

**FY 2019 Budget Companion Legislation**

(April 25, 2018)

1. "A BILL FOR AN ORDINANCE ESTABLISHING A NEW CHAPTER 3.26, MAUI COUNTY CODE, RELATING TO THE EMPLOYEE PARKING FEES FUND."
2. Resolution entitled "ADOPTING THE FUEL TAX RATES FOR THE COUNTY OF MAUI, EFFECTIVE JULY 1, 2018."
3. Resolution entitled "APPROVING COST ITEMS FOR BARGAINING UNIT 14, INLCUED EMPLOYEES."
4. Resolution entitled "AUTHORIZING THE COUNCIL CHAIR TO CONTRACT FOR A PERFORMANCE AND FISCAL AUDIT OF THE DEPARTMENT OF FINANCE."
5. "A BILL FOR AN ORDINANCE RELATING TO SALARIES OF EMPLOYEES OF THE LEGISLATIVE BRANCH."
6. "A BILL FOR AN ORDINANCE ESTABLISHING A NEW CHAPTER 3.39, MAUI COUNTY CODE, RELATING TO THE MAUI INTERSCHOLASTIC LEAGUE FEES FUND."
7. "A BILL FOR AN ORDINANCE REPEALING CHAPTER 3.81, MAUI COUNTY CODE, RELATING TO THE ECONOMIC DEVELOPMENT REVOLVING FUND."
8. Resolution entitled "AUTHORIZING THE ACQUISITION OF REAL PROPERTY LOCATED AT 2103 WELLS STREET, WAILUKU, MAUI, HAWAII, AND APARTMENTS A, B AND C OF THE UEOKA BUILDING CONDOMINIUM."
9. "A BILL FOR AN ORDINANCE AMENDING CHAPTER 3.08, MAUI COUNTY CODE, BY ADDING A NEW SECTION RELATING TO COUNTY INVESTMENTS."
10. "A BILL FOR AN ORDINANCE AMENDING SECTION 3.36.030, MAUI COUNTY CODE, RELATING TO THE MAUI COUNTY GRANTS PROGRAM."
11. Resolution entitled "AUTHORIZING THE COUNCIL CHAIR TO CONTRACT FOR A PERFORMANCE AUDIT OF THE INFORMATION

RECEIVED AT BF MEETING ON 4-25-18  
(BF Committee Chair)

TECHNOLOGY SERVICES PROGRAM, DEPARTMENT OF  
MANAGEMENT.”

12. “A BILL FOR AN ORDINANCE AMENDING SECTIONS 3.55.020 AND 3.55.040, MAUI COUNTY CODE, RELATING TO DISPOSAL OF VEHICLES AND THE ENVIRONMENTAL PROTECTION AND SUSTAINABILITY FUND.”
13. “A BILL FOR AN ORDINANCE AMENDING CHAPTER 3.25, MAUI COUNTY CODE, RELATING TO HIGHWAY IMPROVEMENT FEES AND VEHICLE DISPOSAL FEES.”
14. “A BILL FOR AN ORDINANCE AMENDING CHAPTER 3.08, MAUI COUNTY CODE, RELATING TO FORBEARANCE AND UNCOLLECTIBLE DEBTS.”
15. “A BILL FOR AN ORDINANCE AMENDING SECTION 3.37.030, MAUI COUNTY CODE, RELATING TO THE KAUNOA SENIOR SERVICES LEISURE PROGRAM ACTIVITIES FUND.”

ORDINANCE NO. \_\_\_\_\_

BILL NO. \_\_\_\_\_ (2018)

A BILL FOR AN ORDINANCE ESTABLISHING A NEW CHAPTER 3.26, MAUI COUNTY CODE, RELATING TO THE EMPLOYEE PARKING FEES FUND

BE IT ORDAINED BY THE PEOPLE OF THE COUNTY OF MAUI:

SECTION 1. Title 3, Maui County Code, is amended by adding a new chapter to be appropriately designated and to read as follows:

**“Chapter 3.26**

**EMPLOYEE PARKING FEES FUND**

**Sections:**

- |                 |                                      |
|-----------------|--------------------------------------|
| <b>3.26.010</b> | <b>Fund establishment.</b>           |
| <b>3.26.020</b> | <b>Purpose.</b>                      |
| <b>3.26.030</b> | <b>Deposits to the fund and use.</b> |
| <b>3.26.040</b> | <b>Administration.</b>               |

**3.26.010 Fund establishment.** A. There is established and created a fund to be known as the “employee parking fees fund.”

B. All fees paid by County employees for parking permits shall be deposited into the fund.

**3.26.020 Purpose.** The employee parking fees fund is established solely for the purpose of providing funding for the maintenance, repair, security, safety, improvement, beautification, and other costs related to providing County employee parking services.

**3.26.030 Deposits to the fund and use.** A. There shall be deposited into the employee parking fees fund all fees collected from County employees for parking permits.

B. The revenues in this fund shall not be used for any purpose except for those listed in section 3.26.020.

C. The department of management shall be responsible for the management of this fund.

**3.26.040 Administration.** A. The director of finance shall establish a separate account to record all revenues derived from the issuance of parking permits to County employees for employee parking and expenditures made from the revolving fund.

B. Expenditures from the fund shall be through appropriations set forth in the annual budget ordinance.”

SECTION 2. This ordinance shall take effect upon its approval.

APPROVED AS TO FORM  
AND LEGALITY:



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Jeffrey Deoka  
Deputy Corporation Counsel  
County of Maui  
2018-0205  
2018-02-20 Proposed Ordinance

# Resolution

No. \_\_\_\_\_

ADOPTING THE FUEL TAX RATES FOR THE  
COUNTY OF MAUI, EFFECTIVE JULY 1, 2018

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

1. That, in accordance with Section 243-5 of the Hawaii Revised Statutes and Section 3.20.010 of the Maui County Code, the fuel tax rates, effective July 1, 2018, shall be set as follows:

## **HIGHWAY FUND**

<u>Fuel Tax - Maui, Molokai, Lanai</u>	<u>Tax Rate Per Gallon</u>
Gasoline & Diesel Oil	\$0.230
Biodiesel	\$0.230
Ethanol	\$0.115
Methanol	\$0.115
Liquefied Petroleum Gas	\$0.115

2. That certified copies of this resolution be transmitted to the Mayor, County of Maui; the Director of Finance, County of Maui; and the Director of Taxation, State of Hawaii.

APPROVED AS TO FORM AND LEGALITY

  
\_\_\_\_\_  
JEFFREY UEOKA  
Deputy Corporation Counsel  
County of Maui

bf:2019bgt:fuel tax reso (mayor):mmy

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# Resolution

No. \_\_\_\_\_

APPROVING COST ITEMS FOR BARGAINING UNIT 14,  
INCLUDED EMPLOYEES

WHEREAS, the Mayor, by correspondence dated April 9, 2018 to the Honorable Mike White, Chair, and Members of the Maui County Council, submitted cost items for Ocean Safety Officers included within Bargaining Unit 14, pursuant to an arbitration decision and award dated April 6, 2018; and

WHEREAS, pursuant to Section 89-10, Hawaii Revised Statutes, Council approval is required prior to payment of said cost items; and

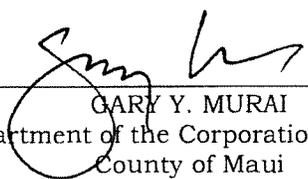
WHEREAS, a Summary of Cost Items is attached hereto and incorporated herein by reference as Exhibit "1"; now, therefore,

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

1. That it does hereby approve of the cost items as specified in Exhibit "1"; and

2. That certified copies of this resolution be transmitted to the Mayor, the Director of Personnel Services, the Budget Director, and the Director of Finance.

APPROVED AS TO FORM AND LEGALITY

  
\_\_\_\_\_  
GARY Y. MURAI  
Department of the Corporation Counsel  
County of Maui  
2018-0404  
2018-04-09 Resolution for BU-14

COUNTY OF MAUI  
UNIT 14 (INCLUDED)  
SUMMARY OF COST ITEMS  
FY 2018 - 2019

**1. Wages**

Summary includes the following increases:

*Effective July 1, 2017:*

1. Across the board increase of 2%.
2. Continuation of the step movement plan.

*Effective July 1, 2018:*

1. Across the board increase of 2.25%.
2. Continuation of the step movement plan.

Wage costs include fringe benefit costs representing expenses which automatically increase when base salaries increase (e.g., premium pay, overtime, Medicare, unemployment compensation, and leave benefits). All subsequent year costs includes the roll-over cost from previous years.

