

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE
Council of the County of Maui

MINUTES

April 29, 2019

Council Chamber

RECONVENE: 10:10 a.m.

PRESENT: Councilmember Keani N.W. Rawlins-Fernandez, Chair
Councilmember Kelly T. King, Vice-Chair
Councilmember Riki Hokama, Member
Councilmember Tasha Kama, Member
Councilmember Alice L. Lee, Member
Councilmember Michael J. Molina, Member
Councilmember Tamara Paltin, Member
Councilmember Yuki Lei K. Sugimura, Member

EXCUSED: Councilmember Shane M. Sinenci, Member

STAFF: Shelly Espeleta, Legislative Analyst
Christy Chung, Legislative Analyst
James Krueger, Substitute Legislative Analyst
Traci Fujita, Legislative Attorney
Clarita Balala, Substitute Committee Secretary

Seated in the audience:

Kate Griffiths, Executive Assistant to Councilmember Kelly T. King
Don Atay, Executive Assistant to Councilmember Shane M. Sinenci

ADMIN.: Michele M. Yoshimura, Budget Director, Office of the Mayor
Jeffrey Ueoka, Deputy Corporation Counsel, Department of the Corporation Counsel

OTHERS: Debbie Cabebe, Chief Executive Officer, Maui Economic Opportunity, Inc.
Others (2)

PRESS: *Akaku: Maui Community Television, Inc.*
Colleen Uechi, The Maui News

ITEM 1: PROPOSED FISCAL YEAR 2020 BUDGET FOR THE COUNTY OF MAUI (CC 19-61)

CHAIR RAWLINS-FERNANDEZ: . . .(*gavel*). . . Aloha kakahiaka kakou. 'Umi minuke o ka hala o ka hola 'eiwa ma ewa kalua kumaeiwa o 'Apelila, i ka makahiki'elua kaukani umikumaeiwa. E 'olu'olu mai, e ho'omalua ke Komike Ho'omohala Waiwai me Mo'ohelu Kala. 'O wau ka Iku Ha'i o keia Komike, Keani Rawlins-Fernandez. It is...or was 10:10, on April 29, 2019. Will the Economic Development and Budget Committee

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please return to order. I'm your Chair, Keani Rawlins-Fernandez. We are reconvening the Economic Development and Budget Committee Meeting from April 25th. Okay. I keia la, me ko kakou, eia Committee Vice-Chair and Council Chair Kelly King.

VICE-CHAIR KING: Aloha kakahiaka, Chair.

CHAIR RAWLINS-FERNANDEZ: Aloha kakahiaka.

VICE-CHAIR KING: Happy homestretch --

CHAIR RAWLINS-FERNANDEZ: Yes.

VICE-CHAIR KING: --week, hopefully.

CHAIR RAWLINS-FERNANDEZ: Exciting. Member Mike Molina.

COUNCILMEMBER MOLINA: Aloha kakahiaka, Madam Chair.

CHAIR RAWLINS-FERNANDEZ: Aloha kakahiaka. Member Alice Lee.

COUNCILMEMBER LEE: Good morning, Madam Chair.

CHAIR RAWLINS-FERNANDEZ: Good morning.

COUNCILMEMBER LEE: In Cambodia it said aroun suostei.

CHAIR RAWLINS-FERNANDEZ: Aroun suostei.

COUNCILMEMBER LEE: Yes.

CHAIR RAWLINS-FERNANDEZ: Mahalo. Member Riki Hokama.

COUNCILMEMBER HOKAMA: Good morning.

CHAIR RAWLINS-FERNANDEZ: Good morning. Member Tamara Paltin.

COUNCILMEMBER PALTIN: Aloha kakahiaka, Chair.

CHAIR RAWLINS-FERNANDEZ: Aloha kakahiaka. Member Yuki Lei Sugimura.

COUNCILMEMBER SUGIMURA: Good morning, Chair.

CHAIR RAWLINS-FERNANDEZ: Good morning. And Member Tasha Kama.

COUNCILMEMBER KAMA: Aloha, Chair.

CHAIR RAWLINS-FERNANDEZ: Aloha. Mai ka Administration we have with us Budget Director, Michele Yoshimura.

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MS. YOSHIMURA: Good morning, Chair.

CHAIR RAWLINS-FERNANDEZ: Good morning. From Corporation Counsel, Deputy Corporation Counsel, Jeff Ueoka.

MR. UEOKA: Good morning, Chair.

CHAIR RAWLINS-FERNANDEZ: Good morning. And with our, with us we have our Staff, James Krueger.

MR. KRUEGER: Good morning.

CHAIR RAWLINS-FERNANDEZ: Good morning. Clarita Balala.

MS. BALALA: Good morning.

CHAIR RAWLINS-FERNANDEZ: Good morning. Oh, we have Shelly Espeleta.

MS. ESPELETA: Good morning, Chair.

CHAIR RAWLINS-FERNANDEZ: Good morning. Traci Fujita.

MS. FUJITA: Good morning.

CHAIR RAWLINS-FERNANDEZ: Good morning. And Christy Chung.

MS. CHUNG: Good morning.

CHAIR RAWLINS-FERNANDEZ: Good morning. Okay. Okay, Members, we have one item on today's agenda, EDB-1 Proposed Fiscal Year 2020 Budget for the County of Maui. Because this is a reconvened meeting from the April 25th recessed meeting, we will not be accepting oral testimony because it was closed on Thursday, April 25th, but we are still accepting written testimony. Members, I hope you feel well rested and ready to conduct our final review of the Fiscal Year 2020 Budget, as well as decision-making on Real Property Tax rates. We're gonna take a quick break at the call of the Chair to allow Staff a few more minutes to wrap up making copies for all necessary documents and distribution. None of us made a proviso to get new printers. We forgot. And then we will come back to order, distribute the copies, and break to allow time for all the Members to review the documents for accuracy. When we return, we can make any necessary corrections that you may have found, and then commence with RPT decision-making. We will be taking our final Committee vote on the entire Budget later today. So, when we receive the distributed Budget bills, how long do you think Members would need for that review? Like about an hour? An hour? Okay, okay, so we'll plan for that. Okay, so any questions before we take a quick recess to allow for the final copying of our documents today? Okay. Alright. So, it's 10:14 on April 29th and the Economic Development and Budget Committee will be in recess at the call of the Chair. Okay. We're now in recess. . . .(gavel). . .

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RECESS: 10:14 a.m.
RECONVENE: 10:55 a.m.

CHAIR RAWLINS-FERNANDEZ: . . .*(gavel)*. . . Will the Economic Development and Budget Committee please return to order. It is 10:55 on April 29th. I forgot to mention that Member Sinenci is excused today, and for the Members that are here, thank you so much for that short break. I would like to thank our hardworking Office of Council Services who spent the entire weekend crunching the numbers and inserting all of our changes to finalize our Fiscal Year 2020 Budget documents for corrections and final decision-making today. We really could not do what we do without them. Staff is distributing...will distribute all of the documents for you now, that will be reviewed during our hour-long break, that we will take after distribution. You'll be searching for any possible corrections and taking note for when we reconvene, at which point we will make the necessary corrections and move on to RPT decision-making. The documents being distributed for your review are Section 3 and 4 of the Budget Bill. Section 2 of the Budget Bill will be adjusted internally by OCS to reflect the finalized Budget totals. The General Budget Provisions, the Chair recommends reverting the language in the General Budget Provisions back to the Fiscal Year '19 adopted provision language. We had sent a formal inquiry to the Administration previously, and have not heard back as to the rationale for the change. That being said, I would recommend keeping the original language with the understanding that if the Administration would like to respond and explain the amendment, they can do so before first reading at Council. Oh, thank you. What is also being distributed is Appendix A, Part II, Special Purpose Revenue Bonds; Appendix B-1, Concessions, Lease, License Schedule; and Appendix C, Capital Improvement Projects. Items not being distributed for review today are housekeeping items that will be amended internally to reflect our adopted Budget, and include Appendix A-1, Grant Revenue. This is the revenue that the County receives from grants, and just FYI, slight adjustments were made to remove \$6,000 from the Committee on the Status of Women, which was a one-time grant. The Capital Program bill, this is the appendices that include the pie graphs, or the pie charts and the graphs. The Bond bill, which reflects all the Capital Improvement Projects we have approved and will be adjusted accordingly if any changes are made today during corrections. And, the Lapsed Bond bill. And, after we return from the break, Staff will distribute Appendix B, Rates and Fees. And so for this time, for this one-hour recess, Members will review all the documents that were distributed to make sure that everything is accurate, and if anything is missing or if anything needs to be adjusted, just make note while you're reviewing, and then when we return, then we can make those corrections. Okay, any questions? Chair King?

VICE-CHAIR KING: Thank you. Thank you, Chair. Thanks for the distributions. Can you just repeat what you said earlier about which one of these documents came from the Administration that we're waiting for an explanation and why?

CHAIR RAWLINS-FERNANDEZ: That's the General Budget Provisions. So the language on that was changed, and we asked for the explanation and, you know, the rationale behind why those changes were made.

VICE-CHAIR KING: What...which of the...was it one of the documents that we just got?

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CHAIR RAWLINS-FERNANDEZ: Yes.

VICE-CHAIR KING: Okay, which one was...I just don't know which one.

CHAIR RAWLINS-FERNANDEZ: The General Budget Provisions.

VICE-CHAIR KING: I don't see anything. I don't see...I don't see anything that says that at the top. Is it...that's the Budget Bill.

CHAIR RAWLINS-FERNANDEZ: Okay, we'll...okay. We'll check for it and then we'll distribute after break.

VICE-CHAIR KING: Okay, and then the other thing I wanted to ask you about was if we're going to take an hour, when we come back it's going to be the lunch hour. Did you want to just...are you wanting to just work through the lunch hour, or do you want us to just take the break through the lunch hour? Come back at...we could come back at 1:00?

CHAIR RAWLINS-FERNANDEZ: Yeah, let's do that.

VICE-CHAIR KING: Okay.

CHAIR RAWLINS-FERNANDEZ: And then just take an early lunch.

VICE-CHAIR KING: Yeah, and we take an early...that gives us two hours to review and have lunch and come back.

CHAIR RAWLINS-FERNANDEZ: Is that --

VICE-CHAIR KING: That's up to you.

