. . .you know I understand what Mr. Pablo is saying and because of the revenues. . .revenues are merely a projection I would rather not have to have them come back, interrupt service. . .I mean if the revenues don't materialize then we'll have to deal with it, but if we put in the amount that we anticipate receiving, I think the onus is also on, you know, the State or whatever other revenue resources. It doesn't say we have to necessarily get it from the State. If people want the services then perhaps there are other ways that we could fill that gap, but I would prefer to leave in the higher amount only because of the reasons that Mr. Pablo has outlined. Otherwise we'll just have to do a budget amendment.

CHAIR PONTANILLA: Thank you.

COUNCILMEMBER VICTORINO: Chair.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Just so that I'm clear on this. If we have to insure this amount, \$406,469, and the State was to say oh, we'll give you 500,000, Mr. Pablo, that means you guys come back for the difference between the 406 and the 500,000 come back to us as a budget amendment you have to do that?

MR. PABLO: Yes, yes, Councilmember Victorino. The Appendix A states the amount that we can receive from the grantor. Should, should we have a large amount we would come in for a budget amendment.

COUNCILMEMBER VICTORINO: So we could receive. . .if we didn't change this up to 494,000 [*sic*]? Even if they gave us 406,000 that's okay because now you gotta make up the shortfall, but the 594,000 is the max we could receive. If they said I'll give you 700,000 you'd have to come running back here?

MR. PABLO: We would come down seek your approval.

COUNCILMEMBER VICTORINO: Just so I get clear clarification. Thank you for that clarification. Thank you, Chair.

CHAIR PONTANILLA: Members, any more discussion?

VICE-CHAIR HOKAMA: Chairman.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: And that's the point, have to come back to Council. That is what we would want to be explained the impact or adjustments to the program.

CHAIR PONTANILLA: Thank you. Members, any more discussion on the amended amount? If not the Chair will call for the question. Member Mateo.

COUNCILMEMBER MATEO: Yes.

CHAIR PONTANILLA: Member Baisa.

COUNCILMEMBER BAISA: Um. . .yes with reservations.

CHAIR PONTANILLA: Thank you. Member Johnson.

COUNCILMEMBER JOHNSON: I support your original amount.

CHAIR PONTANILLA: Thank you. Member Medeiros.

COUNCILMEMBER MEDEIROS: Aye.

CHAIR PONTANILLA: Member Molina.

COUNCILMEMBER MOLINA: Aye.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: Aye.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Yes with reservations.

CHAIR PONTANILLA: Thank you. And the Chair will be voting yes on the amendment. We have eight. . .seven ayes, one no, one excused on the amendment of the new figure \$406,469.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

VOTE: **AYES:** **Councilmember Baisa, Mateo, Medeiros, Molina, Victorino, Vice-Chair Hokama, and Chair Pontanilla.**

NOES: **Councilmember Johnson.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **Councilmember Anderson.**

MOTION CARRIED.

ACTION: APPROVE amendment to main motion.

CHAIR PONTANILLA: Members, before the Chair calls for the main motion as amended, I would like to have the Parks Department or give the Parks Department an opportunity to respond to the question that was posed earlier if we went ahead with this particular program how the shortfall would be covered. So, Members, at this time the Chair would like to recommend that we place this at end of calendar and revisit.

COUNCILMEMBER BAISA: No objections.

COUNCILMEMBER MEDEIROS: No objections.

COUNCILMEMBER VICTORINO: No objections.

CHAIR PONTANILLA: Thank you.

(note: silence)

CHAIR PONTANILLA: Okay, Members, the next one is Department of Public Works, Federal Highway Administration. . Highway and other Transportation Grants. The net estimated revenue through this grant that is being proposed is 7.6 million dollars. Members, the Chair would request for a motion.

COUNCILMEMBER VICTORINO: So moved.

COUNCILMEMBER BAISA: Second.

CHAIR PONTANILLA: Moved by Member Victorino, second by Member Baisa. Members discussion? Member Hokama.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

VICE-CHAIR HOKAMA: Chairman, just quickly, ISTEAs as we have it in the project grant description we have FHA/ISTEA-21. The ISTEAs were an earlier Federal authorization. It does no longer exist. It hasn't been in existence for about three years, but the Federal government is currently on is called SAFETEA-LU Highway and Transportation Grants. So I ask that we make the appropriate adjustment under the description of the program area. Yesterday in my communications with the east coast, Chairman, there is still outstanding concern of the insolvency of the Federal Highway Trust Funds. As I had mentioned earlier we are in the billions in, in shortfall of potential revenues. The Federal Highway Administration has taken the approach that if your project is ready to construct spend the money. If you're not ready they are going to reallocate and redirect those funds to other municipalities and local governments that are ready to move forward into construction. I share that as well as further concerns because on the east coast trucking is a major. . .(end of tape 1A). . .as well as moving the majority of 90 percent of cargo that enters the west coast east bound from the port of L.A. of Los Angeles. And for us, Mr. Chairman, what does that mean for Hawaii? Well, we are already finding out indications of continuing less revenue in the Highway System Trust Fund. The truckers are making a big national economic issues out of the cost of fuel. The projections are that it will continue to be less purchasing of gas thereby having further reduction of potential revenues in the trust fund. The only advice that they could share with me to. . .for me to share with you, Members, is that the, the number we are considering is as good a guess as any. Whether it will be realized will be dependent upon our departments to get construction projects ready to construct because the Federal. . .the Transportation Secretary has made it clear that if we are not she's gonna take the money and redirect it. So that's the only comments that I can share with the Members this morning. This number still looks good, but it may not be there for receiving if we're not ready, Chairman. Thank you.

CHAIR PONTANILLA: Thank you. Members, more discussion? Again, to the Public Works Department in regards to what was just shared with Mr. Hokama, and I think Director Arakawa is very aware as far as use it or lose it. So we need to be ready when money becomes available. Member Hokama.

VICE-CHAIR HOKAMA: And Chairman, that's not only for our highway projects.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Yes.

VICE-CHAIR HOKAMA: This SAFETEA-LU also impact transit money 'cause it's tied with the railroad system, and the way the Feds do FTA so it can also impact transit and, and, and I'm just sharing that with the Committee Members this morning, Chairman. That the fallout of this issue of less revenues for this trust fund is gonna impact all components that it funds whether it be in aviation, ports, highways, rail, and transit. Thank you.

CHAIR PONTANILLA: Thank you. More discussion? Member Johnson.

COUNCILMEMBER JOHNSON: Does this also impact like our bridges and some of our larger construction projects?

CHAIR PONTANILLA: When you look at the Federal funds on the CIP--

COUNCILMEMBER JOHNSON: Uh-huh.

CHAIR PONTANILLA: --all of those projects.

COUNCILMEMBER JOHNSON: Okay. And the other things that I . . .and of course I guess we really won't know because of the shortage of materials where a lot of our projects they may have been bid out and the contract is actually awarded. What happens when, for example, because the Public Works Department said they were not issuing notice to proceed even though the contract had actually been executed because we only have the one paving contractor on the island, what does that do to our position with regard to these monies? If we're not issuing a notice to proceed on a timely basis will the money also go away?

CHAIR PONTANILLA: Mr. Director.

MR. PABLO: This is a topic that I would like to consult with the Department of Public Works. I'd spoken to Milton Arakawa yesterday. They had applied for all of these grants which you see on Appendix A. He fully expects that they will receive it. Beyond that when they will receive any kind of notification on receipt of these amounts he couldn't provide any further information, but we could, could consult with him again.

COUNCILMEMBER JOHNSON: Yeah, and, and, Mr. Chair, my question is just mainly because we know what the situation is with the one company--limited asphalt supply, material issues, and also labor--my main

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

question, Mr. Pablo, would be because the Department has described to us what is actually transpiring when they encumber the money, they execute with. . .the contract's already executed. Because there's obviously a long queue with many people waiting in line for their projects to be completed, what happens in that interim when we are the ones that fail to issue the notice to proceed? Because from my understanding when Public Works said. . .I was asking about the timeliness and, you know, when, when these various projects would be done, and my understanding from the Department is that they do everything except that they work with the contractor so that they won't get into a penalty phase--

MR. PABLO: Uh-huh.

COUNCILMEMBER JOHNSON: --and they time it in such a way that the company will be able to complete the project without incurring fines or going into the penalty phase. So they don't. . .meaning the County doesn't actually issue the notice to proceed, but what my concern would be is that because of that queuing and it seems to be getting longer all the time even though we've allocated or encumbered the money, does the Federal government even care about that or is that a non-issue? And that's mainly what I wanna understand. Okay, thank you.

CHAIR PONTANILLA: Mr. Pablo.

MR. PABLO: Like said, I don't have the specifics. . .(inaudible). . . Let me get back to the Department of Public Works, specifically Milton Arakawa and the Deputy Director.

COUNCILMEMBER JOHNSON: Thank you.

MR. PABLO: Thank you.

CHAIR PONTANILLA: Okay, Member Johnson, the Chair is gonna move on this, and then when Milton Arakawa, because this is estimated revenue grant that the Chair would like to move forward because when you look at your Capital Improvement Projects there's a lot, and this is an estimate that hopefully the Department can receive. And, again, you know, knowing Mr. Arakawa, being the Public Works Committee Chair for two years, he pretty understand you know as far as the "use it or lose it" phrase that we all use, you know, after meeting with some people from the Federal government in regards to Federal Highway funds. So at this time the Chair would like to move on this, but before we do, Mr. Pablo.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

MR. PABLO: Yeah, let me make a comment if I could now, now we're on Public Works. It's on an earlier topic that this Committee discussed which was on the Traffic Impact Fees. I noticed that this morning that the amounts were being moved to the Public Works. And let me explain that the Mayor's position is that we would like the Traffic Impact Fees to continue to be under the Planning Department for various reasons, and we would have Mike Miyamoto, the Deputy Director, also involved in it.

The other comment she, she thought I should explain to the Committee is the. . .we were talking about having this Traffic Impact Fees cover also the State plans for roadway, highway development, and also transit fees. She would recommend that we go ahead covering that first part the State development, including the transit. . .mass transit at this time may delay the study. So perhaps with the 335,000 that you're presently funding that would be sufficient to cover the first two, but we can get a further estimate on that. Thank you.

CHAIR PONTANILLA: Members, any more discussion? If not, the Chair will call for the question. The net estimated revenue for this area is 7.6 million dollars. Member Mateo.

COUNCILMEMBER MATEO: Yes.

CHAIR PONTANILLA: Member Baisa.

COUNCILMEMBER BAISA: Yes.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Aye.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Aye.

CHAIR PONTANILLA: Member Molina.

COUNCILMEMBER MOLINA: Aye.

CHAIR PONTANILLA: Member Hokama.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

VICE-CHAIR HOKAMA: Mm.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Yes.

CHAIR PONTANILLA: Motion is carried. Eight ayes, one excused Member Anderson.

VOTE:

AYES:	Councilmember Baisa, Johnson, Mateo, Medeiros, Molina, Victorino, Vice-Chair Hokama, and Chair Pontanilla.
NOES:	None.
ABSTAIN:	None.
ABSENT:	None.
EXC.:	Councilmember Anderson.

MOTION CARRIED.

ACTION: APPROVE.

CHAIR PONTANILLA: Department of Water Supply, State of Hawaii for Upcountry Raw Water Storage Development. The Chair's recommendation is \$3,750,000. The Chair is looking for a motion.

COUNCILMEMBER VICTORINO: So move.

CHAIR PONTANILLA: So move, moved by Member Victorino.

COUNCILMEMBER MEDEIROS: Second.

CHAIR PONTANILLA: Second by Member Medeiros. Any discussion, Members? No discussion?

VICE-CHAIR HOKAMA: Chairman.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: I'm happy to report to the Committee this morning and to you, Chairman, that it is in the State budget consideration. Don't

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

ask me why. They have adjusted it but it's strange. It's, it's one thousand dollar off. It's 3.749 in their documents. Not that it makes a hell of a lot of difference.

COUNCIL MEMBERS: (laughter)

VICE-CHAIR HOKAMA: Again, Members, I have no understanding of logic of how it goes down there right now.

COUNCILMEMBER JOHNSON: Administrative fee.

VICE-CHAIR HOKAMA: But its. . .they made very minor adjustments and that was the adjustment. So what is in the bill is 3.749 and I believe your numbers is still a very good number, Chairman.

CHAIR PONTANILLA: Thank you. Any more discussion Members? Member Baisa.

COUNCILMEMBER BAISA: I'd be happy to donate the dollar. It's unbelievable--

COUNCILMEMBER VICTORINO: One thousand.

COUNCILMEMBER BAISA: A thousand dollars. You know I'm sure we can find somebody. . .I can give some, we can all do some. A thousand dollars is not a big deal for Upcountry water storage. I think we'll find a donor real quick. But you know it's interesting how the State operates, Member Hokama. It's really funny. They must have been. . .maybe that's their balancing figure like, you know, when we have to balance over here maybe that was their issue. But I'm very grateful that they understand this need, and that they are supporting Maui County because we really need to do this, Chair. So I'm extremely delighted to hear that it's even being, it's in the budget.

CHAIR PONTANILLA: Thank you. Member Hokama.

VICE-CHAIR HOKAMA: Chairman, and, and I believe this will be a very solid and concrete number that Mayor Tavares can take in her plan trip to the east coast to go to Congress to talk to our State delegation of not only the State legislative commitment, but hopefully with our participation we'll show the delegation of our commitment to getting this project moving forward. And, again, Members, what we have, I've asked and the Mayor

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

April 23, 2008

will be following up also in her request in meetings is we're asking the Federal government to ante up one hundred million dollars.

CHAIR PONTANILLA: Thank you, Member Hokama. And through the advice of Senator Inouye this shows our commitment in trying to get this issue regarding water storage Upcountry. Member Johnson.

COUNCILMEMBER JOHNSON: As another thing, is this subject to release by the Governor?

CHAIR PONTANILLA: Beg your pardon?

COUNCILMEMBER JOHNSON: Is . . .are these funds subject to the release by the Governor?

CHAIR PONTANILLA: Um. . .

VICE-CHAIR HOKAMA: Yes.

CHAIR PONTANILLA: As far as the Gov..., State of Hawaii, no. This is our commitment to provide this money for water storage Upcountry.

COUNCILMEMBER JOHNSON: So I thought this we, we were in revenues looking for State of Hawaii.

CHAIR PONTANILLA: Yeah, we are.

COUNCILMEMBER JOHNSON: So the figure that Member Hokama's giving us that is a grant from the Federal government?

VICE-CHAIR HOKAMA: Chairman. So we can get a--

CHAIR PONTANILLA: Yeah, Mr. Hokama.

VICE-CHAIR HOKAMA: May I have a short recess--

CHAIR PONTANILLA: Sure.

VICE-CHAIR HOKAMA: . . .(inaudible). . .please.

CHAIR PONTANILLA: Short recess. I think it is . . .(gavel). . .

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

RECESS: 10:01 a.m.
RECONVENE: 10:03 a.m.

CHAIR PONTANILLA: . . .*(gavel)*. . . The Budget and Finance Committee meeting is now reconvened. Members, the Chair is in error. This is monies that we gonna be receiving from the . . . hopefully from the State of Hawaii, and our commitment would be once we receive this 3.749 hundred thousand dollars. . . oh, \$3,749,000 then the matching will become from this County but that is, you know, forthcoming probably in the next budget cycle. So once we receive the money, our commitment, uh. . . hope, you know, will be 3.7 to match the State funding. Member Johnson.

COUNCILMEMBER JOHNSON: Yes. And, and that was, that was where I just curious to know. I, I have no knowledge one way or the other whether the monies would be released but that would be my only concern is that you know because we've had other things in the budget, and the Legislature has approved it, and yet when it comes time to actually release the money it's not released. So I would hope that through the Governor's Maui committee that her task force that we would be able to certainly lobby as this is really of critical importance and particularly to our farmers. Okay, thank you

CHAIR PONTANILLA: Thank you. Thank you. And, again, Members, you know, to make it very clear to our Senator in Washington that once the money's released we will have a commitment ourselves as far as Maui County goes. So, Members, any more discussion? Chair will call for the vote. Member Mateo.

COUNCILMEMBER MATEO: Yes.

CHAIR PONTANILLA: Member Baisa.

COUNCILMEMBER BAISA: Certainly.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Aye.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Aye.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Member Molina.

COUNCILMEMBER MOLINA: Aye.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: Uh-huh.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Wholeheartedly, yes.

CHAIR PONTANILLA: Motion is carried. Eight ayes, one excused Member Anderson.

VOTE:	AYES:	Councilmember Baisa, Johnson, Mateo, Medeiros, Molina, Victorino, Vice-Chair Hokama, and Chair Pontanilla.
	NOES:	None.
	ABSTAIN:	None.
	ABSENT:	None.
	EXC.:	Councilmember Anderson.

MOTION CARRIED.

ACTION: APPROVE.

CHAIR PONTANILLA: Members, we do have Deputy Director Mike Miyamoto from the Public Works here this morning. We did have some questions in regards to the Federal Highway Administration funding that we are estimating as grant revenues for this County. Members, if you have any questions for Mem..., uh, Mr. Miyamoto at this time? Member Hokama followed by Member Johnson.

VICE-CHAIR HOKAMA: Thank you, Chairman. Mr. Miyamoto, we have been made aware because of the solvency issues with the Federal Highway Trust Funds, and as stated by the Secretary of Transportation she has made a point that her, her. . .(inaudible). . .or short term for her philosophy under this presidency is "use it or lose it". And so you have asked us to

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

help recognize on behalf of our County approximately seven and a half million dollars in Federal Transportation funds. I guess for the Committee's information and confidence if we do receive it, are, are, are our projects ready for construction because we would hate to give back money that could benefit the County. So can you give us a status that for the projects that make up this 7.6 million dollar consideration are we. . .are you confident that we can take it to the construction stage and utilize it instead of having it taken away and redirect it somewhere else?

MR. MIYAMOTO: Mr. Chair. Yes, in. . .we been had ongoing conversations with the State and the Federal government, Federal Highway Administration, and they've really have other projects on Oahu that have really taken priority in. . .and taken a lot of projects out of the current program for the County of Maui. So we actually have more projects ready than the actual funding is available at this time. So we are very certain that the projects that we have. . .we actually have projects on the backburner, bridge replacements out in the east Maui area that we really wanna move forward. And we're trying to work on creative solutions like for example some of it we're gonna be building the temporary bridge structures and getting a soft match from the Feds so that we can go ahead and start those projects to ensure safety, bridge safety. So we're fairly confident that we will be expending. . .these are our priority one type projects.

VICE-CHAIR HOKAMA: I'm very happy to hear that Mr. Miyamoto. One, one qualification, everything needs to be on the STIP, the State Transportation Improvement Plan, as an approved project to move forward from our point of view. It cannot be a project that has not been recognized and is not on the STIP or can it?

MR. MIYAMOTO: If you wanna get the State funding it has to be on there--

VICE-CHAIR HOKAMA: If we want the State money. Not for the Federal--

MR. MIYAMOTO: The Federal money also. The Feds give the State money who then administers it to the counties.

VICE-CHAIR HOKAMA: Right.

MR. MIYAMOTO: Yeah. So it has to be on that, on that program before the reimbursement or the cost sharing will occur.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

VICE-CHAIR HOKAMA: Okay, thank you very much. Chairman, thank you very much. I'm sure other Members may have questions.

CHAIR PONTANILLA: Thank you. Member Johnson.

COUNCILMEMBER JOHNSON: Yeah, and I don't know Mike if you heard my earlier question, but because of the process that you described in our challenge I guess with getting roadway projects actually completed, what you do is you execute the contract, it's awarded but then we don't issue the notice to proceed so that the contractor won't go into default or get into penalty phase because they have too many projects. My question earlier was that because we've executed the contract, is that all that is required in order for the government to I guess be secured that the monies are encumbered, or do they wait until you actually expend the money by issuing the notice to proceed? 'Cause I know we're gonna have queuing, all these projects stacking up. So that was my only question is how, how will that work or will it not even affect anything?

MR. MIYAMOTO: Mr. Chair. The primary backup that we have is in paving, roadway resurfacing primarily because we have the one contractor on the island, and all of those. . .the contracts are executed. Once the contract is executed it is encumbered and the funds are secure.

COUNCILMEMBER JOHNSON: Okay.

MR. MIYAMOTO: The notice to proceed. . .the reason we, we don't execute immediately is because like as you said there are the penalties, but we wanna also give the contractor the ability to, you know, adjust their schedule. If it's for example if it's raining in Upcountry and they wanna start another project, then we don't wanna be a hindrance upon them to starting another project that's waiting in the lines. So we try to be as flexible as we can for the one contractor so we can keep things moving as fast as possible.

COUNCILMEMBER JOHNSON: Okay, and, and that makes me feel better because then it's basically the execution of the contract, encumbrance of the money is the trigger that would satisfy the Federal government that you know that we're moving and that would secure the funding.

MR. MIYAMOTO: For. . .primarily most of the. . .the majority of the funding for resurfacing is all County funds. There's very few Federal funds that we're using.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER JOHNSON: Okay. Even for the lower road?

MR. MIYAMOTO: Well, that road. . .well, that one when it does come to that point, yes, we will have to execute the contract. We don't execute the contract until we have all the right of way and that's been the biggest challenge in that area. So we've been doing some minor surface maintenance to try and keep that roadway in safe conditions so that we can resolve some of these right-of-way issues but as long as we keep working towards the end goal of getting that roadway. Right now I think because the State is. . .the Feds and the State are getting tight with the money and they have other projects on other islands that they wanna get through first, they've sort of cutback on Maui's allowance, Maui County's allowance on projects at this point. So we continue to work on that project. They know it's still on the STIP program so it's a project that's coming down the road.

COUNCILMEMBER JOHNSON: Yeah, and because. . .but the Federal matching that are attached to that project there's no chance that that would go away because we haven't actually proceeded with the project itself?

MR. MIYAMOTO: Yes. I mean that's still a long ways down the road. It. . .because we have to go through this process. I'll use the Market Street for example. That was a project that was threatened for deobligation because they were not seeing the progress, but we had bid the project out, we got their approval to bid the project out so they said fine. Then those funds are frozen because we are in the process of trying to get that project awarded. We had some challenges. We had to. . .much to the Budget Chair's displeasure we had to remove some funds so that we could pay the County's portion of that project and get that project and secure the Federal funds.

COUNCILMEMBER JOHNSON: Yeah, and, and that would be the same situation with the lower road that, you know, if they ever get to the point where we're not making progress to their satisfaction then we would have to I guess, you know, use a different approach.

MR. MIYAMOTO: Yes. The right of way challenges are the biggest stumbling block at this point. We've tried to settle a lot of those challenges, but once we get through that point then we'll be moving closer towards the point where we're locking in funds. . .(inaudible). . .

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER JOHNSON: Yeah, and, and I just really, you know, mainly wanna know, because we're on the topic of the revenues of securing the revenues, and what is it that we have to do to make sure that those monies don't go away. Thank you.

CHAIR PONTANILLA: Thank you. Members, any more questions for the Deputy? Member Medeiros.

COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman. Yeah, Mr. Miyamoto, so you say that the Federal Highway funds is channeled through the State and then to the County. And what triggers the release from the State to the County?

MR. MIYAMOTO: The . . .at the point where we have a contract that actually. . .we have this whole review process. We go through the State, the State reviews the project, make sure it complies with all the requirements of the Federal funding, and you know we actually have to ask permission to set the project out to bid. And once we get that project out to bid and then we get a successful bid, then we start working towards getting those funds secured and. . .but then once the project starts, we, we, we front the billing, and then as the project moves on we submit invoices to the State for processing with the Feds for reimbursement.

COUNCILMEMBER MEDEIROS: I see. And the State agency responsible for these Federal funds that get allocated to the counties is that State DOT?

MR. MIYAMOTO: Yes, it is.

COUNCILMEMBER MEDEIROS: Okay. So it doesn't require the Governor to release any of this funds?

MR. MIYAMOTO: No, it doesn't.

COUNCILMEMBER MEDEIROS: Okay. And you did mention about the bridges in east Maui, and I think you're talking about the Papahawahawa Bridge, the temporary bridge. What is the percentage of Federal to County funds in construction of a bridge like that?

MR. MIYAMOTO: Typically it's 80/20. Eighty Federal, 20 for the County.

COUNCILMEMBER MEDEIROS: Okay. So as you had mentioned, you know, we're in the process of starting the temporary bridge, and say we don't

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

receive the Federal funds, what happens then because the make up is 80/20?

MR. MIYAMOTO: Well, currently it is on the STIP for funding and the project is ready to go in I think '09. I think it's actually when the project is slated for construction, but we wanted to get the detour in place prior so we've. . .we have an agreement for the soft match that the County fronts the money for the temporary bridge that will be credited for the full project. So. . .I guess that's something I really have to look at because I think we have an agreement that these Papahawahawa Bridge funds are pretty much assured--

COUNCILMEMBER MEDEIROS: Assured. Okay.

MR. MIYAMOTO: ---for the project.

COUNCILMEMBER MEDEIROS: Okay, okay. But, but, you know, say something drastically happens at the Federal level and we don't receive the funds so the project just would be suspended?

MR. MIYAMOTO: That would be my guess at this point.

COUNCILMEMBER MEDEIROS: Thank you, Mr. Miyamoto. Mahalo, Mr. Chairman.

CHAIR PONTANILLA: Thank you. Members, any more questions for Mr. Miyamoto at this time? Seeing none. Thank you Deputy for being here. We appreciate that. Members, the Chair is gonna take our mid-morning recess at this time and we'll reconvene at 10:30. This meeting is in recess. . . .(*gavel*). . .

RECESS: 10:46 a.m.
RECONVENE: 10:42 a.m.

CHAIR PONTANILLA: . . .(*gavel*). . . The Budget and Finance Committee meeting is now reconvened. Members, for your information, our 6-year Capital Program we have included for the next Fiscal Year '09 3.2 million for the reservoir Upcountry so we, we did our part as far as matching the State. Thank you.

Members, this morning, again, you know, the Chair would like to concentrate in regards to the budget, our needs as far as trying to run this

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

County. So all of the items that we're gonna be doing this morning is strictly either department or Capital Improvement Project type stuff.

Members, if you can, we do have the Parks Department Director over here. If I can have her come forward because we had some questions on the estimated revenue grants in regards to the State of Hawaii Makena Lifeguard Services.

(note: silence)

MS. HORCAJO: Good morning.

CHAIR PONTANILLA: Good morning, Ms. Horcajo.

MS. HORCAJO: Good morning.

CHAIR PONTANILLA: Good morning. This morning we had some deliberations in regards to the Grants Revenue area to the State of Hawaii Makena Lifeguard Services, and we are very aware that the State of Hawaii will be putting in their budget \$406,469 to support this program. And in looking at the request from the Administration, you know, kind of short like \$150,000 and how are we gonna address that to provide this service to the Makena State Park. That's the question that came from the Members. If you have any idea or comments that you wanna make?

MS. HORCAJO: Thank you, Chairman Pontanilla and Members of the Council. We actually have a few concerns with DLNR on this particular issue as well. We have just received the contract. In fact I just picked it up from the State. We've been going back and forth. The State has a two-year budget cycle, and what they have done is anticipated that the funding would begin in fiscal year, in this fiscal year, Fiscal Year '08. And so they broke up the amount of money anticipated needed for the Makena Lifeguard operation between the '08 and '09 Fiscal Year. Our concern at this late date of receiving this contract that we wouldn't have time to do a budget amendment for this '08 Fiscal Year. So our intention is to send the contract back and request that the funds that they split into the two fiscal years be in the next fiscal year and that is the amount that we put into the FY '09 Budget.

CHAIR PONTANILLA: Thank you. Members, questions? Member Baisa.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER BAISA: So thank you, Ms. Horcajo. What I'm understanding then, then this 5-9-4-7-2-7 that appears in the '09 Budget is available for the '09 year?

MS. HORCAJO: The way the State has written their contract is that they actually gave us more money 'cause they were anticipating that we could begin our services earlier.

COUNCILMEMBER BAISA: Right, right.

MS. HORCAJO: Right now their money is in the two fiscal years. We need to amend, ask them to amend the contract to put the whole amount in the '09 Fiscal Year.

COUNCILMEMBER BAISA: I understand that. What I'm trying to get at is would then, if you are able to make that amendment, would we then have 5-9-4-7-2-7 to use in the '09 Fiscal Year?

MS. HORCAJO: Yes, that's what we're anticipating.

COUNCILMEMBER BAISA: Okay. Well, that makes it better than, you know, what we think we're gonna be dealing with. If . . . is this sufficient money for what you need to do. . . (end of tape 1B). . .

MS. HORCAJO: . . . it's our operations and our equipment including the purchase of the towers.

COUNCILMEMBER BAISA: And you have adequate coverage in this area in your opinion? You know be straight up with us. We need to know. (chuckled)

MS. HORCAJO: (chuckled) I'm smiling because I know I would love to see our lifeguard services extended at the beaches until later in the day. Currently our operations run from 8 to 4:30 and we, we're. . . feel that we need to be consist and these operations are funded from the 8 to 4:30 as well.

COUNCILMEMBER BAISA: Thank you very much, Chair. Thank you.

CHAIR PONTANILLA: Thank you. The Chair has one question. In regards to the amount that will be provided by the State, what is the EP count for the services out there? Because I don't think we indicate any EP expansion for the Makena State Park.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

MS. HORCAJO: There's nine SR-17s and 1.5 EPs for an SR-19. So that's a total of 10.5 EPs.

MR. TAGUCHI: Chair Pontanilla.

CHAIR PONTANILLA: Mr. Taguchi.

MR. TAGUCHI: In the . . .the information we received I believe there's a EP count of 10.

CHAIR PONTANILLA: Okay.

MR. TAGUCHI: SR-19 is just one LTA. All positions are Limited Term Appointments, total of 10 EPs.

CHAIR PONTANILLA: Thank you. So once the money run out what happens to the LTA?

MS. HORCAJO: The . . .if the money were to not be continued with the State, we would, they are Limit Term Appointments so those employees would be terminated.

CHAIR PONTANILLA: Thank you. Members, any more question? Member Hokama followed by Member Medeiros.

VICE-CHAIR HOKAMA: Chairman, thank you very much. Thank you for those comments, Director Horcajo. And Chairman I would, you know, then, then for me I'm comfortable. . .it's like how we do Section 8 in Department of Housing and Human Concerns. Section 8 is all federally-funded positions, and they are aware that their job is dependent on Federal fund grant revenues for the continuation of this Federal Section 8 Program.

My, my one concern, Director, to be very upfront and I'm glad that Ms. Baisa brought up some of the concerns, is for me because they have chosen a different philosophy and path from our County as in regards to requirements and obligations, so I'm talking about retirement fund contributions, health fund contributions, that has all been calculated in the number we have provided that it would take to get the full reimbursement back from the State because they've approached it differently and they're not funding the way we. . .are, are or have funded and have continued to

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

plan to fund. And so I'm just hoping that if they are under our responsibility and everything we've gonna recapture includes all of those obligations that we would, that we are required to take care for any employee of the County. Is that your approach and understanding?

MS. HORCAJO: I was present at a conversation between the past Chief Feenstra who was Aquatic's Division Chief, and she is here, but. . .with Dan Quinn of DLNR and she asked that same question of him, and he did indicate that this funding would include those benefits. We will reconfirm though, but that is our understanding.

VICE-CHAIR HOKAMA: Yeah, and thank you, Ms. Horcajo.

And, and, Chairman, just one side question since DLNR is involved and it's regarding parks or park property. I don't know if the Committee and Mr. Chairman has been made aware, but has this also been part of this discussion under this one because I know DLNR is now, since they are looking to generate revenues for their own needs, is gonna ask this County and the other sister counties to pay them a concession fee or a royalty for lands under the County's jurisdiction that could potentially either provide revenue or is receiving revenue. So let's say we do what City and County did with Hanauma Bay. They charge people to visit, right, so it's a revenue source for the City and County of Honolulu. Let's say Makena become such a park like Hanauma. My understanding is DLNR is gonna ask to be paid a percentage, is that part of the discussions you're currently in regarding all of this type of parks under State property?

MS. HORCAJO: That discussion has never taken place regarding the Makena property. I know that any commercial activity the State would have their criteria for concession agreements, but that conversation has not taken place with us.

VICE-CHAIR HOKAMA: If it does, yeah, and I bring it up from one point of view. . .the opposite point of view. If that's what they would normally consider, then I would ask them to consider all of the expenses we incur to provide their programs and their operations under County funds so they can share the expense side if they wanna share the revenue side. Thank you, Chairman.

CHAIR PONTANILLA: Thank you. Members, more questions in regards to this item? Member Medeiros.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman. Director Horcajo, thank you for being here this morning. I just wanted to find out. It just says Makena. Are you identifying a certain area or beach in this?

MS. HORCAJO: It would be the Big Beach area. Right now we have two towers indicated. Actually three towers indicated for that large beach. It does not include the small beach.

COUNCILMEMBER MEDEIROS: Okay. And would this funds include the need to purchase equipment such as trucks or if you are gonna station jet skis and so forth?

MS. HORCAJO: If you would like me to read the C account purchases that are included in this grant I can, but it does include a truck, the radios, ATV quad, jet ski, rescue sled, beach cart, 6 AED's, 6 oxygen first aid units, and the towers.

COUNCILMEMBER MEDEIROS: Okay, thank you for that list. And finally in it, in a relationship like this with State land, and State money, and County operations, what is the agreement too with liability?

MS. HORCAJO: The agreement with liability is, is very important for us, and this funding is part of that agreement with the Act 152 that exempts the County and its lifeguards from any penalties or liability.

COUNCILMEMBER MEDEIROS: Thank you, Director Horcajo for those responses. Mahalo, Mr. Chairman.

CHAIR PONTANILLA: Thank you. Members, any more questions for Ms. Horcajo? Members, before we move forward on this one here I'd just like to reconfirm the number of EP count. Ten, 10.5?

MS. HORCAJO: Ten point five.

