

COUNCIL OF THE COUNTY OF MAUI
PARKS, RECREATION, ENERGY, AND
LEGAL AFFAIRS COMMITTEE

October 6, 2017

Committee
Report No. _____

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

Chair and Members:

Your Parks, Recreation, Energy, and Legal Affairs Committee, having met on September 5, 2017, and September 19, 2017, makes reference to County Communication 17-6, from Council Chair Mike White, relating to litigation matters.

By correspondence dated August 21, 2017, the Department of the Corporation Counsel requested consideration of the possible settlement of Claim 301545971280001 by Kaanapali Golf Courses. Attached to the request is a proposed resolution, entitled "AUTHORIZING SETTLEMENT OF CLAIM NO. 301545971280001 BY KAA NAPALI GOLF COURSES," and a copy of the claim and related documents. The purpose of the proposed resolution is to authorize the Department to settle the claim for \$35,918.16.

Your Committee notes Section 3.16.020(B), Maui County Code, requires Council authorization for any settlement of claims or civil litigation in excess of \$7,500.

According to the proposed resolution, the claim against the County arose from damage to the Kaanapali Golf Courses property that occurred when a County sewer line backed up and sewage overflowed into the golf course clubhouse on June 25, 2015, and July 27, 2015.

A Deputy Corporation Counsel provided a brief overview of the case. She said the Department of Environmental Management was performing repair work and upgrades to the sewage system in the Kaanapali area. On two dates, the Department had technical difficulties which caused raw sewage to enter the ground floor of the Kaanapali Golf Courses clubhouse

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**PARKS, RECREATION, ENERGY, AND
LEGAL AFFAIRS COMMITTEE**

Page 2

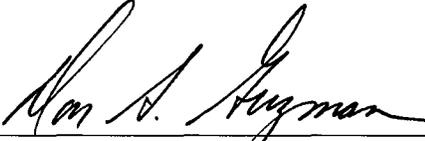
**Committee
Report No. _____**

and restaurant area and the pond. The June incident involved an electrical problem affecting a pump and the July incident involved a wiring problem affecting another pump. Since those occurrences, the pump area has been renovated and the Department does not anticipate a similar problem recurring.

Your Committee voted 5-0 to recommend adoption of the proposed resolution to authorize settlement of the claim. Committee Chair Guzman, Vice-Chair King, and members Atay, Hokama, and Sugimura voted "aye." Committee members Carroll, Cochran, Crivello, and White were excused.

Your Parks, Recreation, Energy, and Legal Affairs Committee RECOMMENDS that Resolution _____, attached hereto, entitled "AUTHORIZING SETTLEMENT OF CLAIM NO. 301545971280001 BY KAA NAPALI GOLF COURSES," be ADOPTED.

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



DON S. GUZMAN, Chair

Resolution

No. _____

AUTHORIZING SETTLEMENT OF CLAIM NO. 301545971280001
BY KAAPALI GOLF COURSES

WHEREAS, Kaanapali Golf Courses filed Claim No. 301545971280001 against the County of Maui on September 18, 2015, for damage to their property caused when a County sewer line backed up and sewage overflowed into the Kaanapali Golf Course clubhouse on June 25, 2015, and July 27, 2015; and

WHEREAS, the County of Maui and Kaanapali Golf Courses, to avoid incurring expenses and the uncertainty of a judicial determination of the parties' respective rights and liabilities, have reached a proposed resolution of this claim by way of a negotiated settlement; and

WHEREAS, having reviewed the facts and circumstances regarding this matter and being advised of attempts to reach resolution of this claim by way of a negotiated settlement by the Department of the Corporation Counsel, the Council wishes to authorize settlement; now, therefore,

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

1. That it hereby approves settlement of Claim No. 301545971280001 in the amount of THIRTY-FIVE THOUSAND NINE HUNDRED EIGHTEEN AND 16/100 DOLLARS (\$35,918.16); and

Resolution No. _____

2. That payment is authorized to satisfy settlement of this claim following the execution of the "Release of Claim" by Kaanapali Golf Courses; and

3. That certified copies of this Resolution be transmitted to the Mayor, the Director of Finance, the Director of Environmental Management, and the Corporation Counsel.

APPROVED AS TO FORM
AND LEGALITY:



MOANA M. LUTEY
Deputy Corporation Counsel
County of Maui
RISK 2015-0377