CHAIR RAWLINS-FERNANDEZ: --are there any objections to doing that?

COUNCILMEMBERS: No objections.

CHAIR RAWLINS-FERNANDEZ: Okay. Member Kama?

COUNCILMEMBER KAMA: Question. I just wanted to know how important is that document that we're gonna be waiting for? Is it to what we need to do for the one hour? Do we need that document to review too, or no?

CHAIR RAWLINS-FERNANDEZ: Mr. Ueoka?

MR. UEOKA: Member Kama, they're just looking at the '19...she's proposing the '19 General Budget Provisions, so if you want to look at them, they're in last year's Budget, it's Section 5 and on.

COUNCILMEMBER KAMA: Oh, okay.

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MR. UEOKA: Thank you.

COUNCILMEMBER KAMA: I got it. Okay. Thank you.

CHAIR RAWLINS-FERNANDEZ: Yeah, and any of the documents that I said was not distributed, you do have. It was transmitted by the Mayor. Any other questions? Member Sugimura?

COUNCILMEMBER SUGIMURA: So, what was your question regarding the fiscal year, Section 5 in last year's Budget? What were...what did you ask the Administration to...

CHAIR RAWLINS-FERNANDEZ: Oh, just the...for the General Budget Provisions?

COUNCILMEMBER SUGIMURA: Uh-huh.

CHAIR RAWLINS-FERNANDEZ: Just the rationale for the change.

COUNCILMEMBER SUGIMURA: Okay.

CHAIR RAWLINS-FERNANDEZ: Yeah, like what...what were these amendments made for basically. What would they achieve? And I forgot to include in Appendix B-1...no sorry...in Appendix A, Part I, the IAL, matching funds, that would be added for 125,000.

COUNCILMEMBER SUGIMURA: Thank you.

CHAIR RAWLINS-FERNANDEZ: So there's...those are the two amendments to Appendix A, Part I, Grant Revenue. The \$6,000 that was removed for the Committee on the Status of Women, which was a one-time grant, and the addition of 125,000 for the Important Ag Land matching funds from the State.

COUNCILMEMBER SUGIMURA: Okay.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Sugimura. Okay, any other questions? Member Paltin?

COUNCILMEMBER PALTIN: Just reviewing, we looked through all the papers distributed and see if there is any mistakes, that's all, right?

CHAIR RAWLINS-FERNANDEZ: Uh-huh.

COUNCILMEMBER PALTIN: Okay, got it.

CHAIR RAWLINS-FERNANDEZ: Okay. Okay, so if there aren't any other questions...Member Lee?

COUNCILMEMBER LEE: Okay, I'm looking at the comparison of Real Property Tax rates.

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CHAIR RAWLINS-FERNANDEZ: From Member Kama?

COUNCILMEMBER LEE: Oh, that's from her?

CHAIR RAWLINS-FERNANDEZ: This one?

COUNCILMEMBER LEE: Not from you?

CHAIR RAWLINS-FERNANDEZ: No.

COUNCILMEMBER LEE: Okay.

COUNCILMEMBER SUGIMURA: It's a compilation.

CHAIR RAWLINS-FERNANDEZ: This is --

COUNCILMEMBER LEE: I was just wondering what...

CHAIR RAWLINS-FERNANDEZ: --so Member Kama distributed one on Thursday and I guess she updated...Member Kama, did you want to speak to it?

COUNCILMEMBER KAMA: Is that what you're referring to, Member Lee? The big one?

COUNCILMEMBER SUGIMURA: Yeah.

CHAIR RAWLINS-FERNANDEZ: Yeah.

COUNCILMEMBER KAMA: Okay.

COUNCILMEMBER LEE: Okay. I just wanted to know what exactly did I propose?

COUNCILMEMBER SUGIMURA: Oh, that's a mistake to have Alice's name there.

COUNCILMEMBER KAMA: Oh, sorry.

COUNCILMEMBER LEE: Okay, just wondering. Okay, and then second question is what is --

COUNCILMEMBER KAMA: I'm deleting that.

COUNCILMEMBER LEE: --the Chair's updated proposal? Or is it the same?

CHAIR RAWLINS-FERNANDEZ: The same from what was distributed on --

COUNCILMEMBER SUGIMURA: Thursday.

CHAIR RAWLINS-FERNANDEZ: --Thursday. Yeah.

COUNCILMEMBER LEE: Okay. So it's not this here, what is on the big sheet?

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CHAIR RAWLINS-FERNANDEZ: Oh, on the second section?

COUNCILMEMBER LEE: Yeah. That's not it?

COUNCILMEMBER SUGIMURA: It is.

CHAIR RAWLINS-FERNANDEZ: That's the one from Thursday.

COUNCILMEMBER LEE: Okay, so this is your proposal?

CHAIR RAWLINS-FERNANDEZ: Yeah.

COUNCILMEMBER LEE: Okay.

CHAIR RAWLINS-FERNANDEZ: For...so that we could get the numbers for today.

COUNCILMEMBER LEE: Alright, thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Sugimura. Mahalo, Member Lee. And then so just for clarification, we're striking your name from the third section, yeah? Okay.

COUNCILMEMBER LEE: Thank you.

CHAIR RAWLINS-FERNANDEZ: Okay. Any other questions, Members? Okay. We're going to break for lunch, and return at one o'clock. Okay. The Economic Development and Budget Committee will recess until one o'clock. It's 11:05 on April 29th. Okay, we're now in recess. . . .(gavel). . .

RECESS: 11:05 a.m.
RECONVENE: 1:26 p.m.

CHAIR RAWLINS-FERNANDEZ: . . .(gavel). . . Will the Economic Development and Budget Committee please return to order. Okay, so I'm going to quickly go over the items that you were...that were distributed to each of the Members. First thing we have is the balances of all the different Special Funds and the General Fund, and on the last page you'll see the total Revenue, and the total Operating, and then the total CIP with the balance, with the proposed rates that...or the rates that I proposed on Thursday.

UNIDENTIFIED SPEAKER: . . .(inaudible). . .

CHAIR RAWLINS-FERNANDEZ: Yeah...you...oh, okay it's coming. Okay. I'll start with what you just received, then. Okay, what you just received is the General Budget Provisions and corrections to Section 3 of the Budget Bill. Oh, okay there. Ms. Espeleta is now distributing what I was saying. Okay, so starting with the General Budget Provisions, as I explained, you'll get the Ramseyered version, and we received an explanation for the amendments to the General Budget Provisions. After speaking with Budget Director and Corporation Counsel, I feel okay with the Mayor's proposed language

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within the Budget provision section, and would support keeping the amendment... amended language for this Fiscal Year, but I would like to request the Budget Director and our Corporation Counsel explain it to the Members if you don't mind. And really quickly, before we went on lunch, I said that we had transmitted questions to the Budget Director. We did not. We transmitted questions to Corporation Counsel, and so that's why Budget Director didn't get an opportunity to explain via written correspondence, but the Corporation Counsel did provide written explanation in CC-2. Okay so, Mr. Ueoka, would you please explain the first part of the amendments to the General Provision...General Budget Provisions?

MR. UEOKA: Yes. Thank you, Chair. So, primarily the part that was amended deals with the bond issuance. So, the Department of Finance, it was wise of them, they worked with the Budget Office and they consulted our bond counsel, and they had them take a look at the language we have in our General Budget Provision. Bond counsel then offered these changes just so what we do lines up...or what it says in our General Budget Provisions lines up with what we're doing in practice, and what is allowed per the IRC. Our office was asked about why a lot of these changes were made and we typically don't get into why things are done, it's the legality of it more or less, so I did not respond as to why the deletion of the next...the last sentence of the first paragraph was made, but the rest of it was made at the advice of our bond counsel when they reviewed it. Thank you, Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Mr. Ueoka. And then, Ms. Yoshimura, will you please explain the second part of the amendments to the General Budget Provisions, please? Mahalo.

MS. YOSHIMURA: Chair, thank you. The last paragraph on Page 39, the deletion was so that I could have the opportunity to revamp the report that's required. Right now you...as part of the Director's quarterly report, all you get is the financials, where it'll show you what's encumbered, what's available, what's been expended. Thought of expanding that report to at least give you a status of the project, an estimated start date, end date, when the notice to proceed was given, other information that would probably be more helpful than just seeing how much they expended in one quarter or, you know, what's the available balance without knowing where the project is at that given point in time. Thank you, Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Ms. Yoshimura. Okay, Members, do you have any questions on the General Budget Provisions? Okay.

VICE-CHAIR KING: Do you need a motion to accept or anything, or are we just...I don't know how formal this document is.

CHAIR RAWLINS-FERNANDEZ: Sure. Then we can make it official.

VICE-CHAIR KING: Okay.

CHAIR RAWLINS-FERNANDEZ: I'll entertain a motion.

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VICE-CHAIR KING: Okay. Move to accept the revised General Budget Provisions financial procedures.

COUNCILMEMBER SUGIMURA: Second.

CHAIR RAWLINS-FERNANDEZ: Okay. Moved by Chair King, seconded by Member Sugimura. Members, discussion? Okay, seeing no discussion, all those in favor, please say "aye."

COUNCILMEMBERS: Aye.

CHAIR RAWLINS-FERNANDEZ: Any opposed? Okay, motion passes unanimously. Okay. Mahalo, Members.

COUNCILMEMBER PALTIN: Chair?

CHAIR RAWLINS-FERNANDEZ: Member Paltin?

COUNCILMEMBER PALTIN: Is it passes with eight and one excused?

CHAIR RAWLINS-FERNANDEZ: Oh, thank you, yes. One excused...okay, so motion passes eight in favor; one excused, Member Sinenci.

VOTE: AYES: Chair Rawlins-Fernandez, Vice-Chair King, and Councilmembers Hokama, Kama, Lee, Molina, Paltin, and Sugimura.

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmember Sinenci.

MOTION CARRIED.