CHAIR PONTANILLA: Ten point five. Thank you. If there's no more questions. . .Ms. Horcajo if you could stick around. . .(chuckled). . .I think you're gonna be sitting there later on.

COUNCILMEMBER VICTORINO: I did have a question, Chair, and I apologize.

CHAIR PONTANILLA: Member Victorino.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER VICTORINO: Thank you, Chair. I appreciate that. Mr. Hokama brought up an interesting question, and I wanted to make sure we got clarification on that. DLNR, and I'm on DLNR's page right now, has certain provisions for which whenever a commercial entity uses both State property even if State property is been. . .what is the word that we use? . . .what is the word when you go over. . .we have jurisdiction?

COUNCILMEMBER MEDEIROS: Executive order.

MS. HORCAJO: Executive order

COUNCILMEMBER VICTORINO: No, no, no, not that.

UNIDENTIFIED SPEAKER: You mean before we give jurisdiction?

COUNCILMEMBER VICTORINO: Yeah, they give us jurisdiction of land. Anyhow, we have jurisdiction of these parks. Like for example Kalama Park, okay. And so. . .and I par..., pardon me I forgot the term, but we are given the, the right. . .they own the land, the land still stays on the State, but we are given the authorization to use the property. And they have right now where all commercial entities should be charged by DLNR for the uses for which that money goes to DHHL, and Department of Hawaiian Homes, OHA, I mean there is criteria's percentages of this moneys that would go over. And the reason why I'm aware of that is because we had the meeting with the CORA(?) meeting and that was brought to light by the DLNR representative. So that is something that you are aware of that may be coming forward in the near future.

MS. HORCAJO: We have. . .regarding the commercial operations, we are awaiting in a written response back from DLNR. We have not yet received one.

COUNCILMEMBER VICTORINO: So I just wanted to make that clarification because that will be not so much for the public use of the park as Chair Hokama was mentioning, but that would be for commercial entities that use various parks that are State control. And these monies are not just for DLNR, but separated by percentages for various departments--Department of Hawaiian Homes, OHA--as I stated earlier. So that's very important to understand that part.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

The second part of my question to you is this funding if we do. . .and I, and I think Chair would. . .be bringing back, be bringing forth a recommendation, uh. . .if we don't as we were advised by the Director Pablo that we don't take. . .or don't have that five hundred and. . .whatever five hundred and somewhat five hundred ninety four--

MS. HORCAJO: Ninety four.

COUNCILMEMBER VICTORINO: --thousand dollar figure there, then if we put the four hundred six that's the maximum we would be allowed to accept from the State is that your understanding too Horcajo?

MS. HORCAJO: Yes, it is.

COUNCILMEMBER VICTORINO: So it would behooves us because we have the monies just because the State runs on a biannual budget and we run on an annual budget, that we need to insert those numbers back in so that we can ensure that the equipment that can be bought right away can be purchased by the County?

MS. HORCAJO: Yes. We need to have that total amount in. I believe that the State was hoping that we could accept a portion of that money this fiscal year, but since the contract has taken so long and we really don't have time for the budget amendment we need that total amendment in the next fiscal year.

COUNCILMEMBER VICTORINO: It seems the State has this procurements law that takes forever to get contractors from A to B and then they get into trouble leaving us the County in limbo. So thank you, Chair, I appreciate that. I just want that clarification on, on those issues. Thank you.

CHAIR PONTANILLA: Thank you. Members, any more questions for Ms. Horcajo this, this time? Seeing none. Members, for your consideration, I know the Chair made a statement that we'll take up this issue end of calendar. Since we had this discussion, the Chair, if there's no objections, would like to bring it forward in regards to the main motion that is still hanging--

COUNCILMEMBER VICTORINO: No objections.

COUNCILMEMBER MEDEIROS: No objections.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER BAISA: No objections.

CHAIR PONTANILLA: Thank you. Members, the, again the main motion was to, as amended, was to change the est..., well, the amended motion was to reinsert. . .not reinsert but insert a new figure replacing what was presented to \$406,469. After hearing Ms. Horcajo in regards to the questions that were asked and specifically, Member Victorino, about the estimated revenue of \$594,727, the Chair is accepting, the Chair is looking for an amendment to reflect that change.

COUNCILMEMBER VICTORINO: So moved. I moved to amend the, the. . .revenue.

VICE-CHAIR HOKAMA: Point of information, Chair.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: Chairman, I would just say that since the main motion as amended is still currently before the Committee that we just do a reconsideration of the previous vote and that would be the simpler procedural suggestion that I could offer the Committee.

COUNCILMEMBER VICTORINO: Mr. Chair Hokama thank you.

CHAIR PONTANILLA: Thank you. Members, if there's no objections in regards to reconsideration.

COUNCILMEMBER VICTORINO: No objections.

COUNCILMEMBER BAISA: No objections.

COUNCILMEMBER MEDEIROS: No objections.

VICE-CHAIR HOKAMA: Move, move to reconsider the previous vote.

CHAIR PONTANILLA: Thank you.

COUNCILMEMBER BAISA: Second.

COUNCILMEMBER VICTORINO: Second.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Moved by Member Hokama, seconded by Member Baisa. Any more discussion? Seeing none. All in favor of the reconsideration.

COUNCILMEMBER JOHNSON: Aye.

VICE-CHAIR HOKAMA: Aye.

CHAIR PONTANILLA: The Chair will take a roll. Member Mateo.

COUNCILMEMBER MATEO: Yes.

CHAIR PONTANILLA: Member Baisa.

COUNCILMEMBER BAISA: Yes.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Aye.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Aye.

CHAIR PONTANILLA: Member Molina.

COUNCILMEMBER MOLINA: Aye.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: Aye.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Yes.

CHAIR PONTANILLA: Chair votes yes. Eight ayes and one no Member. . .not no but excused, Member Anderson. Motion is carried.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

VOTE: **AYES:** **Councilmember Baisa, Johnson, Mateo, Medeiros, Molina, Victorino, Vice-Chair Hokama, and Chair Pontanilla.**

NOES: **None.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **Councilmember Anderson.**

MOTION CARRIED.

ACTION: APPROVE reconsideration of the amendment to the main motion.

CHAIR PONTANILLA: Okay, back to the main motion.

VICE-CHAIR HOKAMA: Chairman.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: What is currently now before the Committee is the motion to amend and therefore if we vote down now this, this motion to amend will return back to the original proposed figure. So we need to. . .it's rare that I speaking to we need to vote down the motion to amend as it stands before the body.

CHAIR PONTANILLA: Thank you. Any more discussion, Members? Chair will take a roll. Member Mateo.

COUNCILMEMBER MATEO: Yes.

CHAIR PONTANILLA: Member Baisa.

COUNCILMEMBER BAISA: Yes.

VICE-CHAIR HOKAMA: No. No.

COUNCILMEMBER JOHNSON: No.

VICE-CHAIR HOKAMA: Vote no.

COUNCILMEMBER JOHNSON: You are suppose to--

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER BAISA: No, we're voting no. No.

COUNCILMEMBER MATEO: Chairman.

CHAIR PONTANILLA: Member. . .Member Mateo.

COUNCILMEMBER MATEO: Chairman, will you please--

COUNCILMEMBER MEDEIROS: Right.

COUNCILMEMBER MATEO: --clarify the motion on the floor.

CHAIR PONTANILLA: Okay, the motion on the floor is to reject the amendment that was proposed earlier by Member Hokama on the figure--

VICE-CHAIR HOKAMA: Chair, Chairman, if I may please.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: As a point of information for all Members, the motion now before the Committee is the motion that will. . .to change the figure to four hundred and six thousand something--

CHAIR PONTANILLA: Yeah, right.

COUNCILMEMBER MEDEIROS: (inaudible)

VICE-CHAIR HOKAMA: So by voting no we are rejecting that figure.

CHAIR PONTANILLA: Right. Yep.

COUNCILMEMBER MATEO: And thank you very much for the clarification.

CHAIR PONTANILLA: And the Chair was gonna allude to that.

COUNCILMEMBER MATEO: Mr. Chair, will you give us your recommendation.

CHAIR PONTANILLA: My recommendation is to vote no on this.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER MATEO: Thank you very much, Mr. Chairman. And if I could I know I voted yes and I'd like to reconsider that vote and support the Chairman's recommendation.

CHAIR PONTANILLA: Thank you. Member Baisa.

COUNCILMEMBER BAISA: No.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: I don't have to change my vote. It's the same so it's no.

CHAIR PONTANILLA: Thank you. Member Medeiros.

COUNCILMEMBER MEDEIROS: Support your recommendation.

CHAIR PONTANILLA: Thank you. Member Molina.

COUNCILMEMBER MOLINA: No.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: No.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Support your recommendation.

CHAIR PONTANILLA: Thank you. We have eight ayes and one excused Member--

VICE-CHAIR HOKAMA: Eight noes.

CHAIR PONTANILLA: --Anderson. Oh, I'm sorry. We have eight noes and one excused Member Anderson.

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

April 23, 2008

CHAIR PONTANILLA: Member Molina.

COUNCILMEMBER MOLINA: Aye.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: Mm.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Yes.

CHAIR PONTANILLA: Okay, motion is carried. Eight ayes, one excused, Member Anderson.

VOTE:	AYES:	Councilmember Baisa, Johnson, Mateo, Medeiros, Molina, Victorino, Vice-Chair Hokama, and Chair Pontanilla.
	NOES:	None.
	ABSTAIN:	None.
	ABSENT:	None.
	EXC.:	Councilmember Anderson.

MOTION CARRIED.

ACTION: APPROVE.

CHAIR PONTANILLA: Man, that took long.

COUNCIL MEMBERS: (laughter)

CHAIR PONTANILLA: Members, coming back to that item, the Chair would like to add a proviso. Provided, the disbursements for salaries and premium pay is limited to 10.5 equivalent personnel. Can we make that as a friendly amendment Corporation Counsel to include that?

MS. FUJITA VILLAROSA: Mr. Chair, it would be a new motion.

COUNCILMEMBER VICTORINO: So moved.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Okay. Moved by Member Victorino.

COUNCILMEMBER MEDEIROS: Second.

CHAIR PONTANILLA: Second by Member Medeiros. Any more discussion, Members? If not, the Chair will call for the roll again. Member Mateo.

COUNCILMEMBER MATEO: Yes.

CHAIR PONTANILLA: Member Baisa.

COUNCILMEMBER BAISA: Yes.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Aye.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Aye.

CHAIR PONTANILLA: Member Molina.

COUNCILMEMBER MOLINA: Aye.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: Aye.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Yes.

CHAIR PONTANILLA: The Chair votes yes. Eight ayes, one excused Member Anderson. Motion carried.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

VOTE: **AYES:** **Councilmember Baisa, Johnson, Mateo, Medeiros, Molina, Victorino, Vice-Chair Hokama, and Chair Pontanilla.**

NOES: **None.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **Councilmember Anderson.**

MOTION CARRIED.

ACTION: APPROVE.

CHAIR PONTANILLA: Okay, Members, we'll start with page. . .Member Molina.

COUNCILMEMBER MOLINA: Should we go back to the main motion as amended now?

CHAIR PONTANILLA: Uh. . .no. That was just a plain motion. You just as confused as me then, eh?

COUNCILMEMBER JOHNSON: Mr. Chair.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Yes. And you did say that was LTAs?

CHAIR PONTANILLA: According to the EP count it's LTAs, yeah.

COUNCILMEMBER JOHNSON: Okay. Because I wasn't sure if, you know, that was part of the motion or not but that was my understanding. That was not part of the motion?

CHAIR PONTANILLA: No, not part of the motion. The motion is to include the salaries and the premium for that 10.5 EPA [*sic*], EPs and according to the EP count it's 10.5 LTAs.

COUNCILMEMBER JOHNSON: I just wanna make sure that we've got it right.

CHAIR PONTANILLA: Similar to the Section 8.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER JOHNSON: Okay.

CHAIR PONTANILLA: Thank you.

COUNCILMEMBER JOHNSON: Thank you.

CHAIR PONTANILLA: Okay, Members, page 5. I'm sorry. Page 1 of 5. This is Estimated Revenues. The Chair is recommending net estimated revenue for that particular item \$102,172,411 for Changes for Current Services. And this includes the reduction of the Solid Waste Collection Fee back to Fiscal Year '08 rate. The Chair needs a motion to accept that number. Member--

COUNCILMEMBER MATEO: So moved.

COUNCILMEMBER MEDEIROS: Second.

CHAIR PONTANILLA: Moved by Member Mateo, seconded by Member Medeiros. Any discussion? Seeing none--

COUNCILMEMBER VICTORINO: Chair.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: You know this may be political suicide, but I've gotta say it, you know, because, you know, if nobody says it then we go back to and continue to have the same challenge we had with water. Case in point, five years no increase in water. Cost kept rising no increase in water. And now we're paying double digit every year in increases. I think the people of Maui County and people in general understand cost go up. What they demand is good service. They don't mind paying for good service, but they're not happy. Case in point our municipal golf course. When a service is being provided and it's not the quality they think they deserve, I'm not saying the PGA golf course, I'm saying a good, solid, clean, usable golf course. So with refuse last year we wanted two dollars that was voted down. This year you ask for four dollars we're gonna say no to that. I want the public to understand that the cost is going up. The mandates by EPA are changing and are getting much more stricter, much more costly. I understand everybody's waiting for this grand plan called the Solid Integrated Plan, *[sic]* and I've been on that committee. Along with Councilmember Medeiros I've attended many of the meetings and I

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

think the community, the Committee has done a grand job. It's gonna come out. I think you guys will see they really done an awesome job considering all factors. Garbage to energy and all the other technologies that are out there. Recycling is one of the biggest factors that they wanna push forward, and I agree with them if we can recycle more we don't fill up our landfill, we don't have to be looking for more land. But with that said and done, Chair, fuel prices are going up, the cost of labor is going up, and we...and I, and I, and I'll say this with all humility, sir, I understand your point. We're gonna say no again, no change, keep it the same. So what will next year's budget be when we're really gonna be short as Chair Hokama has indicated that now we're gonna go double digit? Now we're gonna go ten dollars, or eight dollars? I don't wanna get to that point, Chair, you know. I'm for limited increases when necessitated not for wants but for needs. And, you know, I know people think I'm crazy, but I gotta say it's needed and it's needed now. We're gonna keep paying from the General Fund. It's coming someplace. You know it doesn't all of a sudden disappear, and there's no mana from heaven coming down and taking care of our problems. It is we the people of Maui County. So if Peter can't pay for it, we got Paul on the other side paying for it. So I humbly disagree with you, Chair, but I may be the only one in the room will say it and that's fine. But I still think some sort of increase is necessitated. We're still very, vey short. We still extremely short of what the actual cost of refuse collection is in the County of Maui, but I will lay my case down. If the other Members choose they choose whatever, but I just don't think zero or no increase is really warranted at this time. Some small increase. . .I don't like four dollars too. I agree with you, but one dollar, two dollar. . .something that makes it more equitable because you're gonna have to take it out of the General Funds. . .we're gonna have to. . .you don't wanna raise real property tax. Where is it gonna come from? That's my question. Chair, I humbly apologize for, you know, pointing this out, but I just could not let it pass without saying that I think we need to look at something at this point in time. Thank you, Chair.

CHAIR PONTANILLA: Thank you, Mr. Victorino. You have all the right to say anything that you want on this Council. So thank you. Member Hokama followed by Member Johnson.

VICE-CHAIR HOKAMA: Chairman, thank you. The motion on the floor is to maintain the current rate as I understand it, Chair.

CHAIR PONTANILLA: Yes.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

VICE-CHAIR HOKAMA: And I been one to. . .I think in my proposal to you and my. . .Committee Members mine was a, uh. . .reduction in the increase of the proposal. I can see some of the merit and concerns that Mr. Victorino brings up in his comments to us previously. I think what would be helpful for us in, in prior to making a decision, Mr. Chairman, is to find out is it the Department's intention should we support this motion on the floor then to still do what it intends to do, and then in return we are gonna see from Mr. Pablo a request to adjust Interfund Transfers which is where we subsidize certain programs through General Fund appropriation? And then, you know, the bigger philosophical question is should users be relieved of some of the requirements of paying for the program and then applying it overall to the General Fund requirements. There's different approaches. I know that, you know that, but I just want us to be clear that if we choose a certain decision of what is the full impact of our decision? And I would ask for your consideration to find out if the department is going to approach it that way that at least we know down the road we'll have a General Fund request to transfer additional monies into solid waste. And at the appropriate time, Chairman, you can provide your recommendation to us. Thank you.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Yes. And, and, you know, I agree with both Chair Hokama and also Member Victorino because we don't. . .we didn't have I guess the benefit of having a rate study before us so that we could implement it. And I believe that Member Medeiros had some excellent suggestions like even the size of the containers. Because what we're doing right now is a one size fits all and many families, and particularly the elderly, they may not have the volume. So it's even unfair to the users in the system that we currently employ. Lanai I know they get penalized. So what I would. . .depending on which way we go, because we can adjust the rates during the year that's within our purview, my, my suggestion as a compromise would be if we do rollback temporarily we put in a proviso on ourselves stating that we will return and the rates will be revised based on some type of a, an analysis. So my, my feeling would be we can't keep subsidizing because we can't go back to the well. I don't think there's gonna be much water in the well to begin with to transfer money to supplement some of these services. And I think we have to look at the in..., more individualized use by the end receivers of the service, and allow for those individuals. . .may be even establish a kokua fund or something were based on certain income levels. People who do have

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

difficulty paying that it's not, it's not possible for them to pay, they still need the service, but I, I just don't like always having to shove it off to the next time. I wanna deal with it. So I'd rather have a proviso on us that we're going to deal with this and come back and make a reasoned kind of recommendation if that's possible. Thank you.

CHAIR PONTANILLA: Thank you. Member Baisa.

COUNCILMEMBER BAISA: Thank you, Chair. Always a very difficult thing to talk about is raising anything. Because whenever you do that people get really upset and they say there they go again. Tax and spend, tax and spend, you know, increase the fees. I think we better get real. And I would like to commend and thank Member Victorino for his courage in saying what he did. I mean it's not easy to say that because we all know that politically that's not acceptable. I mean nobody likes that kind of thing, but I think somebody has to say it. And it has opened the door for all of us and so thank you very much, Member Victorino.

You know, all of us have been to the gas station recently. We're not paying what we're paying for gas. All of us are going to the grocery store. Rumor has it in today's news that everything is costing more because of the transportation costs. And I think we only seen the beginning of what we're gonna deal with. Because everything that comes to this island is transported here therefore additional costs will be tagged onto clothing, food, household items, everything that we use. So, you know, if we're gonna be realist, we have to realize that cost cannot stay the same. They go up every year and somebody's got to pay for it. The government unfortunately is us. There is no big fat guy in the sky that pours the money down. It comes from the people who live here. And so I think we have to be realist, and realist is we cannot keep everything the same as last year. The only. . .(end of tape 2A). . .about whether four dollars is the correct amount of increase or not. And when we had the department here, they I think tried to do a very good job of explaining what their needs are and why they had proposed a rate increase they did. And I'm very sure that Administration had worked very carefully with the departments and the Budget Director and everybody involved to make sure that they have justification for what they're asking us. However, you know, this, this increase in everything that I'm talking about people are living. And I think that's where we have a difficult time. We know we need to do it intellectually, but our hearts tell us oh, my god. What are we doing? You know we're raising so many things. And how are people gonna make it when everything else is also going up and they not making that much

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

more money so how are they gonna live? Already our families are stressed with two and three jobs. I think we have to start at least trying to increase everything according to inflation every year. And this is why I would like to raise real property taxes a little bit this year because I think we have to be real. Most of our County's expenses are paid through real property taxes, and we cannot leave it the same because sooner or later we going play catch up. And I find that when you deal with inflation every year, the pain is less than when you let it go for three, four, five years and then you have to make a big increase and then everybody goes crazy. So I certainly would like to see some kind of upward inflationary adjustment, and if the four dollar is too much then maybe two dollars, but I think we need to do something. Thank you.

CHAIR PONTANILLA: Thank you. Member Molina.

COUNCILMEMBER MOLINA: Thank you, Chair. I'm gonna take a different approach with your proposal, Mr. Chairman. I wanna first start off by commending you. I know it wasn't easy. It took a lot of guts on your part to not consider an increase because, uh. . .and you found some creative ways to offset that. Because I think sometimes. . .and, yeah, we gotta sometimes think with our heart, but sometimes we forget, you know, there's a lot of people who, who are not getting some assistance, you know, welfare and so forth, and they struggling to make ends meet. Some of our senior citizens who are on fixed income and sometimes that extra dollar or two dollars makes a difference. And when you factor all the other things that are being raised, in this day and age that we're looking at right now, you know, the shutdown of the airlines, people losing their jobs, Molokai Ranch, I, I'm just guessing, Mr. Chairman, that was probably on your mind when you took this into consideration. And, yes, we gotta think with our brains, but at times we gotta think with our hearts too, and the cost of fuel it's been overwhelming for people in the community. So I'm only guessing, Mr. Chairman, that that may be one reason why you looked at at least one particular area to give the public a little bit of a break. And I initially had proposed a reduction in the Mayor's increase from four dollars to two dollars, but I can still support you on our proposal, Mr. Chairman. And, and I think it's because in light of the times that we are currently in right now, everything's going up, and I can. . .for me I'm fine with this year, but over the long term, yeah, we're gonna have to raise it, and it's just a matter of how much. But next year, yeah, I. . .if I'm back, you know, I would expect an increase in the fees. But rubbish, I don't know, it kind of touches everybody when you think about it, yeah, Mr. Chairman. You know everybody get rubbish, and now when, when

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

that. . .you know couple extra dollars you tend to feel it a little bit more versus you know in your water bill, or your sewer rates, but you know I just wanna. . .I know you're getting kinda pounded on a little bit, Mr. Chairman. So I wanna maybe give you a pat on the back instead and, um. . .but it's inevitable. Everything gotta go up. It's just a matter of when. So I, I appreciate your sensitivity on this matter, Mr. Chairman, because there are times when sometimes we gotta step back just a little bit so I appreciate what you've done, Mr. Chairman. Thank you.

CHAIR PONTANILLA: Thank you, Member Molina. Member Mateo.

COUNCILMEMBER MATEO: Chairman, thank you. And Mr. Molina's sentiments I, I, I feel the same way, Chairman. And I would just like to perhaps just share one of the reasons why. More. . .couple of years ago we were promised an Integrated Solid Use Plan [*sic*]. We were told this plan was going to. . .was gonna be the road map in addressing this County's solid waste needs. It never came you know. I know costs increase I know it's gonna come, but you know what? For me it's show us the use, show us how, tell us of the plans. What we invest today, and when the Solid Use Plan comes in, it might be different, it might be new objectives, it's gonna be new creative means. I'm really glad that Mr. Victorino and Mr. Medeiros serves on this committee that is helping, helping us to, you know, soon receive the plan, but we were made assurances, we were made commitments not from this Administration, from prior Administrations. So we're still stuck in the same 'ol same 'ol. And this is a whole new division, new leadership. In part there's still carryovers. So you know I'd like to see a plan. I anticipate cost ex. . . , increases and I think duly need it, but show us how. And I don't think it's an inappropriate excuse for my support in the Chair's recommendation. I think, I think it's necessary. I think it's needed and we live in a very difficult times we know, but not everybody can, can absorb a tax increase nor can everybody absorb, you know, additional fees. I come from a community that cannot. So I speak on their behalf because you know it's gonna come, it's inevitable, but let's be able to be sure we can all justify these things to our constituents. They need to know. Thank you, Chair.

CHAIR PONTANILLA: Thank you. Members, any more discussion on this particular matter? The Chair would just like to make a comment on this here. Remember last year when we reduced the services. . .not the services but the cost on Lanai on their trash pickup from \$12 to \$6 a month? And for that reason. . .one of the reasons and the most important reason was that we had trash collection of one day a week on Lanai.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

Presently, we do have two pickups a week for certain areas here in Maui County that have trash pickup. . . automated trash pickup. And yes, Mr. Molina, you're right, you know, I look at the. . . what's happening on Molokai, I look what's happening to the airline industry here in Maui County, it affects a lot of people, and I've been getting calls, a lot of calls, Members, from people outside of this building regarding the rates that we wanna impose to our community in regards to trash pickup. Member Mateo brings up a very good point in regards to the Integrated Solid Waste Management Plan. I don't know what the plan is. . . what the plan is gonna, you know, come up with, what kind recommendation. And I think Member Baisa brought up earlier, you know, discussions that eh, maybe we should be looking at universal trash pickup so it becomes a place where we pay a fee, you know, in our real property tax to do the trash pickup. I don't know what this plan is going to be providing us, but for this Chair my recommendation is not to increase trash pickup at this time. Any more discussion, Members? Member Hokama.

VICE-CHAIR HOKAMA: And, again, Chairman, I, I, I understand very clearly your point of view. I appreciate Mr. Mateo's situation for Molokai. I've shared with you and the Members, it doesn't make the news but for Lanai for us to shutdown a whole division of employees that Castle and Cooke has furloughed, which is I guess the glitzy word of termination, you know it's a Countywide issue right now regarding employment. And I bring up that. . . while I'm open to a smaller increase I can appreciate the comments because I have made it a point in my discussions that the department has asked us to invest a lot of money to go in that direction prior to receiving the final recommendations of this Integrated Resource *[sic]*. . . Solid Waste Plan *[sic]* that we have paid a lot of good money for it also and so I can appreciate. . . and I'm considering supporting you, Mr. Chairman. However, I think what we really need to know is, is the department gonna be hardheaded and still do it and force us to deal with an Interfund Transfer? I think that's what we need to know because at least we gonna need to prepare adjustments in the budget on how we're gonna deal with this potential transfer. If they. . . by reducing this 1.1 million of potential revenue, everything as adjusted accordingly, and doesn't impact Interfund Transfers, then I would be voting in a certain manner, Chairman. And I would ask if we can get some kind of indication, and if not, then I'll vote accordingly. Thank you for that consideration.

CHAIR PONTANILLA: Thank you. We do have the Director here, and Director if you could please come forward. Director Okuma.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

MS. OKUMA: Good morning. Yes, thank you. Good morning. Sorry, trying to get seated. Thank you.

I understand that this is a very difficult issue so I can certainly appreciate that, and perhaps Council Chair Hokama I can address your issue in this way and perhaps I would look to Mr. Pablo for some assistance in this.

But to just kinda take you back to the presentation that our department had made previously, and I don't have those numbers in front of me, but you do have that presentation. If you will recall on the refuse collection side in terms of what we currently receive as far as refuse fees, and what we would need to fully pay for it, what we collect is about a fourth to a third of what we're actually spending. And as I recall it was somewhere in the neighborhood of thirty something dollars that we're actually looking at, and we're just talking about current operations. We're not even talking about anything dealing with the Integrated Solid Plan [*sic*] which I know has been in the works and this Council has been waiting for that I realize that. But the reality is we're talking about where we are now and what's needed in terms of services. So from my standpoint, whatever we need to continue those operations is what we need. And . . .you know so I'm not sure if I addressed your concern, but I think from our standpoint we're talking about current operations, current levels which is what we need, and to be able to maintain that.

CHAIR PONTANILLA: Thank you. Mr. Hokama.

VICE-CHAIR HOKAMA: My question and maybe simplified Director Okuma, and thank you for being here to help us with accurate information, is that if you don't realize this 1.1 million of anticipated revenue, should the rate have gone forward. . .the rate increase gone forward, which is from 12 to \$16, that four dollars I guess times your amount of accounts would have equaled about \$1.04 million. If you don't receive that, as our top management person in the department, can you tell us how you were gonna adjust. . .or, or, or the simple answer is I'm gonna ask for another \$1.1 million from General Fund.

CHAIR PONTANILLA: Director.

MR. PABLO: Yeah, maybe I can answer that question. Chair Hokama is correct. The, there's 23,000 accounts. An increase of \$4 a month times 12 months a year will generate one million one hundred four thousand additional revenue. If that increase is not made, then at one million one hundred four

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

thousand revenue will not be in the estimated revenues for this Fiscal Year '09 Budget, and therefore the supplemental transfer for the General Fund will, will be required for the same amount.

VICE-CHAIR HOKAMA: So then you are telling us that this Committee would then need to find where we would increase revenue to make up the 1.1 or, or. . .but if. . .you know that's one way to approach of course, yeah, Mr. Pablo.

MR. PABLO: Yeah.

VICE-CHAIR HOKAMA: The other way is you just need to live with less is the opposite end of the spectrum. And so for me is then Director what would you reduce or eliminate to live with that one million dollar reduction?

MS. OKUMA: I mean if we were forced to do this is it, and I don't wanna just say something off--

VICE-CHAIR HOKAMA: Go back to one day collection only. . .

MS. OKUMA: Well, we would certainly have to look at our operations. We may have to, um. . . you know and of course I'd look at that details and prioritize all of this, but generally I would think we need to look at reducing services. You know I'm hoping it's not gonna affect staffing. I mean that would be the ultimate last thing, but we would have to see whether or not we pull back on services. 'Cause the reality is if we don't have that we can't maintain our current level. It's just not possible.

VICE-CHAIR HOKAMA: Okay, Chairman, I'm done. Thank you very much.

CHAIR PONTANILLA: Okay, Members, any more questions for the Director at this time? Member Molina.

COUNCILMEMBER MOLINA: Yeah, thank you, Mr. Chair. Good morning, Madam Director. In your initial presentation to us, did you make the Committee aware that services would be cutback if we didn't raise the rates? I don't know maybe my memory is gone. I don't know, Mr. Chair, maybe if you recall was that part of their presentation that if we don't raise the rates services would be impacted?

CHAIR PONTANILLA: I think I recall something like that, Member Molina, but I--

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER MOLINA: You would have to cutback on services?

CHAIR PONTANILLA: Well, one of the ways that they can accomplish this is to cutback trash pickup by once a week.

COUNCILMEMBER MOLINA: Okay. For those that get it twice a week, right? But, you know, I live in Makawao where we currently get only once a week anyway. So, you know. . .

CHAIR PONTANILLA: Yes.

COUNCILMEMBER MOLINA: But we're gonna go automation I believe eventually sometime in the future. Thank you. I just wanted to get that clarification.

CHAIR PONTANILLA: Okay, thank you. Member Medeiros.

COUNCILMEMBER MEDEIROS: Mahalo, Mr..., mahalo, Mr. Chairman. And thank you Director Okuma for being here and answering our questions. I, I think what comes up a lot in our deliberations regarding the services provided by your, the department is. . .can you give us a more accurate schedule of when the Integrated Solid Waste Plan [*sic*] might be completed?

MS. OKUMA: Okay. Yes, as I've mentioned before there's some aspects of this. . .it's by statute, basically by law the way the process is generally set out. There are some points in the process that we are not in control of, and the, the points really are at the point we're ready to go for public hearing. Because at that point. . .that is after we do our final submittal to the Committee as well as to the State Department of Health, and thereafter we can set these public hearings. But if as a result of those hearings there's substantive comments that are made, it takes it back to the committee, back to the process of Department of Health, come back to the department, and then we work with the consultant, that's something that I can't give you a good idea about. But if you assume that nothing like that happens, we are looking at. . .I'm hoping towards the end of the third calendar year quarter, somewhere in that time frame to be able to bring this to the Council.

COUNCILMEMBER MEDEIROS: I see. Thank you for that. And because we're talking about the cost of refuse collection operations, and the

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

implementation of automated refuse collection, we have reduced the staff on a truck by 66 percent. So now the truck only has one person instead of three. How does that. . .how has that affected the cost of staffing?

MS. OKUMA: Okay. Well, thank you for bringing that up. Because basically we're gonna need the same staff we're looking at, the reason is because automated refuse. . .our vehicles cannot go into all areas. There gonna be some areas where we cannot access. It doesn't mean this couldn't be looked at later with different types of vehicles, but given where we are now there are gonna be some areas we anticipate we're not gonna be able to access. So we're still gonna need the same number of people on those vehicles now. The other thing is we do have as part of this agreement that was negotiated with the union a white goods, bulky item pilot project, and as a result of that we are gonna need staffing with the appropriate vehicles for that as well too. So we've took up. . .we have taken up a look at that and, and given the kinds of things that we're gonna need to do and the circumstances, we are going to need that staff so we're not. . .you know there's no reduction there.

COUNCILMEMBER MEDEIROS: I see. Okay, so what you're saying is the staffing that has been freed up by the automated operations have been redistributed to other operations within your department?

MS. OKUMA: I guess it's fair to say we have the flexibility to, to look at how we utilize our, our workforce as far as refuse collection in the automated program. So, yes, we will be doing that and then obviously too we have people, you know, who take leave, you know, whether it's vacation or sick, we need to have some sort of backup there. So it's, it's good to have that kind of flexibility as well too. So we have certainly looked at that, looked at it from that standpoint.

COUNCILMEMBER MEDEIROS: Thank you, Director. Mahalo, Mr. Chairman.

CHAIR PONTANILLA: Thank you. I have one fast question for you. If, if we were to reduce collection by once a week, what savings would you have if we did that?

MS. OKUMA: Well, I think on that one I would like a chance to go back and take a look. I don't wanna just give that off the top of my head, but I can go back and take a look at what the, what that means in terms of dollar amounts.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Thank you. Mr. Taguchi, I know we had some discussion in regards to the elimination of the increase, what it would do in regards to the Interfund Transfer. I understand it was a decrease?

MR. TAGUCHI: Chair Pontanilla, in the Chair's proposal the reduction of the increase in Solid Waste fees of 1.1 million along with all the different cuts and correction in the department of. . .in the Division of Solid Waste resulted in a decrease, that's a decrease of \$228,000 in the Interfund Transfer. In other words, although there was a decrease in the revenues, there was reduction in appropriations such as the 1.5 million that was for Hana landfill that we later found was not necessary because it's funded in the Fiscal Year 2008 Budget. I believe in terms of the service portion, if there's an increase in. . .if the rates would be re-established that would give the Council 1.1 million to either decrease Interfund Transfer or put more appropriations back into the Department of Solid Waste Management, but the Chair's version that he distributed actually has a decrease in Interfund Transfers over the Mayor of two point. . .228,000.