Additional Cost <u>FY 2018</u>	Additional Cost <u>FY 2019</u>
\$ 116,742	\$ 281,138

**2. \$500 Lump Sums**

*Effective July 1, 2017:*

1. All bargaining unit 14 employees shall receive a one-time, lump sum bonus of \$500.

Additional Cost <u>FY 2018</u>	Additional Cost <u>FY 2019</u>
\$ 42,447	\$ 42,774

**3. EMT "B" Differential**

On or after July 1, 2017, for Ocean Safety Officers who have a valid EMT-B certificate, the establishment of a new EMT-B certification differential to be paid at rate of \$1.00 per hour.

Additional Cost <u>FY 2018</u> \$ 5,227	Additional Cost <u>FY 2019</u> \$ 5,269
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**4. Employer Union Trust Fund (EUTF) Cost**

Additional Cost <u>FY 2018</u> \$ 17,190	Additional Cost <u>FY 2019</u> \$ 57,389
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**TOTAL ADDITIONAL COST:**

**\*FY 2018 \$ 181,606**                      **\*FY 2019 \$ 386,570**

# Resolution

No. \_\_\_\_\_

## AUTHORIZING THE COUNCIL CHAIR TO CONTRACT FOR A PERFORMANCE AND FISCAL AUDIT OF THE DEPARTMENT OF FINANCE

WHEREAS, pursuant to Section 3-6 of the Revised Charter of the County of Maui (1983), as amended (“Charter”), the Council has the authority to conduct investigations of the operation of any department or function of the County and any subject upon which the Council may legislate; and

WHEREAS, pursuant to Section 9-13 of the Charter, in the case of the death, resignation, or removal of the director of finance, the Council shall cause an independent audit to be made of the finance director director’s accounts; and

WHEREAS, by County Communication 17-420, the Mayor informed Council of the resignation of Mr. Danny Agsalog, Director of Finance, effective September 30, 2017; and

WHEREAS, the Council adopted Resolution 17-162 authorizing an independent audit of the former director of finance’s accounts; and

WHEREAS, the Council procured the services of N&K CPAs, Inc. (“Auditors”) to audit the former director of finance’s accounts; and

WHEREAS, the Auditors submitted the document entitled “REPORT TO THE COUNTY OF MAUI OFFICE OF COUNCIL SERVICES AUDIT OF THE FORMER DIRECTOR OF FINANCE’S ACCOUNTS PURSUANT TO SECTION 9-13 OF THE REVISED CHARTER OF THE COUNTY OF MAUI” dated March 6, 2018 (“Audit Report”) to the Council Budget and Finance Committee; and

WHEREAS, the Audit Report found two pCard transactions unrelated to County business; six instances in which the pCard was used to purchase “preferred seating” options on airline reservations without documented justification; twelve instances in which the pCard was used to purchase lodging; nine instances in which advanced per diem was not adjusted to reflect lodging pCard usage; missing support

**Resolution No. \_\_\_\_\_**

documentation; procurement code errors; and unauthorized purchase of travel protection and fees, all of which were in violation of County policies; and

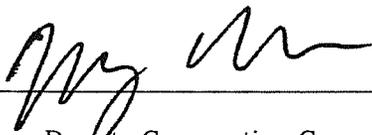
WHEREAS, due to the Audit Report, Council wants to ensure other areas within the Department of Finance responsibilities are in compliance and proper procedures are being followed; and

WHEREAS, pursuant to Section 8-4.3 of the Charter, the Department of Finance, through its director, is responsible for, among other things: preparing bills for the collection of money due the County; collecting and receiving moneys due to or receivable by the County; keeping accurate and complete accounts of receipts and disbursements; maintaining and managing the treasury and depositing moneys belonging to the County in depositories and instruments authorized by law; contracting for services of independent contractors; issuing, selling, and paying interest on and redeeming bonds of the County; issuing warrants and checks; and preparing payrolls and pension rolls; now, therefore,

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

1. That it hereby authorizes the Council Chair to contract for a performance and fiscal audit of the Department of Finance; and
2. That certified copies of this resolution be transmitted to the Mayor, the Managing Director, and the Director of Finance.

APPROVED AS TO FORM AND LEGALITY



Deputy Corporation Counsel  
County of Maui

paf:tntf:18-123a

ORDINANCE NO. \_\_\_\_\_

BILL NO. \_\_\_\_\_ (2018)

A BILL FOR AN ORDINANCE RELATING TO SALARIES OF  
EMPLOYEES OF THE LEGISLATIVE BRANCH

BE IT ORDAINED BY THE PEOPLE OF THE COUNTY OF MAUI:

SECTION 1. Section 2.08.060, Maui County Code, is amended by  
amending subsection B to read as follows:

“B. The following pay ranges are established:

1. The annual salary for the director of council services and supervising legislative attorney shall be set by the council by resolution.

2. The salaries or other compensation of council executive assistants shall be set by the council member directly supervising the position, subject to availability of funding.

3. The salaries or other compensation of council services assistants may be set by the director of council services, with the approval of the council chair, but shall not exceed one hundred fifty percent of the minimum wage.

4. The pay schedule for all other positions shall be as follows:

Pay Ranges  
Annual Rates in Dollars

[Effective January 1, 2017

Steps	CR-0	CR-1	CR-3	CR-4	CR-5	CR-6	CR-7
A	46,165	42,128	42,709	46,165	45,611	61,077	80,761
B	48,014	45,611	44,409	48,014	51,267	67,616	85,002
C	49,957	49,296	46,165	49,957	57,719	74,155	89,242
D	51,942	53,331	48,014	51,942	64,914	80,695	93,484
E	54,048	57,719	49,957	54,048	70,219	87,244	97,724

F	56,166	60,013	51,942	56,166	73,027	93,787	101,965
G	58,421	62,430	54,048	58,421	75,916	100,326	106,206
H	60,756	64,914	56,166	60,756	78,992	106,865	110,446
I	63,186	67,519	58,421	63,186	82,165	113,404	114,687
J	65,737	70,219	60,756	65,737	85,444	119,943	118,927
K	68,329	73,027	63,186	68,329	88,846		
L	71,095		65,737	71,095			

Effective July 1, 2018

<u>Steps</u>	<u>CR-0</u>	<u>CR-1</u>	<u>CR-3</u>	<u>CR-4</u>	<u>CR-5</u>	<u>CR-6</u>	<u>CR-7</u>
<u>A</u>	<u>47,088</u>	<u>42,971</u>	<u>45,297</u>	<u>48,974</u>	<u>46,523</u>	<u>62,299</u>	<u>82,376</u>
<u>B</u>	<u>48,974</u>	<u>46,523</u>	<u>47,088</u>	<u>50,956</u>	<u>52,292</u>	<u>68,968</u>	<u>86,702</u>
<u>C</u>	<u>50,956</u>	<u>50,282</u>	<u>48,974</u>	<u>52,981</u>	<u>58,873</u>	<u>75,638</u>	<u>91,027</u>
<u>D</u>	<u>52,981</u>	<u>54,398</u>	<u>50,956</u>	<u>55,129</u>	<u>66,212</u>	<u>82,309</u>	<u>95,354</u>
<u>E</u>	<u>55,129</u>	<u>58,873</u>	<u>52,981</u>	<u>57,289</u>	<u>71,623</u>	<u>88,989</u>	<u>99,678</u>
<u>F</u>	<u>57,289</u>	<u>61,213</u>	<u>55,129</u>	<u>59,589</u>	<u>74,488</u>	<u>95,663</u>	<u>104,004</u>
<u>G</u>	<u>59,589</u>	<u>63,679</u>	<u>57,289</u>	<u>61,971</u>	<u>77,434</u>	<u>102,333</u>	<u>108,330</u>
<u>H</u>	<u>61,971</u>	<u>66,212</u>	<u>59,589</u>	<u>64,450</u>	<u>80,572</u>	<u>109,002</u>	<u>112,655</u>
<u>I</u>	<u>64,450</u>	<u>68,869</u>	<u>61,971</u>	<u>67,052</u>	<u>83,808</u>	<u>115,672</u>	<u>116,981</u>
<u>J</u>	<u>67,052</u>	<u>71,623</u>	<u>64,450</u>	<u>69,696</u>	<u>87,153</u>	<u>122,342</u>	<u>121,306</u>
<u>K</u>	<u>69,696</u>	<u>74,488</u>	<u>67,052</u>	<u>72,517</u>	<u>90,623</u>		
<u>L</u>	<u>72,517</u>		<u>69,696</u>	<u>74,488</u>			

SECTION 2. Material to be repealed is bracketed. New material is underscored. In printing this bill, the County Clerk need not include the brackets, the bracketed material, or the underscoring.