ACTION: APPROVE.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Paltin. Okay, so now you should have received the Fund Balances in that packet that was distributed, and it looks like that. Okay. You'll have also received Member Sinenci's proposed RPT. I'll just go over what it was that was just distributed to you. Okay. And you'll...you received a request and questions from the April 1st meeting. The RLS, the Request for Legal Services for the Fuel Tax resolution, the Bond Ordinance...the Fiscal 2020 Bond Ordinance, and the bill to establish a revolving fund to support the development of experimental and demonstration housing projects. Okay. Alright. Okay, Members, so we have a

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posting deadline at 4:00 p.m. today for the RPT, for the Real Property Tax rates, and so what we decide on will basically be locked in. So, what we vote on today before 4:00, for the posting deadline will be what the rates are gonna be set at. So, on the last page of that Fund Balances that you received, you'll see total Revenue, total Operating budget, and total CIP, and with the proposed...the rates that I proposed on Thursday so that we could get these numbers, it provided an excess of \$19,183,794 and that's of course before we do the additional adjustments if any corrections were found in this two-hour break that we just took. Okay, so the Staff distributed Appendix B, Rates and Fees, as well as the current RPT proposal before the Committee, which was incorporated over the weekend with all of our previous amendments to come up with our current numbers for discussion, decision-making today. And so I recommend we work off of these numbers, and --

VICE-CHAIR KING: Which numbers?

CHAIR RAWLINS-FERNANDEZ: --we figure out...so I'll now open the floor up for discussion, yeah. The reso...the resolution for the RPT.

VICE-CHAIR KING: We're not going over the corrections first? To the Budget Bill?

CHAIR RAWLINS-FERNANDEZ: We have a four o'clock deadline. So, we're gonna take it out of order. My initial plan was to go over corrections first, but in light of our deadline at four o'clock...if Members think that we can get through corrections and vote on RPT before four o'clock, we can do that, but we have to go quickly. Member Paltin?

COUNCILMEMBER PALTIN: Maybe if you want to just do the corrections that involve dollar amounts, as opposed to wording amounts, I think probably we can go through that faster...I mean not wording amounts, but wording corrections.

CHAIR RAWLINS-FERNANDEZ: Provisos.

COUNCILMEMBER PALTIN: Yeah. 'Cause I only seen like minimal dollar amount corrections.

CHAIR RAWLINS-FERNANDEZ: For you?

COUNCILMEMBER PALTIN: It wasn't for my items, but I...what I saw.

CHAIR RAWLINS-FERNANDEZ: Okay.

COUNCILMEMBER LEE: Chair?

CHAIR RAWLINS-FERNANDEZ: Member Lee?

COUNCILMEMBER LEE: Personally, I prefer to get to the tax rates, but if Members can point out the other issues with it, by let's say two o'clock, then, you know, why don't we do it that way and just burn through the rates 'till 4:00?

CHAIR RAWLINS-FERNANDEZ: Okay. I'd be open to that. Chair King?

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VICE-CHAIR KING: Okay, well let me just go over the Office of...

CHAIR RAWLINS-FERNANDEZ: Is this a process that you would --

VICE-CHAIR KING: Oh yeah, yeah.

CHAIR RAWLINS-FERNANDEZ: --like to...

VICE-CHAIR KING: No, I was just gonna give you a correction 'cause there's a...

CHAIR RAWLINS-FERNANDEZ: Okay. Members, any objections to incorporating corrections until 2:00, and then we shift gears and move on to the RPT? Any objections? Member Paltin?

COUNCILMEMBER PALTIN: You're just talking about dollar amount?

CHAIR RAWLINS-FERNANDEZ: Just the dollar amounts, if there's any adjustments to the dollar amount and then we can go back and correct any language to provisos that doesn't affect the balance itself. Okay. Okay, okay. So, I'll start to my right, I'll start with Member Kama. And if you have any corrections that you saw on the Budget Bill, let me know what page, and what the dollar amount that needs to be corrected. And then we'll work our way down to Member Molina. Member Kama?

COUNCILMEMBER KAMA: Chair, I don't have any dollar amount corrections.

CHAIR RAWLINS-FERNANDEZ: Okay, mahalo. Member Sugimura?

COUNCILMEMBER SUGIMURA: Page 29, under Department of Transportation, the second proviso, I'm asking that we actually allocate the \$50,000 for the study because the Department has flat budget this year, and by taking out the 50,000 for the study, it'll impact their Operations, so if it could be at an additional 50,000 added to...

COUNCILMEMBER PALTIN: Operations?

COUNCILMEMBER SUGIMURA: Yeah, to Operations. And not provisoed from, you know, their total funding.

COUNCILMEMBER KAMA: What item are you on?

COUNCILMEMBER SUGIMURA: Oh, I'm sorry. Department...

CHAIR RAWLINS-FERNANDEZ: Page 29 --

COUNCILMEMBER KAMA: What line?

CHAIR RAWLINS-FERNANDEZ: --Department of Transportation.

COUNCILMEMBER SUGIMURA: Sixteen. Kind of in the middle. It says --

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COUNCILMEMBER KAMA: Okay.

COUNCILMEMBER SUGIMURA: --Roman numeral...number...

COUNCILMEMBER KAMA: In red.

COUNCILMEMBER SUGIMURA: Yeah, two. It says provided 50 shall be for a public transit rider fee study, and for it not to be a proviso, but it actually be a 50,000 add.

CHAIR RAWLINS-FERNANDEZ: Okay. Okay, so...

COUNCILMEMBER SUGIMURA: Got it?

CHAIR RAWLINS-FERNANDEZ: And that's under Operations. And so that would be for a new...from \$755,031 to \$805,031. Is that correct, Member Sugimura?

COUNCILMEMBER SUGIMURA: Yeah.

COUNCILMEMBER LEE: Chair?

CHAIR RAWLINS-FERNANDEZ: Member Lee?

COUNCILMEMBER LEE: You know, I don't think this is a good time to be adding. I thought we were doing corrections. If Member Sugimura doesn't mind, maybe we should put that on the side, you know, for now, and if nobody else has things to add then we take it up real quickly. Is that okay, Yuki?

COUNCILMEMBER SUGIMURA: That's fine and I found 50,000 for you. So, under my second item is...I know we had a discussion on the floor, but for item number...

COUNCILMEMBER PALTIN: Page 21.

COUNCILMEMBER SUGIMURA: Oh, Page 21 for King Kekaulike High School.

CHAIR RAWLINS-FERNANDEZ: Oh, yeah.

COUNCILMEMBER SUGIMURA: My painful...

CHAIR RAWLINS-FERNANDEZ: Yeah, it's zero.

COUNCILMEMBER SUGIMURA: It's zero.

CHAIR RAWLINS-FERNANDEZ: Yeah.

COUNCILMEMBER SUGIMURA: Instead of 80. So, I don't know if that can help the general cause.

COUNCILMEMBER LEE: Okay, sounds good to me.

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CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Lee.

COUNCILMEMBER SUGIMURA: I already got attacked on this, by the way. Confronted.

COUNCILMEMBER LEE: Aww, I want to use that.

COUNCILMEMBER SUGIMURA: Huh?

COUNCILMEMBER LEE: Just kidding.

COUNCILMEMBER SUGIMURA: So, we're up 30. Anyway, and...yeah.

CHAIR RAWLINS-FERNANDEZ: So, those two corrections?

COUNCILMEMBER SUGIMURA: Yeah, and I just wanted to make sure that the...on the liquor...the liquor --

CHAIR RAWLINS-FERNANDEZ: What page?

COUNCILMEMBER SUGIMURA: --study...

VICE-CHAIR KING: No, I think we already debated that one.

COUNCILMEMBER SUGIMURA: We did talk about it, and I just want to make sure that it's in there.

CHAIR RAWLINS-FERNANDEZ: Okay, Page 15.

COUNCILMEMBER SUGIMURA: Where it says take out from A, and that covers it, the way that it's worded. Take out from A Account, for B, for the...yeah, Page 15, provided that funds to update Administrative rules shall be moved from A Account to B Account.

CHAIR RAWLINS-FERNANDEZ: Yes.

COUNCILMEMBER SUGIMURA: So that covers it? The 25,000 for this?

CHAIR RAWLINS-FERNANDEZ: Yes.

COUNCILMEMBER SUGIMURA: Okay. Okay, I just don't see the number so I wasn't sure how you accounted for that.

CHAIR RAWLINS-FERNANDEZ: It was incorporated with Member Molina's changes too.

COUNCILMEMBER SUGIMURA: Correct.

CHAIR RAWLINS-FERNANDEZ: That the travel is capped at 27,000, per diem at 23,000...I guess the per diem would come out of salaries, but...

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COUNCILMEMBER SUGIMURA: So, we don't have to write in 25? We had the dollar amount, I guess that's what...

CHAIR RAWLINS-FERNANDEZ: No, it was incorporated.

COUNCILMEMBER SUGIMURA: Okay. Okay.

CHAIR RAWLINS-FERNANDEZ: Okay. Okay, mahalo, Member Sugimura. Member Paltin?

COUNCILMEMBER PALTIN: Member Sugimura got the ones that I did. The only other thing I would say would be number 22, but we can put that, I mean, Page 22, but we can put that on the side. I had thought that we were just going to give them 3 mil without the provisos, but...

COUNCILMEMBER SUGIMURA: Yeah.

VICE-CHAIR KING: Just one proviso.

COUNCILMEMBER PALTIN: But we can do that...talk about that later.

CHAIR RAWLINS-FERNANDEZ: So, those are not provisos. They don't fall under EOC, the (i) Maui County Visitors Association, and then below that it'll say (ii), and then Hana Highway Visitor Education.

COUNCILMEMBER PALTIN: Oh, it's not...okay, got it.

CHAIR RAWLINS-FERNANDEZ: Yeah, it's separate.

COUNCILMEMBER PALTIN: Okay, then nothing.

CHAIR RAWLINS-FERNANDEZ: Those are separate grants.

COUNCILMEMBER PALTIN: I got nothing.

CHAIR RAWLINS-FERNANDEZ: Okay. Mahalo, Member Paltin.

COUNCILMEMBER SUGIMURA: Okay, great.

CHAIR RAWLINS-FERNANDEZ: Member Hokama?

COUNCILMEMBER HOKAMA: Thank you. I would say if we just make a simple adjustment on Page 7 and 9. On seven would be on eight at the bottom, and that we would reduce that by 2 million. And then on nine, under the affordable...

CHAIR RAWLINS-FERNANDEZ: On Page 7, which one, Mr. Hokama?

VICE-CHAIR KING: Affordable Housing.

COUNCILMEMBER HOKAMA: Affordable Housing.