CHAIR PONTANILLA: Thank you. Members. . .Member Baisa.

COUNCILMEMBER BAISA: Mr. Chair, if I might, could I ask Mr. Taguchi to tell us what the, the transfer is?

CHAIR PONTANILLA: Thank you. Mr. Taguchi.

MR. TAGUCHI: The Interfund Transfer is the amount of monies that--

COUNCILMEMBER BAISA: No, how much?

MR. TAGUCHI: Oh, the total amount?

COUNCILMEMBER BAISA: Yeah, that we're gonna transfer to this place.

MR. TAGUCHI: Currently the total Interfund Transfer would be. . .(pause). . .approximately \$16.2 million in total.

COUNCILMEMBER BAISA: Sixteen point two. And if. . .without the increase it would be 16.4?

MR. TAGUCHI: No. That is with. . .without the increase that's the number. So with the increase it would reduce that by I guess 1.1 million.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER BAISA: I'm not following your math. You said \$220,000 less?

MR. TAGUCHI: Okay, in the Chair's proposal--

COUNCILMEMBER BAISA: Yes.

MR. TAGUCHI: --the Mayor, the Mayor's proposed Interfund Transfer was 16.578 million.

COUNCILMEMBER BAISA: Okay.

MR. TAGUCHI: The Chair's proposal reduced that by 228,000.

COUNCILMEMBER BAISA: Right.

VICE-CHAIR HOKAMA: And then without the (inaudible)

COUNCILMEMBER BAISA: Okay.

CHAIR PONTANILLA: Thank you. Members, any more discussion? Thank you, Mr. Taguchi.

COUNCILMEMBER VICTORINO: Chair.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Okay, thank you. And for my second opportunity, first of all, before I go to, for my second round, Ms. Okuma, and I thank you very much for being here. And Chair I don't know if this would be the appropriate place where Ms. Okuma had brought up a concern that she wanted to bring forward to us. Would it be here or do you wanna come back later and discuss that matter?

CHAIR PONTANILLA: At a later point. Right now we're looking at revenues.

COUNCILMEMBER VICTORINO: Just so long we have not forgotten, yeah, not forgotten the issue, yeah. Thank you, Chair.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: And, again, Member Victorino, we'll take all of the issues we have for this County. This is all of the departments that are concerned in regards to items on their budget.

COUNCILMEMBER VICTORINO: Okay, okay. So long as we're clear with that. Thank you, Chair. I do appreciate it. Again, as I stated earlier, and I wanted to make it clear, I too like everybody else would not want to raise anybody's fees in any area, okay. I go back to water because we waited five years and now we're being dinged. You're absolutely right, Councilmember Mateo, sooner or later it's gotta go up. Sooner or later somebody has to pay. You know whether we go universal, whether we have the user pay it's gotta go up. Chair, you're making a hard decision. I back your decision in the sense of you're thinking with your heart and that's not wrong because I think everybody in this room really thinks with their heart and the facts that are put in front of 'em, but we also gotta be realistic. Is it more palatable small increases? You're saying, oh, next year we can maybe. . .if we gotta do it. . .once the Integrated Plan comes out we do it next year. What will next year be like? According to Chair Hokama it'll be even worse than this year. Now, again, I go back do we wanna ask six, eight, ten dollar increase? Because it's worse now are we gonna have to raise all our property. . .are we gonna have to raise all the other user rates? I don't know. But I can tell you right now a year ago, and I'll use, I will use diesel oil, because diesel was one of the cheapest fuels, fossil fuels, was two dollars and ninety-three cents. Today it's four dollars and fifty five cents, and I don't know if it's gonna go up since last week. What do we use in a lot of our vehicles, Ms. Okuma?

MS. OKUMA: Fuel.

COUNCILMEMBER VICTORINO: Yeah, fuel, diesel fuel, right?

MS. OKUMA: Yeah.

COUNCILMEMBER VICTORINO: A lot of diesel fuel. Okay. And again, Chair, I humbly not. . .I don't badger nobody, I don't knock nobody. I'm just stating the obvious facts, okay. So those who wanna compliment you, I compliment you just as much. I'm not badgering you, sir, and I'm not trying to make you look bad, but I'm putting the realty out there it's there. So whatever the Committee decides I will go with 'cause that's what we are, we are nine people that make decisions for the good of Maui County. I'm the last one to want to see increase, but if it wasn't said and it wasn't brought up, come next year, if the good Lord wills that I'm here in this

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

chair and have to make the same decision, nobody can say why didn't you say that last year, okay. I speak what I know today as being fact. The future like you, Chair, we can only estimate or guess or use our best rationale, okay. All of us have given our points of view. I agree we are inter..., our study we may look at smaller containers, more recycling, but all kinds of stuff gonna come up and these are good things, but they'll cost money too. The MRF will cost money. Anything else we do is gonna cost money, and again it's gotta come from somewhere. Chair, uh. . . Member Baisa puts up a good point. No matter what comes to this islands, it's got to be brought in basically by ship, very little air, and cost of that has gone astronomically high. Chair Hokama has said in a number of statements, the truckers are rebelling. Everybody's rebelling in the mainland because of the high price of fuel. You can rebel all you want. I say the problem is these big companies that are making billions of dollars of profit, but I'm not in that level. That's the Feds level. I would hope to get on somebody soon because I'm sick and tired of seeing billions of dollars of profit by the fuel companies and we, the little people, are eating it, okay. There's gotta be some equity. Justice for all doesn't mean who has the money and who doesn't. I'm sorry. I'm getting a little emotional, Chair. I apologize, but you're right, whatever this is decided today will have an affect overall. I support you and what you brought forth, but I still like to see a small increase that's me. But I will support whatever the Committee comes up with, I will go with because at least the people of Maui County know everyone in this room has looked at every fact and every. . . every issue and wanna do the best for them. Thank you, Chair.

CHAIR PONTANILLA: Thank you. Members, more discussion? Member Johnson.

COUNCILMEMBER JOHNSON: Would you entertain a motion to I guess go for half of the rate increase?

CHAIR PONTANILLA: You can make that amendment if you want to Member Johnson.

COUNCILMEMBER JOHNSON: Yeah, and, and I'm just gonna throw it out there and see if it flies or not so. . .because that rate was suggested I move to amend to reduce the Solid Waste Collection fee to one half of the proposed Fiscal Year '09 rate.

CHAIR PONTANILLA: Which is?

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

VICE-CHAIR HOKAMA: Two dollars

COUNCILMEMBER JOHNSON: Two dollars.

CHAIR PONTANILLA: Thank you.

COUNCILMEMBER BAISA: Second for discussion.

CHAIR PONTANILLA: Second by. . .motion by Member Johnson, second by Member Baisa. Discussion Members?

COUNCILMEMBER JOHNSON: And, Mr. Chair, you know, it's just to put it out there to see if, if people are concerned, you know, I mean nobody wants to increase rates. We've all talked about that but everybody wants the service. So you know I just would like to ask Staff if we were to do that and instead of having the 1.104 I'm assuming that 50 percent then would be. . .wha..., and what would happen with the Interfund Transfer?

CHAIR PONTANILLA: Staff.

MR. TAGUCHI: Chair Pontanilla, a increase of the current proposal to 50 percent would increase revenues in this Solid Waste Fund by \$552,000. That revenue would be available if Members decide so to reduce the Interfund Transfer or be available for appropriations within the Solid Waste Fund.

COUNCILMEMBER JOHNSON: Okay. Okay. Well, that's my proposal.

CHAIR PONTANILLA: Thank you. Members, any more discussion on the proposal, amendment? Member Hokama.

VICE-CHAIR HOKAMA: Chairman, I can be receptive to the amendment consideration just made. I think what we would. . .(end of tape 2B). . .overall approach so is if we wanna look at slight increase in rate, but minimize the impact on the department, I would say we could. . .I would recommend very. . .as a consideration then that we, and taking into account all of the comments we shared with one another as it also in regards to the Integrated Plan [*sic*] we are awaiting patiently, is possibly con..., doing a shift of the Hana Landfill Interim closure from cash to bond that hundred thousand, and delete the Central Maui Landfill Maintenance Building to three hundred. . .two hundred thousand dollar cash and defer that project a year, and take that three

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

hundred thousand cash put it back into operations, and then with the two, two dollar increase I think we can allow the Director to do her management skills and figure out a way of how to live with just then approximately quarter million dollars less.

CHAIR PONTANILLA: Thank you.

VICE-CHAIR HOKAMA: The impact would be for me as something reasonable that the administrative can work within the parameters of a program budget allocation.

CHAIR PONTANILLA: Thank you. Members, more discussion on the amendment as proposed by Member Johnson?

COUNCILMEMBER JOHNSON: I...

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Mr. Chair, I just wanted to say that I do support what Mr. Hokama is also stating, and I would hope that that would be part of the consideration too for the Members so that at least we're working towards something and. . .you know we've gotta, we've gotta deal with it sooner or later, and we just cannot keep postponing. And I know we're gonna deal with the golf issue in another, you know, situation, but I just, I just don't like putting these things off. And I really believe that by increasing this slightly it will also hold not only the department's feet to the fire but ours to come up with some kind of workable program so that we don't, we don't keep filling up our landfills. And as a part of that I'd also like, you know, when this item goes to Committee I really think we've got to look at the impact of the importation of all of the materials that are related to the visitor industry. The philosophy of pack it in and pack it out we have never done any analysis on the impact of the industry with all of the visitor related trash, both construction packing, imported, whatever, we've never taken a look at it. I mean if we're looking at really where are our impacts coming from, I don't think the residents by themselves are generating all of this refuse. And so we've gotta look at where is the source. And if you look at that old philosophy I think that has got to be part of the analysis of where is the way stream coming from? Who is creating it? And is it fair for all of us to bear the burden when we are not, you know, capable of doing so? So thank you.

CHAIR PONTANILLA: Thank you. Member Baisa.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER BAISA: Thank you very much, Chair. And I neglected to offer you my support also, and thank you for making a very difficult recommendation. You know it's not easy to deal with any of these matters, and I respect you for doing that.

CHAIR PONTANILLA: Thank you.

COUNCILMEMBER BAISA: However, when we discussed the thing that's on the floor right now, having that rate at two dollars instead of four dollars and with . . .including Chair Hokama's recommendation, I think that's a really a good middle ground here. You know that way everybody wins a little bit, and we don't have impact on our consumers which to me is the worse thing that we could do. Also, it's an impact on our environment. We all know that once rubbish is not attended to it's all over the place, and it cost us more. It cost us more to take care of it, and costs us more because it ruins our environment and we all have to deal with that.

You know I look at this kind of like all of us hate to go to the dentist, and we all know that we should go periodically and have our teeth cleaned and looked at. And we all say oh, no, I postpone--right?--so I really don't want that pain. So all of a sudden we have a toothache and we have to go and pull a tooth. We have more pain and we spend more money. So I think we better go in for our dental checkup. So I'd like to support the amendment that's on the floor.

CHAIR PONTANILLA: Thank you. Before we take action on the amendment, Mr. Hokama provided us with a lot of language. The Chair is gonna call for a five minute recess at this time.

COUNCILMEMBER BAISA: Can we do it after lunch?

CHAIR PONTANILLA: No. We'll take care this thing, yeah. This meeting is in recess. . . .(gavel). . .

RECESS: 11:54 a.m.
RECONVENE: 12:02 p.m.

CHAIR PONTANILLA: . . .(gavel). . . The Budget and Finance Committee meeting is now reconvened. Members, let me read you the motion that you're voting on. The motion is to increase the Solid Waste Fee by two dollars and delete the Central Maui Landfill Maintenance Facility

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

Preliminary Engineering/Design/Permitting CIP project in Solid Waste. Also to decrease the Interfund Transfer by \$752,000. That is the motion that is--

COUNCILMEMBER VICTORINO: So moved.

CHAIR PONTANILLA: No, it's already, it's already a motion.

COUNCILMEMBER JOHNSON: We already have it as a motion.

CHAIR PONTANILLA: Members--

COUNCILMEMBER VICTORINO: Yeah, but you're amending it.

CHAIR PONTANILLA: The Chair would just make a comment. I will not be supporting the motion at this time. You have my recommendation and the Chair will stand on this recommendation as not to increase Solid Waste Fees by four [*sic*] dollars. Members, any more discussion?

VICE-CHAIR HOKAMA: Chairman, please.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: Chairman, first, thank you for recognizing the motion as revised. I'm gonna be speaking in favor of the consideration before the Committee. Mr. Chairman, with all respect to you, I understand your position. For me it does couple things. One, I think the Committee is correct in its desire to wait for the submittal of the Integrated Resource Management Plan [*sic*] as regards to solid waste and the direction we wanna go. Two, I believe it makes sense for us to defer that Maintenance Facility for this year. But couple of the main things that I believe is worthy of the Committee for their consideration to support the motion, Mr. Chairman, is one, by relieving the General Fund another three quarter million dollars of transfer or subsidy to this program, it also further reduces the, the pressure for us to otherwise increase property taxes to make up the deficiencies by creating a larger transfer dollar amount for the County to do, in my point of view, by Charter, a mandated required program. So for me, Mr. Chairman, I see couple of advantages especially, one, I would rather do small steps than giant leaps when it comes to increasing revenues particularly in rates and fees. I think the other big advantage is that as we know the trends with the donor states when it comes to fuel tax or with the State of Hawaii in, in general revenues from

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

them and through sales tax revenues and whatnot, I think it still allows an opportunity of being fair of where we receiving General Funds Countywide. And I, I . . .you know it's not the perfect solution, Chairman, but at this point in time in our financial situation with our forecast, with our demands, I consider this at least a reasonable compromise offering at this point in time to address the needs of this department. Thank you.

CHAIR PONTANILLA: Thank you. Any more discussions, Members? Member Victorino.

COUNCILMEMBER VICTORINO: And I thank Chair Hokama for his due diligence and your willingness to make that amendment and make that area what I feel is a lot more palatable for the community. The, the community in general. . .I get the same calls as you do Chair, and like I said earlier they want to see a good product. They don't mind paying a little more so long as they get the service, and I think that's something I want the department to be put on notice that we've got to fulfill their expectations. I think that's very important. Secondly, I agree with Chair Hokama, small steps, baby steps are better than giant leaps because people get very frustrated with giant leaps. What are we seeing in the gas industry our gas prices are taking giant leaps. Something like fifty cents in the last four, five months from what we were paying and going up. I'd like to figure out how to stop that one, but that's another issue, another conversation. But more importantly I want the people to understand that we do this because more, most importantly we wanna do it right, we wanna make sure we have a balanced budget. The monies gonna come from someplace and like I said in, in many, many times whoever has to pay it ultimately is we the people that pay for it somewhere. So it's like being a consumer out there. When prices rise, fuel prices rise, we're paying more at the grocery store, we're paying more for the gas we buy, we're paying more for the food we eat, clothing we buy, everything. We just gonna have to pay more. And so what do we do? Like in the old days--right, Chair?--we cutback. We tighten the belt. We don't do as many things. We don't travel as many times to the store. We start walking more. We start doing what we were. . .we should do. Maybe it's good for our health, yeah, some exercise maybe doing a little more. . .less, less driving and more walking. I find myself I gotta go to Wailuku town I, it's easier for me to walk down to Wailuku town, do what I need and come back than jump in the car and finding parking. So all said and done Chair I will support this amendment and, and I thank you for all of your insight. I know you've worked very hard, and again, a community *[sic]*, community can be assured that you along with all eight of us that stand in

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

this Council work hard for their benefit and their benefit only. Thank you, Chair.

CHAIR PONTANILLA: Thank you. Member Medeiros.

COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman. I just wanna state, you know, a perspective that's kind of similar to Member Mateo's. I can appreciate what Council Chair Hokama has said, I appreciate the merits of what has been proposed, but like Molokai, and I won't speak for Lanai because, you know, Council Chair Hokama is here, but Molokai. . .Member Mateo did say that any kind of increase is difficult for his island, for his community, especially in light of what has happened there recently. And like Member Mateo. . .Hana you know I'll say that Hana has lower income levels than the rest of the County. . .and that's recognized by HUD that that has a different kind of table for Hana because of the lower income. Hana right now fuel unleaded is four sixty one, diesel is four ninety five. People in Hana have to travel from Hana to Central Maui for some of the most basic needs such as doctors, dentist, tax preparers, you know, you name it they gotta come out here. Most Hana families come out here at least twice a month. Some come on a weekly basis. Now, I think Member Mateo also stated at one time that when we look at an increase as an individual increase for an individual item, it doesn't look so bad, but cumulatively if you add all the increases we're considering it affects low-income families tremendously. And even though I can see the need for some kind of increase, I just wanna be sure that we realize that lower-income communities hits them hard, very hard. And so I think, you know, I'll be supporting your position on this and your recommendation, Mr. Chairman, thank you.

CHAIR PONTANILLA: Thank you. Member Johnson.

COUNCILMEMBER JOHNSON: For my final time. I understand you know what individuals go through because I think after the September 11th issue this County created the Help Fund, and Ms. Baisa I know at that time was with MEO and they administered that fund because it was a very traumatic time. I think that the majority of the users no one wants to pay more. I mean I don't wanna pay more for anything, but the reality is everything that living on an island, you know, is so attractive is also sort of a downside. So for me, Mr. Chair, I would rather for those individuals who are under hardship or for those communities that have difficulty I would rather create a kokua fund where those individuals would then be able, based on income, to get some kind of relief on an individualized basis.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

There are many people in the community that can afford this. There's a lot of people who live in, you know, nicer homes or let's say homes that they can maybe afford little bit more than others. I know. . . I don't wanna make this a class issue, but I think that because of the situation Member Mateo faces, because of Aloha Airlines, there's different levels of hardship, but there are a lot of people in our community, and you look at West Maui we generate 38 percent of the real property revenues that helps to keep everything afloat. So somebody's making monies somewhere and that's what I believe would be a better solution for those individuals who are having a hardship. It's kind of what we're doing is we're, you know, we're saying that no one has the ability to pay and that's not true. Everybody should have that option to have some kind of supplemental fund, but because we haven't created it yet, we haven't created a health fund, you know, we maybe don't have that available. But I, I would just ask people to think about possibly creating that, but you know the services are gonna go, and Ms. Okuma's department is going to be hampered in their delivery of services. And so when the complaints come in on the other side I just want people to remember that everything that happens in this community happens with the decisions that we make. So I'm hoping that we don't have a meltdown, but with fuel costs going up our departments are under the same stress. So I agree with Chair Hokama. I think this is the tip of the iceberg, and I would rather have a small increase now with the creation of some kind of a supplemental fund to help those individuals that need that assistance who cannot afford these fees. Thank you.

CHAIR PONTANILLA: Thank you. Member Baisa.

COUNCILMEMBER BAISA: Second and last time. You know I think Member Johnson brings up a very viable idea, and in many cases, you know, we have sliding fee scales for what we charge people, and it's almost looking like we're going there. I know we have with our property tax system the circuit breaker to make sure that people that, you know, really need the help are protected, but we don't have it in many other areas, and it might be something that we might wanna work towards while we have some kind of an emergency assistance fund that she's suggesting because you know we don't wanna cause anybody to. . .any more pain than they already have. But I think this is a fiscally responsible decision that we're making here, and I deeply regret you know that it's gonna affect some people that really should not be affected, but also like Member Johnson mentions there are many people to whom a two dollar a month increase in their trash collection fee they won't even notice it. Too bad that we can't

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

charge them ten dollars and the rest nothing, but I don't know how we would do those logistics at this point. But I think, you know, we just gotta bite the bullet. We either gonna do it now or next year we gonna have to do more. Because what I'm really terrified about is we are passing this budget is that I don't think that we have enough money in it to cover the increases that we're gonna see in our electricity, in our fuel, and travel costs.

CHAIR PONTANILLA: Thank you. Members, any more discussion? Okay. The Chair will call for the question. And the motion is to increase the Solid Waste Fee by two dollars and delete the Central Maui Landfill Maintenance Facility Preliminary Engineering/Design and Permitting CIP project in the Solid Waste, and to decrease the Interfund Transfer by \$752,000. Member Mateo.

COUNCILMEMBER MATEO: No.

CHAIR PONTANILLA: Member Baisa.

COUNCILMEMBER BAISA: Yes.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Aye.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: No.

CHAIR PONTANILLA: Member Molina.

COUNCILMEMBER MOLINA: No.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: Aye.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Yes.

CHAIR PONTANILLA: And the Chair votes no. Motion dies.

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

April 23, 2008

VOTE: **AYES:** **Councilmember Baisa, Johnson, Victorino, and
Vice-Chair Hokama.**
 NOES: **Councilmember Mateo, Medeiros, Molina, and
Chair Pontanilla.**
 ABSTAIN: **None.**
 ABSENT: **None.**
 EXC.: **Councilmember Anderson.**

MOTION FAILED.

CHAIR PONTANILLA: We're back at the main motion. The main motion is to accept the net estimated revenue \$102,172,411. Any more discussion, Members? The Chair will call for the question. Member Mateo.

COUNCILMEMBER MATEO: Yes.

CHAIR PONTANILLA: Member Baisa.

COUNCILMEMBER BAISA: No.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: No.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Yes.

CHAIR PONTANILLA: Member Molina.

COUNCILMEMBER MOLINA: Aye.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: No.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: No.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: I think we have a stalemate here. (chuckled)

VOTE: **AYES:** **Councilmember Mateo, Medeiros, Molina, and
Chair Pontanilla**
 NOES: **Councilmember Baisa, Johnson, Victorino, and
Vice-Chair Hokama.**
 ABSTAIN: **None.**
 ABSENT: **None.**
 EXC.: **Councilmember Anderson.**

MOTION FAILED.

CHAIR PONTANILLA: Okay, we'll come back to this issue. The Chair is looking at the time. It's 12:20. We'll return at 1:45. This meeting is in recess. . . .(gavel). . .

RECESS: 12:20 p.m.
RECONVENE: 1:53 p.m.

CHAIR PONTANILLA: The Budget and Finance Committee meeting is now reconvened. Members, when we broke for lunch we were at Charges for Current Services where we had a deadlock. The Chair is gonna revisit that particular item, and Members, as far as the recommendation by the Chair, the recommendation that you see when we created Exhibit 1 for all of you, the number that you see is, is in balance with the proposal by the Chair for our review of the 2009 Budget. So, Members, because we're at a stalemate at this time, I open up to all of you for discussion in regards to a number that should be included in the Charges for Current Services for Solid Waste Collection fees. Member Baisa.

COUNCILMEMBER BAISA: I forgot to say this earlier, Chair, thank you for the opportunity. And I thought about it while we were having lunch and that is, you know, we are talking a lot about the solid waste, the Integrated Solid Waste Management Plan that we are in great anticipation of. Frankly, my fear is that plan, although it may be innovative, is also gonna be expensive, very expensive. Because if it is talking about a MRF it's multi-millions of dollars. If it's talking waste to energy it's multi-million dollars. So frankly, I don't see that it has much bearing on what we're

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

gonna have to pay. I think we're gonna have to pay a lot more. I don't see that as an answer to lessening our expense.

CHAIR PONTANILLA: Thank you. Members, any more discussion in this matter regarding the Wastewater. . .Solid Waste Collection fee? Member Medeiros.

COUNCILMEMBER MEDEIROS: Chair, if you can refresh my memory, where do we stand currently on this particular item?

CHAIR PONTANILLA: Well, when we left, because we're at stalemate, right now the budget is in balance by that amount \$102,172,411, but let me confer with Staff. Am I right, Staff?

MR. TAGUCHI: At, at this point we, Staff wanted some direction as to what would be the number in there. I guess the choices are no number, the Mayor's number, or the Chair's number. One of those three at this point.

CHAIR PONTANILLA: Thank you. So the Chair number that is shown that had been stalemated was a number that the Chair had submitted to this Committee which is no increase in the collection.

COUNCILMEMBER MEDEIROS: So, Mr. Chairman, so we're discussing that and gonna vote on that right now? So the other proposals that were made by Member Johnson and also information options given by Council Chair Hokama that's no longer in consideration?

CHAIR PONTANILLA: At this time because of the stalemate. But if any Member here wants to make a motion of some number then the Chair will consider that. Member Molina.

COUNCILMEMBER MOLINA: Yeah, thank you, Mr. Chairman. So just for clarification, so right now we're working with the original number even though it hasn't been approved by the body. So what you're looking for then right now is someone to I guess throw out a number or throw out a proposal at this time--

CHAIR PONTANILLA: At this time, yes.

COUNCILMEMBER MOLINA: --so we can continue moving? Okay, well, just to get things moving, I hope anyway, I'll just throw out a motion to accept the number of 102,172,411.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Thank you. Is there a second?

COUNCILMEMBER MEDEIROS: I'll second for the discussion, Mr. Chairman.

CHAIR PONTANILLA: Thank you. Discussion, Members?

COUNCILMEMBER MOLINA: Yes, thank you, Mr. Chair. Thank you, Member Medeiros for at least considering the second to at least put this, get some kind of discussion going here.

Again, Mr. Chair, as I reiterated earlier I support your proposal to at least. . .or your creativity I should say to at least hold off on the increase of rubbish fees for our citizens. And you know during the lunch break it gave me an opportunity to go out and look at fuel prices. Well, just went up another ten cents a gallon. Our community's just. . .we're already overwhelmed already with fuel and, you know, of course water. I think many of us are pretty much, you know, I may be premature but are pretty much going to go along with the water increases as well as probably the sewer fee increases. So for me it's just a matter of principle at this time, and again, taking into consideration what's happened with the airlines, Molokai Ranch, all of that has come into play. And, you know, when you talk about things like rubbish, fuel, these are what some people characterize as table, kitchen table issues. Small but important stuff that you know really directly hit the pocket books of a lot of our citizens and we. . .you know it, it's easier for us sometimes that hey, you know, we need this to maintain the County services and so forth. But I think we also need to bear in mind those who are less fortunate who, you know, have a limited source of income and. . .you know we need to be sensitive to that as well. So we not only have to think with our, our minds but also with our hearts and show a little compassion at times. I am relegated to the fact that, you know, we gotta look at increases. I mean that's the realities of it, but for me it's just a matter of when, and I just taking into consideration all what's happened now. I don't know if, if this is wise to hit the public with another rate increase at this point whether it be a dollar, two dollars, or whatever, but that's just my own personal outtake on it, Mr. Chair. And I thank you for, you know, your, your, your sensitivity to the community as well. I know it wasn't easy. And I respect all the comments made by my other colleagues as well because there's good arguments on both sides of this. So I'll just leave it as that and we'll see where this goes, Mr. Chairman. Thank you.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Thank you. Member Johnson.

COUNCILMEMBER JOHNSON: Um. . .I would just like to know, you know, because obviously the department presented a budget based on the same kinds of things, you know, fuel is going up, everything's going up, our collective bargaining's going up, employment retirement system contributions are going up, those are fixed things that we have no control over. So as the department head Okuma said she's gonna cut services. So for the people that wanna leave this like it is, where do you wanna cut services? Do you wanna stop collection? I know Lanai gets like one, you know, day collection or once a week. I don't know what Hana gets. I don't know what Molokai gets, but if we wanna say okay, fine, for those communities that are having a hardship then we'll do what we did on Lanai and we'll say okay for them they get no increase and others get an increase, but then their service would not be there, not the same level that's. . .you know I mean that's the reality. You tell what community. . .who has a financial difficulty. You pick the community. If you wanna keep those rates low, keep everything low, just tell me the communities that are gonna get lesser services or where we're gonna cut services that's, that's a fair question.

CHAIR PONTANILLA: Thank you. Members, any more discussion? Member Molina.

COUNCILMEMBER MOLINA: Yeah, thank you. I just wanna make a comment, you know, about what the previous speaker said. You know. . .(chuckled). . .I don't believe this department is gonna really. . .at this point I think they have enough to still at least maintain services to a respectable level. And another thing to keep in mind, you increase the rates significantly on rubbish you're gonna see rubbish all around our community. People are gonna start dumping in the gulches, along the roadside. Is that what we want? I want my community as clean as possible, Mr. Chairman, and I tell you what? It's unfortunate we have people who are like that, but that's the realities. When you see increases on rubbish it's happened before when we've had increases on rubbish and, you know, personally I don't wanna see any more rubbish up in the community, Mr. Chairman. We've got enough of it already. So I'm trying to be sensitive to the public. Maybe some others may not be as sensitive as I am, but you know rubbish is something, you know, really touches a lot of people in more ways than one. So I wanna do everything I can to again ease the pain. There's a lot of pain right now, Mr. Chairman, a lot of frustration, and this is just something else that we're gonna burden

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

our public with, and I for one am just not, not receptive to this. I mean do you continually kick a person while they down you know? I mean when do you stop you know? At some point you know. . .(end of tape 3A). . .small but you know meaningful issues that really impact a lot of people. So I'll just leave at that, Mr. Chairman. Thank you.

COUNCILMEMBER VICTORINO: Chair.

CHAIR PONTANILLA: Thank you, Mr. Molina. Mr. Victorino followed by Mr. Hokama.

COUNCILMEMBER VICTORINO: Thank you, Chair. And, you know, we can go round and round and round and. . .I do not wanna comment on any of my colleagues sense of sensibility and sensitivity. You are what you are and I challenge anyone to challenge this statement. I'm more sensitive than anybody in this room at most given times and I don't care who you are in this room. But that being said, and you know let's get off the sensibility and let's get onto the reality. I'd be willing to not make any rate increase this year, Chair, just to move this on, but I'm telling the public right now, come next year something has to be done. And I hope the Members are here next year so they can answer the question why it wasn't done this year? Why we waited now? We got double digits increases like we did in water. Because it was this very Council or the Council that didn't wanna raise rates for a number of years. While costs were going up, availability, storage and all the other things was having a major problem, no one wanted to raise the rate, okay. I don't begrudge them or fault them. That's what they felt. That's what they thought. But now the double digit increases are necessitated. If that's what the Chair. . .I mean if that's what the body decides fine. I want this to move on. I don't want to stay here all day on one issue, but when it comes to being sensitive to the public, and their needs I don't care who in this room, I'm just as sensitive if not more, and I take offense to that statement. I do. . .and I'm telling it plain and simple. I don't try to begrudge anybody for their wisdom. They all have to make a decision, but I thought I've said many time in this room we all care about the people of Maui County, and that we all sensitive to that. We just have a different approach. We have a different logic. And yes the world is down right now, and maybe even further. Come next year talk about kicking people down, things could be worse. Gas could be over five dollars a gallon by next year this time, and then we're gonna kick 'em right? I don't wanna make these kinds of decisions. Public can see me right now I would rather not. . .I would rather not change nothing, leave things alone, but maybe you gotta expect

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

less. I don't know, but I feel for people. We are at a crossroads, and that's the facts we gotta face. I don't begrudge anybody, and Chair I respected what you said, I respect everything, anybody in this room says. Agree or disagree with them I respect 'em, but I don't think we're less sensitive, and I just want that clear. I also want it clear that I will change for the sake of moving on and for the sake of the people of Maui County 'cause I don't want us deadlock for one week on this issue, but I hope that in the future they understand that if we gotta raise it after our Solid Waste Integrated Plan [*sic*] and all that, which Ms. Baisa mentioned, may cost. . .and yes it will cost more. But it will do a great deal to prevent our landfill from filling up so quickly. It will do a lot to do recycling and getting that garbage out of the hole 'cause we have a finite amount of land to, to put our refuse in and you're well aware of, Chair. You were a . . .the Public Works Chair for a number of years so you understand all of these things. What is taking long to get here I cannot change, but we will get it done this year. We will have it for this Council in the near future and for the people of Maui County. Just like the general plan, just like all the other things, this Council and this Administration has been willing to take the tough issues and, and deal with 'em. And we're not popular because of it, but we do the best we can because we were elected. And if I remember on the campaign trail that was one thing I hear many, many times, make a decision. Right, wrong or indifferent make a decision. Well, I will make decisions, and I'll make the best I can. And I hope that the people understand that I do it just like everybody else in this room for their sake because we believe in the people of Maui County, and we know it's tough, and it's gonna get tougher. So we wanna do everything to help them. Chair, I thank you for the indulgence and let us move on if you can. Let everybody else say what they need to say, but I will support you and your motion or your rates if that's what's gonna undo this and make us be able to move on. And I will do it with reluctance, but I will do it. Thank you, Chair.

CHAIR PONTANILLA: Thank you. Member Hokama.

VICE-CHAIR HOKAMA: Chairman, thank you very much. Obviously we have a different perspectives on the philosophy of how to fund the requirements of the department and this division. I, I'm like you, Mr. Chairman, I believe we need to make a decision one way or another. And let me just state that that if we do not move this consideration of adjusting the collection fee. . .and let me put it in this perspective. The way we have it structured now, the collection fee is as regards to residential collection, it is what the residents pay the County for the County to pick up and take

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

care of the residential requirements regarding solid waste in this County. If we choose not to raise the collection fee, then I . . .to be fair, Mr. Chairman, and I come from an island that is subsidized by Maui island for many things. Now it would be fair, in my point of view and perspective, to ask that the residential homeowners property tax rate be increased because this is a residential program it should be paid by residents. You cannot continue to offset it and make somebody else pay our bills. We allow the commercial to have a separate component and we charge. . .we require them to put commercial hauler and we set a rate and fees by the tonnage and whatnot at the solid waste facilities. So if that's the approach then let us choose that, and I will be happy to explain to my island, my community why we've addressed it from the property side tax point, but that the resident needs now to pay their fair share to help make the differential from the residential fee that we collect under solid waste or refuse collection. One way or another we're gonna need to increase revenues. If the property tax route is the way we are gonna go, then let's just be upfront and say that's where we're gonna make the adjustment to take care of the needs of the Interfund Transfer to provide for the County to meet its minimum standard requirements for health and safety regulations and, and that's what we'll explain to the community. But we cannot assume that by not raising this component there's no impact in the other areas of revenue generation, there will be. And as long as we are cognizant of this issue, and that where we should be making the appropriate tax adjustments, and we acknowledge it and we explain it completely, and I would use the same term as my colleague to the side of me, in homeowner's language, in their pocketbook language I think that's fair. Because, Mr. Chairman, it's interesting, and again, we all have our own perspectives, that we have those that have arguments on fuel tax, yet we see 'em in the Hummer's, we see 'em in the V8s. We have people who have issues with us increasing water rates and yet they don't have a issue paying six to eight dollars at a resort for a bottle of, uh. . .water which cost more than gas, which cost more than a lot of things if you push it out to a gallons. . .and that for this residential we are telling them to smoke less than half a pack less a month for this adjustment in the refuse fee, but regardless we should make the decision. And if we don't wanna do it this way and, and we support your decision, Mr. Chairman, I really believe then let's be upfront and make the appropriate adjustment under property tax, and have the homeowners rate adjusted accordingly to give us the appropriate resources for the Interfund Transfers 'cause we all know nothing's free, someone pays the bill. And for me I appreciate Maui island because they carry the subsidy for me and my community needs on Lanai. Thank you.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Thank you. Members, any more discussion? Member Medeiros.