SECTION 3. This ordinance, upon its approval, shall take effect on July 1, 2018.

APPROVED AS TO FORM AND LEGALITY:



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JEFFREY UEOKA  
Department of the Corporation Counsel  
County of Maui  
2017-0093  
BF-1 CC-6 2018-04-16 Ordinance Sec  
2.08.060

ORDINANCE NO. \_\_\_\_\_

BILL NO. \_\_\_\_\_ (2018)

A BILL FOR AN ORDINANCE ESTABLISHING A NEW CHAPTER 3.39, MAUI COUNTY CODE, RELATING TO THE MAUI INTERSCHOLASTIC LEAGUE FEES FUND

BE IT ORDAINED BY THE PEOPLE OF THE COUNTY OF MAUI:

SECTION 1. Title 3, Maui County Code, is amended by adding a new chapter to be appropriately designated and to read as follows:

**“Chapter 3.39**

**MAUI INTERSCHOLASTIC LEAGUE FEES FUND**

Sections:

- 3.39.010 Fund establishment.
- 3.39.020 Purpose.
- 3.39.030 Deposits to the fund and use.
- 3.39.040 Administration.

**3.39.010 Fund establishment.** There is established and created a fund to be known as the “Maui interscholastic league fund.”

**3.39.020 Purpose.** The fund is established for the purpose of providing grants to County high schools participating in the Maui interscholastic league for sports-related travel expenses and sporting events.

**3.39.030 Deposits to the fund and use.** A. All fees paid to the department of parks and recreation for Hawaii high school athletic events shall be deposited into the fund.

B. The revenues in the fund shall not be used for any purpose except for those listed in section 3.39.020.

C. The department of parks and recreation shall be responsible for the management of the fund.

**3.39.040 Administration.** A. The director of finance shall establish a separate account to record all revenues derived from the payment of fees by the Maui interscholastic league and expenditures made from the fund.

B. Expenditures from the fund shall be through appropriations set forth in the annual budget ordinance.”

SECTION 2. This ordinance shall take effect on July 1, 2018.

APPROVED AS TO FORM AND LEGALITY:



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JEFFREY UEOKA

Department of the Corporation Counsel  
County of Maui  
2018-0417  
2018-04-11 Ordinance

ORDINANCE NO. \_\_\_\_\_

BILL NO. \_\_\_\_\_ (2018)

A BILL FOR AN ORDINANCE REPEALING CHAPTER 3.81, MAUI COUNTY CODE, RELATING TO THE ECONOMIC DEVELOPMENT REVOLVING FUND

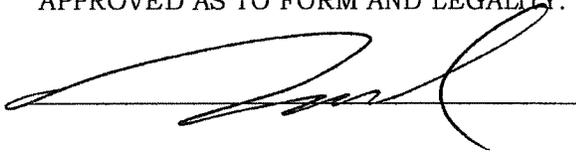
BE IT ORDAINED BY THE PEOPLE OF THE COUNTY OF MAUI:

SECTION 1. Chapter 3.81, Maui County Code, is repealed.

SECTION 2. Any balance remaining in the Economic Development Revolving Fund as of June 30, 2018, shall be transferred to the general fund.

SECTION 3. This ordinance shall take effect on July 1, 2018.

APPROVED AS TO FORM AND LEGALITY:



Department of the Corporation Counsel  
County of Maui

bf:2019bgt:001bbill01

# Resolution

No. \_\_\_\_\_

AUTHORIZING THE ACQUISITION OF REAL PROPERTY LOCATED AT 2103 WELLS STREET, WAILUKU, MAUI, HAWAII, AND APARTMENTS A, B AND C OF THE UEOKA BUILDING CONDOMINIUM

WHEREAS, the County of Maui and Makawao Management LLC desire to enter into a REAL PROPERTY PURCHASE AND SALE AGREEMENT, attached hereto as Exhibit "1", for the purchase of real property located at Wailuku, Maui, Hawaii; and

WHEREAS, MAKAWAO MANAGEMENT LLC ("Owner"), is the owner in fee simple of that certain real property located at 2103 Wells Street, Wailuku, Maui, Hawaii 96793, consisting of approximately 10,718 square feet, also known as the Ueoka Building Condominium, and identified for real property tax purposes as tax map key numbers (2) 3-4-008:048, CPR 0001 (Apartment A), (2) 3-4-008:048, CPR 0002 (Apartment B), and (2) 3-4-008:048, CPR 0003 (Apartment C) described in that certain Declaration of Condominium Property Regime dated September 30, 2002, and recorded in the Bureau of Conveyances, State of Hawaii, as Document No. 2002-195071 ("Property"); and

WHEREAS, a preliminary title report for the Property was prepared by Title Guaranty of Hawaii, Inc., attached hereto as Exhibit "A" to Exhibit "1"; and

WHEREAS, the County of Maui ("County") commissioned an appraisal by a disinterested appraiser, Paradise Appraisals, LLC, said appraisal attached hereto as Exhibit "B" to Exhibit "1"; and

WHEREAS, the Director of Finance negotiated the purchase of the Property; and

WHEREAS, the Director of Finance has determined that acquisition of the Property is in the public interest; and

WHEREAS, part of Owner's inducement to agree to the sale was the threat of eminent domain proceedings; and

WHEREAS, County desires to purchase and Owner desires to sell the Property for the amount of ONE MILLION SIX HUNDRED THOUSAND AND NO/100 DOLLARS (\$1,600,000.00); and

**Resolution No. \_\_\_\_\_**

WHEREAS, Section 3.44.015(C), Maui County Code, requires that the Council authorize by resolution any acquisition of real property with a purchase price that exceeds TWO HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (\$250,000.00); now, therefore,

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

1. That the Council finds that the acquisition of the Property is in the public interest; and
2. That pursuant to Section 3.44.015(C), Maui County Code, the Council authorizes the acquisition of the Property for an amount not to exceed ONE MILLION SIX HUNDRED THOUSAND AND NO/100 DOLLARS (\$1,600,000.00), exclusive of closing costs and expenses; and
3. That it does hereby authorize the Mayor or the Mayor's duly authorized representative, to execute all necessary documents in connection with the acquisition of the Property; and
4. That certified copies of this Resolution be transmitted to the Mayor, the Director of Finance, the Prosecuting Attorney, and Makawao Management LLC.

APPROVED AS TO FORM  
AND LEGALITY:

  
\_\_\_\_\_  
DAVID A. GALAZIN  
Deputy Corporation Counsel  
County of Maui  
2017-0098/2016-0809  
PEA-72 2018-04-16 Revised Resolution

## REAL PROPERTY PURCHASE AND SALE AGREEMENT

This Real Property Purchase and Sale Agreement ("**Agreement**") made this \_\_\_\_\_ day of \_\_\_\_\_, 2018, by and between **MAKAWAO MANAGEMENT LLC** (hereinafter referred to as "**Owner**" and/or "**Seller**"), and the **COUNTY OF MAUI**, a political subdivision of the State of Hawaii (hereinafter referred to as "**County**" and/or "**Buyer**").

### RECITALS

(a) Seller is the owner of the fee simple interest in that certain parcel of land located at 2103 Wells Street, Wailuku, Maui, Hawaii, identified as Tax Map Key No. (2) 3-4-008:048-0001, 0002 & 0003, and containing an area of approximately 10,718 square feet, such fee simple interest being more particularly described below and within the attached Preliminary Report and Appraisal attached hereto as Exhibits "A" and "B". In addition, Seller is the owner of the improvements known as that certain Condominium Project known as the "THE UEOKA BUILDING CONDOMINIUM" (herein called the "Project") described herein and in the Declaration of Condominium Property Regime dated September 30, 2002, recorded October 31, 2002 in the Bureau of Conveyances, State of Hawaii, as Document No. 2002-195071 consisting of Apartments No. A (3,283 SF), B (1,326 SF) & C (1,723 SF).

### AGREEMENT

The parties, intending to be legally bound, agree as follows:

1. DEFINITIONS.

For purposes of this Agreement, the following terms have the meanings specified or referred to in this Section 1:

"**Buyer**" is defined in the first paragraph of this Agreement.

"**Buyer's Closing Documents**" is defined in Section 4.3.

"**Closing**" is defined in Section 4.1.

"**Closing Date**" means the date and time as of which the Closing actually takes place.

"**Closing Payment**" is defined in Section 2.1(b)

"**Consent**" means any approval, consent, ratification, waiver, or other authorization (including any Governmental Authorization).