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CHAIR RAWLINS-FERNANDEZ: The transfer to Affordable Housing?

COUNCILMEMBER HOKAMA: Right, right. Adjust that by 2 million.

CHAIR RAWLINS-FERNANDEZ: Reduce it by 2 million?

COUNCILMEMBER HOKAMA: And then...yeah, on seven. And then on Page 9, we have Affordable Housing Fund.

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

COUNCILMEMBER HOKAMA: Yeah. Put that...so I was just going put the 2 million then that way it's just a, you know, a transaction ledger thing.

CHAIR RAWLINS-FERNANDEZ: On Page 9, which program?

COUNCILMEMBER HOKAMA: Under Page 9...

VICE-CHAIR KING: Number two under Housing Program?

CHAIR RAWLINS-FERNANDEZ: The Grants and disbursements for affordable rental housing programs?

COUNCILMEMBER HOKAMA: The 2 million on Page 9, I was going to add and then take it from...and then just do a subtraction from Page 7, transfer. We would've...we save, we save each a transaction.

VICE-CHAIR KING: Where's it going?

COUNCILMEMBER HOKAMA: So, one goes down, right, by 2 million, and then the big pot, right.

COUNCILMEMBER KAMA: Okay.

VICE-CHAIR KING: Chair? Question.

CHAIR RAWLINS-FERNANDEZ: Chair King?

VICE-CHAIR KING: I thought that on page...

COUNCILMEMBER HOKAMA: Six. Yeah.

VICE-CHAIR KING: Oh, sorry. Are you done? I just had a question.

COUNCILMEMBER HOKAMA: Yeah.

VICE-CHAIR KING: Okay, so I thought the line eight on Page 7 was supposed to be --

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CHAIR RAWLINS-FERNANDEZ: The four percent, yes.

VICE-CHAIR KING: --4 percent. So, we don't really know what that figure is, but if we go with 4 percent are we saying 4 percent minus... 'cause it all depends on what the RPT ends up being, right? It's supposed to be --

COUNCILMEMBER KAMA: Yeah.

VICE-CHAIR KING: --4 percent of RPT revenues?

CHAIR RAWLINS-FERNANDEZ: Ms. Yoshimura?

VICE-CHAIR KING: How do we figure that figure?

MS. YOSHIMURA: It has to be 2 percent by Charter.

VICE-CHAIR KING: Two percent or more --

MS. YOSHIMURA: Two percent or more.

VICE-CHAIR KING: --and we decided to go with 4 percent.

MS. YOSHIMURA: Correct. So...

VICE-CHAIR KING: So, that figure is not set until we do the RPT, or?

MS. YOSHIMURA: That figure is not set until you do the RPT, but as long as you put in the minimum 2 percent --

VICE-CHAIR KING: Okay.

MS. YOSHIMURA: --you could adjust --

VICE-CHAIR KING: Okay.

MS. YOSHIMURA: --the other two.

VICE-CHAIR KING: So we would want to save 4 percent minus 2 million there. And then figure out what it is there?

MS. YOSHIMURA: Yeah, it's what it sounds like, yeah. Two percent...4 percent calculation minus \$2 million.

VICE-CHAIR KING: Two million. And then put the 2 million on Page 9.

MS. YOSHIMURA: On Page --

VICE-CHAIR KING: Under, I think --

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MS. YOSHIMURA: --9 for the First-Time Homebuyers?

VICE-CHAIR KING: --under 9B --

COUNCILMEMBER HOKAMA: Yeah

VICE-CHAIR KING: --under Housing Program. So, we would increase that grants and disbursements for affordable rental housing programs.

MS. YOSHIMURA: Well, I think you're moving the...

VICE-CHAIR KING: No, no, which one are you moving it to?

CHAIR RAWLINS-FERNANDEZ: Member Hokama, are you...is your intent to move First-Time Homebuyers Program to Affordable Housing Fund? On Thursday we voted to remove it from the Affordable Housing Fund because it doesn't exactly --

COUNCILMEMBER HOKAMA: Line...

CHAIR RAWLINS-FERNANDEZ: --line up with the ordinance --

COUNCILMEMBER HOKAMA: Okay.

CHAIR RAWLINS-FERNANDEZ: --language.

COUNCILMEMBER HOKAMA: Okay. That's fine.

COUNCILMEMBER KAMA: First-Time Homebuyers to four?

COUNCILMEMBER HOKAMA: No.

CHAIR RAWLINS-FERNANDEZ: The intention --

COUNCILMEMBER KAMA: Leave 'em.

CHAIR RAWLINS-FERNANDEZ: --was to --

COUNCILMEMBER HOKAMA: Yeah.

CHAIR RAWLINS-FERNANDEZ: --to move it out from General Fund, into the Affordable Housing Fund. Yeah, that's what he was trying to do.

COUNCILMEMBER HOKAMA: I'm just trying to cut \$20 million.

COUNCILMEMBER KAMA: I know.

VICE-CHAIR KING: Okay, so are we leaving this at 4 percent then?

CHAIR RAWLINS-FERNANDEZ: Yes.

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VICE-CHAIR KING: On Page 7?

CHAIR RAWLINS-FERNANDEZ: Right.

VICE-CHAIR KING: Okay.

CHAIR RAWLINS-FERNANDEZ: Member Hokama, did you have any other corrections?

COUNCILMEMBER HOKAMA: No, not at this time. Thank you.

CHAIR RAWLINS-FERNANDEZ: Okay. Mahalo, Member Hokama. Chair King?

VICE-CHAIR KING: Okay. I have a correction on the first page, Page 2. I'm not sure...so I got your correction which went down even further, I'm not sure what happened there, but on the...the one that we were given earlier today, the new figure under Council Services Program, which is item number two, adds 552,990 which doesn't cover all these three provisos. So it covers the...what it covers is putting the transcription services back in, the budgeting software, and the 45,000 that I proposed, but it doesn't put any money in here for the Housing Authority, so I just wanted to find out what the body wants to do. If they want to...I mean I know that, I think we agreed to refer that to committee, but I don't know if the body meant to fund it and refer it to committee or refer it to committee and come back later or next year. And then the other part of that is it looks like the County Auditor Program was...had 45,000 deducted which I don't know what that was for, but if it was for the Council, I'd rather keep that. I'd rather not cut their budget to give the Council Offices more money. So on Page 3, can we reinstate that 45,000 so that the total Operations would be 833,133?

COUNCILMEMBER KAMA: It's in the amended one.

VICE-CHAIR KING: Okay, but the amended one has a...it took it out of there and it took it out of Council Services. So, if you look at the amended one, the Council Services is another \$45,000 less.

COUNCILMEMBER PALTIN: When they sent that?

VICE-CHAIR KING: So now it's --

COUNCILMEMBER SUGIMURA: Oh, today.

VICE-CHAIR KING: --now we're going backwards.

CHAIR RAWLINS-FERNANDEZ: Okay. So, for the County Auditor Program would you...I think that was just a mistake.

VICE-CHAIR KING: Okay.

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CHAIR RAWLINS-FERNANDEZ: It was supposed to have been taken out of the OCS Audits section, and not the County Auditor.

VICE-CHAIR KING: Okay, that was a mistake.

CHAIR RAWLINS-FERNANDEZ: Right?

VICE-CHAIR KING: Yeah, I guess.

CHAIR RAWLINS-FERNANDEZ: Okay.

VICE-CHAIR KING: So, but then the corrected version took another 45,000 out of Operations.

CHAIR RAWLINS-FERNANDEZ: Okay.

VICE-CHAIR KING: So, I'm not sure why they did that. But if you go back to the copy that you gave us originally, it covers all the expenses except it doesn't have an additional 150,000 for the Housing Authority feasibility study. So, I just want to make sure that the body understands that and that we can still find, you know, we can take out of something else but I'm just not sure what the scope of this is going to end up being, so.

CHAIR RAWLINS-FERNANDEZ: Okay.

VICE-CHAIR KING: And I'm okay with just leaving it like that but just wanted the body to understand that there's no additional funding in Office of the County Council for the Housing Authority feasibility study.

CHAIR RAWLINS-FERNANDEZ: Okay. So...

COUNCILMEMBER KAMA: So, could we...

CHAIR RAWLINS-FERNANDEZ: I'm gonna take it up one at a time just so that it's clean that we understand what it is that we're agreeing to in the next nine minutes. Okay, so on Page 3, County Auditor Program, in the corrected version that was distributed it reinstates the 45...restores the 45,000 to the County Auditor Program. Is there any objection to doing that?

COUNCILMEMBERS: No objections.

CHAIR RAWLINS-FERNANDEZ: Okay, so that'll remain at \$833,133. Okay, the second part of it is on Page 2. Member Kama proposed doing a Housing Authority feasibility study for \$150,000 but was that...was your intent, Member Kama, was your intention to add \$150,000 for --

COUNCILMEMBER KAMA: Yes.

CHAIR RAWLINS-FERNANDEZ: --this study?

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COUNCILMEMBER KAMA: Yes.

CHAIR RAWLINS-FERNANDEZ: Okay, so it would be an additional 150,000 to Operations.

COUNCILMEMBER KAMA: Yes.

CHAIR RAWLINS-FERNANDEZ: Okay. I guess, is there any --

VICE-CHAIR KING: So --

CHAIR RAWLINS-FERNANDEZ: --objection to...

VICE-CHAIR KING: --can I...to further complicate --

CHAIR RAWLINS-FERNANDEZ: Chair King?

VICE-CHAIR KING: --matters like...okay, so when I was looking at the original that you gave us which brought the total up to, Operations to 2,559,646, if we went ahead and found the extra 45,000 out of other parts of the Budget, which gives the 5,000 extra to each Council office, then we would be 105,000 short for the...in other words that 45,000 could go towards the Housing Authority feasibility study, so we'd be \$105,000 short.

CHAIR RAWLINS-FERNANDEZ: Okay, so your proposal is to add 105,000 to Operations --

VICE-CHAIR KING: If we want to --

CHAIR RAWLINS-FERNANDEZ: --to cover the study?

VICE-CHAIR KING: --fund that, right. If we want to fund that feasibility study, then it would be an additional just 105, and I think we could just find the other 45 --

CHAIR RAWLINS-FERNANDEZ: Okay.

VICE-CHAIR KING: --out of the existing...