COUNCILMEMBER MEDEIROS: Mahalo Mr. Chairman, for this second opportunity. I just wanna ask you, first of all, where we stand right now, where we're discussing and will vote on your proposal, your budget is that correct?

CHAIR PONTANILLA: The motion made by Mr. Molina is to move the estimated revenue of \$102,172,411.

COUNCILMEMBER MEDEIROS: Okay. So, that would mean that there would be no rate increase?

CHAIR PONTANILLA: That would mean that the--

VICE-CHAIR HOKAMA: Maintain rates.

CHAIR PONTANILLA: Yeah, maintain the existing rates.

COUNCILMEMBER MEDEIROS: Current rates.

CHAIR PONTANILLA: Yeah, current rates.

COUNCILMEMBER MEDEIROS: Right. And. . .excuse me. . .if this motion fails, are we back at the Mayor's proposal?

CHAIR PONTANILLA: Yes, we are.

COUNCILMEMBER MEDEIROS: And that's a four dollar increase?

CHAIR PONTANILLA: Hang on.

COUNCILMEMBER MEDEIROS: Okay, thank you.

CHAIR PONTANILLA: One moment. Mr. Taguchi.

MR. TAGUCHI: Chair Pontanilla, this is where it is a bit unclear. In the beginning of the session we moved forward with the Chair's proposed, proposal which reflected certain rates and fees and revenue amounts. At that point in time when we moved forward we moved forward the Chair's

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

proposal in lieu of the Mayor's proposal. Since that time, when we entered into a decision making process, we have been taking. . .for the items that we did not have consensus on we've been taking motions to adopt the Chair's proposal, and upon that motion other Members made motions to amend that number to a different number. So when both motion. . .the amendment motions failed and the main motion to insert the Chair's proposal fails, it's unclear as to exactly what number exist. However, if we place no number there, then the budget is out of balance. If you say that the Chair's number is there, then the budget remains in balance. If. . .so in either case I guess it'll be up to this body to decide what number would be the established number currently in the Committee's proposal.

COUNCILMEMBER MEDEIROS: Thank you, Mr. Taguchi, for that explanation which I'm still not clear.

COUNCIL MEMBERS: (laughter)

COUNCILMEMBER MEDEIROS: But I thank you for your efforts. Well, you know, for me, Mr. Chairman, I know I made, you know, the. . .trying to protect my east Maui community because the statement I made was that, you know, it's a lower income community and any kind of raise really affects them, but I know the Hana community has always been a resilient community in doing things that they have to do. And for instance when the cost of gas went up, and most our families in Hana they supplement, you know, the food in their home from fishing and hunting. Well, when the gas went up, to fill up their boats went from two hundred to four hundred dollars. So they had to cutback on their fishing maybe not going as many times, and so they did make the adjustments. But I think as Member. . .Council Chair Hokama said for his island, you know, Maui subsidizes, yeah, and for Hana it's the same. Our you know revenues that we put into the County coffers is a very small percentage compared to the other districts. So for me I, I think now and being one of the Co-Chairs of the Public Works and having heard the position of the department many times over, and I think what the department is asking is not to gain money that they would have as surplus but just to meet their needs. So you know in that reconsideration I would rather, you know, support as we earlier had a two dollar increase than going back to a four dollar increase. So you know that's, that's you know my feelings on that, Mr. Chairman. Thank you.

CHAIR PONTANILLA: Thank you. Any more discussion? Member Baisa.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER BAISA: Thank you, Chair. This is a very difficult discussion and it's rather difficult to sit hear and listen to suggestions that maybe one is not sensitive. I think that my record will show that I have spend my life trying to be sensitive and to help those in need. I don't think I need to talk about that. It exists. The other side of me is that I am also a realist and I have a background in accounting. Two and two do not make eight. They make four. We cannot, as much as it may break our hearts to look around us and see that people are suffering, be fiscally responsible and not make the ad..., at least some adjustment. And I think the compromise of two dollars instead of four is hard one, but it's, it's better. . .at least we're going in the right direction 'cause I hate to be sitting here in a harder year next year. And I think we're gonna have a harder year next year 'cause we can all see where it's going having to raise it eight dollars so that we don't have to cancel rubbish pickups or, you know, not be able to buy equipment that we need or whatever it is. You know two dollars a month is just that. It's two dollars a month. And, you know, I'm surrounded by people who are having a hard time in my own family, but although they claim to be having a hard time, like Member Mo..., like Member Hokama mentioned, you know, it's a matter of values and what you wanna spend your money on. You know two dollars a month is less than one gallon of gas. So I don't know what somebody said it was costing today, but the last time I looked was three. . .I mean four thirty six or something like that. So really let's put it in perspective two dollars a month, but when you put it all together and everybody pays, we're talking about a lot of money, and we need this money. We just need this money. And, you know, I'd rather sit here and say oh, never mind, don't raise anything and be popular and loved, and be the bountiful lady, but I have to be responsible. That's what they put us here to do was to make tough decisions. So I'm really excited to hear that, you know, Member Medeiros may have changed his mind and then that would help us to make this decision, but Chair, I, I like Mr. Victorino. If we've come to a stalemate, I'll vote with the majority because we need to move this. We cannot be spending months and months here on budget. We spend enough time as it is. So, you know, I'd like to see us do a little increase, but if that's not the will of the majority I'll go with it.

CHAIR PONTANILLA: Thank you. Member Johnson.

COUNCILMEMBER JOHNSON: Um. . .it, at the appropriate time I would like to remake my original motion so that at least we can consider moving this out because I, I don't feel at this time, and you've taken the position, Mr.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

Chair that, you know, if possible, we don't wanna increase the real property tax rate. And there are many people out there, you know, if there's 23,000 accounts, look at our population, you know, not everybody gets the service. There's a lot of people that are, you know, not gonna be necessarily happy, you know, about paying for services that they're not really getting. And so I'd rather connect the service with re..., with the person that's receiving it, and then work out some kind of a compromise for those communities that not only need help with their fuel bills and their fee increases and, you know, other things that are plaguing them, but I'd rather try and work something else out for those that simply cannot manage to pay their monthly bills.

CHAIR PONTANILLA: Thank you. Members, any more discussion in regards to the motion by Member Molina to move forward the number that is shown on Exhibit 1 page 1.

COUNCILMEMBER MOLINA: Call for the question.

CHAIR PONTANILLA: The Chair is gonna call the roll. Member Baisa.

COUNCILMEMBER BAISA: No.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: No.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: No.

CHAIR PONTANILLA: Member Molina.

COUNCILMEMBER MOLINA: Aye.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: No.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: No.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Chair votes aye. There are five noes; two ayes Member Molina and Member Pontanilla; three excused Member Mateo. . .I'm sorry, two excused, Member Mateo, Member Anderson. The motion dies in regards to putting in \$102,172,411.

VOTE:	AYES:	Councilmember Molina and Chair Pontanilla.
	NOES:	Councilmember Baisa, Johnson, Medeiros, Victorino, and Vice Chair Hokama.
	ABSTAIN:	None.
	ABSENT:	None.
	EXC.:	Councilmember Anderson and Mateo.

MOTION FAILED.

CHAIR PONTANILLA: At this time the Chair will entertain a motion in regards to the Solid Waste Collection fee.

COUNCILMEMBER JOHNSON: Yes, Mr. Chair, if you could read the language from this morning and then I'll just state so moved, uh. . .or does Staff have that?

CHAIR PONTANILLA: Staff, you got the language?

MR. TAGUCHI: Chair Pontanilla, I believe the motion was to have. . .

MS. REVELS: Mr. Chair.

CHAIR PONTANILLA: Yes.

MS. REVELS: The original motion made by Member Johnson was to increase the Solid Waste fee by two dollars which would be an increase income by \$552,000 which would be used to decrease the Interfund Transfer. The friendly amendment added on by Member Hokama was to also delete the Central Maui Landfill Main Facility Preliminary Engineering/Design/Permitting capital improvement project for 200,000 which would be a total decrease in the Interfund Transfer of \$752,000.

COUNCILMEMBER JOHNSON: So moved.

COUNCILMEMBER VICTORINO: Second.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Moved by Member Johnson, second by Member Victorino to increase the Solid Waste Collection Fee by two dollars. Any more discussion, Members? The Chair will call for the question.

VICE-CHAIR HOKAMA: Chairman.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: Does this include the component of the \$200,000 cash CIP in this motion as read by Ms. Revels?

CHAIR PONTANILLA: Ms. Revels.

VICE-CHAIR HOKAMA: Is that what you've accepted, Mr. Chairman?

CHAIR PONTANILLA: Can you read the motion again.

MS. REVELS: Yes, Mr. Chair. The motion is to increase the Solid Waste fee by two dollars, and to delete the CIP project Central Maui Landfill Main Facility Preliminary Engineering/Design/Permitting project for a total decrease. . .or for a total increase in revenue. . .I'm sorry. . .for a total decrease in the Interfund Transfer by \$752,000 that would be an increase in revenue from the increase fee by \$552,000, and a decrease in expenses of 200,000.

VICE-CHAIR HOKAMA: Thank you, Chairman.

CHAIR PONTANILLA: Okay. You read. . .everybody got the motion on that one? Okay, the Chair will call for the vote. Member Baisa.

COUNCILMEMBER BAISA: Yes.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Aye.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Aye.

CHAIR PONTANILLA: Member Molina.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER MOLINA: No.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: Aye.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Yes.

CHAIR PONTANILLA: Chair votes no. We have five ayes; two noes, Member Molina and Pontanilla; two excused, Member Mateo and Member Anderson. Motion is carried.

VOTE:	AYES:	Councilmember Baisa, Johnson, Medeiros, Victorino, and Vice-Chair Hokama.
	NOES:	Councilmember Molina and Chair Pontanilla.
	ABSTAIN:	None.
	ABSENT:	None.
	EXC.:	Councilmember Anderson and Mateo.

MOTION CARRIED.

ACTION: APPROVE.

CHAIR PONTANILLA: So, Mr. Taguchi, what is the new number?

(note: silence)

MR. TAGUCHI: Our laptop computer is a little slow.

COUNCIL MEMBERS: (laughter)

MR. TAGUCHI: The new number is one hundred and two thousand seven..., 102,724,411.

CHAIR PONTANILLA: Okay, Members, you got that? Thank you. Moving on. Transient Accommodation Tax--

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER JOHNSON: Oh, main motion.

CHAIR PONTANILLA: Oh, back to the main motion. Oh, wait, wait. That was the main motion, Member Johnson.

COUNCILMEMBER BAISA: It was a main motion.

COUNCILMEMBER JOHNSON: Okay, sorry.

CHAIR PONTANILLA: Thank you. Okay, moving on, Transient Accommodations Tax. The Chair's recommendation is to include \$21,980,000.

COUNCILMEMBER VICTORINO: So moved.

CHAIR PONTANILLA: Moved by Member Victorino.

COUNCILMEMBER JOHNSON: Second.

CHAIR PONTANILLA: Second by Member Johnson. Any discussion, Members? Seeing none. The Chair will call for the vote. Member Baisa.

COUNCILMEMBER BAISA: Yes.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Aye.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Aye.

CHAIR PONTANILLA: Member Molina.

COUNCILMEMBER MOLINA: Aye.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: No.

CHAIR PONTANILLA: Member Victorino.

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

April 23, 2008

COUNCILMEMBER VICTORINO: Aye.

CHAIR PONTANILLA: The Chair votes aye. You have 6 ayes; one no, Member Hokama; two excused, Members Mateo and Anderson. Motion is carried.

VOTE: **AYES:** **Councilmember Baisa, Johnson, Medeiros,
Molina, Victorino, and Chair Pontanilla.**
 NOES: **Vice-Chair Hokama.**
ABSTAIN: **None.**
ABSENT: **None.**
EXC.: **Councilmember Anderson and Mateo.**

MOTION CARRIED.

ACTION: APPROVE.

CHAIR PONTANILLA: Fuel and Franchise Taxes. The estimated revenue as proposed is \$20,000,000. The Chair is looking for a motion.

COUNCILMEMBER VICTORINO: So moved.

COUNCILMEMBER JOHNSON: Second.

CHAIR PONTANILLA: Moved by Member Victorino, second by Member Johnson. Members, any discussion? Seeing none, the Chair will call for the vote. Member Baisa.

COUNCILMEMBER BAISA: Yes.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Aye.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Aye.

CHAIR PONTANILLA: Member Molina.

COUNCILMEMBER MOLINA: Aye.

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

April 23, 2008

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: No.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Aye with reluctance.

CHAIR PONTANILLA: The Chair votes aye. We do have six ayes; one no, Member Hokama; excused Members Mateo and Anderson. Motion is carried.

VOTE:	AYES:	Councilmember Baisa, Johnson, Medeiros, Molina, Victorino, and Chair Pontanilla.
	NOES:	Vice-Chair Hokama.
	ABSTAIN:	None.
	ABSENT:	None.
	EXC.:	Councilmember Anderson and Mateo.

MOTION CARRIED.

ACTION: APPROVE.

CHAIR PONTANILLA: Special Assessment. The estimated revenue as proposed is \$14,847,800. The Chair is looking for a motion.

COUNCILMEMBER VICTORINO: So moved.

COUNCILMEMBER JOHNSON: Second.

CHAIR PONTANILLA: Moved by Member Victorino, second by Member Johnson. Any discussion? The Chair will call for the question. Member Baisa.

COUNCILMEMBER BAISA: Yes.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Aye.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Aye.

CHAIR PONTANILLA: Member Molina.

COUNCILMEMBER MOLINA: Aye.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: Mm.

CHAIR PONTANILLA: Member. . . yes or no. Member Hokama.

VICE-CHAIR HOKAMA: Whatever is the majority vote, Chairman.

CHAIR PONTANILLA: Thank you. Member Victorino.

COUNCILMEMBER VICTORINO: Yes.

CHAIR PONTANILLA: And Member. . .the Chair votes yes. We do have seven ayes; and two excused, Member Mateo and Anderson. Motion is carried.

VOTE:	AYES:	Councilmember Baisa, Johnson, Medeiros, Molina, Victorino, Vice-Chair Hokama, and Chair Pontanilla.
	NOES:	None.
	ABSTAIN:	None.
	ABSENT:	None.
	EXC.:	Councilmember Anderson and Mateo.

MOTION CARRIED.

ACTION: APPROVE.

CHAIR PONTANILLA: Interfund Transfers, Mr. Taguchi. Not at this time?

MS. REVELS: Mr. Chair, we have not yet incorporated the changes that were just voted on.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Okay, fine, we'll come back to that. Bond/Lapsed Bond. The recommendation for estimated revenue is \$50,834,000.

COUNCILMEMBER VICTORINO: So moved.

COUNCILMEMBER JOHNSON: Second.

CHAIR PONTANILLA: Moved by Member Victorino, second by Member Johnson. Members, discussion? Member Hokama.

VICE-CHAIR HOKAMA: Chairman, I'm open to you allowing the move out. . .the first opportunity to speak, and if no one wishes then I'd be happy to take the floor.

CHAIR PONTANILLA: Thank you. Members, anyone discussion? None. Member Hokama you have the floor.

VICE-CHAIR HOKAMA: Thank you, Chairman. I would really love to support this number, Chairman. I don't have the confidence at this time in my long, long term visioning that I see regarding major high item price tag say a few projects coming down the road whether it be for an emergency operational center, Central Maui Wastewater Treatment relocation, South Maui Police Station, Haiku Fire Station, adjustments on Lanai and Molokai, Hana. I would again, Mr. Chairman, not support this, prefer that we just limit our amount of borrowing at this time to 40 million. Allow us to include many of the projects that Mayor Tavares has proposed and withhold authorization whereby when. . .and if not for all for certain key projects whereby the Council will have the opportunity for an update and status that the Administration feels is ready to go to the next level, and that funding needs to be authorized by Council. I think that would allow us to continue to have the benefit of adjusting to the everyday changes of the financial situation that faces our County whether it be in the investment market, whether it be in evaluations of property, whether it be in the collection of fees for services. We've made adjustments already, Chairman, recognizing some of the impacts we're gonna be facing. The advantage, if the Members can see it from my perspective, would be that this does not prohibit at all the Administration from coming back with supplemental bond request for consideration showing that the financial condition of the County is able to bear the additional burden of financing. You know some of the things that for me I still have a hard time, Mr. Chairman, is asking for a bond for an improvement that is, has been

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

shown to us as a donation. It doesn't make sense in my philosophy and my perspective, Chairman, to pay for interest on this at all. The donations are not gonna. . .are we gonna reduce the donation to payback the County the cost of the bond authorization, the bond float, the bond servicing requirements, and the interest costs? If that answer is yes, then I will take a different perspective, but if the 2.5 million is the number that they want for the project from the donation. . .(end of tape 3B). . .I would hope that we would try and find other means of accomplishing it without having to pay for the overhead and interest should the donation not come forward in a timely manner. And from what I've been informed, Mr. Chairman, without getting into specifics, I have at this point in time today great doubt that the donation is gonna be coming in a timely manner. So does this mean we're gonna carry the interest until the donation come which could be years? I have. . .again, Members, I don't have a problem with the money and what it's intended to use for. I have a philosophical difference of the approach and, and as in regards to the borrowing. And so, Mr. Chairman, at this time, you know, thank you for letting me state my position, and I will not be supporting the request to authorize \$50.8 million of bond money. Thank you.

CHAIR PONTANILLA: Thank you. Member Johnson.

COUNCILMEMBER JOHNSON: Yes, and, and you know Chair Hokama brings up a really good point. Because in the past when we've had tight budget years, one of things we've done is just simply ask the Administration come back for the bond authorization. I think not only is there uncertainty about the specific donation that you know he's referring to, but also I guess there's uncertainty about some of the revenues that may or may not materialize in other areas because increasingly people are finding it more and more difficult to make mortgage obligations. I just think borrowing in general right now is getting very difficult, and when you're looking at a governmental agency, I think some of the funds that we would ordinarily depend on even the fact that we can't get our, you know, revolving funds for our wastewater projects, it's, you know, I guess when you look at it in a big picture, holding back a little bit as long as we're able to fulfill the obligations under EPA Consent Decrees and everything else I think it's prudent. So I, I certainly would be open to some kind of a suggested amendment by Chair Hokama at this time, and I would be happy to second it. Thank you.

CHAIR PONTANILLA: Thank you. I just wanna make a point here in regards to one of the projects that we did have or we do have an item in the budget

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

that have a line regarding donation five million dollars. In this regards to the South Maui Community Park Phase I, and the amount of dollars being put into the park, the Chair at this moment. . .I just wanna make sure that the Kihei Community will have the opportunity of getting that park. Five million dollars is not guaranteed. I know that, but this will guarantee at least the Phase I completion of the park. And if and when we do get that donation then the other facility, for example the gymnasium, can be looked at as far as if and when we do receive the five million dollar donation, but as far as Park Phase. . .South Maui Community Park Phase I, I wanna make sure that the South Maui people have a 43-acre park which they so long been waiting for.

COUNCILMEMBER VICTORINO: Chair.

CHAIR PONTANILLA: And, Members, you know, I, I hear what Member Hokama is saying limit the bonding and have the Administration come in whenever a project is ready to go on the bond and provide us that information so that we can approve authorization I understand that.

COUNCILMEMBER VICTORINO: Chair.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Thank you, Chair. And I too would like to support your sentiment and your statement as far as South Maui is concerned. I wish our colleague Anderson, who has been under the weather and I wish her well, was here today because I know she would speak very favorably about this park. South Maui has Kalama Park, Kalama Park, and Kalama Park just about for everything. And little league, softball, football, all played in the same area. I mean you got small little parks here and there. School has a park, but you know that community has long been neglected. So although I favor what Chair Hokama says as far as other things that may not be or can be brought forward like maybe the Civil Defense million dollar bond and some of the other things that can be brought down a little bit later, this particular project is so well deserved by the people of South Maui especially the Kihei area, Kihei-Makena area. They've waited such a long time, and I think that somehow, someway we've gotta help make this come, become a reality. Whether the. . .the donation is in question right now. We all heard what's happened, and I've never really counted on that donation from the get-go. I mean to me that was something that could be like you said, Chair, for the gym or for something else to add to that park, but right now

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

that park needs to be brought forth so that soccer and softball, and other things can be played by the children of South Maui, and that other communities can come in. You know if that's something that has. . .when I was talking to people from that area, you know, Kalama Park is so squeezed every which way, and it's a beach park, it's used by commercial vendors, I mean it is really a bad mix, and so we really need something for them. So I hope that our colleagues can see that this one especially I'd like to see continued, brought forward and kept in the budget. Others if Chair Hokama wants to recommend changes I'll listen to each one whether it's, you know, again, the Civil Defense establishment out here in Waikapu or whatever else, I have no problem with Chair Hokama's on that one, but the South Maui Park I really think that needs to be. And we've got a good credit rating right now. We've got the lowest, maybe the lowest in a long time for funding purposes the interest rate or the bond rate, the yield, and we got to take advantage of that for that area. So please as much as possible, Chair, I'd like to ask our Members to consider keeping that as part of our, our bond, bond issuance. And others I'll listen to Chair Hokama and others to bring forward and I'll decide on those, but that one I vehemently feel that we should continue that, and the people of South Maui deserve that. Thank you, Chair.

CHAIR PONTANILLA: Thank you. Member Hokama.

VICE-CHAIR HOKAMA: Chairman, I think, if I did not make my position clear, it, I have no issues with the project. I think if. . .the district or others would go back I think eight years ago I was the first Member to have a resolution drafted to make a South Maui Gymnasium a top priority. And, and Mr. Nishiki was very supportive of that consideration at that time when I had chosen to make that one of our top recreational priorities from the County's perspective for the South Maui district.

I'm more. . .it's more about how the request is, is. . .addressed to us, Mr. Chairman. If you would look at how the project is listed, and the rationale under CIP regarding this consideration, there, the, the. . .I'm trying to find it. So if the Staff finds it before me just tell me what page it is, but it's bond and they use it in place of the donation. And again, I'm trying to find the specific language of how they stated. It would have been easier--what page Mr...

COUNCILMEMBER VICTORINO: Forty. Page 40.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

VICE-CHAIR HOKAMA: Thank you. Page 4..., Members, it's page 40 of the 47. So if you would look at it under Private Donations under Parks and Rec for South Maui, it says five million is for the South Maui Regional Park. . .there was another com..., place though, yeah, that there was that two and a half million dollars I'm trying to find. Anyway, it was about bond and then if it didn't. . .the donation did not come in time, what would have been more preferable to me and more upfront, Chairman, is just to say the donation will be addressed as part of the CIP funding source at the appropriate time when it is received, and that for this Fiscal Year '09 consideration we're looking at paying it for just by bond. I don't have a problem with that clear cut straightforward approach, but don't ask me to borrow money to buy time for a donation that should be there that we don't have that and then are we gonna have to pay the interest and cost of that bond for that donation that is my, my, my technical issue with the proposal. Not the amount and not the project. And, you know, if it's a crazy idiosyncrasy on my part, my apologies, Members, but I'm showing that it doesn't make sense how it's being proposed to me in my financial perspective. Again, I have no issues, and I've supported the project, and I understand the dollar amount to get Phase I moving, but I. . .my problem is don't tell me you wanna borrow money for the donation to cover the donation is what I'm saying. Thank you, Chair.

CHAIR PONTANILLA: Thank you, Mr. Hokama. And, and the Chair respect your comments. In regards to South Maui Park, we just want. . .the Chair just wanted to make sure that, you know, we do the park. We've been waiting for like you say eight years just to do the park, and by bonding two and half million, you know, we don't have any obligations to nobody even receiving the five million dollars if and when. . .or if it doesn't come at least we know the park will be there at least Phase I in its entirety. So, Members, just a comment from the Chair regarding that two and half million dollars for that South Maui, and it's a district park of 43 somewhat acres. So, Members, any more discussion in regards to Bond/Lapsed Bond. If not, the Chair would call for the question. Member Baisa.

COUNCILMEMBER BAISA: I'm. . .I wanna be really sure what I'm voting on, Chair. At this point we're gonna vote on your recommendation.

CHAIR PONTANILLA: Of the \$50,834,000 for Bond/Lapsed Bond.

COUNCILMEMBER BAISA: No.

CHAIR PONTANILLA: Thank you. Member Johnson.

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

April 23, 2008

COUNCILMEMBER JOHNSON: Reluctantly I vote no also.

CHAIR PONTANILLA: Thank you. Member Medeiros.

COUNCILMEMBER MEDEIROS: No with reservations.

CHAIR PONTANILLA: Thank you. Member Molina.

COUNCILMEMBER MOLINA: Aye.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: No.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: No with reservations also.

CHAIR PONTANILLA: Thank you. And the Chair votes aye. We do have two ayes, five noes motion is defeated. With two excused Member Mateo and Anderson.

VOTE:	AYES:	Councilmember Molina, and Chair Pontanilla.
	NOES:	Councilmember Baisa, Johnson, Medeiros, Victorino, and Vice-Chair Hokama.
	ABSTAIN:	None.
	ABSENT:	None.
	EXC.:	Councilmember Anderson and Mateo.

MOTION FAILED.

CHAIR PONTANILLA: So, Members, again we're out of balance here. The Chair will entertain a motion.

VICE-CHAIR HOKAMA: Chairman, I would ask if you have somewhere else to go if you would then allow me some time where I would be happy to work a proposal for you and the Committee's consideration, and I just need maybe ten minutes or so.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Okay, we'll take a ten minute recess. What the Chair is proposing to do is complete the revenue side so that at least we got that straight. So we'll take a recess and we'll reconvene at three o'clock. . . .(gavel). . .

RECESS: 2:48 p.m.
RECONVENE: 3:10 p.m.

CHAIR PONTANILLA: . . .(gavel). . .The Budget and Finance Committee meeting is now reconvened. Members, when we left off we were still at Bond/Lapsed Bond. The Chair had recommended that the estimated revenue of \$50,834,000 was defeated. At this time I would like to recognize Member Hokama.

VICE-CHAIR HOKAMA: Chairman Pontanilla, first, thank you very much for your patience with me. For the Committee's purposes, Chairman, Members of the Committee, obviously there's different ways of us to approach this Bond/Lapsed Bond revenue consideration, but in discussions with Staff and in my comments I was able to share during recess with Chairman Pontanilla, what I'm gonna be asking you for your consideration is a abbreviated Reader's Digest way of approaching it to do. . .otherwise is gonna take a lot of more time, will. . .would be very different from how the budget is being proposed to us at this time, and would be a radical change of approaching Capital Improvements through borrowing. So what I will be asking you to consider and as a consideration, Members, is that, one, the easiest and short term way for us to get some accountability, continue our oversight responsibilities, and know exactly what we are going to agree to be constructed as a CIP would be, one, I would ask that you support Chairman Pontanilla in his \$50.8 million bond consideration, and at this time we withhold any bond authorization. Which means that the Administration must come back with the specifics of where the project is currently at, exactly what it's gonna look like, where the siting is gonna be prior to getting the authorization to execute contracts and encumber or advance General Funds. While this may put a delay in four to eight weeks regarding just processing, if the departments are ready to take it to the next step, then they should be able to provide us with those specific requirements to get the project authorized by bond. So I would say I would agree to the appropriation and recommend withholding of authorization of the bond itself, Chairman, thank you.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Thank you. Member Hokama, you wanna make a motion to that?

VICE-CHAIR HOKAMA: Chairman, then for this first phase of a multiphase process, Chairman, I would move that you, we recognize under revenue net estimated Bond/Lapsed Bond of 50.834 million dollars.

COUNCILMEMBER VICTORINO: Second.

CHAIR PONTANILLA: Moved by Member Hokama, second by Member Victorino. Members, any more discussion?

COUNCILMEMBER VICTORINO: No.

CHAIR PONTANILLA: Seeing none, the Chair will call for the question. Member Mateo.

COUNCILMEMBER MATEO: Yes.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Aye.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Aye.

CHAIR PONTANILLA: Member Molina.

COUNCILMEMBER MOLINA: Aye.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: Aye.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Yes.

CHAIR PONTANILLA: Chair votes yes. Seven ayes; two excused, Member Anderson, Member Baisa. Motion is carried. So the estimated revenue for Bond/Lapsed Bond is \$50,834,000.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

guess I would have to identify the source of that revenue. And I believe at this time I would just take it from. . .because I don't think we've done the Emergency Fund yet. I just take it from the Emergency Fund.

COUNCILMEMBER VICTORINO: Second for discussion purposes.

CHAIR PONTANILLA: Thank you. Moved by Member Johnson, second by Member Victorino to provide \$20,000 for overtime. Members discussion? Member Johnson followed by Member Hokama.

COUNCILMEMBER JOHNSON: Yeah, and, and my understanding, Mr. Chair, because originally when the budget. . .I think there was a miscommunication. Actually Mr. Teruya had taken out I believe all the overtime, and so from my understanding this. . .we would just be reinstating \$20,000, you know, for the overtime. So that, that's my justification for doing it. And if it goes it goes, and if not, I guess I'll have to find it from somewhere else. Anyway, that's it. Thank you.

CHAIR PONTANILLA: Thank you. Member Hokama.

VICE-CHAIR HOKAMA: Chairman, thank you. First let me say I understand the demands placed on Real Property Tax Division. What I had. . .I would ask the Committee as another way to view this is that. . .and again, I just have my quarterly. I don't have the updated response from DPS on the vacancies. But unless we're reducing the authorized EP count, Mr. Chairman, and knowing. . .the Committee knowing of the current vacancy status of the Department, I still believe there's enough savings through the vacancies that we don't need to add additional monies. We are just redirecting part of the program budgeting that we are autho..., that we're willing to authorize additional 20,000 for premium pay overtime requirements. We are well aware of the backlog in the Real Property Tax Appeals component of this division's workload. We are also aware of some of their transfers to other departments or promotions within the department whereby it has continually provided a degree of savings to the non-immediate filling of those vacancies. So for me, Chairman, I believe that Mr. Young. . .I have great faith in Mr. Young, our Finance Director's ability to manage within the current confines of the appropriations we are providing him, and that I would just ask that we allow the authorization to have this premium pay. I do not see a need really to. . .so I would just adjust the administrative budget accordingly, Members, as a way to approach the request for overtime which I believe is. . .until they can fill that brand new Appraiser and Clerk III, and I'm very optimistic it can be

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

done within four months of the fiscal year, that even if they don't fi..., if they even if they've just filled this at six months or less of the fiscal year, just by that savings within the two positions we are inserting will create enough savings for the overtime, Chairman. Thank you.

CHAIR PONTANILLA: Thank you. Member Johnson.

COUNCILMEMBER JOHNSON: Yes, I'm . . .because of what Mr. Hokama. . . 'cause he did have an opportunity and we had discussed this originally, I'm gonna withdraw my motion at this time and--

COUNCILMEMBER VICTORINO: Withdraw my second.

COUNCILMEMBER JOHNSON: --thank you.

CHAIR PONTANILLA: Thank you. Coming back to. . .in fact there's no motion at this time. . .on the amendment. So the net appropriation of \$5,783,155 is being considered. The Chair will call for the question. Member Mateo.

COUNCILMEMBER MATEO: Yes.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Aye.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Aye.

CHAIR PONTANILLA: Member Molina.

COUNCILMEMBER MOLINA: Aye.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: Aye.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Yes.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: The Chair votes yes. We have seven ayes; and two excused, Member Anderson and Member Baisa.

VOTE: **AYES:** **Councilmember Johnson, Mateo, Medeiros, Molina, Victorino, Vice-Chair Hokama, and Chair Pontanilla.**

NOES: **None.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **Councilmember Anderson and Baisa.**

MOTION CARRIED.

ACTION: APPROVE.

VICE-CHAIR HOKAMA: Mr. Chairman.

CHAIR PONTANILLA: Mr. Hokama.

VICE-CHAIR HOKAMA: Thank you. I would ask for your consideration and my fellow Committee Members that as you go to each next area that we would need to make a decision. As another way to approach your efforts, Mr. Chairman, would be that if you would request the Committee membership if they had any number which is different from yours to make a motion and propose it, and that if we have no agreement, then the default would be, Members, the Chairman's recommendation. And I think that may assist us in moving the process forward knowing that the default number will be Chairman Pontanilla's recommendation as provided in the worksheets. Thank you, Chairman.

CHAIR PONTANILLA: Thank you. We do have several more items that we need to reconsider. In the Administration Program, again, Members the net appropriation as recommended by the Chair is \$578,445.

COUNCILMEMBER VICTORINO: So moved.

CHAIR PONTANILLA: Moved by Member Victorino.

COUNCILMEMBER MEDEIROS: What page?

MS. REVELS: Mr. Chair.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: This is on Page 3.

COUNCILMEMBER VICTORINO: Page 3. Yep.

VICE-CHAIR HOKAMA: Oh, thank you.

COUNCILMEMBER VICTORINO: Flip so many pages already, yeah.

VICE-CHAIR HOKAMA: Five, seventy [*sic*], four, four, five.