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Real Property Purchase Agreement: 2103 Wells Street, Wailuku, Maui, Hawaii 96793  
TMK: (2) 3-4-008:048:0001, 0002 & 0003

**"DCCA"** means the Department of Commerce and Consumer Affairs of the State of Hawaii.

**"Effective Date"** shall mean the date when this Agreement has been signed by Buyer and Seller.

**"Encumbrance"** means any charge, claim, condition, equitable interest, lien, option, pledge, security interest, right of first refusal, or restriction of any kind, including any restriction on use, transfer, receipt of income, or exercise of any other attribute of ownership.

**"Escrow Agent"** means Title Guaranty Escrow Services, Inc. – Main Branch, 235 Queen Street, Honolulu, HI 96813: Attention: Ann Oshiro, Assistant Vice President, Escrow Officer.

**"Governmental Authorization"** means any approval, consent, license, permit, waiver, or other authorization issued, granted, given, or otherwise made available by or under the authority of any Governmental Body (defined below) or pursuant to any Legal Requirement (defined below).

**"Governmental Body"** means any: (a) federal, state, local, or municipal government; or (b) body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory, or taxing authority or power of any nature over the Property.

**"Hazardous Materials"** means and includes any and all radioactive materials, asbestos, organic compounds known as polychlorinated biphenyls, chemicals known to cause cancer or reproductive toxicity, pollutants, contaminants, hazardous wastes, toxic substances, and any and all other substances or materials defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," or "toxic substances" under, or for the purposes of, the Hazardous Materials Laws.

**"Hazardous Materials Laws"** means and includes all federal, state or local laws, ordinances or regulations, now or hereafter in effect, relating to environmental conditions, industrial hygiene or Hazardous Materials, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Clean Water Act, 33 U.S.C. Section 1251 et seq. the Clean Air Act, 42 U.S.C. Section 7401 et seq., the Toxic Substances Control Act, 15 U.S.C. Sections 2601 through 2629, the Safe Drinking Water Act, 42 U.S.C. Sections 300f through 300j, and any similar state or local laws or ordinances and the regulations now or hereafter adopted, published and or promulgated pursuant thereto.

**"Knowledge"** means an individual is actually aware of a particular fact or other matter, without imposing any duty of inquiry or investigation.

“**Legal Requirement(s)**” means any federal, state, local, or municipal administrative order, constitution, law, ordinance, regulation, statute, or treaty.

“**New Encumbrance**” is defined in Section 3.4.

“**Order**” means any award, decision, injunction, judgment, order, ruling, subpoena, or verdict entered, issued, made, or rendered by any court, administrative agency, or other Governmental Body or by any arbitrator.

“**Person**” means any individual, corporation (including any non-profit corporation), general or limited partnership, limited liability company, joint venture, estate, trust, association, organization, or other entity or Governmental Body.

“**Proceeding**” means any action, arbitration, hearing, litigation, or suit (whether civil, criminal, or administrative) commenced, brought, conducted, or heard by or before, or otherwise involving, any Governmental Body.

“**Property**” is defined in Section 2.1.

“**Purchase Price**” is defined in Section 2.1(b).

“**Real Property**” is defined in Section 2.1(a).

“**Seller**” is defined in the first paragraph of this Agreement.

“**Seller’s Closing Documents**” is defined in Section 4.2.

“**Title Company**” means Title Guaranty of Hawaii, Inc., or such other title company authorized to do business in the State of Hawaii chosen by Seller and acceptable to Buyer.

“**Title Report**” is defined in Section 3.3.

“**Title Policy**” is defined in Section 7.3.

## 2. SALE OF PROPERTY.

2.1 Sale of Property. Subject to the terms and conditions of this Agreement, at the Closing, Seller agrees to sell to Buyer and Buyer agrees to purchase from Seller the following described Real and Personal Property (collectively the “**Property**”):

(a) Real Property. The fee simple real estate described in the Title Report, and Appraisal, attached hereto as Exhibits “A” and “B” respectively, together with the improvements, fixtures, appurtenant easements, and other real property interests appurtenant to such fee simple estate.

(b) Purchase Price. The purchase price (the "**Purchase Price**") for the Property shall be ONE MILLION SIX HUNDRED THOUSAND AND 00/100 DOLLARS (\$1,600,000.00). At Closing, Buyer shall pay Seller, through Escrow Agent, an amount (the "**Closing Payment**") equal to ONE MILLION SIX HUNDRED THOUSAND AND 00/100 DOLLARS (\$1,600,000.00) plus or minus net adjustments and prorations provided for in this Agreement. The Closing Payment shall be made in cash or other immediately available federal funds to Escrow Agent by the deadline specified by the Escrow Agent.

### 3. BUYER'S REVIEW OF THE PROPERTY.

3.1 Property Survey. Seller shall, at its own expense, provide a boundary survey of the Property specifically shown in Exhibit "D" attached hereto, within 30 days of execution of the Purchase Agreement ("**Survey**").

3.2 Due Diligence. Prior to the Closing Date, Buyer and its agents and professional advisors have had the opportunity to conduct all investigations and tests that it desired with respect to the Property; and is satisfied with the results of its investigations and tests.

3.3 Title Report. Attached hereto as Exhibit "A" is a Preliminary Report for the Property from the Title Company (collectively, the "**Title Report**").

3.4 Procedure For Buyer's Title Objections. All matters referred to in the Title Report and Survey shall be hereinafter referred to as the "**Permitted Exceptions**". Buyer shall have ten (10) working days to review and request changes to the "**Permitted Exceptions**". If at Closing Seller is unable to convey title subject only to the Permitted Exceptions, Buyer may terminate this Agreement.

Notwithstanding the foregoing, if the Property is to be conveyed subject to any encumbrance that materially and adversely affects the Property and was first placed upon the Property after the date of the Title Report (a "**New Encumbrance**") and is not attributable to Buyer, Buyer shall have the right to terminate this Agreement by giving written notice to Seller and Escrow Agent within ten (10) days after Buyer is provided with a copy of the New Encumbrance unless Seller agrees within five (5) days after receipt of such notice to remove the New Encumbrance prior to Closing. If Buyer terminates this Agreement in accordance with the foregoing, the parties hereto shall be released from all further obligations and liabilities hereunder. If Seller and Escrow Agent do not receive such notice prior to the expiration of said ten (10) day period, Buyer shall be deemed to have waived its objection to the New Encumbrance and Buyer's right to terminate this Agreement pursuant to this paragraph, the New Encumbrance will be deemed to be a Permitted Exception and this Agreement shall continue in effect subject to the other provisions hereof.

3.5 Condition of Property; Property to be Purchased "As Is". As a material inducement to Seller to execute this Agreement, Buyer acknowledges and agrees that, except as expressly provided in this Agreement, Buyer waives any contingencies to the Closing of this Agreement. In addition Buyer agrees that as of the Closing Date: (a) Buyer will have had an opportunity to fully examine and inspect the Property, including the physical condition of the Property and a determination as to the presence of any Hazardous Materials; (b) Buyer will have accepted the physical condition, value, financing status, use, leasing, operation, tax status, income and expenses of the Property; (c) the Property will be purchased by Buyer "AS IS" and "WITH ALL FAULTS" and, Buyer shall assume responsibility for the physical condition of the Property and its compliance with all applicable Legal Requirements, and shall assume all liability and responsibility resulting from any violation of the Hazardous Materials Laws occurring either prior to the Closing Date, to the extent arising on a portion of the Property under control of Buyer at the time of such violation or after the Closing; (d) Buyer recognizes that the Property is not new and was constructed prior to the adoption of current Hazardous Materials Laws and acknowledges that: (i) the Seller does not have actual knowledge of materials used during the construction of the residences, but that the construction may have included such hazardous materials normal at the time including asbestos and lead paint and that this is to be accepted by Buyer, construed and consistent with the "AS IS" clause in subparagraph (c) above, the Property shall be sold in the same condition that it is in on the date of this Agreement; and (ii) Seller will not be required to take any action with respect to the Property, including, but not limited to the repair or replacement of any part of the Property; and (e) Buyer has decided to purchase the Property solely on the basis of its own independent investigation. Seller has not made, does not make, and has not authorized anyone else to make any representation as to the present or future physical condition, value, financing status, use, leasing, operation, tax status, income and expenses or any other matter or thing pertaining to the Property, except as expressly set forth in this Agreement, and Buyer acknowledges that no such representation has been made and that in entering into this Agreement Buyer does not rely on any representation other than those expressly set forth in this Agreement.