CHAIR RAWLINS-FERNANDEZ: I'll entertain a motion.

VICE-CHAIR KING: Okay, I'll move that we add 105,000 to the Operations budget of the Maui County Council, which...let me figure out what that is now.

CHAIR RAWLINS-FERNANDEZ: Two million, six hundred...

VICE-CHAIR KING: Okay, 2,614,646.

COUNCILMEMBER KAMA: Second.

CHAIR RAWLINS-FERNANDEZ: Okay. I think is it 2,619,000? The five plus four.

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VICE-CHAIR KING: Okay, so I was adding...

CHAIR RAWLINS-FERNANDEZ: Two million, five hundred fourteen thousand.

VICE-CHAIR KING: I was adding 105,000 to that 2,559,646 figure.

CHAIR RAWLINS-FERNANDEZ: Got it, okay. Okay, moved by Chair King.

COUNCILMEMBER KAMA: Second.

CHAIR RAWLINS-FERNANDEZ: Seconded by Member Kama. Discussion? Okay, all those in favor, please say "aye."

COUNCILMEMBERS: Aye.

CHAIR RAWLINS-FERNANDEZ: Any opposed? Okay, motion passes with eight "ayes," and one excused.

**VOTE: AYES: Chair Rawlins-Fernandez, Vice-Chair King, and
Councilmembers Hokama, Kama, Lee, Molina,
Paltin, and Sugimura.**

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmember Sinenci.

MOTION CARRIED.

ACTION: APPROVE.

CHAIR RAWLINS-FERNANDEZ: Okay, are there any other corrections? Chair King?

VICE-CHAIR KING: You know I just had a question because I'm not sure if this is a correction, and I just got...because there's no details on this one on Page 13. There's a...under the Substance Abuse Programs, there's a proviso that 75,000 is for substance abuse education program, and then we added 200,000. So, I wasn't sure if that was a correction or if there's something else in there that doesn't show up here.

COUNCILMEMBER LEE: No, we went over that. That was mine. I had called...originally, I called that the Kekona project.

VICE-CHAIR KING: Do we need to...

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CHAIR RAWLINS-FERNANDEZ: Yeah.

VICE-CHAIR KING: Do we need another proviso in there then? Is that...there's another 125,000 for that?

CHAIR RAWLINS-FERNANDEZ: Yeah, we added that.

COUNCILMEMBER LEE: Yes.

VICE-CHAIR KING: Oh, okay.

COUNCILMEMBER LEE: Originally, I had asked for a million dollars for the Homeless Program and then I moved 300 to homeless and 200 to substance abuse, and I only provisoed a portion of the additional money for substance abuse in case other new programs --

VICE-CHAIR KING: Okay.

COUNCILMEMBER LEE: --became available.

VICE-CHAIR KING: Okay. Got it. Got it. That's...those are the only questions I had.

CHAIR RAWLINS-FERNANDEZ: Okay. Mahalo, Chair King.

VICE-CHAIR KING: Thank you.

CHAIR RAWLINS-FERNANDEZ: Okay. Member Lee?

COUNCILMEMBER LEE: No changes.

CHAIR RAWLINS-FERNANDEZ: Okay, no changes. Member Molina?

COUNCILMEMBER MOLINA: Yeah, Madam Chair, just a clarification for Page 15, under Liquor. The LCO positions came with the understanding that these three positions, the LCO I, II, and IV would not be funded.

CHAIR RAWLINS-FERNANDEZ: Yes.

COUNCILMEMBER MOLINA: Just wanted to make sure that...

CHAIR RAWLINS-FERNANDEZ: Yes, for a total of \$137,760.

COUNCILMEMBER MOLINA: Correct. Okay, thank you. And then one more, just a clarification on a --

CHAIR RAWLINS-FERNANDEZ: Okay.

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COUNCILMEMBER MOLINA: --proviso. Page 32, under Solid Waste Management Fund, number two, this is related to the, you know, my proposal to reduce the trash fee from \$5 to \$4, and to cover that \$117,000 shortfall. I don't see the proviso written in there. The proviso again was to take 50,000 from the Solid Waste Fund to Bonds, and then that was related to that project CBS-5502. And then changing the funding related to project 5493, changing to 67,000 in Bonds, so you have that \$117,000 made up in Bonds, yeah, so the projects could move forward. I have it in writing if Staff would like that again. I thought I gave it to Staff on that other night, but if they need it again, I can share it with them.

CHAIR RAWLINS-FERNANDEZ: Okay, we have it.

COUNCILMEMBER MOLINA: You do have it? Okay, yeah. I just want to make sure that was in and the Members have an understanding of how we make up that \$117,000 shortfall.

CHAIR RAWLINS-FERNANDEZ: Okay.

COUNCILMEMBER MOLINA: And that's it.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Molina. Okay. So...yes, well, one last one. So, we just received new information that Bargaining Unit 1 on Thursday ratified a tentative agreement, so it's the UPW, and so it was for \$230,000 that we would add under Finance, Countywide Cost, page...Budget Details 6-48, and so under Fringe, Terminal Pay Salary Adjustments, we would add \$230,000. Any objections?

COUNCILMEMBERS: No objections.

CHAIR RAWLINS-FERNANDEZ: Okay. Okay, so we'll add that 230,000 for the salary adjustments for Bargaining Unit number 1. Okay. Okay, good job, Members.

COUNCILMEMBER PALTIN: Is...

CHAIR RAWLINS-FERNANDEZ: Member Paltin?

COUNCILMEMBER PALTIN: Is there a place that it would be in the bills?

CHAIR RAWLINS-FERNANDEZ: Yes, so it would be on...what was that page?

COUNCILMEMBER PALTIN: Seven?

CHAIR RAWLINS-FERNANDEZ: Page 7, I think. Under F, Countywide Costs, Fringe Benefits. So, we would add 230,000. Ms. Yoshimura, is this also where we would add the 50,000...no, Equipment, for the new E/Ps that the Members added to the Budget, under Countywide Costs?

MS. YOSHIMURA: Chair, yes, on Page 7 under General Costs, you would add, I guess, you would split that with Operations and with Equipment.

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CHAIR RAWLINS-FERNANDEZ: Okay, under number nine, General Costs?

MS. YOSHIMURA: Yes.

CHAIR RAWLINS-FERNANDEZ: Okay. Operations?

MS. YOSHIMURA: Operations for the PPEs and if you're allowing for computer or hardware then it would be under Equipment, under C.

CHAIR RAWLINS-FERNANDEZ: Okay. So, would it be the even 30, 20? Okay. Okay, so, Members, the proposal is to add under Finance...on Page 7 under Finance, Countywide Costs number nine, to add 30,000 under Operations Category B, and 20,000 under Category C, Equipment. And that's to account for all the new E/Ps that Members proposed so that they would have all the equipment...the necessary equipment...like uniforms, desk --

COUNCILMEMBER PALTIN: PPE.

CHAIR RAWLINS-FERNANDEZ: --you know, yeah, computer, and so they would be set up. Okay, Member Lee?

COUNCILMEMBER LEE: And would that include fringe benefits?

CHAIR RAWLINS-FERNANDEZ: I believe the fringe benefits were calculated and added.

COUNCILMEMBER LEE: Okay, thanks.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Lee. Okay, so...Member Sugimura?

COUNCILMEMBER SUGIMURA: So, I want to...that...I want to add under 16, which is grants to County Veterans Council a...

CHAIR RAWLINS-FERNANDEZ: Member Sugimura, I'm gonna close this up first. It's a new thing that you're asking --

COUNCILMEMBER SUGIMURA: Well --

CHAIR RAWLINS-FERNANDEZ: --yeah?

COUNCILMEMBER SUGIMURA: --it's connected to this.

CHAIR RAWLINS-FERNANDEZ: Oh, okay.

COUNCILMEMBER SUGIMURA: So of that 30,000 leftover, I want to take 2,000 and add it to the Nisei Veteran Memorial Center to do Kirk Kurokawa mural. So, if you could add that 2,000 for right there under two, Grant to Maui County Veterans Council. Roman numeral two, if you could just add 2,000 for that. I'll give Members the verbiage.

CHAIR RAWLINS-FERNANDEZ: This is a new proposal?

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COUNCILMEMBER SUGIMURA: Yeah.

CHAIR RAWLINS-FERNANDEZ: We're not doing new proposals. We're just doing the adjustments for the proposals already made.

COUNCILMEMBER SUGIMURA: Even if there's an item already in the Budget, so it's not a brand new. I'm just adding another \$2,000 for them.

CHAIR RAWLINS-FERNANDEZ: Okay.

VICE-CHAIR KING: Chair?

CHAIR RAWLINS-FERNANDEZ: Let me...I'm gonna close this up first.

COUNCILMEMBER SUGIMURA: Okay, okay.

CHAIR RAWLINS-FERNANDEZ: Okay, I'll entertain a motion under Finance, Countywide Costs, number nine, General Costs, to add 30,000 under Category B, Operations, and 20,000 under Category C, Equipment so that the approximate 20-ish new E/Ps that the Members proposed will have all the equipment and anything that they'll need to hit the ground running.

COUNCILMEMBER PALTIN: So moved.

COUNCILMEMBER SUGIMURA: Second.

CHAIR RAWLINS-FERNANDEZ: Mahalo. Moved by Member Paltin seconded by Member Sugimura. Discussion? Okay, seeing none. All those in favor please say "aye."

COUNCILMEMBERS: Aye.

CHAIR RAWLINS-FERNANDEZ: Any opposed? Okay, motion passes with eight "ayes;" one excused, Member Sinenci.

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VOTE: **AYES:** **Chair Rawlins-Fernandez, Vice-Chair King, and Councilmembers Hokama, Kama, Lee, Molina, Paltin, and Sugimura.**

NOES: **None.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **Councilmember Sinenci.**

MOTION CARRIED.

ACTION: **APPROVE.**

CHAIR RAWLINS-FERNANDEZ: Okay, Member Sugimura?

COUNCILMEMBER SUGIMURA: So, if I could, so the add 2,000 page, the Nisei Veterans...

COUNCILMEMBER LEE: Madam Chair?

CHAIR RAWLINS-FERNANDEZ: Member Lee?

COUNCILMEMBER LEE: Yeah, if Member Sugimura doesn't mind, I'll be happy to give it...the 2,000 from my cultural account.