CHAIR PONTANILLA: Do I hear a second?

VICE-CHAIR HOKAMA: Second.

CHAIR PONTANILLA: Second by Member Hokama. Members, discussion on this item?

COUNCILMEMBER MEDEIROS: Mr. Chair.

CHAIR PONTANILLA: Mr. Medeiros.

COUNCILMEMBER MEDEIROS: Are we under Department of Housing and Human Concerns?

CHAIR PONTANILLA: Yes, we are.

COUNCILMEMBER MEDEIROS: Okay, Page 3 of 5.

CHAIR PONTANILLA: Yes.

COUNCILMEMBER MEDEIROS: I believe you asked me to come back on this one I think in this area for the . . .my proposal and request for a Hana Affordable Housing Study funding. Is this where you want me to be?

CHAIR PONTANILLA: No. This is in the Administration Program at this time, and maybe down to Hana Services which is further down.

COUNCILMEMBER MEDEIROS: Oh, okay, thank you, Mr. Chairman.

CHAIR PONTANILLA: Okay, Mr. Mateo.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER MATEO: Chairman, thank you very much. Under that particular item, Chairman, as you remember several days ago I asked Corporation Counsel to provide advice and provide options available to me if I was to consider the deletion of salary or wages from the Director of that department. Corporation Counsel had the opportunity to do initial research and had the opportunity of having a discussion with Mr. Moto who is currently out of state. They. . .likewise just the other day I had a meeting with both Corporation Counsel and Administration to review some of the options or the option that was available to myself. The representations of both Corporation Counsel and the Administration to myself in recognizing and wanting to address the concerns that I had relative to the Director I believe at this particular point in time will be resolved. I believe that the cooperation of Administration will help to move concerns along. It was, it was never about retaliation or anything of that nature, Chairman, as it kind of seems to have been perceived. I believe the message had been sent loud and clear. We need to establish communications, we need to work with each other, and we need to just move on from here. And for myself, I will not delay the budget process by going through procedures that I have been made aware that is available to me to consider, and at this point I do believe the Administration will help alleviate some of the concerns and the issues that had been, been raised by the whole issue of the question of removing wages from the Director's salary, Chairman. So I will not pursue at this point, and I thank Corporation Counsel and Mayor Tavares for working diligent along side and I am. . .I'm pretty confident that we will be able to meet a resolve. So, Chairman, thank you for that opportunity. And for some of the Members who have provided additional comments to me as well, I thank them for the encouragement of continuing the pursuit. Thank you, Chairman.

CHAIR PONTANILLA: Thank you. Member Hokama.

VICE-CHAIR HOKAMA: Chairman, quickly, some comments from myself regarding this portion of the budget that is up for decision at this time. I appreciate my colleague from Molokai, Mr. Mateo's comments. . .you know it's interesting that the Charter allows the Council I guess (inaudible) pretty much without limitation to the foregoing and of course it list some of the specifics that the Charter expects the Council within our powers of powers are able to do, and while for some it is a very drastic, or from an appropriation standpoint very steel driven and specific about a Council position, I believe that an understanding between the two branches of County government needs to continue to have open dialogue. And that when dialogue is impeded for whatever reason, real or perceive,

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

it does not move the County forward in that specific area. And so for me, Mr. Chairman, I am happy, and again, in my short conversation with Mayor Tavares that the willingness of continued dialogue and improvement of the overall administrative relationship with the legislative branch is still a priority for our Mayor. And that she's willing to meet us halfway and do her part and I told her I'm willing to do my part to meet her halfway. And I would ask my fellow colleagues to do so likewise because this open dialogue will help us hopefully in the near future eliminate the need for us to take other measures to drive home our point of view or our policy decision. And I think this is. . . will be very healthy in our retrospect when we go back in our memories and review this part. . .(end of tape 4A). . .Mr. Chairman as another way to address what I consider a reasonable approach to the consideration brought forward by Mr. Medeiros, I would ask that it may not be in this component and I, you know, I also ask. . .I'm asking my colleague Mr. Molina, who for some has fathered this component in the Maui County Code, I believe if I, if my memory serves me right, Chairman, within the parameters of what can be considered that this is part of why we created the Affordable Housing Fund – to do the appropriate assessment study to make sure that if a project is under the affordable gui..., heading being proposed for Hana that some of the funds from this pool of financial resources should be utilized or can be utilized to verify that the component that we're addressing is, is truly meeting the requirements. And I believe that this may be another way to fund the request without overbearing the withdrawal from the fund as well as re-verifying that those potential beneficiaries meet the marks of the affordability category. So that would be my suggestion to you, the Members, and to Mr. Medeiros, and I am happy to relinquish if Mr. Molina has any thoughts he might wanna share. Thank you.

CHAIR PONTANILLA: Thank you. Mr. Molina.

COUNCILMEMBER MOLINA: Thank you, Chairman. No, I just wanna reiterate and I can certainly support Chairman Hokama's consideration. I believe the intent of the Affordable Housing Fund, which was the 2 percent set aside for the real property tax that the. . .what was supported by the prior Council and supported by the public in the last election. I know the intent was as long as the parameters had to do with affordable housing, whether it be planning, or maybe even studies as it relates to a project that's certified affordable, I believe the, this would come under that, would qualify for it. So I can certainly support using some of the funding to address Mr. Medeiros's concern. Thank you.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Thank you. Members, any more discussion? Member Molina.

COUNCILMEMBER MOLINA: Mr. Chair, Mr. Chairman, are we still on Mr. Mateo's. . .Mr. Hokama's consideration.

CHAIR PONTANILLA: Yeah. Right, right.

COUNCILMEMBER MOLINA: Yeah, I'd like to add my comments on that as well, and I wanna thank Mr. Mateo, Mr. Hokama for bringing this issue to light. I must admit that I felt like a bucket of cold water being tossed on us 'cause it certainly a, you know, made us think. But it's in. . .definitely send a strong message to the Administration and to the Director that we need to improve the lines of communication. And I know Mayor Tavares one of the first thing she mentioned was, when she took office was to improve the lines of communication between the various departments and this body and, you know, for the most part all of her Directors have been honoring that commitment. I think with this particular Director I think the, the mere fact that Mr. Mateo, Mr. Hokama was thinking of this consideration I think is a, a wake up call if you will, and I certainly appreciate hearing things directly from the Director. Because to recite a couple of examples with regards to the First-Time Home Buyers Fund I guess it's public knowledge. I've had my disagreements with the Director on the implementation or lack thereof implementation of the program, but initially last year, earlier last year we were under the impression that the program was ready to roll, and then I found out from a constituent to go inquire and find out why the program hasn't been implemented. This was, you know, couple of months after we had just spoken to the Director, and then sure enough the Director verified to us that she had some concerns so which is fine, but the whole issue here if this was brought to our attention earlier then maybe we wouldn't have had such a delay. And then just recently for a very good housing considerations from the department as it relates to using the funding from the Affordable Housing Fund, the 2 percent, that was brought to my attention by a newspaper person, a newspaper reporter. I didn't hear directly from the Housing Director. So when I was asked for comments while I hadn't received any information, the newspaper reporter sent me the information and then I gave my reaction so it's little things like that. You know I think just a. . .out of consideration and respect for each other, I think we need to open the lines of communication and just give everybody the heads up so. . .especially when it comes to giving a reaction to something just out of courtesy, you

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

know, Mr. Chairman. So I, I certainly hope, and I believe Mayor Tavares will do her part to improve the lines of communication between this department and this body. So I wanna thank the Mayor for meeting with some of my fellow colleagues who share some of the same concerns I had. So I'll leave it at that, Mr. Chairman, and when at the appropriate time I have some other considerations with this department as well. Thank you.

CHAIR PONTANILLA: Thank you. Members, any more discussion on this particular item under the Administration Program? If not the Chair will call for the vote. Member Mateo.

COUNCILMEMBER MATEO: Yes.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Aye.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Aye.

CHAIR PONTANILLA: Member Molina.

COUNCILMEMBER MOLINA: Aye.

CHAIR PONTANILLA: Member Hokama...

VICE-CHAIR HOKAMA: (silence)

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Yes.

CHAIR PONTANILLA: The Chair votes yes. We have seven ayes; two excused, Member Anderson and Member Baisa. Motion is carried.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

VOTE: **AYES:** **Councilmember Johnson, Mateo, Medeiros, Molina, Victorino, Vice-Chair Hokama, and Chair Pontanilla.**

NOES: **None.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **Councilmember Anderson and Baisa.**

MOTION CARRIED.

ACTION: APPROVE.

CHAIR PONTANILLA: So the next item that we had questions on Human Concerns Program. The net appropriation is \$4,637,718 and, and the Chair would remind the Committee that one of the issues that was brought forward was to . . .was in regards to the Volunteer Center County Grant Subsidy. . .and I know Mr. Hokama had some issues with that. Mr. Hokama.

VICE-CHAIR HOKAMA: Chairman, thank you. I was wondering if Mr. Pablo was able to have a discussion with the Mayor or other appropriate administration officials regarding if this is the better approach than maybe from a concerted or centralized Managing Director or Office of the Mayor approach to look at all volunteers regardless of department jurisdiction, please.

MR. PABLO: Thank you, Chair, Chair Hokama. I have started looking into this program. There is a program on the volunteer program under the Parks and Recreation, and I found out that these are individuals such as coaches who volunteer their time for the various sporting activities. They also have volunteers who do planting and maintenance of the parks of putting trees and so forth. Then I also contacted the Department of Housing Human Concerns and their programs are more in the social services, how to help the age, or the disabled and the frail and so forth. So while there is an overlap of volunteerism, I'm trying to find if there's a common thread where we can, we can see we can consolidate this in any way too so we're not duplicating cost. Right now there is no duplicating cost. Their budgets are pretty small. The Housing and Human Concerns looks for grant subsidies of 20,000 if they can get it, and this has been pretty much what it's been the past three years. So there isn't sufficient funding from the grant side, but this is a, this is an area that I'm exploring and I'll see

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

whether we can do it then I have recommendations for the Mayor. I did discuss this with the Managing Director and she's, she said take a look and then contact the department, see what we can do about it.

VICE-CHAIR HOKAMA: Okay. And Mr. Pablo thank you for those efforts. Chairman, in general I think it's important for us to recognize volunteers. They provide great service to the County. They don't expect compensation per se, but it never hurts to give that so-called pat on the back of appreciation and say thank you. And so I mean I'm in great support of recognizing our volunteers. Again, my thing has been if we moving into multiple departments, for me some of the efficiency and scale of critical mass to give us some savings would be to try and approach it from a Countywide perspective than from a departmental perspective, and that's my, my comment and suggestion of how we might wanna move the program forward. I thought we take a Countywide then approach regardless of department. Other than that, Mr. Chairman, at the appropriate time, which would be in the specific standing committees of Council, I think we need to re-review whether or not we wanna do the amount of line item grant considerations that we are currently faced. At onetime when the Council created the Community Partnership Grants it was to reduce the time of the Council to do independent review of every single requests, and that served its purpose upon the creation. We are now coming back to where we were historically whereby we are spending a large amount of time and effort and energy to go through various line item requests. So we're going backwards from where we were and maybe it's time for us to re-review the whole program and make a decision either we going all line items, or we're gonna continue status quo, or we're gonna put more of this grant review burden back to where we had originally intended by the creation of the Community Partnership and Grant Reviews Program in the department. Thank you.

CHAIR PONTANILLA: Thank you. Members, any more discussion in regards to this area?

COUNCILMEMBER VICTORINO: You want a motion, Chair?

CHAIR PONTANILLA: We have a motion.

COUNCILMEMBER VICTORINO: No, we don't.

VICE-CHAIR HOKAMA: No, I don't think we have a motion.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Oh, we don't.

COUNCILMEMBER VICTORINO: 'Cause I moved and nobody seconded.

CHAIR PONTANILLA: Oh, sorry. Um. . .can you wait, Bill *[sic]*--

COUNCILMEMBER MOLINA: Yeah, yeah, Mr. Chairman, I'll wait until a motion--

CHAIR PONTANILLA: Okay, fine.

COUNCILMEMBER VICTORINO: I move to accept your, your recommendation.

CHAIR PONTANILLA: Thank you. Any second?

VICE-CHAIR HOKAMA: Second.

CHAIR PONTANILLA: Okay, moved by Member Victorino, second by Member Hokama. I thought I heard that earlier, but I may be mistaken. Member Molina.

COUNCILMEMBER MOLINA: Thank you, Mr. Chairman. I believe this is the appropriate section there was a consideration from not only myself, but from Members Hokama, Mateo, Medeiros, regarding the expansion positions for the Housing Specialist?

CHAIR PONTANILLA: Let's see. . .Staff, where is that? What would. . .would be where? What program?

COUNCILMEMBER MOLINA: Just the appropriated. . .

VICE-CHAIR HOKAMA: Specialist I and III.

COUNCILMEMBER MOLINA: Yeah, I just want some guidance if this is the right area to discuss this consideration.

CHAIR PONTANILLA: (inaudible) Housing program is that? Involves housing?

COUNCILMEMBER MOLINA: Uh. . .yeah. It's for two expansion positions for a Housing Specialist I and III.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Thank you. Mr. Taguchi.

MR. TAGUCHI: The, the expansion positions are in the Housing Program. . .which would be, um. . .not in this area.

CHAIR PONTANILLA: Thank you. We'll come to that, Mr. Molina. Right now we're--

COUNCILMEMBER MOLINA: At a later. . .okay.

CHAIR PONTANILLA: --in the Human Concerns Program.

COUNCILMEMBER MOLINA: Okay, no problem. Thank you for the clarification.

CHAIR PONTANILLA: Okay, fine. Thank you. Any more discussion, Members, before the Chair calls for the question? If not, Member Mateo.

COUNCILMEMBER MATEO: Yes.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Aye.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Aye.

CHAIR PONTANILLA: Member Molina.

COUNCILMEMBER MOLINA: Aye.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: Aye.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Yes.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Chair votes yes. We have seven ayes; sev..., two excused, Member Anderson and Member Baisa. Motion is carried.

VOTE: **AYES:** **Councilmember Johnson, Mateo, Medeiros, Molina, Victorino, Vice-Chair Hokama, and Chair Pontanilla.**

NOES: **None.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **Councilmember Anderson and Baisa.**

MOTION CARRIED.

ACTION: APPROVE.

MR. TAGUCHI: Chair Pontanilla.

CHAIR PONTANILLA: Mr. Taguchi.

MR. TAGUCHI: The Housing Program had consensus. Are you gonna go revisit the Housing Program for possible or for considerations from Members Molina and Medeiros?

CHAIR PONTANILLA: Yeah, I wanna take care the County's needs in regards to some requests that although we have consensus we need to again make sure that we have consensus to revisit. The other one that I had though, before we go into that, is on the next page, Page 4 on the Park Maintenance Program, the net appropriation is \$3,662,248.

COUNCILMEMBER VICTORINO: So moved, Chair.

CHAIR PONTANILLA: Thank you.

COUNCILMEMBER MEDEIROS: Second.

CHAIR PONTANILLA: Moved by Member Victorino, second by Member Medeiros. Members, discussion? Member Medeiros.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER MEDEIROS: Yes, Mr. Chairman, thank you. We had made a proposal in a earlier deliberation on the budget about inserting a new position for East Maui Hana District. Is this the appropriate place?

CHAIR PONTANILLA: Um. . .yes.

COUNCILMEMBER MEDEIROS: Okay, and the position that we had discussed with the Parks Department, and as I had stated in an earlier proposal of this was that we needed to create a position that would be maintaining the Keanae Park, which is in lower Keanae, and also the Honomanu Park which did not have any park caretaker. And because of recent development there the park says ad..., has decided that we need to have a maintenance person that would be able to go there to take care of that area, and there is a proposal also to possibly put up a gate to restrict entrance to that park area during non-operation hours. So this position would be for salary for eight months of a Park Caretaker I and that in our estimation was gonna be 21,656.

COUNCILMEMBER VICTORINO: I second that motion if that is a motion.

COUNCILMEMBER MEDEIROS: Uh. . .yeah, Chair, I make that motion if this is the appropriate place as you had mentioned.

CHAIR PONTANILLA: We, we, right now we have a motion in regards to the appropriation. If you wanna make an amendment, the Chair is open to that.

COUNCILMEMBER MEDEIROS: Okay, Mr. Chairman, I make an amendment to insert a Park Caretaker I position for East Maui, Hana-Keanae District for a eight month salary at this time to, for the budget for \$21,656.

COUNCILMEMBER VICTORINO: Second.

CHAIR PONTANILLA: Thank you. Members, we do have an amendment to add one EP to the Park Maintenance Program in Hana, and funding for--what was it eight months?

COUNCILMEMBER MEDEIROS: That's correct. That was what I was instructed to provide a eight months salary cost.

CHAIR PONTANILLA: Thank you. Members, discussion? Member Hokama.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

VICE-CHAIR HOKAMA: Chairman, I had approached it differently and so I'm gonna ask my colleague Mr. Medeiros of East Maui, we currently have a half position under Park Maintenance in Hana, and I was wondering, you know, as far as overall benefit to the current employee of the County can we still achieve the intent of Mr. Medeiros more by just upgrading the halftime to a fulltime position instead of adding another full position and not knowing the full critical mass requirements of the justification for a full position. And so if you would look . . .if Members saw how I approached it in my submittal to the Committee, hearing Mr. Medeiros's concerns, my approach was upgrade or exchange the classification from halftime to fulltime since we already have the warm body and then we can provide then a full, full employment to our current employee as another way to approach it. So I don't know if Mr. Medeiros like to consider that approach as an option to his consideration, Chairman, thank you.

CHAIR PONTANILLA: Thank you. And we've had discussions with the Parks Department, Mr. Miyazono, and the intent was such as you explained to make that happen fulltime so that that particular person now can take care of three different parks, three different areas. One is Keanae, the other one in Hana, and the other one is some where's in Kipahulu as I understand. Mr. Medeiros.

COUNCILMEMBER MEDEIROS: Thank you, Mr. Chair. And yes, in our discussions also with the Parks Department they were considering. . .I think they had a halftime expansion position for Hana in the budget, and they were trying to create, I guess as Member Council Chair Hokama expresses, a fulltime position where or a regular you know. . .well, fulltime position. So I think that would be an acceptable way for us to get this additional person and position for the East Maui Hana District parks area.

CHAIR PONTANILLA: Okay. So as far as your motion though, I understand that you want to add a fulltime position. What Mr. Hokama is saying that the expansion that we do have in our budget is to make a halftime employee into fulltime if. . .am I right Mr. Hokama?

VICE-CHAIR HOKAMA: That is correct Mem..., Chairman, and for Mr. Medeiros that is on 12-34 of your details. And by increasing the halftime to fulltime we would just basically increase slightly more the benefit package and then the actual salary component would be a, an additional 16,954, Mr. Chairman.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Thank you. Mr. Medeiros.

COUNCILMEMBER MEDEIROS: Mr. Chairman, thank you. And thank you, Council Chair Hokama. That would be I think acceptable for us to start what we wanna do in the maintenance of that other park areas.

CHAIR PONTANILLA: Thank you. So you wanna withdraw your motion?

COUNCILMEMBER MEDEIROS: Certainly. I withdraw my motion.

CHAIR PONTANILLA: Thank you. Members, we're back to--

VICE-CHAIR HOKAMA: But Chairman.

CHAIR PONTANILLA: Mr. Hokama.

VICE-CHAIR HOKAMA: Then if, if I may on behalf of, as I understand what Mr. Medeiros (inaudible) I'd like to make a motion to amend the main motion by increasing the amount by 16,954 whereby we would increase the halftime to fulltime.

CHAIR PONTANILLA: On the EP.

VICE-CHAIR HOKAMA: And then adjust EP count accordingly.

CHAIR PONTANILLA: Thank you.

COUNCILMEMBER VICTORINO: Second that motion.

CHAIR PONTANILLA: Second by Member Victorino.

MR. TAGUCHI: Chair. Chair. Chair Pontanilla.

CHAIR PONTANILLA: Um. . .Mr. Taguchi.

MR. TAGUCHI: The, the area for Hana parks rest in the Recreation and Support Services Program which is a different program from the program that you are currently on. For whatever reason the park. . .the caretakers are for some reason in the Recreation and Support Program Services and not the Parks Maintenance Program.

VICE-CHAIR HOKAMA: My apologizes, Chairman. I am sorry for that error.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER VICTORINO: You're right it is.

VICE-CHAIR HOKAMA: Chairman, I would withdraw my motion to amend then. It is in the wrong division.

CHAIR PONTANILLA: Thank you.

COUNCILMEMBER MEDEIROS: Mr. Chairman.

CHAIR PONTANILLA: Mr. Medeiros.

COUNCILMEMBER MEDEIROS: Thank you, Mr. Chairman. If you wanna revisit this at the end and maybe during the break we can consult on this and, and see where you wanna go with this, what area.

CHAIR PONTANILLA: Okay, fine. Members, we'll come back to this.

(note: silence)

MR. TAGUCHI: Chair Pontanilla, will someone be withdrawing the main motion?

CHAIR PONTANILLA: Mr. Tagu..., thank you.

COUNCILMEMBER VICTORINO: Withdraw the main motion.

CHAIR PONTANILLA: Thank you, Member Victorino.

(note: silence)

CHAIR PONTANILLA: Okay, Members. . .the other item that I had is the Waiehu Golf Course – Golf Fund. The Chair recommended that on the Waiehu Golf - Golf Fund net appropriation of \$1,496,609.

VICE-CHAIR HOKAMA: Wait now. Sorry, Chairman.

CHAIR PONTANILLA: This is on Page 4 of your Exhibit. Need a motion.

COUNCILMEMBER VICTORINO: So moved.

CHAIR PONTANILLA: Second? Any second?

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER MATEO: Second for discussion.

CHAIR PONTANILLA: Thank you. Member Victorino made the motion, seconded by Member Mateo. Members, we. . .discussion on this one here? Me..., Mr. Hokama.

VICE-CHAIR HOKAMA: Chairman, thank you. My only issue at this time, Mr. Chairman, is that under the proviso that is associated with this consideration, it is assuming that, one, we are approving the expansion request as I understand it.

CHAIR PONTANILLA: The point four.

VICE-CHAIR HOKAMA: The point six.

CHAIR PONTANILLA: Oh, point six.

VICE-CHAIR HOKAMA: The point six. I, I would ask that we withhold considerations or approvals of expansion. I am currently positioning for the next Council a communication to the Members to authorize myself as your Chairman to go and secure the United States Golf Association, who has agreed to provide a third party review of the Waiehu Golf Course program, and then to make the appropriate recommendations regarding the total operations, the turf management, concession program, and rates and fees. To be upfront with the Members, the USGA is currently anticipating that the cost for this assessment by professionals would be approximately \$5,000 which I can tell you for everything else we do seems to be a small drop in our overall County bucket. But I would ask that we adjust and refrain from expansion. We did double check, Mr. Chairman, Mr. Rego was wrong when he indicated in comparison to what Ala Wai Golf Course which has a hundred--what?--thirty thousand round, 160,000 rounds compared to our 88, 85,000. I believe Mr. Rego said that Ala Wai is operating with ten employees. We have checked. Ala Wai operates with nine and we are being asked to go to almost 23 employees. So obviously there is some great disparity between what we can achieve and what we can achieve with the number of personnel compared to other municipalities even within the State of Hawaii. So I would ask that I have no problem with us forwarding this amount, allowing the Director of Parks to properly manage the account, and I expect some savings out of this amount, to reduce the General Fund subsidy that is being requested in the 600,000 plus range, but allow the United States Golf Association to

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

provide this professional review so that Council. . .and, and appropriate future Committee meetings and hearings can make appropriate adjustments based on a third party professional analysis and recommendation. Thank you, Chairman.

CHAIR PONTANILLA: Thank you. Members, more discussion.

COUNCILMEMBER MOLINA: Chair.

CHAIR PONTANILLA: Member Molina.

COUNCILMEMBER MOLINA: Thank you, Chair. Just for clarification, and that figure to delete the expansion position this position. . .I guess I'm reading off the Committee Member's recommendations. If I could just get clarification from Chairman Hokama, what would the figure be? And would that also include the equipment as well? I guess I would assume related to the expansion if I could get some clarification on that?

VICE-CHAIR HOKAMA: Chairman, I may, please.

CHAIR PONTANILLA: Member Hokama

VICE-CHAIR HOKAMA: My recommendation, Member, is to go with what we have currently as authorizing the current budget we have 22.3 positions that we have currently recognized and authorized. I would ask that we withhold the funds for the expansion as well as the equipment. Because one of the things that I would like the USGA is to give us a, a. . .their perspective on the type of equipment. . .either verify what we do purchase is the right equipment or make the proper recommendations. 'Cause one of the things, Chairman, that they have already told me in advance is that by consideration of various things, like changing the type of turf we have at the course, would definitely make an adjustment of lowering the cost because we would then make appropriate adjustment in equipment to maintain the course. And by having consideration such as what golfers know as seashore paspalum you know that irrigation needs is further reduced causing cost savings in our pumpage and utility accounts for the requirements of irrigating the course, the type of equipment needed to maintain and mow the course. So I foresee some potential savings or with that savings utilize it to improve the course to the level that the residents feel they're getting the monies worth in fee structure we will be approving in the future. So that would be my request to the Members of how to

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

approach the Waiehu Golf Course Program for this Fiscal Year consideration '09. Thank you.

CHAIR PONTANILLA: Thank you. So the appropriation is okay?

VICE-CHAIR HOKAMA: I think we can have, we can reduce it, Chairman but, you know, I know you. . .we wanna move forward so that's why I made my statement.

CHAIR PONTANILLA: Yeah.

VICE-CHAIR HOKAMA: I can go with the amount, but I expect the Director should be showing us savings in the Quarterly Reports.

CHAIR PONTANILLA: Thank you. Members, any more questions?

COUNCILMEMBER VICTORINO: No.

CHAIR PONTANILLA: The Chair will call for the vote. Member Mateo.

COUNCILMEMBER MATEO: Yes.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Aye.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Aye.

CHAIR PONTANILLA: Member Molina.

COUNCILMEMBER MOLINA: Aye.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: Aye.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Yes.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Thank you. Chair votes yes. Seven ayes; two excused, Members Anderson and Baisa.

VOTE: **AYES:** **Councilmember Johnson, Mateo, Medeiros, Molina, Victorino, Vice-Chair Hokama, and Chair Pontanilla.**
 NOES: **None.**
 ABSTAIN: **None.**
 ABSENT: **None.**
 EXC.: **Councilmember Anderson and Baisa.**

MOTION CARRIED.

ACTION: APPROVE.

CHAIR PONTANILLA: Let's see. . .okay, Member Victorino.

COUNCILMEMBER VICTORINO: Yes.

CHAIR PONTANILLA: Address you first in regards to Environmental Management.

VICE-CHAIR HOKAMA: Can you give us a page or reference?

CHAIR PONTANILLA: There's no page, but on your handout earlier--

COUNCILMEMBER VICTORINO: Ms. Okuma.

CHAIR PONTANILLA: --Ms. O..., well yesterday's. . .(end of tape 4B). . .Okuma was here testifying in regards to a position that she wants to have the Members reconsider, and Mr. Victorino had mentioned it to me that she would like to take up this item.

COUNCILMEMBER VICTORINO: Thank you, Chair. I do appreciate it. We have Ms. Okuma here today, and she has. . .because there were some questions that Members had in regards to this expanded, expansion position that she was requesting which she feels was very, very necessary for her department. So instead of me trying to explain all of that I would like, if that's okay with you Chair, to have Ms. Okuma explain and the

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

guidelines and, and some of the other things that she provided for us today.

CHAIR PONTANILLA: Thank you. Ms. Okuma.

MS. OKUMA: Yes, thank you very much for the opportunity this afternoon. First of all, I wanna. . .I just wanna say that, you know, under the circumstances with respect to this operation, the folks that have been there working and doing the job have act..., have done a very good job as far as trying to keep things going given the circumstances and what was available in terms of resources. However, we are in a time where things have gone, become more complex because we are in fact a very highly regulated industry and help is needed in terms of being able to attain compliance and maintain that level of compliance and reliability. So that is my lead in to what you have before you today because I believe there were questions in terms of this particular position which I have discussed it with this body as being an Assistant Division Chief position and assistant to the Solid Waste Division Chief.

I have been in. . .gotten some information from Department of Personnel and, and it's, and it's a concept that we are talking about so that within the County of Maui, for example, there is such a concept that has existed. And I don't know that it currently exist, but that is the Assistant Engineering Program Manager, that's the title, but the concept is definitely one of an Assistant Division Chief because as I understand it the Program Manager is the equivalent of a Division Chief. It's just that the title is Program Manager so it's. . .it would be something to discuss with DPS given that the position we're talking about now is an assistant to a position which is titled Division Chief of Solid Waste. I'm not sure if I'm making sense, but any rate that, that is one point.

What you also have is something from City and County of Honolulu some examples of a description of what an Assistant Division Chief would be doing. It's basically the right hand to your Division Chief. Example I have is an Assistant Wastewater Division Chief, and you also have an Assistant Chief of Refuse Collection and Disposal, but I will say that Honolulu did go through a reorganization and the Division Chief is now titled Division of Solid Waste. It appears perhaps they never changed the title Assistant Chief, but if you look there, in the illustrative examples of work, you can see that it is in fact the work of a Solid Waste Division.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

So basically the point of this is that yes, there is a concept basically statewide. It's very common. You may call it different titles. I really think that that is gonna be the call of the Department of Personnel Service, but definitely this concept has existed here in the County of Maui.

CHAIR PONTANILLA: Thank you. Members, any questions to what was explained to us regarding the request by the Director to reconsider the Assistant Division Chief position? No discussion? Member Hokama or Member Victorino.

COUNCILMEMBER VICTORINO: I'll defer to Chair Hokama and I'll make my comment shortly after that if that's okay with you, Chair.

CHAIR PONTANILLA: Yeah, it's okay with me.

COUNCILMEMBER VICTORINO: I just trying to be proper.

CHAIR PONTANILLA: Before Mr..., well, Mr. Hokama is not ready. Member Medeiros.

VICE-CHAIR HOKAMA: No, no. Mr. Chairman, thank you very much. I . . I trying to find the page. Could you tell me what was your intention regarding SR range or EM range, please, for this?

MS. OKUMA: The, the EM range would be an EM-5.

VICE-CHAIR HOKAMA: (sighed)

MS. OKUMA: Which is, which is what the, the range for the Assistant Engineering Program Manager which is the concept of the Assistant Division Chief is an EM-5 position.

VICE-CHAIR HOKAMA: Have you thought about approaching it from different management methods whether. . . maybe for the short term you would look at one contractual hirer or contractual arrangement with a firm that does this as a business, you know, business entity, or as a limited term consideration so that if the Integrated Plan *[sic]* comes back and recommends different types of positions and structure that it would be easier for us to make those structural adjustments or revisions?

MS. OKUMA: Um. . . that's a, that's a, um, good comment, Chair Hokama. I would just like to say, first of all, that this position would be needed with

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

or without the Integrated Plan [*sic*]. I mean this is just looking at what needs to be done now. The other point would be that I think we really need consistency within the division, within the department, and so while that might seem like a good short term way to address it, I'm not sure. . .I don't really feel that that's the best thing for the division. I think that they need a level of consistency so that. . .that we can work on the compliance issues. As you know these noncompliant issues have existed for awhile. We have it pretty much throughout our operations. It's very difficult to try to even get out of that, but we know that that is the goal. And then after that to try to maintain that kind of level with the degree of complexity that's involved in this kind of operation.

VICE-CHAIR HOKAMA: Uh-huh.

MS. OKUMA: So, you know, I don't. . .I will take that into consideration. However, I will say that I do believe that a level of consistency is very important within this division.

VICE-CHAIR HOKAMA: I just share that Director Okuma, and I appreciate your position you take with your department. I personally like, like your defense or your advocacy for your department needs. I have no issues with that, but for me, Mr. Chairman, I look at our sister county, City and County of Honolulu, while they still use County employees to do the operations, they have gone out and contracted a private firm to manage their solid waste program, and maybe that's something we might want to do. If we do that and hire a professional outside third party company to manage as City and County has, then what do we do with all this employees we have under Civil Service becomes the question. And I would hate that the reason why we would not be in favor of potentially something that might be the right decision, which is an outside entity providing the management, is because we have all this civil service employees. What do we do with them then? That should not be a major decision for doing the right thing. So for me, Mr. Chair, I'm looking at maintaining the maximum opportunities and options for the Council to make future policy directions and decisions. So that's my point of view, and I thank the Director for her comments and response to my questions. Thank you.

CHAIR PONTANILLA: Thank you. Member Medeiros.

COUNCILMEMBER MEDEIROS: Thank you, Mr. Chair. I'm looking up some information. So I'll yield at this time, please.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Member Vic..., Molina.

COUNCILMEMBER MOLINA: Yeah, thank you, Chair. Just for clarification, the...if this position were consideration as an LTA, then it would be basically Limited Term Appointment, and would...if it's approved by this body, then the next body could decide whether to re-appropriate the funding for this position again, yeah? So it kind of basically would state that well, let's see if it works. If it works, fine. After a year let's re-appropriate it. Madam Director, so you're...but you're, you're requesting a, you're requesting this position as an EP though, right?

MS. OKUMA: Yes.

COUNCILMEMBER MOLINA: Okay. All right. And you know I am sort of on the fence with this, Mr. Chairman, as well so...but I appreciate the Director coming by and I guess alerting us to the concern, and I guess the need to get into compliance. So I'll, I'll await and hear what my fellow colleagues say about this as well, and we'll go from there Mr. Chairman. So you know...and I'm sort of torn 'cause I know we're trying to keep expansions down, but at the same time we need to be aware of our department's performances, especially trying to stay in compliance with the Department of Health, the EPA.

CHAIR PONTANILLA: Thank you.

COUNCILMEMBER MOLINA: Thank you.

CHAIR PONTANILLA: Member Johnson followed by Member Victorino.