3.6 Disclaimer. Except as expressly set forth in this Agreement, Seller makes no warranty or representation, express or implied or arising by operation of law, including, without limitation, any warranty of condition, habitability, merchantability, or fitness for a particular purpose of the Property. Seller shall not be liable for or bound by any verbal or written statements, representations, real estate broker's "setups" or information pertaining to the Property furnished by any real estate broker, agent, employee, servant or any other Person unless the same are specifically set forth in this Agreement or in any document delivered by Seller pursuant to this Agreement or at Closing.

4. CLOSING AND PRORATIONS.

4.1 Closing. Recordation of the documents necessary to complete the purchase and sale provided for in this Agreement (the "**Closing**") shall occur prior to December 31, 2018.

4.2 Seller's Closing Documents and Requirements. Not later than two (2) business days prior to Closing, Seller will deposit with the Escrow Agent, the following documents, in each case duly executed by Seller or the appropriate Person, and if applicable, acknowledged and in recordable form ("**Seller's Closing Documents**"):

(a) A Warranty Deed in the form customarily used in the State of Hawaii transferring to Buyer the Property specifically shown in Exhibit "C" attached hereto (the "**Deed**"), to be recorded and provided to Buyer and Seller.

(b) A certificate of non-foreign status, upon request of Buyer, in form and content required by law certifying that Seller is not a "foreign person" as such term is used under Section 1445 of the Internal Revenue Code.

(c) A certificate of resident status in form and content required by law certifying Seller is a "resident person" as such term is used in H.R.S. Section 235-68.

(d) A certificate of good standing for Seller issued by the DCCA not more than ten (10) business days before the Closing Date, upon request of Buyer.

4.3 Buyer's Closing Documents and Requirements. At the Closing, Buyer will deposit with the Escrow Agent, the following funds and documents, in each case duly executed by Buyer or the appropriate Person, and if applicable, acknowledged and in recordable form ("**Buyer's Closing Documents**"):

(a) The Closing Payment as required by Section 2.1(b)

(b) A Warranty Deed in the form customarily used in the State of Hawaii transferring to Buyer the Property specifically shown in Exhibit "C" attached hereto (the "**Deed**"), to be recorded and provided to Buyer and Seller.

4.4 Expenses.

(a) Seller's Expenses. Seller shall pay (a) the fees of any counsel representing Seller in connection with this transaction; (b) fifty percent (50%) of any escrow fees charged by the Escrow Agent; (c) sixty percent (60%) of the premium for standard coverage title insurance; and (d) all other costs and expenses incident to this transaction and the closing thereof not expressly provided above.

(b) Buyer's Expenses. Buyer shall pay (a) the fees of any counsel representing Buyer in connection with this transaction; (b) fifty percent (50%) of any

escrow fees charged by the Escrow Agent; (c) forty percent (40%) of the premium for standard coverage title insurance; and (d) all other costs and expenses incident to this transaction and the closing thereof not expressly provided above.

4.5 Adjustments and Prorations. All receipts and disbursements of the Property will be prorated on the Closing Date and the Purchase Price will be adjusted on the following basis:

(a) Property Taxes and Other Expenses. All real and personal property ad valorem taxes, installments of special assessments, if any, for the year of closing and all other expenses of operating the Property for the year of Closing shall be prorated between Buyer and Seller so that Seller bears all such costs up to the Closing Date and Buyer bears all such expenses from and after the Closing Date.

(b) Post-Closing Adjustments. If at any time within thirty (30) days following the Closing either party discovers any items which should have been included in the adjustments and prorations described in this section but which were inadvertently omitted therefrom, or any material error in the computation of such adjustments, such items may be presented for proper adjustment as of the Closing Date without interest thereon. Further, items otherwise not capable of determination prior to the Closing Date, for periods prior to the Closing Date, shall be determined and adjusted without interest thereon within thirty (30) days of the Closing Date.

5. REPRESENTATIONS AND WARRANTIES OF SELLER.

Seller represents and warrants to Buyer that:

5.1 Organization and Good Standing. Seller's estate is in good standing under the laws of the State of Hawaii.

5.2 Authority. This Agreement constitutes the legal, valid, and binding obligation of Seller, enforceable against Seller in accordance with its terms. Upon the execution and delivery by Seller of the Seller's Closing Documents, the Seller's Closing Documents will constitute the legal, valid, and binding obligations of Seller, enforceable against Seller in accordance with their respective terms. Seller's Personal Representative has the absolute and unrestricted right, power, and authority to execute and deliver this Agreement and the Seller's Closing Documents and to perform its obligations under this Agreement and the Seller's Closing Documents. Neither the execution nor delivery of this Agreement by Seller nor the consummation or performance of any of Seller's obligations hereunder will contravene, conflict with, or result in a violation or breach of any provision of any agreement to which Seller is a party.

6. REPRESENTATIONS AND WARRANTIES OF BUYER.

Buyer represents and warrants to Seller that:

6.1 Organization and Good Standing. Buyer is political subdivision of the State of Hawaii.

6.2 Authority. This Agreement constitutes the legal, valid, and binding obligation of Buyer, enforceable against Buyer in accordance with its terms. Upon the execution and delivery by Buyer of the Buyer's Closing Documents, the Buyer's Closing Documents will constitute the legal, valid, and binding obligations of Buyer, enforceable against Buyer in accordance with their respective terms. Buyer has the absolute and unrestricted right, power, and authority to execute and deliver this Agreement and the Buyer's Closing Documents and to perform its obligations under this Agreement and the Buyer's Closing Documents. Neither the execution nor delivery of this Agreement by Buyer nor the consummation or performance of any of Buyer's obligations hereunder will contravene, conflict with, or result in a violation or breach of any provision of any agreement to which Buyer is a party.

7. CONDITIONS PRECEDENT TO BUYER'S OBLIGATION TO CLOSE.

Buyer's obligation and authority to purchase and close this transaction is subject to the approval of the Maui County Council no later than November 30, 2018 in accordance with the provisions and requirements of Chapter 3.44 of the Maui County Code.

Buyer's obligation to purchase the Property and to take the other actions required to be taken by Buyer at the Closing is subject to the satisfaction, at or prior to the Closing, of each of the following conditions (any of which may be waived by Buyer, in whole or in part):

7.1 Accuracy of Representations. All of Seller's representations and warranties in this Agreement must have been accurate in all material respects as of the date of this Agreement, and must be accurate in all material respects as of the Closing Date as if made on the Closing Date.

7.2 Seller's Performance. All of the covenants and obligations that Seller is required to perform or to comply with pursuant to this Agreement at or prior to the Closing must have been duly performed and complied with in all material respects. Each document required to be delivered pursuant to Section 4.2 must have been delivered.

7.3 Title Policy. Buyer shall have received a commitment from the Title Company to issue a fee simple owner's policy (the "**Title Policy**") effective as of the Closing, in the amount of the purchase price, insuring that Buyer is the owner of the fee simple interest in the Real Property, subject to no Encumbrances other than the Permitted Exceptions.

8. CONDITIONS PRECEDENT TO SELLER'S OBLIGATION TO CLOSE.

Seller's obligation to sell the Property and to take the other actions required to be taken by Seller at the Closing is subject to the satisfaction, at or prior to the Closing, of each of the following conditions (any of which may be waived by Seller, in whole or in part):

8.1 Accuracy of Representations. All of Buyer's representations and warranties in this Agreement must have been accurate in all material respects as of the date of this Agreement and must be accurate in all material respects as of the Closing Date as if made on the Closing Date.

8.2 Buyer's Performance. All of the covenants and obligations that Buyer is required to perform or to comply with pursuant to this Agreement at or prior to the Closing must have been performed and complied with in all material respects. Buyer must have delivered each of the documents required to be delivered by Buyer pursuant to Section 4.3 and must have made the cash payments required to be made by Buyer pursuant to Section 2.1.

9. GENERAL PROVISIONS.

9.1 Expenses. Except as otherwise expressly provided in this Agreement, each party to this Agreement will bear its respective expenses, fees, and costs incurred in connection with the preparation, execution, and performance of this Agreement and the contemplated transactions, including all fees and expenses of agents, representatives, counsel, and accountants. In the event of termination of this Agreement, the obligation of each party to pay its own expenses will be subject to any rights of such party arising from a breach of this Agreement by another party. In any case where this Agreement is terminated without the fault of either party, the Buyer and Seller shall share equally any cancellation fees charged by Escrow Agent. In the event of a dispute arising out of this Agreement, the prevailing party in any Proceeding may be entitled to recover its costs and expenses and reasonable attorneys' fees, including such costs and expenses on appeal, unless otherwise agreed upon and/or ordered by court and subject to Maui County Code Chapter 3.16.