COUNCILMEMBER SUGIMURA: To make it simpler.

COUNCILMEMBER LEE: Yeah, okay.

COUNCILMEMBER SUGIMURA: Okay. If it's going to...

COUNCILMEMBER LEE: Yeah, it'll move things along faster, okay.

COUNCILMEMBER SUGIMURA: Thank you.

COUNCILMEMBER LEE: You're welcome.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Sugimura. Mahalo, Member Lee. We'll make that adjustment.

COUNCILMEMBER SUGIMURA: I know, that's why she's our best friend.

VICE-CHAIR KING: Chair?

CHAIR RAWLINS-FERNANDEZ: Okay. Chair King?

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VICE-CHAIR KING: Just to restate that I think some of us have proviso adjustments too, for that fund so we can do those later?

CHAIR RAWLINS-FERNANDEZ: Yes, because it won't change the balance. It'll remain 140.

VICE-CHAIR KING: 'Cause I just wanted to remind everybody that we all...we just added another 50,000 on top of the other 50,000, so.

CHAIR RAWLINS-FERNANDEZ: Oh, okay. Okay, so that was all the adjustments. And now we'll move to the resolution, the RPT resolution. Okay, so I'll open the floor to discussion.

COUNCILMEMBER LEE: Madam Chair?

CHAIR RAWLINS-FERNANDEZ: Member Lee?

COUNCILMEMBER LEE: I just wanted to get clarification. If we are making proposals or changes, it'll be to your proposal, right?

CHAIR RAWLINS-FERNANDEZ: Yes.

COUNCILMEMBER LEE: Okay. Just checking, thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Lee.

COUNCILMEMBER HOKAMA: Chair?

CHAIR RAWLINS-FERNANDEZ: Member Hokama?

COUNCILMEMBER HOKAMA: From viewing the...one, two, three, four...four proposals, I'm going to submit a proposal at this time that I'll be happy to give short comment to about why, and then Members can decide whether or not they want to use it or not.

CHAIR RAWLINS-FERNANDEZ: Okay. Would you like to take a short recess to make copies?

COUNCILMEMBER HOKAMA: No, we can just pass it out, Chair.

CHAIR RAWLINS-FERNANDEZ: Okay. Mahalo.

COUNCILMEMBER HOKAMA: So, I'll start, Chair, to save time. My proposal goes based on reviewing tax categories...tax rates over a number of years, and that my general forecast hasn't been too often too wrong. So, I propose something I think that can be sustainable. It's gonna hurt, but if we believe in preparing our finances to be able to not only consider, but actually pay for the shoreline litigation hardening work that will be required, especially to our biggest tax generators, then we need to make serious decisions sooner than later. So, what I'm proposing is something that adjusts all tax categories, everyone gets impacted, even Homeowners, Conservation, Agriculture, but this is what I believe currently is a fair base to start any discussion from. I've adjusted

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with the Hotel Resort, Short-Term Rental, as well as Time Share, in recognition of the adjustment of times, but their role yet to still pay their fair share to the overall Real Property Tax program. So, you see my proposal generates about another \$20 million in property tax revenues, which is slightly over 5 percent more than what the Mayor has currently proposed. Again, for our people, 5 percent more than what the Mayor is asking for you to already pay, is my proposal. That is what I believe it will take, again, to put forward our necessary cash in the right components regarding obligations, appropriate amount of emergency funds, ability to pay what we know now that will be about the standard requirements for collective bargaining. But still yet, Chair, the ability to borrow smartly, and start those projects we need desperately for the shoreline. And I think the two big generators, South Maui and West Maui, are the two districts I'm looking at for the shoreline projects. That's where our revenues generate from, or we'll go back to the 60's, and Central Maui will again be the dependent region to pay for the County's requirements. So, I'm just preparing for long-term, how we may be able to approach this. It's just one person's proposal, Chair. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Hokama. Member Kama, would you like to speak to the proposal that you distributed before break?

COUNCILMEMBER KAMA: No, Chair, I think everybody has had it in their possession for quite some time and I'm sure they've looked at it. Thank you, Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Kama. Okay, and then there's also Member Sinenci's proposal that was distributed. Member Molina?

COUNCILMEMBER MOLINA: Yeah, Madam Chair, I'd like to just offer the Committee and for the Members my proposal, for what it's worth. Since everybody else is doing it, I might as well jump in.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Molina. Oh, okay, would you like to take a quick recess to make copies? Okay, it sounds like the body is saying yes, they would like a copy. Member Paltin?

COUNCILMEMBER PALTIN: Before we take a recess can I ask a question?

CHAIR RAWLINS-FERNANDEZ: Yes.

COUNCILMEMBER PALTIN: You know, for like, we're kind of discussing like short-term rentals and the need for long-term rentals, is...does any of these proposals distinguish if homes are being rented out for long-term use, that the owner would get any kind of break on it, or they would just get the Residential rate if it's a long-term rental? Is there any clarification, like, 'cause my understanding is Residential is mostly second homes that aren't being used as short-term rentals, so it would be either vacant or a long-term rental, and if it's a long-term rental, that's what we like to see because we need more of those. If it's a second home with no rental going on, then that's like an investment or something, which West Maui has a lot of second homes that are just vacant. So, I mean, is there any way to distinguish between residential long-term rental and residential second home, personal vacation home?

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CHAIR RAWLINS-FERNANDEZ: I guess we heard from Director Teruya, you know, the different kind of situations that each category has within it. And so, I think what you're speaking to would definitely be like a Legislative action we can take for the next...moving to the next Budget.

COUNCILMEMBER PALTIN: So, at this time no more?

CHAIR RAWLINS-FERNANDEZ: So that it can...we can tighten that up, tighten up that language and incentivize long-term. But right now, it's --

COUNCILMEMBER PALTIN: No more.

CHAIR RAWLINS-FERNANDEZ: --you heard Director Teruya. Yeah.

COUNCILMEMBER PALTIN: Okay. That like, if you do a long-term lease in writing, then they can get a homeowner exemption for their long-term rental.

CHAIR RAWLINS-FERNANDEZ: For apartments?

COUNCILMEMBER PALTIN: In Residential.

CHAIR RAWLINS-FERNANDEZ: Mr. Ueoka?

MR. UEOKA: Thank you. No, the Budget doesn't contain those provisions right now, you'd have to, as the Chair mentioned, make a separate proposal. It should probably be thoroughly discussed in committee as it's never that simple to just throw some language together and do this type of thing. There's a lot of loopholes and stuff that you wanna make sure aren't exposed. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Mr. Ueoka.

COUNCILMEMBER PALTIN: Okay. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Paltin. Chair King?

VICE-CHAIR KING: Thank you, Chair. Do we have a number that we know that we need to use to balance? Because we have the total Council operating expenses and I think there's some probably minor adjustments to that, after the corrections today, and then the total Council CIP, but our...do we know how much of that is Bond Funded, and how much of it is General Fund, or are coming out of some of these other funds?

CHAIR RAWLINS-FERNANDEZ: So, all of that is broken out in Page 1, 2, and 3, all the different funds that is being...

VICE-CHAIR KING: Okay, but...you don't have a one total that we're trying to balance out the RPT against?

COUNCILMEMBER LEE: Chair?

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CHAIR RAWLINS-FERNANDEZ: Member Lee?

COUNCILMEMBER LEE: These number are still a little preliminary because there are adjustments to be made.

CHAIR RAWLINS-FERNANDEZ: Right.

COUNCILMEMBER LEE: But based on your handout, the one that didn't have the cover page, the ordinance, you have the Mayor's total of 780,769,839 and then your total of 822,973,133 a difference of \$42,203,294. So I'm assuming that's the number that we're chasing after the...but I know some minor adjustments have to be made. Oh, she has it all broken up. So, the Operating and Capital Improvement Projects...I'm assuming that we with all the add-ons, roughly amounts to 5 percent, yeah. So, we needed to increase our revenues approximately --

CHAIR RAWLINS-FERNANDEZ: Yes.

COUNCILMEMBER LEE: --by 5 percent.

CHAIR RAWLINS-FERNANDEZ: Yes.

COUNCILMEMBER LEE: And that number generally speaking is \$42,203,294. So, what we need to know from everybody who proposes their rate changes, what this adds up to, yeah. And then once we know what everybody's adds up to, then we'll know whether we have enough to cover that 5 percent, yeah?

CHAIR RAWLINS-FERNANDEZ: Yeah, that's correct.

COUNCILMEMBER LEE: Alright, thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Lee. And I added some of the adjustments that we just made, so minus the 80,000 plus 230,000 plus 105,000 and plus 50,000 and so where it had the balance here it's 19,488,794. One nine, four eight eight, seven nine four. Nineteen million, four hundred eighty-eight thousand, seven hundred and ninety-four.

COUNCILMEMBER LEE: Madam Chair, is that the difference? So, that's...

CHAIR RAWLINS-FERNANDEZ: That was incorporating the adjustments that we just made.

COUNCILMEMBER LEE: Okay.

COUNCILMEMBER PALTIN: That's...

COUNCILMEMBER LEE: Would we deduct that from the 42 million that I just talked about? Instead of 5 percent, it would just be 2½, or 3 percent?

CHAIR RAWLINS-FERNANDEZ: No, I think you were still correct.

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COUNCILMEMBER LEE: Oh, okay.

CHAIR RAWLINS-FERNANDEZ: I was just saying what...over the amount that we made.

COUNCILMEMBER LEE: Okay, thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Lee. Member Paltin?

COUNCILMEMBER PALTIN: Can you repeat what that 19 million number represents?

CHAIR RAWLINS-FERNANDEZ: So, the total Revenue, minus the total Operating budget, minus the total CIP, and then our adjustments which was minus 80,000 plus 230,000 plus 105,000 plus 50,000 came out with a balance of \$19,488,794 which means that we would then bring down the rates by the 19 million and then it would break even, basically. Member Lee?

COUNCILMEMBER LEE: Thank you. So, pretty much we can start shaving or trimming some of these rates then.

CHAIR RAWLINS-FERNANDEZ: Yes.

COUNCILMEMBER LEE: Yeah? Okay. Good, thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Lee.

COUNCILMEMBER PALTIN: And...

CHAIR RAWLINS-FERNANDEZ: Member Paltin?