COUNCILMEMBER JOHNSON: Yes, and, and, you know, I think because of the potential for fines for noncompliance for a financial detriment that may be far in excess of the salary allocation, I'm very inclined to support this you know and not to do it on a limited term basis. Because we need continuity, you're not gonna find somebody who's gonna give up a position for an LTA. That's not gonna happen. They want something that's secure, they have to have an assurance that, you know, they're there for a specific purpose. Their job description is very clear, their goals and objectives are very clear. From my perspective, because we've...we've already gone through transitions and changes in this department, I, I look at it I guess being a business person and how would I manage, granted there's other positions and you know available, but I don't want to get into

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

the situation where I'm telling the Director that well, we realize you have all these compliance issues, but we're not gonna be in a position to help you so you're on your own. I think that's a little harsh. And yeah, no department is perfect, but Ms. Okuma's come into this position and she's inherited a lot of baggage from many years I guess overburdening because it was one giant department. I, I'm willing to support this. I think that when we look at the performance measures, and when we look at what are the successes, and when we look at next year's budget and we look at the criteria for how has this individual performed, maybe even you know giving it a little longer period of time then. . .because before you know we'll be in next budget cycle. I just wanna, I wanna try and help the department, and I also think it's very important to the environment and for public health and safety. So I, I would be supporting a request for reconsideration of that position. Thank you.

CHAIR PONTANILLA: Thank you. Member Victorino.

COUNCILMEMBER VICTORINO: Yes, thank you, Chair. And, you know, and I thank my colleagues for their sharing of their feelings in this area and their knowledge. I think when I look, when Ms. Okuma came to me and brought all of this specific classification and the intent, and I think the intent is what I'm focusing on. Like some Members have said, will it cost us half a million or a million or two million in fine before we realize the necessity of this position? I'm not for expansion and, you know, I, I've said and in some areas we've cut certain things. So I'm real cognizant we want to run our government services efficiently, and I've said that, I've said that to you, Ms. Okuma, and I've said that to other departments, but we've gotta give them the necessary personnel as well as equipment. Once they're given that, then the excuses run out. And in this case you got a new department, we're really starting from scratch because we've broken up a humongous department, and you fall into this area where a Solid Waste Integrated Plan [*sic*] needed to be done, you need this done, you got all these other compliances, on and on and on, and, and we're not. . .and maybe we're not giving you enough help. And this one particular what is an Assistant Division Chief, whatever you wanna call it, if their primary objective is to make sure compliance and EPA rules and other things that are so necessitated it is done for 53,000. . .what is the. . .\$54,888 along with others, you know, I think it's well worth the expense you know so. . .and let's be honest Chair, the EPA is gonna be coming down with more and more rules in many, many areas and solid waste is one of 'em. During this Integrated Study [*sic*] we've seen what is coming down the pipe and I'm telling you it's gonna make it a lot more

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

difficult. And so whether we hire experts and I . . .and then again you hire experts and if they don't follow through on something who's still responsible? You the County. So I'm not sure where we wanna go with that that's far as that part is concerned. I'm not disagreeing with Chair Hokama. He brings up a good point, and I hate to expand positions and then later on not wanna get rid of people, or where do we put these people because we've expanded. But we, we've tasked her with a major change and compliance issue, we've tasked her with all of this so we need to give her the people she thinks can do the job to make it an efficiently run system. And that's what I wanna see from Solid Waste or from all our departments run efficiently. Like I said the people of Maui County want to see services run properly and then they don't mind paying, but they don't like what they've seen in the past. They like to see the future better. I think Ms. Okuma offers us that. I think this position will, will enhance that and almost make it a sizeable and reliable situation for her. So I'd like to support this reinstatement of this position for that specific purpose, Chair. Thank you for my opportunity.

CHAIR PONTANILLA: Thank you. Member Mateo.

COUNCILMEMBER MATEO: Thank you, Chairman. Ms. Okuma, currently there is a candidate to fill this expansion position?

MS. OKUMA: Currently is there?

COUNCILMEMBER MATEO: Yes.

MS. OKUMA: Uh. . .no, we don't have a candidate. I mean, I think we're waiting to see what the outcome of this is, and it needs to go through the normal recruitment civil service process.

COUNCILMEMBER MATEO: So would you have an idea of how long you're looking at in terms of time?

MS. OKUMA: You know from my knowledge of the civil service system I could, it could take anywhere from four to six months before you actually see a person walk through your door.

COUNCILMEMBER MATEO: Okay. I think that's being kind of optimistic.

MS. OKUMA: Perhaps.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER MATEO: I think the reality is a year to a year and a half.

MS. OKUMA: Okay.

COUNCILMEMBER MATEO: Thank you, Ms. Okuma. Thank you, Chair.

CHAIR PONTANILLA: Thank you. Member Medeiros.

COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman. Director Okuma, I know your position on this, and what I, what I . . .you know concern or you know what I'm thinking about is. . .and I think we talked about this a little bit, is the Highways Division has no Deputy Chief. The Highways Division is probably the largest division in the County, 200 employees, six districts, eight flood controls that get fined by the Federal government if they don't comply, but there's no Deputy Chief of that division. The Chief, along with the Department Management, are responsible for that. They have a superintendent, but they do not have. . .so I have a hard time justifying a small department having to have a division chief, uh, assistant chief. And I think I share the same sentiments as Member Molina. That because it's a new department, because the position description hasn't been completed or the minimum requirements, how do we know that the addition of this position would have a performance that would help the department? Because in my 31 years with the County, to me the foundation of any department or division is from the field level upward, but a lot of times in the high hierarchy of government we seem to stack the top first before the bottom. And I know you have some really good people working in your division that have been in charge of major programs for your division, especially in refuse collection. Now my feelings are that we should utilize their experience, they have been doing the job for many, many years. We should be considering elevating them not necessarily to a Division Assistant Chief, but more so so that they can conduct at the next level what you need to help your programs. So I share the same sentiments with Member Molina that I would rather see this an LTA, judge the performance for one year, see if indeed it does help, and you know we can justify making the position a permanent position and paying that kind of salary which on our Exhibit 1 shows 57,888, and so that's the position I take. To just say that yes, that position is needed without anything right now to justify it except that there's a lot of work to be done which is true, there's a lot of compliance that you had mentioned, but I think as a new department and division, we, we need to somehow organize it and structure it so that maybe the help needs to come from not always the top, but sometimes from the experience people that are below the top.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

And so I just wanna express those comments to you Director and. . .so at, at this time I would, you know, be more supportive like Member Molina of an LTA so that we can judge the performance and the effect of a position like that. Thank you.

CHAIR PONTANILLA: Thank you. Members any more discussion? The Chair would like to take our mid-afternoon break at this time. We'll return here at 4:35. This meeting is in recess. . . .(gavel). . .

RECESS: 4:20 p.m.
RECONVENE: 4:54 p.m.

CHAIR PONTANILLA: . . .(gavel). . . Members, the Budget and Finance Committee meeting is now reconvened. Members, do we have any more questions for Ms. Okuma at this time? Thank you. Thank you, Ms. Okuma for--Member Johnson.

COUNCILMEMBER JOHNSON: Excuse me. Um. . .excuse me. . .um. . .if I might. . .Ms. Okuma I know I had asked you a question earlier and it was regarding I believe the emergency hire, you know, we. . .we were talking about how long it would take to actually get this person in a position, and so were you able to find that out from Personnel Services?

MS. OKUMA: Yes, I did talk to Personnel Service and they did say that there is a process pending recruitment. If there is an individual, it would just require the Personnel Service Director's approval.

COUNCILMEMBER JOHNSON: Okay. All right, thank you.

MS. OKUMA: Thank you.

CHAIR PONTANILLA: Thank you. Members, any more discussion to Ms. Okuma?

UNIDENTIFIED SPEAKER: The motion?

CHAIR PONTANILLA: No, there's no motion or anything like that on the floor. Members, at this time I would like to thank Ms. Okuma for being here. For any action on the Public Works side we'll take that item at a later time. Thank you.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

Members, we do have some Members that need to leave. I think Member Medeiros has an appointment at 5:30. Member Molina.

COUNCILMEMBER MOLINA: I'm good now. I'm okay.

CHAIR PONTANILLA: Up to. . .

COUNCILMEMBER MOLINA: (inaudible) Thank you.

CHAIR PONTANILLA: Okay, fine. Thank you. So the Chair's intention is to go another 35 minutes and then take a dinner recess, and then reconvene at seven o'clock this evening.

Members. . .(silence). . .if you could turn to Page 3. We need to close the issue in regards to the Emergency Funding Transfer to Emerg..., Emergency Fund of \$3 million. The Chair's recommendation is to appropriate \$3 million to the Emergency Fund.

COUNCILMEMBER VICTORINO: So moved.

CHAIR PONTANILLA: Moved by Member Victorino.

COUNCILMEMBER MOLINA: Second.

COUNCILMEMBER JOHNSON: What page are you on?

COUNCILMEMBER MOLINA: Reference point, Chair?

CHAIR PONTANILLA: Page 3 of the Exhibit 1.

COUNCILMEMBER MOLINA: Thank you.

CHAIR PONTANILLA: Member Mateo [*sic*] second. Members, any discussion to the Transfer to the Emergency Fund of \$3 million? Member Hokama followed by Member Johnson.

VICE-CHAIR HOKAMA: Mr. Chairman, thank you very much. I would love to support your, your position, Mr. Chairman, and I wish we had more money to deal with some of our major issues. I would just share my I guess preference where we are placing our large, large sums to deal with our future requirements. While I have no issue, and I supported the creation of the Emergency Fund, Mr. Chairman, and it is also as we have

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

created it a non-lapsing fund, I would say for me in this point in time a higher priority is to place more money in the Post-Employment Obligation Fund. And therefore as part of my original request of consideration through my proposal to you and the Committee Members, you have noticed that I have reduced the Emergency Fund by one million and placed that in the Post-Employment Obligation Fund for the OPEB requirements for health obligations. I share that as we have recently received a communication from Director Young of Department of Finance that one of the advantages, if we are able to take care our annual required contribution, is the ability to do a deduction of the retiree portion and still get full credit. And therefore I believe as part of his communication, if the Members can recall and I'm trying to recall best to my memory, is that approximately we have a 20, 21 million dollar bill. We are able to do the re..., the deduction of that component which is about \$7 million so for our annual contribution that would like to get into the State before June 30th of this year, we're, we are looking at a 13, 14 million dollar check that we are hoping to write to the State regarding OPEB. I prefer to get that reduction or in another way seven million dollars of savings that we don't have to pay down the road if we don't make the, this annual requirement, Mr. Chairman. So that is my recommendation and I ask for the Members consideration of repositioning the Emergency Fund as to take care the needs of the Post Employment requirements. And I believe this would serve us in the long term, Mr. Chairman, in a much more palatable cash flow position for the County and future Council's to deal with the difficulties that we are forecasting in the near future. Thank you.

CHAIR PONTANILLA: Thank you. Members, any more discussion in regards to the Chair's recommendation to the Emergency Fund? Member Johnson.

COUNCILMEMBER JOHNSON: Yeah, I would be willing to support that. I think that, you know, it's not gonna get any easier for us so. . .and with the Emergency Fund I think that. . .how, how much is in there currently, Mr. Chair?

CHAIR PONTANILLA: Right now we're going to transfer \$3 million. Mr. Taguchi?

MR. TAGUCHI: Including the Chair's appropriation for three million, I believe the Chair. . .the Emergency Fund stands at 12.9 million including the three million.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER JOHNSON: Including three. So it would be. . .so it would be little bit less? It would. . .you know my preference is that, you know, we're looking, yes, emergency is important, but I think the, the employment obligations are also a form of an emergency. And when we're looked up by bond rating agencies, yes, they look at the Emergency Fund, but they're also gonna look at how we have managed our finances. So I think that whether we put it into the Emergency Fund, which is very tough to get out, at least this way we'll know that it's going to an obligation that we. . .we've been informed we owe. So I would actually preferred it. . .transfer two million in, you know, use the other money to the obligations fund. Thank you.

CHAIR PONTANILLA: Thank you. Members, any more discussion? Member Mateo.

COUNCILMEMBER MATEO: Chairman, thank you very much. Member Hokama does bring up a real good consideration. I think for us it, it might, it will be easier for us to deal with the blow now than put away the additional million dollars so it lessens the blow for us at a later time. So I would be interested in supporting Mr. Hokama's recommendation so one million go towards meeting our responsibilities, and the other that go. . .two million goes into the Emergency Fund.

CHAIR PONTANILLA: Thank you. Member Baisa.

COUNCILMEMBER BAISA: Thank you, Chair. I too will be supporting Member Hokama's proposal. I have always felt, in fact from last Budget, that we really need to try and pay down this debt as much as we can because it's just gonna get bigger, and I totally understand the need to put money in emergency because, you know, we never know, and we certainly experienced a lot of it last year and hopefully this year nothing will happen. But I really think we better pay. . .start paying as much as we can into this retirement debt.

CHAIR PONTANILLA: Thank you. Member Victorino.

COUNCILMEMBER VICTORINO: Thank you, and I will also support Chair Hokama's transfer of a million to the post retirement and making the Emergency Fund two million. Like everyone else, we agree emergencies can happen, but we also could float bonds if we needed to for emergency purposes if that was necessitated, and I hope to God it never does happen. I think this is a good, good move on Chair Hokama's part and I think will

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

April 23, 2008

benefit all of us and get that post retirement obligation reduced as soon as possible. Thank you, Chair.

CHAIR PONTANILLA: Thank you. Mr. Taguchi, what would be the total. . .I know you say 12 million and some several hundred thousand dollars with the reduction of one million come out to 11 million. . .

(note: silence)

MR. TAGUCHI: A reduction of one million dollars in the Transfer would have the Emergency Fund at a balance of 11. . .(end of tape 5A). . .

CHAIR PONTANILLA: Thank you. Members, any more discussion? At this time the Chair would like to recognize a motion to amend. Member Hokama.

VICE-CHAIR HOKAMA: Chairman, I would move to amend the main motion by changing the figure of \$3 million to \$2 million and as also part of the motion that the one million dollars then be placed into the Post-Employment Obligation Fund.

COUNCILMEMBER VICTORINO: Second.

CHAIR PONTANILLA: Thank you. We have a motion by Member Hokama, second by Member Victorino to reduce the Transfer to the Emergency Fund by one million dollars so that the net appropriation would be two million and that one million dollars be added to the Post-Employment Obligation Fund. Members, any more discussion? The Chair will take a vote. Member Mateo.

COUNCILMEMBER MATEO: Yes.

CHAIR PONTANILLA: Member Baisa.

COUNCILMEMBER BAISA: Yes.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Aye.

CHAIR PONTANILLA: Member Medeiros.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER MEDEIROS: Aye.

CHAIR PONTANILLA: Member Molina.

COUNCILMEMBER MOLINA: Aye.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: Yes.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Yes.

CHAIR PONTANILLA: The Chair votes aye. So we have eight ayes, and one excused Member Anderson. Motion is carried.

VOTE:	AYES:	Councilmember Baisa, Johnson, Mateo, Medeiros, Molina, Victorino, Vice-Chair Hokama, and Chair Pontanilla.
	NOES:	None.
	ABSTAIN:	None.
	ABSENT:	None.
	EXC.:	Councilmember Anderson.

MOTION CARRIED.

ACTION: APPROVE amendment to main motion.

CHAIR PONTANILLA: Members, going to the main motion as amended. The new net appropriation for Transfer to the Emergency Fund now is two million dollars. Any more discussion Members? The Chair will take a vote. Member Mateo.

COUNCILMEMBER MATEO: Yes.

CHAIR PONTANILLA: Member Baisa.

COUNCILMEMBER BAISA: Yes.

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

April 23, 2008

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Aye.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Aye.

CHAIR PONTANILLA: Member Molina.

COUNCILMEMBER MOLINA: Aye.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: Yes.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Yes.

CHAIR PONTANILLA: Chair votes yes. Eight ayes, one excused Member Anderson.

VOTE: AYES: Councilmember Baisa, Johnson, Mateo, Medeiros, Molina, Victorino, Vice-Chair Hokama, and Chair Pontanilla.

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmember Anderson.

MOTION CARRIED.

ACTION: APPROVE main motion as amended.

CHAIR PONTANILLA: Members, going to the next item Transfer to the Post-Employment Obligation Fund. We gonna add the net appropriation as submitted by the Chair is \$13 million--

MR. TAGUCHI: Chair Pontanilla.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Mr. Taguchi.

MR. TAGUCHI: The Post Obligation Fund was utilized as the fund that we were gonna use to make minor adjustments. Therefore, it wouldn't. . .maybe we should consider setting that amount at the end because we'll be moving that amount around. The current amount in there has already been revised by a prior vote to be so that 308 there is currently reduced.

CHAIR PONTANILLA: Uh-huh.

MR. TAGUCHI: So if we can skip this until we come towards the end.

CHAIR PONTANILLA: Okay, thank you. Again, Members, the one million dollars that was reduced from the Emergency Fund will be going to the Post-Employment Obligation Bond, uh, Fund.

VICE-CHAIR HOKAMA: Chairman.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: Chairman, no, thank you very much. I appreciate your consideration and the Members on this item.

CHAIR PONTANILLA: Thank you. . .(silence). . .okay, Members, we're gonna go to. . .going back to the Department of Housing and Human Concerns, we have some. . .request by Member Medeiros as well as Member Molina and this relates to the Housing Program. Members, on your previous handout it's on Page number 7. Okay, Member Medeiros, this is where you can consider your recommendation or proposal.

COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman. Yeah, my proposal is for a request or if I need to make an amendment for 50,000 for the Hana Affordable Housing Study because we. . .there was questions asked by Chair Hokama about a previous study. We did check with former Councilmember Carroll, we checked with the Department of Housing and Human Concerns, we checked with a consultant that was involved with Hana Ranch on the Hana Affordable Housing, and nobody had a. . .on record or in their files a study for affordable housing. Some of them had a marketing review, uh, economic and some other kind of study. And so we're asking for 50,000 for Hana Affordable Housing Study, and as

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

recommended by Council Chair Hokama, we'd like to have the source of these funds from the Affordable Housing Fund.

COUNCILMEMBER MOLINA: Second.

COUNCILMEMBER VICTORINO: Second.

CHAIR PONTANILLA: Is that a motion Member Medeiros?

COUNCILMEMBER MEDEIROS: Yes, I'm sorry. Yes. I, I move to make that motion.

CHAIR PONTANILLA: Thank you. Moved by Member Medeiros, second by who? Member Molina. Thank you. Members, discussion? Mr. Medeiros.

COUNCILMEMBER MEDEIROS: Thank you--

MS. REVELS: Mr. Chair, just as point of information.

CHAIR PONTANILLA: Ms. Revels.

MS. REVELS: I believe the appropriations to the Affordable Housing Fund need to be done in the Special Revenue Fund like we do with the Open Space Fund. Corporation Counsel may be able to confirm that.

CHAIR PONTANILLA: Corporation Counsel.

MS. FUJITA VILLAROSA: Yes, Mr. Chair, under the Special Purpose Revenues section of the Budget ordinance, we have been listing appropriations from the funds under the particular fund at issue.

CHAIR PONTANILLA: Thank you. Ms. Revels can you provide us with some guidance as far as the page regarding Special Revenue Funds?

MS. REVELS : The Special Revenue Funds are on Page 47 of the previous handout. It is second from the bottom.

(note: silence)

CHAIR PONTANILLA: Thank you. (silence) Member Medeiros.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER MEDEIROS: Thank you, Mr. Chairman. So how would you want me to proceed with this. I'm on Page 47 and I see the Affordable Housing Fund--

CHAIR PONTANILLA: Corporation Counsel.

MS. FUJITA VILLAROSA: Mr. Chair, I was just taking a look at the Affordable Housing Fund ordinance, and there is a slight difference. Some of the other Special Purpose Revenue Funds require an ordinance to appropriate but I don't see that requirement here. So perhaps the Committee could consider a proviso for under the po..., under the Affordable Housing Fund, Special Purpose Revenue, a proviso with the amount and the purpose of the appropriation.

COUNCILMEMBER MEDEIROS: Under the Affordable Housing Fund?

MS. FUJITA VILLAROSA: Right.

COUNCILMEMBER MEDEIROS: Okay.

CHAIR PONTANILLA: Thank you.

COUNCILMEMBER MEDEIROS: Mr. Chairman, you want me to . . .

CHAIR PONTANILLA: Please.

COUNCILMEMBER MEDEIROS: Okay. Mr. Chairman, I make a motion for a proviso that 50,000 be provided for a housing study for the Hana Affordable Housing Projects.

COUNCILMEMBER MOLINA: Second.

CHAIR PONTANILLA: Motion is made by Member Medeiros, second by Member Molina to add a proviso indicating \$50,000 be allotted to the Hana Affordable Housing. . .

COUNCILMEMBER MEDEIROS: Study.

CHAIR PONTANILLA: . . .Study. Members, discussion? If not, Member Hokama.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

VICE-CHAIR HOKAMA: Chairman, I would just ask that the Committee grant no objections to allow the Staff to work with Corporation Counsel to have the appropriate language so that it is very clear of the Committee's intent that the funds will be used for an affordable project and it's to verify the affor..., the, the, that it isn't a . . it is to meet and qualify under the affordable guidelines for this project. And I think Corporation Counsel and the Staff can work out the appropriate language, and I would ask that the Committee grant the Staff the authorization to do so appropriately on the proviso. Thank you.

CHAIR PONTANILLA: Thank you. Members, any objections?

COUNCIL MEMBERS: No objections.

CHAIR PONTANILLA: Thank you. Members, any more discussion? The Chair will now take the vote count. Member Mateo.

COUNCILMEMBER MATEO: Yes.

CHAIR PONTANILLA: Member Baisa.

COUNCILMEMBER BAISA: Yes.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Aye.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Aye.

CHAIR PONTANILLA: Member Molina.

COUNCILMEMBER MOLINA: Aye.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: Aye.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Yes.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Chair votes yes. Motion is carried. Eight ayes and one excused.

VOTE: **AYES:** **Councilmember Baisa, Johnson, Mateo, Medeiros, Molina, Victorino, Vice-Chair Hokama, and Chair Pontanilla.**

NOES: **None.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **Councilmember Anderson.**

MOTION CARRIED.

ACTION: APPROVE.

CHAIR PONTANILLA: Member Molina, you had any questions in regards to the affordable, on the housing program affordable housing?

COUNCILMEMBER MOLINA: Yeah, thank you, Chairman. Again, this. . .I'll put it out for discussion. As I mentioned earlier there's some, I guess some of the same considerations from Members Mateo and Hokama, as well as Mr. Medeiros. The Members will note on the, um. . .Page 4 of the Member's proposals I would ask for consideration of the deletion of the Housing Specialist I and III positions. And, again, my. . .I guess when we had the discussion with the Director for myself I was not convinced as far as the need at this point because we haven't seen any of the programs, some of the Council initiatives move, and I guess for me it's just my own personal feeling if. . .how do you know you need these positions when you don't even have the program in motion. So that's part of my rationale for this consideration, Mr. Chairman. And it would be a deletion of the two Housing positions for a total of \$54,080 and as far as. . .well, I guess one option we can consider is to just leave the money out or put the money into the First-Time Home Buyers Fund.

(note: silence)

CHAIR PONTANILLA: Mr. Taguchi, where, where is that two positions located?

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

VICE-CHAIR HOKAMA: Housing Division.

CHAIR PONTANILLA: Housing Division.

MR. TAGUCHI: Housing Division.

COUNCILMEMBER MEDEIROS: Housing and Human Concerns.

CHAIR PONTANILLA: Okay. That would be the Housing program.

MR. TAGUCHI: Housing Program. The division is Housing Division.

COUNCILMEMBER MOLINA: Mr. Chair. Just for clarification, I realize I believe we did reach consensus on that I . . yesterday. Would it be more appropriate to ask for a reconsideration vote before we go onto further discussion on this?

CHAIR PONTANILLA: Thank you. Members, any objections for reconsideration?

VICE-CHAIR HOKAMA: No objections.

CHAIR PONTANILLA: Thank you.

COUNCILMEMBER MOLINA: Okay. . .

COUNCILMEMBER MATEO: Chairman, reference point, please.

CHAIR PONTANILLA: I'm trying to get it. . .(laughter). . .

MR. TAGUCHI: Reference point would be on the prior handout not the redacted version on Page 7 dash. . .7 of 47.

COUNCILMEMBER MEDEIROS: Forty seven.

CHAIR PONTANILLA: Seven of 47.

COUNCILMEMBER MOLINA: Okay. . .with that being said, Mr. Chairman, I would ask for a reconsideration of Page 7 of Exhibit 1 under Department of Housing and Human Concerns, Housing Program.

CHAIR PONTANILLA: That would be number one?

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER MOLINA: That is correct, Chairman.

COUNCILMEMBER MATEO: Was that the motion, Mr. Molina?

COUNCILMEMBER MOLINA: Yeah, that is the motion. Thank you, Mr. Mateo.

COUNCILMEMBER MATEO: Second.

CHAIR PONTANILLA: Okay, moved by Member Molina, second by Member Mateo to eliminate or delete--

COUNCILMEMBER MOLINA: Oh, Mr. Chair, I guess this is for reconsideration.

CHAIR PONTANILLA: Oh, for recon..., I'm sorry.

COUNCILMEMBER MOLINA: Yeah.

CHAIR PONTANILLA: I'm sorry.

COUNCILMEMBER MOLINA: Yeah, my apologies.

MS. FUJITA VILLAROSA: Mr. Chair, I don't believe that the Committee took a formal vote. . .this is for the Housing Program?

COUNCILMEMBER MOLINA: Yeah. Uh-huh.

CHAIR PONTANILLA: Uh. . .yeah.

MS. FUJITA VILLAROSA: I believe that that was just consensus.

COUNCILMEMBER MOLINA: So no formal motion.

MS. FUJITA VILLAROSA: I don't believe a motion for reconsideration is needed.

CHAIR PONTANILLA: Oh, okay.

COUNCILMEMBER MOLINA: Okay. I'll go ahead and withdraw my motion then, Chairman.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Okay, thank you.

COUNCILMEMBER MOLINA: So Mr. Chair, I guess we can get back to the proposal that I've already mentioned.

CHAIR PONTANILLA: Okay.

COUNCILMEMBER MOLINA: So I guess, I'll yield the floor to the Members for any comments?

CHAIR PONTANILLA: I'm looking at the expansion position on the Program Budget. If you can give me a reference.

VICE-CHAIR HOKAMA: Cha..., yeah, Chairman, it's 8-6 on the Detailed Budget.

COUNCILMEMBER MEDEIROS: Eight dash six.

COUNCILMEMBER VICTORINO: So \$54,080.

VICE-CHAIR HOKAMA: Yeah, 5-4-0-8-0.

COUNCILMEMBER VICTORINO: Okay.

VICE-CHAIR HOKAMA: Yeah.

CHAIR PONTANILLA: Okay, Members, 8-6. Members, the motion at this time as presented by Member Molina is to eliminate the expansion position for Housing Specialists I and III positions, as well as Housing Specialists III. Members, discussion? Member Baisa.

COUNCILMEMBER BAISA: Thank you, Chair. Mr..., could I please ask Mr. Molina to explain once again why he'd like to take these positions out. I didn't get it.

COUNCILMEMBER MOLINA: Okay.

CHAIR PONTANILLA: Member Molina.

COUNCILMEMBER MOLINA: Okay, thank you for that question. As I mentioned earlier in our prior discussions with the Director, we've already

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

seen some of the Council initiatives that occurred from a prior term and it has not been put in place. And at this point my rationale is why request for expansion when the program has not even been given a chance to start. So just for me, personally, I just have a difficult time supporting any expansion if you know we haven't even tried the program out to justify it so I put it out there. And also in the line with the fact that we're trying to hold the line on expansion positions as well so I thought I'd put it out there for both positions. If the body would like to consider another alternative, I'm open, but again, at this point I have not seen this particular term the justification that's needed for these additional positions. So until I see a program that's put in place, then I'm open to considering expansion. So let's, you know, I think it's kind of going backwards at this point 'cause I don't see any justification at this point. For me, personally, that's how I see it. Thank you.

COUNCILMEMBER BAISA: Chair.

CHAIR PONTANILLA: Thank you. Member Baisa.

COUNCILMEMBER BAISA: Uh, yes, is that like the First-Time Home Buyers program?

COUNCILMEMBER MOLINA: That's the one. Uh-huh.

VICE-CHAIR HOKAMA: That's one of 'em.

CHAIR PONTANILLA: Thank you. Members, any more discussion on this item? Member Mateo.

COUNCILMEMBER MATEO: Chairman, thank you. And I'd be able to support Mr. Molina's consideration. I believe we heard from the department that, you know, for example there is an executive position with her, for the lack of a better name, I can't recall what this individual's exact title was, but I believe the department has the ability to provide additional responsibilities for this individual to assist in additional specific programs. I believe he's underutilized and the department has limited his ability to expand and provide greater assistance to the department. Therefore I can, I can accept and I can support Mr. Molina's recommendation.

CHAIR PONTANILLA: Thank you. Members, more discussion? If not, the Chair will call for the question. Member Mateo.

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

April 23, 2008

COUNCILMEMBER MATEO: Yes.

CHAIR PONTANILLA: Member Baisa.

COUNCILMEMBER BAISA: I'll vote, yes, with reservations.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: No.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Aye.

CHAIR PONTANILLA: Member Molina.

COUNCILMEMBER MOLINA: Aye.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: Yes.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Yes with reservations, Chair.

CHAIR PONTANILLA: The Chair will vote no. So there's--two, four, five--six ayes, two noes, one excused Member Anderson. The motion is carried. We'll be deleting the expansion one Housing Specialist I and III positions, deleting Housing Specialist III position. Um. . .

VOTE:	AYES:	Councilmember Baisa, Mateo, Medeiros, Molina, Victorino, and Vice-Chair Hokama.
	NOES:	Councilmember Johnson, and Chair Pontanilla.
	ABSTAIN:	None.
	ABSENT:	None.
	EXC.:	Councilmember Anderson.

MOTION CARRIED.

ACTION: APPROVE.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER MOLINA: One and three.

COUNCILMEMBER MEDEIROS: One and three.

COUNCILMEMBER MOLINA: One and three.

CHAIR PONTANILLA: One and three.

COUNCILMEMBER MOLINA: Yeah.

VICE-CHAIR HOKAMA: One of one. . .(inaudible). . .

MR. TAGUCHI: Chair Pontanilla.

CHAIR PONTANILLA: Mr. Taguchi.

MR. TAGUCHI: Since the Committee has deleted the expansion position in the Department of Housing and Human Concerns, shall we delete the equipment that was related to this positions which currently resides in the Department of Management MIS?

CHAIR PONTANILLA: Member Molina.

COUNCILMEMBER MOLINA: Uh, yeah, I guess so if the. . .it would make sense to do that as well, and to be honest I hadn't really considered that at that. . .when this proposal was first made, but if it's appropriate to do so then by all means.

CHAIR PONTANILLA: Thank you. Do you want to make that into a motion?

COUNCILMEMBER MOLINA: Uh. . .yeah. Okay, I move to delete the expansion equipment related to the Housing I and Housing III Specialist positions.

COUNCILMEMBER VICTORINO: Second.

CHAIR PONTANILLA: Moved by Member Molina, second by Member Victorino. Members discussion?

COUNCILMEMBER VICTORINO: Chair.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Member--

COUNCILMEMBER VICTORINO: How much would that, how much would that be? I mean, you know--

CHAIR PONTANILLA: Mr. Taguchi.

COUNCILMEMBER VICTORINO: Please.

MR. TAGUCHI: Chair Pontanilla--

COUNCILMEMBER MOLINA: Reference point?

COUNCILMEMBER VICTORINO: What page?

MR. TAGUCHI: Ten dash twelve on your details.

COUNCILMEMBER VICTORINO: Okay, thank you.

MR. TAGUCHI: Primarily when we. . .when we deleted the accountant earlier in the Chair's proposal we forgot to delete the computer that was related to it. So currently the motion would be to delete the three desktop computers, totaling \$4,500 out of the Department of Management MIS Program.

CHAIR PONTANILLA: Thank you. Mr. Victorino, got it?

COUNCILMEMBER VICTORINO: Yeah, 4,500.

CHAIR PONTANILLA: Thank you.

COUNCILMEMBER VICTORINO: Thank you, Chair. I appreciate it.

CHAIR PONTANILLA: Members, any more discussion on this matter here?
Chair will call for the vote. Member Mateo.

COUNCILMEMBER MATEO: Yes.

CHAIR PONTANILLA: Member Baisa.

COUNCILMEMBER BAISA: Yes.

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

April 23, 2008

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Yes.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Aye.

CHAIR PONTANILLA: Member Molina.

COUNCILMEMBER MOLINA: Aye.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: Yes.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Yes.

CHAIR PONTANILLA: The Chair again will vote no on this. We do have seven ayes; one no; one Member excused, Member Anderson. Motion carried.

VOTE:	AYES:	Councilmember Baisa, Johnson, Mateo, Medeiros, Molina, Victorino, and Vice-Chair Hokama.
	NOES:	Chair Pontanilla.
	ABSTAIN:	None.
	ABSENT:	None.
	EXC.:	Councilmember Anderson.

MOTION CARRIED.

ACTION: APPROVE.

CHAIR PONTANILLA: Mr. Taguchi if you can provide us with new numbers.

VICE-CHAIR HOKAMA: After dinner.

COUNCILMEMBER VICTORINO: After dinner.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

MS. REVELS: Mr. Chair, under the Management Information Systems, the new number will be 3,414,969.

CHAIR PONTANILLA: What page is that?

MS. REVELS: Um. . .I don't have that in front of me. Hold on just a . . .

(note: silence)

CHAIR PONTANILLA: Page 12.

(note: silence)

MS. REVELS: Yes, Mr. Chair, it is Page 12. And then the new total for the Housing Program after deleting the expansion positions is 581,598.

CHAIR PONTANILLA: Members, you got that?

(note: silence)

CHAIR PONTANILLA: Thank you. Okay, Members, let's see. . .