9.2 Notices. Any notice or demand to Seller or Buyer provided for or permitted by this Agreement shall be given in writing (unless otherwise expressly provided), and may be: (a) mailed as registered or certified mail, addressed to such party at its post office address herein specified or the last such address designated by such party in writing to the other; or, (b) delivered personally within the State of Hawaii to any one of Seller or Buyer or any officer of a party if such party is a corporation or any general partner of a party if such party is a partnership, or any manager or member of a party if such party is a limited liability company, as the case may be; (c) sent by facsimile transmission (herein "**Fax**") to the Fax number, if any, of such party as specified herein or such other Fax number designated by such party in writing to the other or (d) delivered

by Federal Express or other reliable overnight courier. Any such written notice shall be deemed received at the time of such personal delivery or receipt of the Fax (as evidenced by a confirmation slip indicating the fax was sent to the appropriate number set forth below), or at 5:00 P.M. (Hawaii Standard Time) on the third business day after being deposited with the United States mail as aforesaid, or on the next business day after being sent by overnight courier, as the case may be.

The initial address for each party is as follows:

To Seller:           MAKAWAO MANAGEMENT LLC  
                          P.O. Box 747  
                          Koloa, Hawaii 96756

With a copy to:   COLLIERS INTERNATIONAL  
                          P.O. Box 3138  
                          Wailuku, Hawaii 96793  
                          Attn: Charles Buckingham  
                          Tel: (808) 280-1178

To Buyer:           COUNTY OF MAUI  
                          Kalana O Maui Building  
                          200 South High Street  
                          Wailuku, Maui 96793  
                          Attn: Director of Finance  
                          Tel: (808) 270-7844  
                          Fax: (808) 270-7878

Rejection or other refusal to accept, or inability to deliver because of changed address of which no written notice was received, will constitute receipt of the notice or other communication.

9.3           Jurisdiction of Service of Process. Any action or proceeding seeking to enforce any provision of, or based on any right arising out of, this Agreement may be brought against any of the parties in the courts of the State of Hawaii, County of Maui, or, if it has or can acquire jurisdiction, in the United States District Court for the District of Hawaii, and each of the parties consents to the jurisdiction of such courts (and of the appropriate appellate courts) in any such action or proceeding and waives any objection to venue laid therein. Process in any action or Proceeding referred to in the preceding sentence may be served on any party anywhere in the world.

9.4           Further Assurances. The parties agree: (a) to furnish upon request to each other such further information; (b) to execute and deliver to each other such other documents; and (c) to do such other acts and things, all as the other party may reasonably request for the purpose of carrying out the intent of this Agreement and the documents referred to in this Agreement.

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Real Property Purchase Agreement: 2103 Wells Street, Wailuku, Maui, Hawaii 96793  
TMK: (2) 3-4-008:048:0001, 0002 & 0003

9.5 Waiver. Neither the failure nor any delay by any party in exercising any right, power, or privilege under this Agreement or the documents referred to in this Agreement will operate as a waiver of such right, power, or privilege, and no single or partial exercise of any such right, power, or privilege will preclude any other or further exercise of such right, power, or privilege or the exercise of any other right, power, or privilege.

9.6 Entire Agreement and Modification. This Agreement supersedes all prior agreements between the parties with respect to its subject matter and constitutes (along with the documents referred to in this Agreement) a complete and exclusive statement of the terms of the agreement between the parties with respect to its subject matter. This Agreement may not be amended except by a written agreement executed by the party to be charged with the amendment.

9.7 Construction. This Agreement and any certificates or documents delivered pursuant to this Agreement will be construed without regard to which party drafted the document or any particular provision therein.

9.8 Assignments, Successors, and No Third-Party Rights. Buyer may not assign its rights and obligations hereunder to any other person without the prior written consent of Seller which may be withheld in Seller's sole discretion. In the event of any permitted assignment, the assignee shall assume in writing all of the assignor's obligations hereunder. The assignor shall in no event be released from its obligations hereunder by reason of any assignment. This Agreement will apply to, be binding in all respects upon, and inure to the benefit of the successors and permitted assigns of the parties. This Agreement and all of its provisions and conditions are for the sole and exclusive benefit of the parties to this Agreement and their successors and permitted assigns.

9.9 Severability. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

9.10 Section Headings, Construction. The headings of Sections in this Agreement are provided for convenience only and will not affect its construction or interpretation. All references to "Section" or "Sections" refer to the corresponding Section or Sections of this Agreement. All words used in this Agreement will be construed to be of such gender or number as the circumstances require. Unless otherwise expressly provided, the word "including" does not limit the preceding words or terms.

9.11 Time of Essence. With regard to all dates and time periods set forth or referred to in this Agreement, time is of the essence.

9.12 Governing Law. This Agreement will be governed by the laws of the State of Hawaii without regard to conflicts of laws principles.

9.13 Brokers. Buyer represents it has not engaged or contracted with any person entitled to any brokerage commission or finder's fee in connection with this transaction. Seller represents it has engaged or contracted with any person entitled to any brokerage commission or finder's fee in connection with this transaction. Subject to Chapter 3.16 Maui County Code, each party agrees to indemnify the other party against any claim asserted against or adjudged against the other party, for any brokerage commission or finder's fee or any like compensation occasioned by or as a result of any act or omission of the indemnifying party, including all attorney's fees, costs, expenses and any other fees incurred by, charged against or adjudicated against, the other party, whether or not suit is filed, which are related to this indemnity agreement or enforcement thereof.

9.14 Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement.

9.15 Dispute Prevention Resolution. In the event of a dispute arising out of or relating to this Agreement or the services to be rendered hereunder, the parties to this Agreement agree to attempt to resolve such dispute in the following manner. First, the parties agree to attempt to resolve such dispute(s) through direct negotiations between representatives of each party. Second, if the dispute or any issues remain unresolved after attempts to negotiate, the parties agree to submit the dispute to a mutually agreed upon mediator, provided, however, if the dispute is not resolved within thirty (30) days after demand by either Seller or Buyer, Buyer and Seller shall have the right to exercise all remedies available at law or in equity.

9.16 No Party Deemed Drafter. The parties hereby represent that they have reviewed this Agreement and all of the documents memorializing the transaction contemplated herein and agree that no party shall be deemed to be the drafter of this Agreement and further that in the event that this Agreement is ever construed by a court of law, such court shall not construe this Agreement or any provision hereof against either party as drafter of this Agreement and shall in no way define, limit or describe the scope or intent of any provision of this Agreement.

9.17 Exhibits. The following exhibits are attached hereto, incorporated herein, and made a part hereof:

- |             |   |
|-------------|---|
| Exhibit "A" | Title Report of TMK (2) 3-4-008:048:0001, 0002 & 0003<br>2103 Wells Street, Wailuku, Maui, Hawaii 96793 |
| Exhibit "B" | Appraisal   |
| Exhibit "C" | Warranty Deed   |
| Exhibit "D" | Survey  |

**Signatures begin on the following page.**

IN WITNESS WHEREOF, Seller and Buyer have executed this REAL PROPERTY PURCHASE AND SALE AGREEMENT on the \_\_\_\_\_ day of \_\_\_\_\_, 2018.

**SELLER & OWNER:**

**MAKAWAO MANAGEMENT LLC**

By: \_\_\_\_\_  
Name: RAYMOND MILLER  
Title: Manager

**BUYER:**

COUNTY OF MAUI

By: \_\_\_\_\_  
ALAN M. ARAKAWA  
Its: Mayor

By: \_\_\_\_\_  
MARK R. WALKER  
Its: Director of Finance

APPROVAL RECOMMENDED:

\_\_\_\_\_  
JOHN D. KIM  
Prosecuting Attorney

APPROVED AS TO FORM AND LEGALITY:

\_\_\_\_\_  
DAVID A. GALAZIN  
Deputy Corporation Counsel  
County of Maui  
2017-0098/2016-0809  
PEA-72 2018-04-16 Revised RP P&S Agreement

STATE OF HAWAII )  
 ) SS:  
COUNTY OF MAUI )

On this \_\_\_\_ day of \_\_\_\_\_, 2018, before me personally appeared RAYMOND MILLER, to me personally known, who, being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

\_\_\_\_\_  
Notary Public, State of Hawaii

Printed Name: \_\_\_\_\_

My commission expires: \_\_\_\_\_

(Official Stamp or Seal)

**NOTARY CERTIFICATION STATEMENT**

Document Identification or Description: Real Property  
Purchase and Sale Agreement

Doc. Date: \_\_\_\_\_ or  Undated at time of  
notarization

No. of Pages: \_\_\_\_\_ Jurisdiction:  
(in which notarial act is  
performed)

\_\_\_\_\_  
Signature of Notary Date of Notarization and  
Certification Statement

\_\_\_\_\_  
Printed Name of Notary

(Official Stamp or Seal)

Real Property Purchase Agreement: 2103 Wells Street, Wailuku, Maui, Hawaii 96793  
TMK: (2) 3-4-008:048:0001, 0002 & 0003

STATE OF HAWAII )  
 ) SS:  
COUNTY OF MAUI )

On this \_\_\_\_ day of \_\_\_\_\_, 2018, before me personally appeared ALAN M. ARAKAWA, to me personally known, who, being by me duly sworn, did say that he is the Mayor of the County of Maui, a political subdivision of the State of Hawaii, and that the seal affixed to the foregoing instrument is the lawful seal of the said County of Maui, and that the said instrument was signed and sealed on behalf of said County of Maui pursuant to Section 7-5.11 and Section 9-18 of the Charter of the County of Maui; and the said ALAN M. ARAKAWA acknowledged the said instrument to be the free act and deed of said County of Maui.