COUNCILMEMBER PALTIN: We're trimming it...the...we're doing the trimming off of your proposal?

CHAIR RAWLINS-FERNANDEZ: Yeah. We can work off of that. Okay, and that's the...

COUNCILMEMBER PALTIN: Update number three.

CHAIR RAWLINS-FERNANDEZ: Yeah.

COUNCILMEMBER PALTIN: Okay.

CHAIR RAWLINS-FERNANDEZ: Update number three. And any preliminary numbers we come up with, I can also have my office run those numbers so we see where we're at, if that would be helpful to the body.

VICE-CHAIR KING: Chair?

CHAIR RAWLINS-FERNANDEZ: Chair King?

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VICE-CHAIR KING: I just want to make sure I'm really clear on this. So, the \$19,488,794 is how much over the Mayor's Budget we are? Or...

CHAIR RAWLINS-FERNANDEZ: That's the total revenue that was generated with the rates that I proposed on Thursday. It was the Operating...

VICE-CHAIR KING: Oh, the 19 million?

CHAIR RAWLINS-FERNANDEZ: Yeah.

VICE-CHAIR KING: Oh, I'm sorry.

CHAIR RAWLINS-FERNANDEZ: Yeah.

VICE-CHAIR KING: Okay, I got confused there. Okay, so I guess what I want to know is when you look on the back and it says total Capital Improvement Project appropriations, and we have 153,039,826 how much of that is bond funded and how much of it is actually General Fund? So, how much of that do we need...how much more in Capital Improvement Projects do we have to raise in RPT? Do we have that figure?

CHAIR RAWLINS-FERNANDEZ: On Page 3, where it says Bonds Revenue, its eighty-five thousand [sic], six hundred forty-seven thousand dollars. Oh, what did I say? Eighty-five million, six hundred forty-seven...did I say thousand two times...85,647,000.

VICE-CHAIR KING: On Page 3 of what?

CHAIR RAWLINS-FERNANDEZ: The Fund Balances.

VICE-CHAIR KING: Oh that, okay. Okay, Fund Balance. Okay. So, that's the bond...that's the, those are the Bond-funded projects that we would subtract from CIP?

CHAIR RAWLINS-FERNANDEZ: You want to know how much the bonds is, yeah?

VICE-CHAIR KING: Actually, the number I'm trying to get to is how much more in General Funds are we putting into CIP than the Mayor's Budget?

CHAIR RAWLINS-FERNANDEZ: Sixty-seven million, three hundred ninety-two thousand, eight hundred and twenty-six.

VICE-CHAIR KING: Sixty-seven million we're adding?

CHAIR RAWLINS-FERNANDEZ: Yeah. 'Cause the bond is 85,647,000 minus the 153.

VICE-CHAIR KING: Okay, so we subtract that from the 153.

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CHAIR RAWLINS-FERNANDEZ: Okay, and just for Member's clarification, that amount...the 85 million under Bond Revenue also includes the CIPs that were appropriated and not authorized.

UNIDENTIFIED SPEAKER: . . . *(inaudible)*. . .

CHAIR RAWLINS-FERNANDEZ: It includes it, yes, because we appropriated it.

COUNCILMEMBER LEE: Madam Chair?

CHAIR RAWLINS-FERNANDEZ: Member Lee?

COUNCILMEMBER LEE: I don't know, it might be easier if you suggested your trimming, and then --

CHAIR RAWLINS-FERNANDEZ: Okay.

COUNCILMEMBER LEE: --we can take a look at that.

CHAIR RAWLINS-FERNANDEZ: Sure.

COUNCILMEMBER LEE: Okay.

CHAIR RAWLINS-FERNANDEZ: Okay. We'll just...we'll take a brief recess. Members, any objection?

COUNCILMEMBERS: No objections.

CHAIR RAWLINS-FERNANDEZ: Okay. Okay, it's 2:23, we'll take a brief recess at the call of the Chair. It's April 29th, and the Economic Development and Budget Committee is now in recess. . . . *(gavel)*. . .

RECESS: 2:23 p.m.
RECONVENE: 2:59 p.m.

CHAIR RAWLINS-FERNANDEZ: . . . *(gavel)*. . . Will the Economic Development and Budget Committee please return to order. It is 2:59 on April 29th and we left off discussing the RPT rates, Real Property Tax rates. Oh...what's that? Okay. Okay, so what's being distributed is the Chair's proposed rates and I used everyone's proposals, and I got an average. So, I took everyone's proposals and I...in the spirit of continuing to work together and collaboratively, I incorporated everyone's idea together and got an average.

COUNCILMEMBER LEE: Very good.

CHAIR RAWLINS-FERNANDEZ: So, what you see is actually a little less than what was the average, because even with the average, it came out to too much, and so I brought down from the average, Time Share and Hotel to the rates that you see before you. And what you'll see is the rates...the new proposed rates will generate \$355,011,105

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which is \$16,888,138 more than the Mayor's proposed rates. And for what we proposed in the...to add to the Budget came out to \$352,021,959. What we haven't discussed yet is the special revenue...Special Funds which some will need adjusting and in adding up all the shortfalls of those different funds, it came out to \$806,931. So, the amount that we would need is \$352,828,890 and that would cover all the shortfalls in the Special Funds, which would give us a buffer of 2,182,215 and with that buffer, because these rates, once we set them today, will be the rates, that'll help to make sure that any oversight...like one that was just brought to my attention by Member Sinenci's Office, which is \$100,000 that wasn't accounted for on Page 27, and so just kind of, you know, like stuff like that it'll account for. And then any additional funds, you know, by first reading we could put it toward the Affordable Housing Fund, or we could pay down our OPEB debt, so those are some ideas. Member Lee?

COUNCILMEMBER LEE: Thank you, Madam Chair. Yeah, I would suggest paying down our debt, putting it in Countywide Costs if need be because we don't know the exact number, yeah, so we just have an idea. So, can you repeat that number again, that 352 something?

CHAIR RAWLINS-FERNANDEZ: Absolutely. Okay, so would you like it with the shortfalls from the different special funds?

COUNCILMEMBER LEE: No, just the totals please. Or is it broken down?

CHAIR RAWLINS-FERNANDEZ: So, we haven't...we're gonna have to adjust for the shortfalls in the Special Funds. So, some of the projects that we proposed added more cost to some of the Special Funds, and so we'll either have to do an interfund transfer from General Fund to make up for those shortfalls, or we would have to go into the projects and reduce the cost so that it would balance out to zero. And so with the shortfalls, it's 352 million, so three five two, eight two eight, eight nine zero. And when I subtract that from the total revenue that you received from the new proposed rates, we get an excess of \$2,182,215, two, one eight two, two one five.

COUNCILMEMBER LEE: So, are we ready to...well, I'm assuming that we're gonna move general funds to cover the special fund shortfall, so are we like ready to vote on the rates?

CHAIR RAWLINS-FERNANDEZ: I was opening it for discussion, if Members are ready to vote, we can vote.

VICE-CHAIR KING: Chair?

CHAIR RAWLINS-FERNANDEZ: Member Lee, are you pau?

COUNCILMEMBER LEE: . . .*(inaudible)*. . .

CHAIR RAWLINS-FERNANDEZ: Okay, mahalo. Chair King?

VICE-CHAIR KING: Okay, so the number that we're looking at on this new proposal from 233 says that the proposed tax revenue from your proposal is 371,510,753?

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CHAIR RAWLINS-FERNANDEZ: No, the newest one should say the 355,011,105. Oh, you know what you got...I think that was a proposal from...are you looking at this big one?

VICE-CHAIR KING: Yeah.

CHAIR RAWLINS-FERNANDEZ: That's from Member Kama.

VICE-CHAIR KING: Isn't that the one that they just handed out?

CHAIR RAWLINS-FERNANDEZ: That was from Member Kama.

VICE-CHAIR KING: What was the one that they just handed out?

CHAIR RAWLINS-FERNANDEZ: Is on the smaller paper.

VICE-CHAIR KING: That's...I don't...well, this is what I was given, so this is what you just handed out?

CHAIR RAWLINS-FERNANDEZ: Yeah, so the total would be 355 million, is that what you're seeing now?

VICE-CHAIR KING: Okay, so the total is 355 and we needed 352? So, you're saying we're over --

CHAIR RAWLINS-FERNANDEZ: Yeah, by two million --

VICE-CHAIR KING: --by two million, one eighty-two...

CHAIR RAWLINS-FERNANDEZ: --one hundred eighty-two thousand, two hundred fifteen.

VICE-CHAIR KING: Okay.

CHAIR RAWLINS-FERNANDEZ: But after accounting for a proposal that we voted for, the Nahiku Bridge for \$100,000 on Page 27 it would be...we would reduce it by \$100,000.

VICE-CHAIR KING: Okay, so 2,082,215?

CHAIR RAWLINS-FERNANDEZ: Yes.

VICE-CHAIR KING: Okay.

CHAIR RAWLINS-FERNANDEZ: Okay. Mahalo, Chair King. Member Paltin?

COUNCILMEMBER PALTIN: Are we in the discussion now?

CHAIR RAWLINS-FERNANDEZ: Yes.

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COUNCILMEMBER PALTIN: Okay. I like your collaboration. I just was waiting to see what everyone said. To me, I would keep the Time Share where the Mayor set it, as well as the Homeowner. Personally, I would...and Agriculture as well. Residential, I would raise it to \$6 because that's second homes, and if we have a lot additional from that, I would try to give the hotels a little bit more of a break because they do provide a lot of jobs and keep our things running.

VICE-CHAIR KING: Chair?

CHAIR RAWLINS-FERNANDEZ: I'm just gonna have Member Paltin repeat it real fast, and then Chair King.

COUNCILMEMBER PALTIN: I would keep Time Share...

CHAIR RAWLINS-FERNANDEZ: Thirteen, ninety-three.

COUNCILMEMBER PALTIN: Thirteen, ninety-three. Agriculture at six, and Homeowner at 2.85, I would raise Residential to six, and then try to give the hotels a little break on 11.39.

CHAIR RAWLINS-FERNANDEZ: Okay. Chair King?