(note: silence)

VICE-CHAIR HOKAMA: Mr. Chairman.

CHAIR PONTANILLA: Mr. Hokama.

VICE-CHAIR HOKAMA: I would ask for the Committee as we move forward with the adjustments if there are net cash for us to balance then I would ask you and the Committee Members to consider placing those dollars in the following two funds, either the Post-Employment Obligation Fund, or I am very. . .I'm getting a little uncomfortable that we may be getting too thin in the Self-Insurance category. So I would ask the Committee to consider if we have savings from these actions that those will be the two areas I would ask for their consideration in placement of those dollars. Thank you.

CHAIR PONTANILLA: Thank you, Chair Hokama. I do have a note. . .and Mr. Young has an issue in regards to what was removed earlier. And whatever numbers that we take out we'll, we'll add back to the Self-Insurance to

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

cover what was taken out, and continue to add monies to either the Self-Insurance and the Post-Employment. Member Molina.

COUNCILMEMBER MOLINA: Yeah, thank you, Chair, and I can concur with Chairman Hokama. I know I'd initially ask for a reconsider of putting it back into the First-Time Home Buyers. You know what? I, I'm fine with the. . .Chairman Hokama's consideration. I think we need to pad that insurance fund or the Post-Employment, whichever. So I'm fine with adding these funds back into those. . .either one of those funds. Thank you.

CHAIR PONTANILLA: Okay, thank you. I'm on Page number 3, Members, of the Exhibit that was passed out this morning. We're gonna take our dinner break at this time, and when we come back we'll. . .first up is the Hana Human Services and then we'll take the Maui Farms after that when we do come back at seven o'clock. So, Members, this meeting is in recess. . .
(gavel). . .

RECESS: 5:30 p.m.
RECONVENE: 7:06 p.m.

CHAIR PONTANILLA: . . .*(gavel)*. . . The Budget and Finance Committee meeting is now in session. Members, when we left off the Chair indicated that we would be taking the Hana Human Services area. This is in regards to. . .the addition to the Hana Community Association for Hana Dialysis Service. Members, in that particular item, the Chair had recommended a net appropriation of \$20,000. I need a motion to start discussion.

COUNCILMEMBER VICTORINO: So moved.

COUNCILMEMBER BAISA: Second.

CHAIR PONTANILLA: Moved by Member Victorino, second by Member Baisa. This time the Chair would like to recognize Member Medeiros.

COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman. I'm gonna make an amendment to increase the amount by 30,000 to make the total amount 50,000 for the purposes of dialysis services.

COUNCILMEMBER VICTORINO: Second.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Thank you. The motion has been made by Member Medeiros to add--

COUNCILMEMBER MEDEIROS: Thirty thousand.

CHAIR PONTANILLA: --\$30,000 for Hana Dialysis Service, second by Member Victorino. Discussion? Member Medeiros.

COUNCILMEMBER MEDEIROS: Thank you, Mr. Chairman. And what's gonna happen is when we get to the next item, the East Maui Cultural/Economic Development Program--

CHAIR PONTANILLA: Uh-huh.

COUNCILMEMBER MEDEIROS: --I'll be also making amendment to remove 30,000 from the 80,000 in that item, and transferring it to the Hana Human Services.

CHAIR PONTANILLA: Thank you.

COUNCILMEMBER VICTORINO: Why don't you do it all one time?

COUNCILMEMBER MEDEIROS: I, I'm not sure how you want me to do that. I was gonna recommend we go to East Maui first, but a motion was made before I had that chance.

CHAIR PONTANILLA: Okay, I think we can take care that.

COUNCILMEMBER MEDEIROS: Okay, thank you.

CHAIR PONTANILLA: The motion is to add \$30,000 for a grant for the Hana Dialysis service by Member Medeiros, amending the net appropriation from 20 to 50,000, by adding \$30,000 to that item. The Chair will accept that motion. Members, any discussion?

COUNCILMEMBER MATEO: Chair.

CHAIR PONTANILLA: Member Mateo.

COUNCILMEMBER MATEO: Chairman, thank you. Just for clarification purposes, the . . .this is actually not an add then because he will be removing monies from one category to another is--

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Yeah, but at this time it is an add the motion.

COUNCILMEMBER MATEO: Thank you.

CHAIR PONTANILLA: Thank you. Seeing. . .any more discussion, Members?
Seeing none, then the Chair will call for the question. Member Mateo.

COUNCILMEMBER MATEO: Yes.

CHAIR PONTANILLA: Member Baisa.

COUNCILMEMBER BAISA: Yes.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Aye.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Aye.

CHAIR PONTANILLA: Member Molina.

COUNCILMEMBER MOLINA: Aye.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: Yes.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: A hardy yes.

CHAIR PONTANILLA: Thank you. The Chair votes yes, um. . .2, 4, 6, 7. . .8
eyes, one excused Member Anderson.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

VOTE: **AYES:** **Councilmember Baisa, Johnson, Mateo, Medeiros, Molina, Victorino, Vice-Chair Hokama, and Chair Pontanilla.**

NOES: **None.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **Councilmember Anderson.**

MOTION CARRIED.

ACTION: APPROVE amendment to main motion.

CHAIR PONTANILLA: Back to the main motion as amended. Members, any more discussion? Member Johnson.

COUNCILMEMBER JOHNSON: Yes, is, um. . .Mr. Medeiros going to add in the language or is that language gonna stay there just like it is, add grant to Hana Community Association for Hana Dialysis Services?

CHAIR PONTANILLA: Um. . .read the motion, please.

MS. REVELS: Thank you, Mr. Chair. I believe the motion was simply to add \$30,000 for Hana Dialysis Services, um. . .possibly Member Medeiros could clarify if he wishes it to be a grant or simply to read a. . .increase for Hana Dialysis Services.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Thank you, Mr. Chairman. Yeah, I wasn't real sure about the wording that was already there add grant to Hana Community Association for Hana Dialysis Services and in parentheses 50,000. I just need some clarification on the 50,000 in parentheses.

CHAIR PONTANILLA: That's the issue that we had. . .that's the reason why we're revisiting this thing here.

COUNCILMEMBER MEDEIROS: Okay.

CHAIR PONTANILLA: 'Cause we haven't taken action on that one particular item that you're looking at the \$50,000.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER MEDEIROS: You mean in the '08 Budget?

CHAIR PONTANILLA: Uh. . .no. In this present. . .

MS. REVELS: Mr. Chair.

CHAIR PONTANILLA: . . .2009 proposal. . .Ms. Revels.

MS. REVELS: The reason it's highlighted in gray is when we last spoke about it I recall that the grant originally was for \$50,000. So I simply put it in parentheses as a reminder for what the original discussion was, but this should change to whatever we're doing now with this current motion.

CHAIR PONTANILLA: Right.

COUNCILMEMBER MEDEIROS: Okay, thank you for that clarification, Ms. Revels. So, Mr. Chairman, you want me to put it in a grant or a proviso?

CHAIR PONTANILLA: According to this is if you wanna use the same language add grant for Hana Community. . .Community Association for Hana dialysis service then the number would be \$30,000.

COUNCILMEMBER MEDEIROS: For a total of 50?

CHAIR PONTANILLA: No. For a total of. . .on your amendment \$30,000, and then we come to the main motion—

COUNCILMEMBER BAISA: It'll be 50.

CHAIR PONTANILLA: --it will be 50.

COUNCILMEMBER MEDEIROS: Okay, yes, that's the way I would like to do it, Mr. Chairman.

CHAIR PONTANILLA: Thank you. Member Johnson.

COUNCILMEMBER JOHNSON: Yeah, my question still is that it says Hana Human Services. Now, I mean, I don't care, you know, if the whole amount is gonna go 'cause it appears that it's gonna be used for dialysis services. If that's what it's gonna be for then my only I guess consideration would be just to outline or put a proviso in, or describe what

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

the money is actually there for so the Administration. . .(end of tape 5B). . .any confusion about why we're putting it there.

COUNCILMEMBER MEDEIROS: Good idea.

MR. TAGUCHI: Chair Pontanilla.

CHAIR PONTANILLA: Mr. Taguchi.

MR. TAGUCHI: The ordinance. . .okay, in Exhibit 1 we summarized some of the things in the ordinance. The ordinance actually reads currently under the Human Concerns Programs under Grants and Disbursements for Health, Human Services, and Education, and then under the letter (vi) Hana Human Services. So by that reading. . .the money can either be granted or disbursed for Hana Human Services.

CHAIR PONTANILLA: Yes. So, Member Medeiros, you probably need a proviso in there.

COUNCILMEMBER MEDEIROS: Okay, would you like me to make that proviso now, Mr. Chairman?

CHAIR PONTANILLA: Member Hokama before I come back to you.

COUNCILMEMBER MEDEIROS: Okay, thank you.

VICE-CHAIR HOKAMA: Chairman, I would say that the Committee. . .we can assist Mr. Medeiros better if we can maybe get some clarification. If we just leave it as for Hana Dialysis Services, then more than likely the way our procurement laws are is that it'll go through a process to, for a provider to apply for an RFP to do the dialysis service. If the intent is specifically. . .therefore Mr. Medeiros wants the Hana Community Association to receive the grant for the purposes, then we need to state it as such through, through the proviso. Other than that, there is no assurances that Hana Community Association will be able to receive the money since more than likely would have to go through some type of open procurement process.

CHAIR PONTANILLA: Thank you.

COUNCILMEMBER MEDEIROS: Yes, Mr. Chairman, so would, would you assist me in, you know, what we need to do here? I can provide a. . .I

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

mean give a proviso, but if there needs to be certain words incorporated in that proviso I'll--

CHAIR PONTANILLA: Mr. Medeiros, I'll have Mr. Taguchi provide you--

COUNCILMEMBER MEDEIROS: Thank you.

CHAIR PONTANILLA: --with some--

COUNCILMEMBER MEDEIROS: Thank you.

CHAIR PONTANILLA: --language. Mr. Taguchi.

MR. TAGUCHI: Chair Pontanilla, there's various ways to approach this, but because of the new budget format, and the fact that this is a subcategory in a larger category, I would defer to Corporation Counsel. But I would believe your options are under the Hana Human Services category you can proviso that it be for a grant for a specific non-for-profit agency, or the alternative would be to pull this number out of this area and put it into its own line item under grant for Hana Human Services. However, if you elect that method then you will actually separate it from the format of the ordinance itself which tries to combine all similar type of grants and disbursements in one area. So it would be at the pleasure of the body.

CHAIR PONTANILLA: Thank you. And Corporation Counsel if you can help us.

MS. FUJITA VILLAROSA: Um, yeah, Mr.--

CHAIR PONTANILLA: Make it real clear so that we don't have to--

COUNCILMEMBER MEDEIROS: Yeah, right, thank you.

CHAIR PONTANILLA: --guess on this one here.

MS. FUJITA VILLAROSA: How much. . .how much money were we looking at for the, um. . .Hana dialysis?

CHAIR PONTANILLA: Um. . .

COUNCILMEMBER MEDEIROS: We transferred the amount.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: We're, we're gonna be moving some monies from the Office of the Mayor, \$30,000 in the program--

MS. FUJITA VILLAROSA: Right.

CHAIR PONTANILLA: --that says provided that \$80,000 is for the Ma Ka Hana Ka Ike Program. We're gonna take \$30,000 from that program to support Member Medeiros's intent to provide funding for the Hana Dialysis Service. And when we get to the Office of the Mayor, we're gonna make another amendment to reflect some changes that Mr. Medeiros intends to do.

MS. FUJITA VILLAROSA: So is the entire \$50,000 is gonna be used for the Hana dialysis?

CHAIR PONTANILLA: No. Only \$30,000.

COUNCILMEMBER MEDEIROS: No, the whole--

COUNCILMEMBER JOHNSON: The whole thing.

COUNCILMEMBER MEDEIROS: The entire. . .yeah, the combined amount.

MS. FUJITA VILLAROSA: Okay.

CHAIR PONTANILLA: Or all 50,000 will be used?

COUNCILMEMBER BAISA: The whole 50,000, yeah.

CHAIR PONTANILLA: Okay, fine. Okay.

MS. FUJITA VILLAROSA: Yeah. Then my suggestion would be to instead of having Hana Human Services as the description for that grant, to insert the name of the entity that the grant will be going to then that way all \$50,000 would be a grant to that agency.

COUNCILMEMBER MEDEIROS: For the purposes of dialysis.

MS. FUJITA VILLAROSA: Right, you could add that.

COUNCILMEMBER MEDEIROS: Okay. And where would we put that if not under Hana Human Services?

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

MS. FUJITA VILLAROSA: Oh, instead of Hana Human Services, you would replace that language with the entity's name. Did you have an entity in mind for this?

COUNCILMEMBER MEDEIROS: Well, the receiver of the grant will be the Hana Community Association as indicated right below Hana Human Services.

MS. FUJITA VILLAROSA: Okay. Yeah, so what you could do is replace Hana Human Services with Hana Community Association for Hana Dialysis Services.

COUNCILMEMBER MEDEIROS: So Corporate *[sic]* Counsel, if I understand you right, we're gonna delete the title of Hana Human Services, insert in there Hana Community Association, and then below that have the language that the grant is for Hana Dialysis Services?

MS. FUJITA VILLAROSA: No, same line. You could have it on the same--

COUNCILMEMBER MEDEIROS: Oh, all one line?

MS. FUJITA VILLAROSA: Yeah.

COUNCILMEMBER MEDEIROS: Okay. So Hana Community Association for the Hana Dialysis Services--

MS. FUJITA VILLAROSA: Correct.

COUNCILMEMBER MEDEIROS: --is that what we would need?

MS. FUJITA VILLAROSA: Yes.

COUNCILMEMBER MEDEIROS: Okay.

CHAIR PONTANILLA: Thank you. Um. . .

COUNCILMEMBER MEDEIROS: Do you need that in a motion or--

CHAIR PONTANILLA: Um. . .no, we'll take the first amendment first so we don't get lost?

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER MEDEIROS: Okay, and, and. . .

CHAIR PONTANILLA: The--

COUNCILMEMBER MEDEIROS: Do we move the Hana Human Services?

CHAIR PONTANILLA: But we're, we're amending the net appropriation of \$20,000, um. . .in the end it's gonna be \$50,000. Your amendment is to add \$30,000 to this net appropriation.

MS. REVELS: Mr. Chair.

CHAIR PONTANILLA: Ms. Revels.

MS. REVELS: I'm sorry. I believe there was already a vote for the addition of \$30,000.

COUNCILMEMBER BAISA: Yeah.

COUNCILMEMBER JOHNSON: Uh-huh.

CHAIR PONTANILLA: Okay, okay, fine. So why don't you make another amendment to change the title.

COUNCILMEMBER MEDEIROS: Okay. Mr. Chairman, I move to amend or remove the title of Hana Human Services and insert in its place Hana Community Association.

COUNCILMEMBER VICTORINO: Second.

CHAIR PONTANILLA: Moved by Member Medeiros, second by Member Victorino. Members any discussion? Member Johnson.

COUNCILMEMBER JOHNSON: My suggestion for the wording to further clarify what Mr. Medeiros wants to do is just a, um. . .it's, it's a grant for Hana Community's, uh. . .is it Association?

COUNCILMEMBER MEDEIROS: Correct.

COUNCILMEMBER JOHNSON: Okay. Hana Community Association for the purpose of developing a, the Hana Dialysis Program because you don't wanna actually have it be for services directly 'cause they're not gonna be

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

providing the services. They're developing the program that will eventually result in the distribution of the service. So that's my suggestion.

CHAIR PONTANILLA: Thank you. Member Medeiros.

COUNCILMEMBER MEDEIROS: Thank you, Mr. Chairman. So do I add that wording below the title we just amended?

COUNCILMEMBER JOHNSON: Yeah.

CHAIR PONTANILLA: Yes.

COUNCILMEMBER MEDEIROS: And would it be just in those. . .that it, it's a grant?

CHAIR PONTANILLA: Before we get all confused--

COUNCILMEMBER MEDEIROS: Right.

VICE-CHAIR HOKAMA: Chairman.

CHAIR PONTANILLA: --Corporation Counsel will you help, help us in trying to resolve this issue in regards to the title and how we wanna grant this money out so that this money goes for Hana Dialysis.

MS. FUJITA VILLAROSA: Okay, so the new title instead of Hana Human Services would be Hana Community Association for the purpose of developing Hana, Hana Dialysis Program is what I understand. Yeah, that can all be on one line.

CHAIR PONTANILLA: Thank you.

COUNCILMEMBER MEDEIROS: Okay, Mr. Chairman, the. . .now do I make it a amendment because we had voted right?

CHAIR PONTANILLA: We haven't voted yet.

COUNCILMEMBER MEDEIROS: We made a motion already.

CHAIR PONTANILLA: There is a motion, there is a second. We're in discussion here. If you wanna further clarify your--

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER JOHNSON: Clarify your motion.

CHAIR PONTANILLA: --motion please do so.

COUNCILMEMBER MEDEIROS: Okay, thank you, Mr. Chairman. I do wanna clarify my motion to have it read Hana Community Association for the purposes of developing the Hana Dialysis Program.

CHAIR PONTANILLA: Thank you. Members, any more discussion? Okay, the Chair will call for the question. Member Mateo.

COUNCILMEMBER MATEO: Yes.

CHAIR PONTANILLA: Member Baisa.

COUNCILMEMBER BAISA: Yes.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Aye.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Aye.

CHAIR PONTANILLA: Member Molina.

COUNCILMEMBER MOLINA: Aye.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: Mm.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Yes.

CHAIR PONTANILLA: The Chair votes yes. There are eight ayes and one excused Member Anderson.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

VOTE: **AYES:** **Councilmember Baisa, Johnson, Mateo, Medeiros, Molina, Victorino, Vice-Chair Hokama, and Chair Pontanilla.**

NOES: **None.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **Councilmember Anderson.**

MOTION CARRIED.

ACTION: APPROVE amendment to main motion.

CHAIR PONTANILLA: Going back to the main motion as amended. Any more discussion, Members? If not the Chair will call for the question. Member Mateo.

COUNCILMEMBER MATEO: Yes.

CHAIR PONTANILLA: Member Baisa.

COUNCILMEMBER BAISA: Yes.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Aye.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Aye.

CHAIR PONTANILLA: Member Molina.

COUNCILMEMBER MOLINA: Aye.

CHAIR PONTANILLA: Member Vic..., uh, Hokama.

VICE-CHAIR HOKAMA: Mm.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Yes.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Motion is carried. Eight ayes, one no.

VICE-CHAIR HOKAMA: One excused, Chairman.

CHAIR PONTANILLA: And one excused. Than you.

VOTE:	AYES:	Councilmember Baisa, Johnson, Mateo, Medeiros, Molina, Victorino, Vice-Chair Hokama, and Chair Pontanilla.
	NOES:	None.
	ABSTAIN:	None.
	ABSENT:	None.
	EXC.:	Councilmember Anderson.

MOTION CARRIED.

ACTION: APPROVE main motion as amended.

CHAIR PONTANILLA: The next item The Maui Farm, Inc. Net appropriation is \$230,000. I need a motion.

COUNCILMEMBER VICTORINO: So moved.

COUNCILMEMBER MOLINA: Second.

COUNCILMEMBER BAISA: Second.

CHAIR PONTANILLA: Moved by Member Victorino, second by Member Molina. Members, any discussion? Member Johnson.

COUNCILMEMBER JOHNSON: Uh, yes, Mr. Chair, move to amend to add the \$50,000 that was removed earlier.

COUNCILMEMBER BAISA: Second.

COUNCILMEMBER MOLINA: Second.

COUNCILMEMBER VICTORINO: Second.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Moved by Member Johnson, seconded by Member Baisa to add \$50,000 to the net appropriation of \$230,000 for The Maui Farm, Inc. Members, discussion?

COUNCILMEMBER JOHNSON: The only discussion, Mr. Chair, is that because the way that the grants were shown it gave a false impression that there was monies coming in as far as the Program Community Partnership Grant as well as this money, and basically what they did was they shifted over the money that had been in their program. So the 280,000 would actually be to keep their funding level with last year, and I have no idea of where to get this from unless it's from our Post-Employment Contribution Fund or whatever. But I think that it's, it's fair because we've kept a lot of the grantees and the recipients level. We haven't given 'em an increase, but that's my suggestion. Thank you.

CHAIR PONTANILLA: Thank you. Members, more discussion? Member Molina.

COUNCILMEMBER MOLINA: Yeah, thank you, Chair. Just to expound further on Member Johnson's consideration, the prior fiscal year they got a Community Partnership Grant for 40,500 on top of their line item grant of 230,000 which would make for a total of 270,500. So the 280,000 being requested this fiscal year would actually amount to in essence just an increase of roughly \$9,000 to address op..., additional operational expenses. And from my understanding I believe they were told that you not suppose to I guess get grants from CPG as well as a line item so I believe this is why Ms. Ambre went just for a line item appropriation at this point. So I know the program has been already talked about in prior meetings about the, uh. . .what they do for the community and, you know, I've been there on a site inspection as well so I can concur with the, what the rest of the community has agreed upon as far as what they do for us. So I will support the reinstatement of the 50,000, Mr. Chair. Thank you.

CHAIR PONTANILLA: Thank you. Members--

COUNCILMEMBER MOLINA: And also a possible source, funding source would be a five cent increase on the timeshare property tax rate that would generate roughly I believe about 55,000 or so, or, or cover that 50 grant if need be.

CHAIR PONTANILLA: Thank you.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER MOLINA: Thank you.

CHAIR PONTANILLA: Member Baisa.

COUNCILMEMBER BAISA: Uh. . .yes, thank you, Chair. I too would like to speak in support of this adjustment. The Maui Farm is a long well-established program that is, has proven itself. I also think that, you know, there is a substantial investment in housing there, and it would be ashamed not to be able to use those houses to the max. You know we are into supporting affordable housing as well as family development, and I like this partnership that they have with Women Helping Women where they are taking families in distress and putting them in a supportive housing arrangement where they can get their lives together. And I think this is a good investment for us so I'm in support.

CHAIR PONTANILLA: Thank you. Member Hokama.

VICE-CHAIR HOKAMA: I am unhappy with the department because this is a long standing, my standing policy regarding non-multiple grant funding from the same department so that's my displeasure. I'm open to this consideration, but I need to know specifically where we're gonna provide the dollars from, Chairman.

CHAIR PONTANILLA: Um. . .there was an offer by Member Molina to increase the timeshare's property tax by five cents at this time.

VICE-CHAIR HOKAMA: Is that the motion?

CHAIR PONTANILLA: Um. . .(silent). . .the motion was to add \$50,000 to The Maui Farm, Inc. and the source of funding will come from the timeshare category in the property tax.

COUNCILMEMBER MOLINA: Yeah, Mr. Chair, I think Member Johnson also had another option as well for funding--

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Uh. . .my suggestion was from Post-Employment because that was one of the areas where we were gonna return to, and I don't know where we stand. There may be other adjustments.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Members, any more discussion? I know we had Park. . .some monies that were removed earlier to ensure that our obligation to the Post-Employment was, was increased so that our obligation would not be jeopardized. Member Baisa.

COUNCILMEMBER BAISA: Chair, I think what's becoming very difficult and it's hard to make that kind of a decision at this point. I mean we can, we can say we'd like to take it from there, but we don't have the information to make the decision yet. First of all, we haven't set any of the tax rates, and we also don't have the tallies as to where we are in terms of what we need to cover and where it's coming from and what we have. So I think when we have that and we get to that then we can, you know, kind of make some decisions, but tentatively we're saying there's a possibility that we may consider a little tax increase to cover some of this and we wouldn't touch the Post Obligation Fund. I'm very protective of that, and I'd like to see us find another source of funding. But as this point, I don't think anybody can definitely say 'cause we don't know yet.

CHAIR PONTANILLA: Thank you. Members, any more discussion? If not, the Chair will call for the question. Member Mateo.

COUNCILMEMBER MATEO: No.

CHAIR PONTANILLA: Member Baisa.

COUNCILMEMBER BAISA: Yes.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Aye.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Aye.

CHAIR PONTANILLA: Member Molina.

COUNCILMEMBER MOLINA: Aye.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: No.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Yes.

CHAIR PONTANILLA: The Chair will vote yes. There, um. . .I'm sorry the Chair will vote no. There's five yes; three noes, Member, Members Mateo, Pontanilla, as well as our Chair Mr. Hokama with one excused Member Anderson. Motion is carried.

VOTE:	AYES:	Councilmember Baisa, Johnson, Medeiros, Molina, and Victorino.
	NOES:	Councilmember Mateo, Vice-Chair Hokama, and Chair Pontanilla.
	ABSTAIN:	None.
	ABSENT:	None.
	EXC.:	Councilmember Anderson.

MOTION CARRIED.

ACTION: APPROVE amendment to main motion.

CHAIR PONTANILLA: Okay, the next one is Office of the Mayor. . .no, you need to come back to the main motion as amended. Thank you. Back to the main motion in regards to The Maui Farm, Inc., adding \$50,000 to the net appropriation. So now the new appropriation as amended is \$280,000. Members, any discussion?

COUNCILMEMBER VICTORINO: Nope.

CHAIR PONTANILLA: Seeing none, Member Mateo.

COUNCILMEMBER MATEO: No.

CHAIR PONTANILLA: Member Baisa.

COUNCILMEMBER BAISA: Yes.

CHAIR PONTANILLA: Member Johnson.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER JOHNSON: Aye.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Aye.

CHAIR PONTANILLA: Member Molina.

COUNCILMEMBER MOLINA: Aye.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: No.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Yes.

CHAIR PONTANILLA: And the Chair votes no. We have five ayes; and three noes, Members Mateo, Hokama, and the Chair with one Member excused, Member Anderson. Motion is carried.

VOTE:	AYES:	Councilmember Baisa, Johnson, Medeiros, Molina, and Victorino.
	NOES:	Councilmember Mateo, Vice-Chair Hokama, and Chair Pontanilla.
	ABSTAIN:	None.
	ABSENT:	None.
	EXC.:	Councilmember Anderson.

MOTION CARRIED.

ACTION: APPROVE main motion as amended.

CHAIR PONTANILLA: Office of the Mayor. East Maui Cultural/Economic Development Program. Mr. Medeiros.

COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman. I move to amend the proviso to transfer 30,000 from the 80,000 to the previous Hana Community Association.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Uh. . .Mr. Medeiros, presently the net appropriation is \$105,000 and we can come back to your amendment.

COUNCILMEMBER VICTORINO: So moved.

COUNCILMEMBER MEDEIROS: Oh, okay. I'm sorry.

CHAIR PONTANILLA: Moved by--

COUNCILMEMBER JOHNSON: Second.

COUNCILMEMBER MEDEIROS: Second.

CHAIR PONTANILLA: --Member Victorino, second by Member Johnson. In regards to the East Maui Cultural/Economic Development Program with the net appropriation of \$105,000, Mem..., Member Medeiros.

COUNCILMEMBER MEDEIROS: Mahalo Mr. Chairman. Yes, I meant to change the proviso and remove 30,000 from the 80,000 which will be transferred to the Hana Community Association item that we discussed earlier which will leave in the proviso 50,000 and would change the amount of the funding.

(note: silence)

COUNCILMEMBER VICTORINO: To seventy--

CHAIR PONTANILLA: Um. . .thank you. I, I need a second on that one.

COUNCILMEMBER VICTORINO: Second.

CHAIR PONTANILLA: Thank you. The motion is to amend by. . .by removing \$30,000 from the \$80,000 that is being provided for the Ma Ka Hana Ika *[sic]*. . .Ka Ika Program so that the new appropriation to that program is \$50,000 and the. . .and the new appropriation to that program is \$50,000. Members, any more discussions?

COUNCILMEMBER MEDEIROS: Mr. Chairman.

CHAIR PONTANILLA: Member Medeiros.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER MEDEIROS: Thank you. I'm not sure if I should have incorporated in the change of the proviso to include some other language which I wanted to or to make a different, uh. . .another, another proviso. What is your suggestion?

CHAIR PONTANILLA: For the same item?

COUNCILMEMBER MEDEIROS: Yes.

CHAIR PONTANILLA: Um. . .okay, if you can reconsider your amendment so that you can clearly indicate what you need added.

COUNCILMEMBER MEDEIROS: Okay. . .do I need to make a motion to reconsider?

CHAIR PONTANILLA: Uh. . .unless you pull out your motion.

COUNCILMEMBER MEDEIROS: Okay, I withdraw--

CHAIR PONTANILLA: Withdraw.

COUNCILMEMBER MEDEIROS: --my original motion.

CHAIR PONTANILLA: Thank you. So if you can reinstate your motion, Member Medeiros.

COUNCILMEMBER MEDEIROS: Thank you, Mr. Chairman. I want the proviso to read provided that 50,000 is for the Ma Ka Hana Ka Ike Program, and that the money be used to leverage other state and federal funding sources.

COUNCILMEMBER VICTORINO: Second.

CHAIR PONTANILLA: Um. . .

COUNCILMEMBER VICTORINO: I don't know if you can do that but. . .

CHAIR PONTANILLA: And to remove the \$30,000 right?

COUNCILMEMBER MEDEIROS: Oh, I'm sorry, yes, I thought. . .yes, and to remove that 30,000 which would leave that at 50,000.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Thank you. Moved by Member Medeiros, second by Member Victorino. Members discussion? If not the Chair will call for the question. Member Mateo.

COUNCILMEMBER MATEO: Yes.

CHAIR PONTANILLA: Member Baisa.

COUNCILMEMBER BAISA: Yes.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Aye.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Aye.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: Aye.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Yes.

CHAIR PONTANILLA: Chair will be voting yes. Motion is carried. Eight *[sic]* ayes and one excused Member Anderson. Motion is carried.

VOTE:	AYES:	Councilmember Baisa, Johnson, Mateo, Medeiros, Victorino, Vice-Chair Hokama, and Chair Pontanilla.
	NOES:	None.
	ABSTAIN:	None.
	ABSENT:	None.
	EXC.:	Councilmember Anderson and Molina.

MOTION CARRIED.

ACTION: APPROVE amendment to main motion.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Back to the main motion as amended. Members, the new appropriation at this time is \$75,000.

COUNCILMEMBER MEDEIROS: Correct.

COUNCILMEMBER BAISA: Yes.

CHAIR PONTANILLA: Any more discussion, Members? The Chair will call for the question. Member Mateo.

COUNCILMEMBER MATEO: Yes.

CHAIR PONTANILLA: Member Baisa.

COUNCILMEMBER BAISA: Yes.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Aye.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Aye.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: Mm.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Yes.

CHAIR PONTANILLA: Chair votes yes. There are eight ayes and one excused Member Anderson.

MS. BOUTHILLIER: Mr. Chair, Councilmember Molina is excused.

CHAIR PONTANILLA: Oh, I'm sorry. Councilmember Molina is also excused. I didn't see him disappear. Motion is carried. We do have seven ayes; and two excused, Member Anderson and Molina. Motion is carried. Thank you, secretary.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

VOTE: **AYES:** **Councilmember Baisa, Johnson, Mateo, Medeiros, Victorino, Vice-Chair Hokama, and Chair Pontanilla.**

NOES: **None.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **Councilmember Anderson and Molina.**

MOTION CARRIED.

ACTION: APPROVE main motion as amended.

CHAIR PONTANILLA: Going onto the Department of Planning. Pioneer Mill Office Rehabilitation. The net appropriation is \$150,000. I need a motion for further discussion.

COUNCILMEMBER VICTORINO: So moved.

COUNCILMEMBER JOHNSON: Second.

CHAIR PONTANILLA: Moved by Member Victorino, second by Member Johnson. Members, any discussion? Member Johnson.

COUNCILMEMBER JOHNSON: Yes, I. . .Mr. Chair, it, because I had Corporation Counsel go over, it's not a lease agreement it's a license agreement, and because of the issues that were raised both by Chair Hokama and also by Member Mateo, what I was able to do is conclude that there needs to be a proviso of some sort because currently. . .and, and Corporation Counsel may wanna explain, but I'll paraphrase and then you tell me Traci if I'm wrong.

Essentially right now the agreement is exclusive. It's a little unusual for us to enter into that kind of arrangement, but because the state that the building was in which, you know, I don't even wanna go into, but because of changes that also took place because this now fallen onto the historic register, planning actually believes that because they are the lessor that they just need to go in and do this, this work, and they will work with the applicant to move this forward. There is eventually an intent to utilize possibly one room within the building for historic district officer, which right now the way the lease is termed, it, it really is the purview of the lessee to make that determination. So the language that I would be adding

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

in, and let me find it, it's buried here somewhere. The language that I would be adding in, and I'll make this as an amendment as a proviso, uh, provided that the license is amended to allow for other County use.

CHAIR PONTANILLA: Thank you. There's a motion to amend. . .

COUNCILMEMBER VICTORINO: So moved, uh, second.

CHAIR PONTANILLA: . . .by Member Johnson, second by Member Victorino. Members, any more discussion? Seeing none, the Chair will call for the question. Member Mateo.

COUNCILMEMBER MATEO: No.

CHAIR PONTANILLA: Member Baisa.

COUNCILMEMBER BAISA: Yes.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Aye.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Aye.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: No.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Yes.

CHAIR PONTANILLA: Chair will be supporting Member Johnson. We do have five ayes; and two noes at this time, Members Mateo and Hokama with two Members excused, Member Anderson and Member Molina.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

VOTE: **AYES:** **Councilmember Baisa, Johnson, Medeiros, Victorino, and Chair Pontanilla.**
 NOES: **Councilmember Mateo and Vice-Chair Hokama.**
ABSTAIN: **None.**
ABSENT: **None.**
 EXC.: **Councilmember Anderson and Molina.**

MOTION CARRIED.

ACTION: APPROVE amendment to main motion.

COUNCILMEMBER JOHNSON: Thank you.

CHAIR PONTANILLA: Okay, back to the main motion as amended. Members, any more discussion?

COUNCILMEMBER MATEO: Chairman.

CHAIR PONTANILLA: Member Mateo.