\_\_\_\_\_  
Notary Public, State of Hawaii

Printed Name: \_\_\_\_\_

My commission expires: \_\_\_\_\_

(Official Stamp or Seal)

<b><u>NOTARY CERTIFICATION STATEMENT</u></b>	
Document Identification or Description: Real Property Purchase and Sale Agreement	
Doc. Date: _____ or <input type="checkbox"/> Undated at time of notarization	
No. of Pages: _____ Jurisdiction: Second Circuit (in which notarial act is performed)	
_____ Signature of Notary	_____ Date of Notarization and Certification Statement
_____ Printed Name of Notary (Official Stamp or Seal)	

Real Property Purchase Agreement: 2103 Wells Street, Wailuku, Maui, Hawaii 96793  
TMK: (2) 3-4-008:048:0001, 0002 & 0003

STATE OF HAWAII )  
 ) SS:  
COUNTY OF MAUI )

On this \_\_\_\_ day of \_\_\_\_\_, 2018, before me before me personally appeared MARK R. WALKER, to me personally known, who, being by me duly sworn, did say that he is the Director of Finance of the County of Maui, a political subdivision of the State of Hawaii, and executed the foregoing as his free act and deed, and in the capacity shown, having been duly authorized to execute such instrument in such capacity.

\_\_\_\_\_  
Notary Public, State of Hawaii

Printed Name: \_\_\_\_\_

My commission expires: \_\_\_\_\_

(Official Stamp or Seal)

<b><u>NOTARY CERTIFICATION STATEMENT</u></b>	
Document Identification or Description: Real Property Purchase and Sale Agreement	
Doc. Date: _____ or <input type="checkbox"/> Undated at time of notarization	
No. of Pages: _____ Jurisdiction: Second Circuit (in which notarial act is performed)	
_____ Signature of Notary	_____ Date of Notarization and Certification Statement
_____ Printed Name of Notary	
(Official Stamp or Seal)	

Real Property Purchase Agreement: 2103 Wells Street, Wailuku, Maui, Hawaii 96793  
TMK: (2) 3-4-008:048:0001, 0002 & 0003

Exhibit "A"

Title Report of TMK (2) 3-4-008:048:0001, 0002 & 0003

EXHIBIT "A"

Exhibit "B"

APPRAISAL

EXHIBIT "B"

EXHIBIT "C"

WARRANTY DEED

EXHIBIT "C"

EXHIBIT "D"

SURVEY

EXHIBIT "D"

ORDINANCE NO. \_\_\_\_\_

BILL NO. \_\_\_\_\_ (2018)

A BILL FOR AN ORDINANCE AMENDING CHAPTER 3.08, MAUI COUNTY CODE, BY ADDING A NEW SECTION RELATING TO COUNTY INVESTMENTS

BE IT ORDAINED BY THE PEOPLE OF THE COUNTY OF MAUI:

SECTION 1. Chapter 3.08, Maui County Code, is amended by adding a new section to be appropriately designated and to read as follows:

**“3.08.040 County investments. A. Investment policy.**

1. The director of finance shall establish a policy on County investments through the promulgation of administrative rules in accordance with chapter 91, Hawaii Revised Statutes, or ordinance.

2. The investment policy shall establish guidelines regarding the investment of County moneys in excess of the amounts necessary for the meeting of immediate requirements when the action will not impede or hamper the necessary financial operations of the County.

3. The investment policy objectives shall be, in priority order, safety, liquidity, and yield.

4. The policy shall also set forth the process in which the determination of when moneys in excess of the amounts necessary for the meeting of immediate requirements when the action will not impede or hamper the necessary financial operations of the County may be invested.

B. Investment committee. There shall be established a County investment committee.

1. The committee shall be composed of the following members: director of finance, deputy director of finance, managing director, budget director, and accounting system administrator.

2. The committee shall meet at least monthly to recommend general investment strategies and written investment procedures and monitor investment results. The director of finance shall adopt strategies and approve investment procedures.

3. The committee shall review quarterly investment reports prepared by the treasurer. The reports shall include:

a. Listing of each security, face amounts, and discount/premium.

b. Coupon rates and buy yields of each security and average yield for the portfolio.

c. Value and accrued interest of each security.

d. Maturity and days to maturity for each security and the portfolio average maturity.

e. Transactions during the period, including purchase maturity and interest payments.

f. Book value and market value for each holding (and any unrealized gains and losses) at year end.

g. Expenses and penalties.

4. The treasurer shall within thirty days of the close of each fiscal quarter, submit a report to the committee of the actual cash balance at the end of the quarter versus the projections set forth in the schedule required by subsection C, below.

5. Any two members of the committee may request a special meeting. All members shall be notified of special meeting, in writing.

6. Three members shall constitute a quorum.

7. The director of finance shall chair the committee and produce agendas, minutes, and any necessary reports. The treasurer shall act as secretary, record and produce minutes and perform other duties as directed by the director of finance. It is the intent of this ordinance that the establishment and operation of the committee not be subject to chapters 91 or 92, Hawaii Revised Statutes, and that the formation and operation of the committee be deemed to be an internal management function of the department of finance.

C. Third-party investment contractor. The director of finance shall procure, in accordance with chapter 103D, Hawaii Revised Statutes, the services of a third-party investment contractor to oversee the investment of County funds as authorized by law and implementation of the County investment policy. The director of finance shall provide the third-party investment contractor with a schedule setting forth when moneys in excess of the amounts necessary for the meeting of immediate requirements when the action will not impede or hamper the necessary financial operations of the County are available to be invested and when the County will need moneys in order to meet the requirements of necessary financial operations for a twelve month period. The director of

finance shall provide this schedule within ten business days of the close of each quarter of the fiscal year. The third-party investment contractor shall use the schedule to determine the suitability of investments.”

SECTION 2. New material is underscored. In printing this bill, the County Clerk need not include the underscoring.

SECTION 3. This ordinance shall take effect upon its approval.

APPROVED AS TO FORM AND LEGALITY:



JEFFREY UEOKA

Department of the Corporation Counsel  
County of Maui  
2018-0422  
2018-04-18 Ordinance



ORDINANCE NO. \_\_\_\_\_

BILL NO. \_\_\_\_\_ (2018)

A BILL FOR AN ORDINANCE AMENDING SECTION 3.36.030, MAUI COUNTY CODE, RELATING TO THE MAUI COUNTY GRANTS PROGRAM

BE IT ORDAINED BY THE PEOPLE OF THE COUNTY OF MAUI:

SECTION 1. Section 3.36.030, Maui County Code, is amended to read as follows:

**“3.36.030 Soliciting applications.** A. When an appropriation is available for allocation, other than to a recipient identified in the annual budget or amendments thereto, the agency shall post on the County website and publish in the local newspaper the availability of the appropriation, and shall solicit applications.

B. Recipients specifically identified in the annual budget, or amendments thereto, for a grant of funds shall not be eligible to apply for another grant of funds for the same fiscal year pursuant to this chapter.”

SECTION 2. New material is underscored. In printing this bill, the County Clerk need not include the underscoring.

SECTION 3. This ordinance shall take effect on July 1, 2018.

APPROVED AS TO FORM AND LEGALITY:

  
\_\_\_\_\_  
JEFFREY UEOKA

Department of the Corporation Counsel  
County of Maui

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# Resolution

No. \_\_\_\_\_

AUTHORIZING THE COUNCIL CHAIR TO  
CONTRACT FOR A PERFORMANCE AUDIT OF  
THE INFORMATION TECHNOLOGY SERVICES  
PROGRAM, DEPARTMENT OF MANAGEMENT

WHEREAS, pursuant to Section 3-6 of the Revised Charter of the County of Maui (1983), as amended (“Charter”), the Council has the authority to conduct investigations of the operation of any department or function of the County and any subject upon which the Council may legislate; and

WHEREAS, the Information Technology Services Program (“Program”) is under the Department of Management pursuant to their Organization Chart; and

WHEREAS, the mission of the Program is to serve the goals and objectives of the County of Maui through a focus on technological excellence by providing and maintaining innovative, effective, agile, reliable, and secure information based on best practices and industry standards; and

WHEREAS, the Program has several ongoing projects, including Maui’s Automated Permitting and Planning System (MAPPS), Human Resources/Payroll System Replacement (Workday), and Computer Aided Dispatch/Records Management System (CAD/RMS); and

WHEREAS, the compatibility and integration of the existing and new computer systems is unclear; and

WHEREAS, a review of the staffing within the Program and of other County departments for implementation and maintenance of the existing and new computer systems is needed to evaluate effectiveness and efficiency; now, therefore,

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**Resolution No. \_\_\_\_\_**

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

1. That it hereby authorizes the Council Chair to contract for a performance audit of the Information Technology Services Program, Department of Management; and
2. That certified copies of this resolution be transmitted to the Mayor and Managing Director.

APPROVED AS TO FORM AND LEGALITY



Deputy Corporation Counsel  
County of Maui

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ORDINANCE NO. \_\_\_\_\_

BILL NO. \_\_\_\_\_ (2018)

A BILL FOR AN ORDINANCE AMENDING SECTIONS 3.55.020 AND 3.55.040,  
MAUI COUNTY CODE, RELATING TO DISPOSAL OF VEHICLES AND THE  
ENVIRONMENTAL PROTECTION AND SUSTAINABILITY FUND

BE IT ORDAINED BY THE PEOPLE OF THE COUNTY OF MAUI:

SECTION 1. Vehicles that are no longer wanted must be disposed of by their owners. The purpose of this ordinance is to establish a vehicle disposal fee to fund a County vehicle disposal program. The program will simplify the process for County residents to properly dispose of their unwanted vehicles.

SECTION 2. Section 3.55.020, Maui County Code, shall be amended to read as follows:

**“3.55.020 Purpose and uses.** A. The environmental protection and sustainability fund is established for the purpose of funding efforts by the environmental protection and sustainability division of the department of environmental management to optimize opportunities for environmental and natural resource protection, sustainability, conservation, and restoration, including:

1. Energy security or sustainability.
2. Landfill diversion, including uses or programs identified in or compatible with the County's integrated solid waste management plan, as amended, established pursuant to chapter 342G, Hawaii Revised Statutes.
3. Recycling programs.
4. Abandoned vehicles, disposal of vehicles, and metals programs.
5. The cost of personnel.
6. The cost of equipment.
7. Acquisition of real property to be used for the purposes identified in this section.
8. Planning, design, and construction of facilities related to the purposes identified in this section.

9. Grants or loans to nonprofit or for-profit organizations for the purposes identified in this section, made in accordance with the requirements of chapter 3.36 of this title.

10. Leveraging funds provided by federal, state, nonprofit or for-profit organizations, and other non-County entities to further the purposes identified in this section.

11. Other expenses related to the purposes identified in this section.”

SECTION 2. Section 3.55.040, Maui County Code, shall be amended to read as follows:

**“3.55.040 Deposits to the fund.** There shall be deposited into the environmental protection and sustainability fund:

1. Monies transferred from the wastewater reclamation division of the department of environmental management related to the processing, handling, or disposal of sewage sludge.

2. Any fees or portions thereof as set forth in the annual budget ordinance.

3. Supplemental transfers as set forth in the annual budget ordinance.

4. Disposal of vehicles fees as set forth in the annual budget.”

SECTION 3. New material is underscored. In printing this bill, the County Clerk need not include the underscoring.

SECTION 4. This ordinance shall take effect on July 1, 2018.

APPROVED AS TO FORM AND LEGALITY:

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Department of the Corporation Counsel  
County of Maui

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ORDINANCE NO. \_\_\_\_\_

BILL NO. \_\_\_\_\_ (2018)

A BILL FOR AN ORDINANCE AMENDING CHAPTER 3.25, MAUI COUNTY  
CODE, RELATING TO HIGHWAY IMPROVEMENT FEES AND VEHICLE  
DISPOSAL FEES

BE IT ORDAINED BY THE PEOPLE OF THE COUNTY OF MAUI:

SECTION 1. Section 3.25.020, Maui County Code, is amended to read as follows:

**“3.25.020 Fees.** The director of finance shall charge the following fees as set forth in the annual budget:

1. Fees for sale of new and replacement:
  - a. Motor vehicle license plates.
  - b. Dealer plates.
  - c. Moped plates.
  - d. Special license plates.
2. Fees for registration of motor vehicles, mopeds, and emblems or tags.
3. Fees for motor vehicle transfer and transfer penalty.
4. Fees for duplicate:
  - a. Certificate of registration.
  - b. Certificate of ownership and duplicate.
5. Fees for correction of certificates.
6. Fees for power of attorney.
7. Fees for out-of-state vehicle permits.
8. Fees for reassignment of moped or passenger automobile plates.
9. Fees for highway improvement.
10. Fees for vehicle disposal, as set forth in section 3.55.040.”

SECTION 2. Chapter 3.25, Maui County Code, is amended by adding a new section to be appropriately designated and to read as follows:

**“Section 3.25.025.** There shall be established a highway improvement fee for electric vehicles and hybrid electric vehicles. The fees shall be deposited into the highway fund. For purposes of this section, electric vehicles shall mean vehicles that derive all of their power from electricity, and hybrid electric vehicles shall mean vehicles that derive part of their power from electricity and part of their power from an internal combustion engine running on gasoline.”

SECTION 3. New material is underscored. In printing this bill, the County Clerk need not include the underscoring.

SECTION 4. This ordinance shall take effect on July 1, 2018.

APPROVED AS TO FORM AND LEGALITY:

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Department of the Corporation Counsel  
County of Maui

bf:2019bgt:001fbill01:tntf

ORDINANCE NO. \_\_\_\_\_

BILL NO. \_\_\_\_\_ (2018)

A BILL FOR AN ORDINANCE AMENDING CHAPTER 3.08, MAUI COUNTY  
CODE, RELATING TO FORBEARANCE AND UNCOLLECTIBLE DEBTS

BE IT ORDAINED BY THE PEOPLE OF THE COUNTY OF MAUI:

SECTION 1. Chapter 3.08, Maui County Code, is amended by adding a  
new section to be appropriately designated and to read as follows:

**“3.08.025 Forbearance and uncollectible debts. Except for uncollectible delinquent taxes pursuant to section 3.48.286 of this code and uncollectible delinquent penalties and interest pursuant to section 3.48.010(N) of this code, the director of finance shall obtain approval by Council resolution prior to granting any forbearance or discharging any debt owed to the County deemed uncollectible, except that this provision shall not limit any director’s authority to waive daily fines assessed under section 19.530.030 of this code and any rules adopted thereunder.”**

SECTION 2. New material is underscored. In printing this bill, the  
County Clerk need not include the underscoring.

SECTION 3. This ordinance shall take effect on July 1, 2018.

APPROVED AS TO FORM AND LEGALITY:

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Department of the Corporation Counsel  
County of Maui

bf:2019bgt:001dbill01:tntf

ORDINANCE NO. \_\_\_\_\_

BILL NO. \_\_\_\_\_ (2018)

A BILL FOR AN ORDINANCE AMENDING SECTION 3.37.030, MAUI COUNTY  
CODE, RELATING TO THE KAUNOA SENIOR SERVICES LEISURE PROGRAM  
ACTIVITIES REVOLVING FUND

BE IT ORDAINED BY THE PEOPLE OF THE COUNTY OF MAUI:

SECTION 1. Section 3.37.030, Maui County Code, is amended to read as  
follows:

**“3.37.030 Administration.** A. The director of finance shall  
establish a separate account to record all revenue credited to, and  
expenditures made from, the revolving fund.

B. Fees collected from Kaunoa senior services leisure  
program activities shall be used for the payment of costs associated  
with Kaunoa senior services leisure program activities.  
Expenditures from the fund shall be through appropriations set  
forth in Appendix A.II. of the annual budget ordinance. [The fund  
shall not be used to pay for employee salaries.]

SECTION 2. Material to be repealed is bracketed. In printing this bill, the  
County Clerk need not include the brackets or the bracketed material.

SECTION 3. This ordinance shall take effect on July 1, 2018.

APPROVED AS TO FORM AND LEGALITY:

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Department of the Corporation Counsel  
County of Maui

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