COUNCILMEMBER MATEO: Chairman, I'm just gonna go and express my concern all over again because one, because we have entered into the license process, I'm not even sure, you know, how a County agency like Planning could go in to this particular organization because that'll justify really the need for monies to repair and, and maintain because now we are part and parcel of this particular building. And I have to go back to the intent. The intent is different from what we're addressing at this point. So I have difficulty in seeing a change at this point, thank you, Chair.

CHAIR PONTANILLA: Thank you. Members, any more discussion at this time? Member Johnson.

COUNCILMEMBER JOHNSON: I just want to assure Member Mateo and others that I, I, I will work with Planning on this. I think this is a stopgap measure, and I believe that this is simply to secure the building because we are in a position right now where we don't want it to fall into any greater state of disrepair. And I do not believe any of the other language is going to be amended because of the liability. Once the grant or the licenses actually acted upon, the organization that is doing the work, as well as Na Kupuna O Maui, will see that monies are raised, but I think this

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

is something that Ms. Suyama felt very strongly about at that point and almost to give some kind of a kick-start to getting this off the ground, but also keeping in mind with the problems with the courthouse in some of our other buildings that she doesn't wanna see similar issues created. So I will work very diligently on this myself because I, I share some of the concerns and I don't want to see this be a millstone around anyone's neck and especially the County. And so I just make that pledge to the Members. Thank you.

CHAIR PONTANILLA: Thank you. Member Hokama.

VICE-CHAIR HOKAMA: Chairman, I would say then one way we might wanna review for the future, 'cause I understand and appreciate Mr. Mateo's position, he worked very hard in behalf of our previous Council to get this squared away, but then you know if, if the issue is historic preservation of a building that has been recognized as part of our history, a component of our heritage, particularly in the sugar cane era, then maybe we should cancel out the license agreement, take the building back, do what is required and then consider whether or not we would like to lease out whatever space is available outside of County needs for, for entity such as Na Kupuna O Maui that I can see makes greater sense for the County. If it is also something that we would prefer to expand County services in West Maui as a possible satellite location, if that's the case it makes better sense with what is being asked of us regarding appropriations in my perspective of how we are being proposed to utilize County funds 'cause then the greater beneficiary is of course the County itself that to me might be the better way to approach it if we are gonna put in major contributions to get the building squared away and which will then justify why we are gonna stray from this exclusive license we've entered into. Thank you, Chairman.

CHAIR PONTANILLA: Thank you. Members, any more discussion? Member Johnson.

COUNCILMEMBER JOHNSON: I just wanted to state that I don't believe. .(end of tape 6A)..huge capital on this. I think this is something to. .from the sense that I'm getting from Ms. Suyama to kick-start the I guess the securing of the building, but also to I think give a little bit of credibility to the fact that yes, something is actually moving in that direction. And I do not want our County, just as we maintain through Lahaina Restoration Foundation. .almost all the other historic buildings in Lahaina through I guess the revenues that we actually allow Lahaina

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

Restoration Foundation to earn through our parking lots I think that that's really important and I, I would like something similar. I do not want this to be a further burden on the County, but I think in this particular situation if the . . .the issue will come back before. . .because if any amendments are made to the agreement they'll come back before Mr. Mateo's committee, and that's where I think if there are other options at that time we can discuss it.

CHAIR PONTANILLA: Thank you. Members, any more questions, or discussions? Seeing none, the Chair will call for the question. Member Mateo.

COUNCILMEMBER MATEO: No.

CHAIR PONTANILLA: Member Baisa.

COUNCILMEMBER BAISA: Yes.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Aye.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Aye.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: No.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Yes.

CHAIR PONTANILLA: The Chair votes yes. There are five ayes; two noes, Members Mateo and Hokama; one excused. . .two excused Member Anderson and Member Molina. Motion is carried. Thank you.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER BAISA: Thank you, Chair. What this will do, Chair, is provide Maui Economic Opportunity with the funding they need to proceed with the work that needs to be done to get the transit center a reality. I think MEO has done a diligent job. They've been very busy at the State Legislature and have been informed that they have received. . . actually they needed two million dollars. They were gonna ask us for a million, but because of hard work and success, I understand they're receiving \$1.2 million from the State so our, our share is 800,000. So they've already more than matched what we would put up. And I know the question is where are we gonna get another half million dollars? Well, I've tried to look at alternatives, and it is possible, and I don't know because, you know, we don't have the numbers yet if we have reached our bond limit, or haven't received our bond limit, but what I'd like to do is because this is for a nonprofit we cannot bond this half a million dollars I've been told. So we need to give them cash. Talked to Member Johnson and she is amenable to bonding one of her West Maui projects like the Lahaina station. There's eight hundred. . . I mean there's \$700,000 in cash there, and she'd be willing to have that bonded 'cause as long as they get their money, you know, it's no big deal. And that way we could provide MEO with the half a million dollars in cash. I don't know if that's available, if we've reached our bond limit or not. Now if that is not feasible then I don't see that we have any other choice but then to look at this tentative tax increase we're talking about. And I think it is really an essential thing for us to do, and let me explain why.

You know it seems like an awful lot of money, but Maui Economic Opportunity's base yard has to be moved. It is in a prime land in Kahului, and it has been told over and over that they need to get out. And we don't know at what time that land will be confiscated and they're gonna have to go, and it's best that they go now while there's time to plan, get the money, and make the move.

The other thing that is giving impetus to this move is that the MEO repair station is located at the roundhouses down at the pier, and as we all know harbor renovations are coming, and they need to get out of there too, and the rent has been steadily increasing, and they're spending an awful lot of money every month. So this move I believe has to be done. So I would really appreciate the support of everybody in trying to figure out how we do this.

CHAIR PONTANILLA: Thank you. Members, any more discussion? Member Johnson.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER JOHNSON: Yes. And you know we've gone through this with our golf, with our base yards and, you know, other things when fire stations I think. . .I think it was Member Mateo from Molokai when, you know, the fire trucks are parked outside and I think on. . .maybe that was Lanai. You know our equipment at the County level, if you're gonna invest in that kind of capital you need to protect the equipment, and you know by having a center or a transportation center where you can service the equipment, where you can cover what needs to be covered, it doesn't make any sense for us to give money to MEO for buses or for them to secure Federal money and then they go to rack and ruin because they're sitting out in the elements. So my philosophy is, you know, try and do the best you can to take care of and preserve the life of whatever the equipment is that you have because if you can extend the life maybe a few more years down the road then that capital will not have to be once again expended to repurchase or replace equipment that is deteriorated doing. . .due to being out in the elements. So I've seen it at our own. . .with our own County equipment and I, I just, you know, in this particular case since they've gotten the money from the State or will be getting the money, I, I think it's important that we do this. Even though it's a tight budget year, I just, you know, you gotta protect the capital investment. Thank you.

CHAIR PONTANILLA: Thank you.

VICE-CHAIR HOKAMA: Mr. Chairman.

CHAIR PONTANILLA: Member Hokama. No?

VICE-CHAIR HOKAMA: Chairman. . .another way to address this consideration that I would be open to is either. . .and there's a combination of ways I would be happy to propose, but one way I would think is, uh. . .could potentially take some of the cash from Lahaina Fire Station, consider whatever balance that we don't take out, if not the whole amount, would be of course a bond consideration, and you'll know my concerns of the total bond authorization that we would be considering. But as another way, because I know this is a Countywide program that MEO provides, another way that the Members may wanna view it, and, and be able to help support and justify, is that each jurisdiction would ante up a portion of their road resurfacing money, which is cash, to move this into another area of transportation or. . .which would be the transit area. And, and if people say why would I volunteer some of my Lanai resurfacing money, is

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

because my community residents when they come to Maui receives the services from MEO also. So that's another way I could suggest that the Members may want to approach it without increasing property tax, or increasing the bond. . .the level of bond that for me makes me, would make me quite uncomfortable. Just a suggestion. . .and I'm just saying that from my perspective for Lanai, I would be able to consider a, add a figure that I will still say would be fair to Lanai to keep the balance of our road resurfacing, but I would be happy to consider ante up a . . .a percentage toward this facility if it's necessary to keep the project on schedule and provide the service we expect out of the entity, Chairman. Thank you.

CHAIR PONTANILLA: Thank you for suggestion. Chair is gonna call a short recess so that Member Baisa can kinda have some insight with Mr. Hokama to see what kind alternatives that we may have in regards to funding these projects. I too have an issue with, with the bond limit. We already had set the bond requirements at fifty. . .fifty million and somewhat hundred thousand dollars at this time. Member Baisa.

COUNCILMEMBER BAISA: Member Baisa. Chair. . .Chair, with the projects that we've approved have we already hit that, that limit?

CHAIR PONTANILLA: The fifty million?

COUNCILMEMBER BAISA: Yes.

CHAIR PONTANILLA: Yes, it's all. . .

COUNCILMEMBER BAISA: Allocated.

CHAIR PONTANILLA: The. . .(inaudible). . .that you have in here that's the number that we got.

COUNCILMEMBER BAISA: We didn't take any out?

VICE-CHAIR HOKAMA: No.

CHAIR PONTANILLA: Uh. . .no. So, Member Baisa, I would offer you that and, and. . .if you can discuss this matter with Mr. Hokama looking at a way that we can come up with \$500,000 for this needed facility for MEO, the Chair is willing to do that.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER BAISA: Thank you, Chair. We'll be more than happy to work on it.

CHAIR PONTANILLA: Thank you. This meeting is in recess. . . .(*gavel*). . .

RECESS: 7:54 p.m.
RECONVENE: 8:06 p.m.

CHAIR PONTANILLA: . . .(*gavel*). . . The Budget and Finance Committee meeting. Thank you, Members for that recess. The Chair needed to confer with Staff in regards to our last discussion and Ms. Baisa had a chance to also talk with Staff in regards to her issues in re..., on her request.

So, Members, when we left off we were at the MEO, Inc., requesting an additional. . . amendment made by member Baisa to, to add \$500,000 to the MEO Opportunity. . . MEO, Inc. Transit Center net appropriation by increasing it to \$500,000 with a new net appropriation of \$800,000. And the discussion when we left was how we're gonna reach to that number. At this time I'd like to call on Mr. Taguchi to gui..., to give us some numbers.

MR. TAGUCHI: Chair Pontanilla, during the break Staff was able to take a look at the numbers that we're currently standing. I just wanna explain something to you and I'm gonna try and explain it the best way I can.

When there was an increase to the Solid Waste Residential Collection Fees, basically we reduced the Interfund Transfer coming in from the General Fund to the Solid Waste Fund. That Interfund Transfer was gonna be targeted for the Post-Employment Obligation Fund to increase that fund in addition to the one million dollars that was proposed and this Committee agreed upon to move from Emergency Fund. . . so in other words the monies there were gonna be moved and eventually used to increase the OPEB fund which was our balancing fund. Therefore there's, um. . . considering that Staff needs some flexibility to balance the budget for whatever unforeseen circumstances that may occur when we do the calputa..., computation for overhead and fringes and all this other things, there's approximately \$400,000 there that was gonna move into the Post-Employment Obligation Funds. So I just wanted to make that clear.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Thank you. Members, you heard Mr. Taguchi. Members, if you have any questions for Mr. Taguchi at this time? If not, Member Baisa.

COUNCILMEMBER BAISA: Thank you, Mr. Chair, and thank you, Mr. Taguchi. It appears that I need to withdraw my motion for \$500,000.

CHAIR PONTANILLA: Thank you.

COUNCILMEMBER BAISA: I would then like to make a motion that we amend this to add \$400,000 to the existing \$300,000 and that we take the money that Mr. Taguchi identified.

COUNCILMEMBER VICTORINO: Second.

CHAIR PONTANILLA: Thank you. Moved by Member Baisa to amend to add \$400,000 to, to grant to Mau Economic Opportunity, Inc., for Transit Center; seconded by Member Victorino. Members, any discussion? Seeing none, the Chair will call for the question. Member Mateo.

COUNCILMEMBER MATEO: Chairman, thank you very much. This is a very tough one. I submitted a balanced budget. Unfortunately I'm gonna stand on my budget calculations. My vote is no.

CHAIR PONTANILLA: Member Baisa.

COUNCILMEMBER BAISA: Yes.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Yes.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Yes.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: Yes.

CHAIR PONTANILLA: Member Victorino.

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

April 23, 2008

COUNCILMEMBER VICTORINO: Yes.

CHAIR PONTANILLA: Chair will be voting yes. There is six ayes; one no; two excused Member Anderson and Member Molina. Motion is carried.

VOTE: **AYES:** **Councilmember Baisa, Johnson, Medeiros,
Victorino, Vice-Chair Hokama, and Chair
Pontanilla.**
 NOES: **Councilmember Mateo.**
ABSTAIN: **None.**
ABSENT: **None.**
EXC.: **Councilmember Anderson and Molina.**

MOTION CARRIED.

ACTION: APPROVE amendment to main motion.

CHAIR PONTANILLA: Next item. . .

COUNCILMEMBER BAISA: Chair.

CHAIR PONTANILLA: Back to the main motion as amended. And the amendment is to add \$400,000 to the net appropriation as indicated by the Chair of \$300,000. So the new net appropriation will be \$700,000. Any more discussion? Member Mateo.

COUNCILMEMBER MATEO: No.

CHAIR PONTANILLA: Member Baisa.

COUNCILMEMBER BAISA: Yes.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Aye.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Aye.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: Aye.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Yes.

CHAIR PONTANILLA: Motion is carried with seven [*sic*] ayes, two excused Member Anderson and Member Molina.

VOTE:	AYES:	Councilmember Baisa, Johnson, Medeiros, Victorino, Vice-Chair Hokama, and Chair Pontanilla.
	NOES:	Councilmember Mateo.
	ABSTAIN:	None.
	ABSENT:	None.
	EXC.:	Councilmember Anderson and Molina.

MOTION CARRIED.

ACTION: APPROVE main motion as amended.

COUNCILMEMBER BAISA: Mr. Chair.

CHAIR PONTANILLA: Member Baisa.

COUNCILMEMBER BAISA: Thank you very much, Mr. Chair. On behalf of all of the beneficiaries of the MEO transportation system, mahalo.

CHAIR PONTANILLA: Thank you.

MS. REVELS: Mr. Chair.

CHAIR PONTANILLA: Ms. Revels

MS. REVELS: To clarify the vote there was one no in the last one--

CHAIR PONTANILLA: Um, yes, one no, Member Mateo.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

We have one. . .two outstanding items of Park Maintenance Program Hana.

COUNCILMEMBER MATEO: Chairman, what page?

CHAIR PONTANILLA: Page 4 of 5.

VICE-CHAIR HOKAMA: Mr. Chairman.

COUNCILMEMBER MEDEIROS: Yeah.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: I am willing to assist Mr. Medeiros. I would ask if there be no objections from you and the Committee Members if we can go back to Recreational Services, that would be where Mr. Medeiros had the adjustment or revision that Mr. Medeiros shared earlier in Committee meeting, it would be more appropriately be under the Division of Recreation Services. So unless there's other Members that wish to make adjustments under Park Maintenance, I would ask for your consideration that we move to Recreation Services for a amendment revision, please. Thank you.

COUNCILMEMBER VICTORINO: So you want a motion?

VICE-CHAIR HOKAMA: I just waiting for, uh, if the Chairman is willing to go to Recreational Services.

CHAIR PONTANILLA: Oh, okay, um. . .can you site the page?

COUNCILMEMBER BAISA: Page? We're lost.

COUNCILMEMBER VICTORINO: Page 16.

COUNCILMEMBER MEDEIROS: Sixteen of 47.

COUNCILMEMBER VICTORINO: Sixteen of 47, 47, and it is 14.13 *[sic]*.

(note: silence)

VICE-CHAIR HOKAMA: Chairman.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: I would like to ask the Committee with Mr. Medeiros allowing me to provide a recommendation that under. . .Hana Parks and Recre..., uh. . .Hana. . .

COUNCILMEMBER MEDEIROS: Parks.

VICE-CHAIR HOKAMA: . . .Parks, Mr. Chairman, we have a halftime position on the Park Caretaker. My recommendation would be to increase this to a fulltime position as a way to address the needs of the Hana district regarding their level of service and maintenance that Mr. Medeiros wishes to provide, and I would say that I believe there is for me in my opinion, Chairman, there is no, no need to add additional funds. I believe there's sufficient funds within the account for them to make the appropriate adjustment through management, um. . .review and adjustments.

CHAIR PONTANILLA: Thank you. Member Medeiros.

COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman. And I wanna thank Council Chair Hokama for assisting and certainly we agree to that recommendation and would make a motion to that effect.

COUNCILMEMBER VICTORINO: Second.

CHAIR PONTANILLA: Thank you. Motion by Member Medeiros. If you can clarify the motion for us, please.

COUNCILMEMBER MEDEIROS: I. . .

CHAIR PONTANILLA: Mr. Hokama, can you assist?

COUNCILMEMBER MEDEIROS: Yeah.

VICE-CHAIR HOKAMA: Thank you, Chairman. It would be on Page. . .if you need the specific page, Chairman--

CHAIR PONTANILLA: Twelve dash thirty eight.

COUNCILMEMBER MEDEIROS: Well, in the details it's 12-38.

CHAIR PONTANILLA: Yes.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER MEDEIROS: Yeah.

VICE-CHAIR HOKAMA: So if the Members would look at it we currently have a Park Caretaker BC-03 position at halftime. My, my recommendation will be to again the motion as made by Mr. Medeiros the motion it would be to make that to fulltime, and that we would leave the funding level consistent. They have premium pay, and I believe the Director can make appropriate or division can make appropriate adjustments to take care the balance of the requirements for the fulltime increase. Thank you.

CHAIR PONTANILLA: For clarification, I'm looking at Park Caretaker I, HT, BC-03A, is that it?

VICE-CHAIR HOKAMA: That's the one, Mr. Chairman.

CHAIR PONTANILLA: Thank you.

VICE-CHAIR HOKAMA: That would be the proposal is to upgrade that to a fulltime position.

CHAIR PONTANILLA: From halftime to fulltime. Thank you. Members, any more discussion?

COUNCILMEMBER VICTORINO: Nope.

CHAIR PONTANILLA: Okay. There is a motion right now by Member Medeiros as stated by Member Hokama, seconded by Member Victorino that the Park Caretaker I, HT, uh. . .S.R. and Step BC-03A, which is a halftime position at this time to become a fulltime position that is the motion Members.

MS. FUJITA VILLAROSA: Mr. Chair.

CHAIR PONTANILLA: Corporation Counsel.

MS. FUJITA VILLAROSA: Are we in the Recreation and Support Services Program?

CHAIR PONTANILLA: No, we're . . .

VICE-CHAIR HOKAMA: Yep.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER VICTORINO: Yes.

CHAIR PONTANILLA: Oh, yes, I'm sorry.

MS. FUJITA VILLAROSA: Did the Committee take a formal vote already on this section?

COUNCILMEMBER VICTORINO: No, consensus, yeah.

CHAIR PONTANILLA: Ms. Revels.

MS. REVELS: Yes, Mr. Chair, we did vote on this area.

MS. FUJITA VILLAROSA: So the Committee should do a motion to reconsider first.

COUNCILMEMBER VICTORINO: Move to reconsider.

COUNCILMEMBER BAISA: Second.

COUNCILMEMBER MEDEIROS: Second.

CHAIR PONTANILLA: Thank you.

VICE-CHAIR HOKAMA: Withdraw the. . .Chairman, you have conflicting motions on the floor. So, one, you need to either by ruling invalidate one of 'em or--

CHAIR PONTANILLA: Yes, thank you.

VICE-CHAIR HOKAMA: --the original motion. Mr. Medeiros if you can.

COUNCILMEMBER MEDEIROS: Yeah, I withdraw my motion, Mr. Chairman.

COUNCILMEMBER VICTORINO: Withdraw the second.

CHAIR PONTANILLA: Okay.

COUNCILMEMBER VICTORINO: Now move to reconsider.

CHAIR PONTANILLA: Thank you.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER MEDEIROS: Second.

COUNCILMEMBER BAISA: Second.

(note: silence)

CHAIR PONTANILLA: Member.

COUNCILMEMBER MEDEIROS: So, okay, yeah, Mr. Chairman, yeah, I make the same motion again as stated and assisted by Council Chair Hokama.

COUNCILMEMBER VICTORINO: No, we gotta reconsider. We gotta take a vote on reconsideration.

CHAIR PONTANILLA: Short recess.

COUNCILMEMBER MEDEIROS: Oh, we going re. . .yeah, thanks.

CHAIR PONTANILLA: . . .(*gavel*). . .

RECESS: 8:18 p.m.
RECONVENE: 8:24 p.m.

CHAIR PONTANILLA: . . .(*gavel*). . . The Budget and Finance Committee meeting is now reconvened. Members, the, the Chair will now take the vote for reconsideration at this time. Member Mateo.

COUNCILMEMBER MATEO: Yes.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: Yes.

CHAIR PONTANILLA: Member Baisa.

COUNCILMEMBER BAISA: Yes.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Yes.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Aye.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Yes.

CHAIR PONTANILLA: We have seven ayes. . .seven ayes; two excused Members Ho..., Anderson and Molina. Motion is carried for reconsideration

VOTE:	AYES:	Councilmember Baisa, Johnson, Mateo, Medeiros, Victorino, Vice-Chair Hokama, and Chair Pontanilla.
	NOES:	None.
	ABSTAIN:	None.
	ABSENT:	None.
	EXC.:	Councilmember Anderson and Molina.

MOTION CARRIED.

ACTION: APPROVE reconsideration.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Mahalo, Mr. Chairman. I'd like to make a motion to increase the EP count from 200.5 to 201 and that a proviso be added that provided that the Hana. . .halftime Park's Caretaker I at the Hana parks be made fulltime.

COUNCILMEMBER VICTORINO: Second.

CHAIR PONTANILLA: Okay, moved by Member Medeiros, second, seconded by Member Victorino to make that halftime position in Hana to a fulltime position. Members any more discussion? The Chair will call for the vote. Member Mateo.

COUNCILMEMBER MATEO: Yes.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: Mm.

CHAIR PONTANILLA: Member Baisa.

COUNCILMEMBER BAISA: Yes. (chuckled)

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Yes.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Aye.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Yes.

CHAIR PONTANILLA: The Chair votes yes. We have seven ayes, um. . .two excused Members Molina and Member Anderson. Motion is carried.

VOTE:	AYES:	Councilmember Baisa, Johnson, Mateo, Medeiros, Victorino, Vice-Chair Hokama, and Chair Pontanilla.
	NOES:	None.
	ABSTAIN:	None.
	ABSENT:	None.
	EXC.:	Councilmember Anderson and Molina.

MOTION CARRIED.

ACTION: APPROVE main motion as amended.

CHAIR PONTANILLA: Back to the main motion. Oh, that was the main.

COUNCILMEMBER MEDEIROS: That was the main.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Yeah, thank you. Going back to Park Maintenance Program, the Chair's recommendation is a net appropriation of \$3,662,248.

COUNCILMEMBER VICTORINO: So moved.

COUNCILMEMBER MEDEIROS: Second.

CHAIR PONTANILLA: Moved by Member Victorino, seconded by Member Medeiros. Any more discussion on this? Seeing none, the Chair will call for the question. Member Mateo.

COUNCILMEMBER MATEO: Yes.

CHAIR PONTANILLA: Member Anderson. . .um. . .Member Hokama. Eh, you're throwing me off, you know.

VICE-CHAIR HOKAMA: (silence).

CHAIR PONTANILLA: Member Baisa.

COUNCILMEMBER BAISA: Yes.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: (silence)

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Aye.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Yes.

CHAIR PONTANILLA: Chair votes yes. Seven ayes; two excused Member Molina and Member Anderson.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER VICTORINO: Okay, here you go.

CHAIR PONTANILLA: It's on page 5-9 Members on your Program Budget--oh, Budget Details. Page 3 on your Exhibit.

COUNCILMEMBER VICTORINO: Page 2 of 47.

CHAIR PONTANILLA: Uh. . .

(note: silence)

CHAIR PONTANILLA: I'm sorry, Page 4 of Exhibit.

(note: silence)

COUNCILMEMBER VICTORINO: So Chair if I can get your guidance from, uh, to have Corp. Counsel assist me in this in the proviso for this particular. . .

CHAIR PONTANILLA: Thank you.

COUNCILMEMBER VICTORINO: I'd appreciate. Thank you, Chair.

CHAIR PONTANILLA: Mr. Taguchi what item would that fall under on the Solid Waste Program? I'm looking at Page 4 of 47 at this time.

MR. TAGUCHI: Chair Pontanilla, on the prior handout it's on Page, um. . .3 of 47.

CHAIR PONTANILLA: Three.

MR. TAGUCHI: And it would be EM 7-20. It's not in your redacted version.

COUNCILMEMBER VICTORINO: I see.

CHAIR PONTANILLA: Right. Okay, Members, I'm gonna reopen this particular item here. On the Administration Program - Solid Waste Fund the net appropriation is \$844,096.

COUNCILMEMBER VICTORINO: So moved.

COUNCILMEMBER MEDEIROS: Second.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

CHAIR PONTANILLA: Okay, moved and second, um. . .Mr. Victorino.

COUNCILMEMBER VICTORINO: Yes, Chair, then I guess my proviso would read that the position of Assistant Division Chief be added back in with that same appropriation.

CHAIR PONTANILLA: Um. . .Member Victorino I think you indicated no appropriation on this one here.

COUNCILMEMBER VICTORINO: Yeah, well--

CHAIR PONTANILLA: So the, um. . .(end of tape 6B). . .

COUNCILMEMBER VICTORINO: . . .appropriation as you just. . .as we just stated with no funding, okay. That's why I was asking for some assistance.

MS. FUJITA VILLAROSA: Mr. Chair.

CHAIR PONTANILLA: To increase the EP by one.

COUNCILMEMBER VICTORINO: EP by one, okay.

CHAIR PONTANILLA: Um. . .with no appropriation so that the numbers still remain the same, and the position that we're looking at is Assistant Division Chief.

COUNCILMEMBER VICTORINO: So then I would say then to increase the EP count from 11 to 12 with. . .(long pause). . .

CHAIR PONTANILLA: Corporation Counsel--

MS. FUJITA VILLAROSA: Mr. Chair.

CHAIR PONTANILLA: --if you can provide some guidance.

MS. FUJITA VILLAROSA. Yes, um. . .so as Councilmember Victorino was saying, the motion would be to increase the EP count from 11 to 12, and then the Committee could also consider a proviso that the, um. . .expansion EP is for the Assistant Division Chief.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER VICTORINO: Okay, so--

MS. FUJITA VILLAROSA: And then we wouldn't need to, um. . .amend the funds.

COUNCILMEMBER VICTORINO: Okay, so the expansion would be for the Assistant Division Chief.

MS. FUJITA VILLAROSA: Correct.

COUNCILMEMBER VICTORINO: And that's it?

MS. FUJITA VILLAROSA: Yeah.

COUNCILMEMBER VICTORINO: That's it, Chair.

CHAIR PONTANILLA: Thank you.

MS. REVELS: Mr. Chair.

CHAIR PONTANILLA: Ms. Revels.

MS. REVELS: Oh, I'm sorry. For clarification, in the proposed budget the Division Chief is existing so I'm not sure why a proviso would be necessary.

CHAIR PONTANILLA: This is for the Assistant Division Chief.

MS. REVELS: I'm sorry, the Assistant Division Chief--

CHAIR PONTANILLA: Yeah.

MS. REVELS: --is included in the proposed budget. So if the motion is to change the EP count back to the Mayor's proposed 12 but to delete the funding is that the. . .just for clarification is that the. . .

COUNCILMEMBER VICTORINO: Because the budget we have in front of us it has been deleted.

COUNCILMEMBER MEDEIROS: Right.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

MS. REVELS: Okay. So then I'm not sure why a proviso would be necessary. Maybe Corporation Counsel could clarify.

CHAIR PONTANILLA: Corporation Counsel.

MS. FUJITA VILLAROSA: Um. . . (pause). . . it's to clarify what the additional EP count is for. Because in the budget ordinance the Details aren't part of the budget ordinance--

COUNCILMEMBER VICTORINO: Uh-huh.

MS. FUJITA VILLAROSA: --neither is the, um. . . Program Budget. So if the Committee wanted to be certain that the additional EP count was gonna be for the Assistant Division Chief you could add a proviso.

COUNCILMEMBER VICTORINO: And that would be the pro..., um. . .

MS. FUJITA VILLAROSA: It's, it's more--

COUNCILMEMBER VICTORINO: . . . purpose of the proviso.

MS. FUJITA VILLAROSA: It's more specific.

COUNCILMEMBER VICTORINO: Yeah, okay.

MS. FUJITA VILLAROSA: But, you know, as, as Gayle said, because the Mayor also proposed it, more than likely that's what the EP count would be for but. . . (laughter). . .

COUNCILMEMBER VICTORINO: Okay. Okay. (long sigh)

CHAIR PONTANILLA: Do you need a short recess?

COUNCILMEMBER VICTORINO: I think another short recess. . . (inaudible). . .

CHAIR PONTANILLA: Okay, thank you.

COUNCILMEMBER VICTORINO: Thank you.

CHAIR PONTANILLA: The Chair will call for a short recess call of the Chair. . . . (gavel). . .

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

RECESS: 8:35 p.m.
RECONVENE: 8:39 p.m.

CHAIR PONTANILLA: . . .*(gavel)*. . . The Budget and Finance Committee meeting is now reconvened. This time the Chair would like to recognize Member Victorino.

COUNCILMEMBER VICTORINO: Thank you, Chair. I would like to now amend under the Solid Waste Fund the EP. . .the EP count from 11 to 12 personnel.

CHAIR PONTANILLA: There's a motion by Member Victorino.

COUNCILMEMBER MEDEIROS: Second.

CHAIR PONTANILLA: Second by Member Medeiros. Member Victorino.

COUNCILMEMBER VICTORINO: Yes, uh. . .as I was informed by our Staff that this would then now put that position back in without funding and that. . .because it was originally set for the Assistant Division Chief that the minutes will reflect that so the department and the division would kind of honor that. So that's all, Chair. Thank you.

CHAIR PONTANILLA: Thank you. Members, any more discussion? The Chair is gonna be voting yes with great reservations on this so that you know Members. Any more discussion? The. . .Member Mateo.

COUNCILMEMBER MATEO: Chairman, just a comment. Just a comment, uh, because this item has been going on for quite awhile. If there. . .if they. . .if the department can find monies for this position, the department has fat. Thank you, Chair.

CHAIR PONTANILLA: Thank you. Any more discussion? The Chair will call for the question. Member Mateo.

COUNCILMEMBER MATEO: I will stand on the Chairman's proposed budget.

CHAIR PONTANILLA: Thank you. Member Hokama.

VICE-CHAIR HOKAMA: No.

CHAIR PONTANILLA: Member Baisa.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER BAISA: Yes.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Aye.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Aye.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Yes.

CHAIR PONTANILLA: The Chair will be voting with. . .vote yes with reservations. Motion passes. Five ayes; and two noes, Mateo and Hokama. Two Members excused, Anderson and Hokama [*sic*]. Motion. . .

COUNCILMEMBER VICTORINO: Molina.

VOTE:	AYES:	Councilmember Baisa, Johnson, Medeiros, Victorino, and Chair Pontanilla.
	NOES:	Councilmember Mateo and Vice-Chair Hokama.
	ABSTAIN:	None.
	ABSENT:	None.
	EXC.:	Councilmember Anderson and Molina.

MOTION CARRIED.

ACTION: APPROVE amendment to main motion.

CHAIR PONTANILLA: Back to the main motion. Members, any more discussion?

COUNCILMEMBER VICTORINO: No.

CHAIR PONTANILLA: The Chair will call for the vote. Member Mateo.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

COUNCILMEMBER MATEO: No.

CHAIR PONTANILLA: Member Hokama.

VICE-CHAIR HOKAMA: No.

CHAIR PONTANILLA: Member Baisa.

COUNCILMEMBER BAISA: Yes.

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Aye.

CHAIR PONTANILLA: Member Medeiros.

COUNCILMEMBER MEDEIROS: Aye.

CHAIR PONTANILLA: Member Victorino.

COUNCILMEMBER VICTORINO: Yes.

CHAIR PONTANILLA: Chair votes yes with reservations. Motion is carried.
Five ayes; two noes, Members Hokama and Mateo. Members Anderson
and Molina excused. Motion carries.

VOTE:	AYES:	Councilmember Baisa, Johnson, Medeiros, Victorino, and Chair Pontanilla.
	NOES:	Councilmember Mateo and Vice-Chair Hokama.
	ABSTAIN:	None.
	ABSENT:	None.
	EXC.:	Councilmember Anderson and Molina.

MOTION CARRIED.

ACTION: APPROVE main motion as amended.

CHAIR PONTANILLA: Mr. Taguchi any more items that we need to bring forward?

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

April 23, 2008

MR. TAGUCHI: Chair Pontanilla, I believe pretty much covers the third round which solidifies the revenues, um. . .the appropriations and CIP. However, I guess we still have rates and fees and things to take care of.

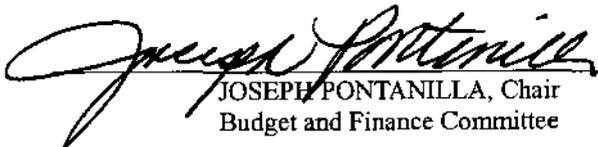
CHAIR PONTANILLA: Um. . .tomorrow morning? Okay. Um. . .Mr. Hokama do you have. . .Mr. Hokama do you have something to add in the CIP program at this time?

VICE-CHAIR HOKAMA: Nope.

CHAIR PONTANILLA: Thank you. Members, the Chair will adjourn the meeting and we'll reconvene at nine o'clock tomorrow morning. This meeting is adjourned. . . .*(gavel)*. . .

ADJOURN: 8:44 p.m.

APPROVED:


JOSEPH PONTANILLA, Chair
Budget and Finance Committee

bf.min:080423:yb

Transcribed by: Yvette Bouthillier