VICE-CHAIR KING: Okay. Thank you, Chair. I like these new numbers, I'm just...can you...is it...can we figure out if we took Conservation back to 6.35 what the difference would be? If it would be less than the 2 million we have left over because I'm...one of the things I'm concerned about with Conservation is we're trying to encourage more conservation easements and part of the benefit of that is your taxes go down.

CHAIR RAWLINS-FERNANDEZ: Okay.

VICE-CHAIR KING: Okay.

CHAIR RAWLINS-FERNANDEZ: Is that the only adjustment?

VICE-CHAIR KING: Well, I mean I think they're pretty close to the numbers that I had, Chair, when I went back and was trying, I actually got it down by 19,000,466 so it was pretty close to what you were trying to get it down to. But, you know, there's just a few cents variation here and there, I did kind of...I was a little bit baffled that we were...that we have Commercial Residential is cheaper than, you know, is cheaper than Residential because to me it's kind of the...you're using your residence for a commercial purpose so I had put that out, but just wanted to know what we can do with the Conservation number, and if that fits it within the 2 million, then I'm, I'm okay with what you have here.

CHAIR RAWLINS-FERNANDEZ: Okay. Yeah, that wouldn't affect the total.

VICE-CHAIR KING: That would still be under two million, the difference?

CHAIR RAWLINS-FERNANDEZ: Yeah.

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VICE-CHAIR KING: Okay.

CHAIR RAWLINS-FERNANDEZ: Member Lee and then Member Hokama.

COUNCILMEMBER LEE: Thank you, Madam Chair. I like these numbers in general. I think the Time Share going from...well, they had 15.41 last year, so, you know, I think they should be celebrating at 12.67, I think that's fair. Residential to me could've been a little higher because these are the second homes. Apartments I think is good, Commercial good, Industrial good, Agriculture I like the idea it's going down a little. Conservation...I like Conservation 6.43 because these are where you may have easements, but you also have some of the most expensive homes on Maui. And then Hotel I'm glad it's gone down a little. If there's a way to drop it even further, I'd be happy with that but 11.39 I think is fair. Short-Term Rentals I think is fair. I think the homeowners need to understand that...so many came out to testify at our hearings. We had record numbers of people at our hearings, and they all want, you know, infrastructure, they want better roads, they want safer roads, et cetera, and all of this is very, very expensive and we have...we've actually allowed our Homeowner rate to fall behind everybody else's in the State and we have been criticized by State legislators for not raising our Homeowner rate over the years. So, I think, you know, our homeowners themselves have asked for more services and more programs so I think a 5 cent increase is fair. And Commercial Residential, the bed and breakfast area, I think is fair, could've gone up a little, but overall I think this is a good slate. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Lee. Chair King?

VICE-CHAIR KING: Yeah, just a point of information maybe from Mr. Ueoka, can you actually build homes on conservation land? Do we have people that are living on conservation land and paying these kinds of taxes?

CHAIR RAWLINS-FERNANDEZ: Mr. Ueoka?

MR. UEOKA: I don't know what kinds of taxes they pay but I know there are homes on conservation land.

VICE-CHAIR KING: Okay, because if you're on conservation land, you're paying 6.35 when you could be a homeowner paying 2.90, why would you do that? Or do you pay both?

CHAIR RAWLINS-FERNANDEZ: Mr. Ueoka?

VICE-CHAIR KING: I mean I can't imagine you would, so.

MR. UEOKA: Thank you, Chair. You could probably, if you lived on the land you could probably get the home exemption and therefore pay the Homeowner rate.

VICE-CHAIR KING: So, you would be paying less anyway?

MR. UEOKA: Potentially, but...

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VICE-CHAIR KING: Are there short-term rentals that are on conservation land that are paying these, this 6.35, do you know?

MR. UEOKA: I think --

VICE-CHAIR KING: Maybe our Budget Director knows?

MR. UEOKA: --the confusion here is you'd be classified at your highest and best use, so if you had the permission to do a short-term rental on conservation land, I don't know if you can do that, that would be your highest and best use --

VICE-CHAIR KING: Right.

MR. UEOKA: --for real property tax classification. Please also remember that there's two components, the valuation and the rate. I would imagine conservation land has a lower valuation 'cause you're very limited in what you can do on it. So, thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Mr. Ueoka.

VICE-CHAIR KING: So, you could be paying on the valuation of conservation land the Homeowner rate, is that what you're saying? I'm just curious 'cause I don't know anybody who lives on conservation land, and I...until Member Lee mentioned that I hadn't thought that people would actually have a resident [sic] on conservation land.

MR. UEOKA: The potential is there that because of the valuation of the land, the highest and best...or I'm sorry...classification would be Conservation and the valuation would be based on what's allowed on the land, so but however, if they do live there they could have the home exemption and therefore be classified as Homeowner.

VICE-CHAIR KING: Right.

MR. UEOKA: So I'm...there are so many variables here there might be specific instances, you might want to check with Real Property Tax, they can give you a specific instance.

VICE-CHAIR KING: Okay. But our tax rate that we charge for conservation land doesn't affect...we don't...that doesn't control valuation, valuation is whatever it is, correct?

MR. UEOKA: That is correct. The valuation is separate.

VICE-CHAIR KING: Yeah. Okay. So, if their valuation is low and they're getting the homeowner exemption if they live on the land they still get the Homeowner rate, is that true?

MR. UEOKA: I would imagine if they are living there they get the home exemption, they would be classified as Homeowner, yes.

VICE-CHAIR KING: Okay. Alright, thank you.

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CHAIR RAWLINS-FERNANDEZ: Member Paltin?

COUNCILMEMBER PALTIN: Yeah, I just wanted to point out if you drive to Honolua Bay, that big mansion overlooking Honolua is on conservation land. Pretty much all the homes around Honolua is conservation land and I don't think the owner lives on those mansions around Honolua Bay, 'cause I think they just leave 'em empty.

VICE-CHAIR KING: . . .*(inaudible)*. . .

COUNCILMEMBER PALTIN: Conservation.

CHAIR RAWLINS-FERNANDEZ: They would be categorized Conservation is my understanding.

VICE-CHAIR KING: If you have a resident *[sic]*, it doesn't matter what land use it is, if you have a resident *[sic]* and it's...and you're not living in it, then you fall under Residential which is 5.52, if you don't live in it.

COUNCILMEMBER PALTIN: If it's zoned Residential, but its zoned Conservation.

VICE-CHAIR KING: Right, and we can't change the...we're not talking about zoning here, right? We're just talking about the tax rate.

COUNCILMEMBER PALTIN: If it's zoned Conservation and nobody lives there, it's Conservation, right? It's not Residential, it has to be zoned Residential for them to get the Residential rate.

CHAIR RAWLINS-FERNANDEZ: Mr. Ueoka?

MR. UEOKA: Yeah, thank you, Chair. Yes, the zoning does play a factor into classification.

VICE-CHAIR KING: Okay, so the resident *[sic]* doesn't matter...if you have a home there it doesn't matter?

MR. UEOKA: Having a home there may matter, but it...I guess it's...there's a lot of stuff that goes into classification, but I would imagine it would be zoned Conservation.

VICE-CHAIR KING: Right, but I mean what...

MR. UEOKA: I'm sorry, zoned Conservation and classified as Conservation, unless --

VICE-CHAIR KING: Okay.

MR. UEOKA: --they have...

VICE-CHAIR KING: So, if you have a resident *[sic]*, I'm just trying to figure out how this tax...

CHAIR RAWLINS-FERNANDEZ: Chair King, if you have the certification on you, you'll see what kind of examples for the different categories.

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VICE-CHAIR KING: Right.

CHAIR RAWLINS-FERNANDEZ: And so one of the categories is golf courses, Conservation classification, improved parcel on conservation zoned land Conservation classification. So, there's a lot that goes on.

VICE-CHAIR KING: So, yeah, that's why I'm just trying to... 'cause I know if you have a house that if you don't live there, you pay the Residential fee, but I'm just trying to find out is it different if you're on... depending on what land you're zoned on.

COUNCILMEMBER PALTIN: Yes.

MR. UEOKA: It probably... oh, I'm sorry, Chair.

CHAIR RAWLINS-FERNANDEZ: Mr. Ueoka?

MR. UEOKA: It probably is --

VICE-CHAIR KING: Okay.

MR. UEOKA: --different. It's... homeowner is an exception of course.

VICE-CHAIR KING: Right.

MR. UEOKA: Yeah.

VICE-CHAIR KING: Right. But that's what we have the Residential rate for, is for people who don't live in their homes.

MR. UEOKA: That's for zoned, it's zoned Residential, yeah... typically.

VICE-CHAIR KING: Okay. So... okay, well, that's kind of confusing. So, yeah, I mean it's...

COUNCILMEMBER PALTIN: Page 44.

CHAIR RAWLINS-FERNANDEZ: Yeah, Page 44 of certification.

VICE-CHAIR KING: Yeah, so we're trying to make sure people who pay, who have houses here pay, but we also are discouraging people from doing conservation ag.

CHAIR RAWLINS-FERNANDEZ: So, what Mr. Ueoka explained is the valuation of conservation would be so low that the tax rate wouldn't necessarily affect those lands that are truly in conservation.

VICE-CHAIR KING: Well, they're not lower than Homeowner though.

CHAIR RAWLINS-FERNANDEZ: But it's... the valuation is much, much lower. Okay. Okay, Members... Member Hokama?

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COUNCILMEMBER HOKAMA: I view taking...adjusting Time Share rate slightly different than the Mayor and you, there's a reason why we, Council had originally set the original numbers. So, I would support the 14.90 or somewhere around that general area for adjustment. That would show at least what, 70 cents adjustment over the previous year. I could agree with the Members, Residential could go up slightly, I can support that. I support...\$6, that's kind of tough but I'm open to that figure. I'm open to adjusting Apartment. And I mean we can get rid of the condo provision in the Code. At this point in time, with the way the valuations and assessments are going, I don't have a problem with looking at unifying Commercial, Industrial and supporting one with the other. Agriculture/Conservation, I mean, if you look what the assessors are assessing, that is not the greatest land we got out there. So, you're going to see the numbers you got, and increasing it by so many cents per thousand is not gonna make or break. I think you need to find ways to assist the true farmer ag guy, how to build some assets on his investments, and if land is not going to be a component of his actual farm plan to be a viable business, then I got more concerns than ever regarding agriculture. Hotel/Resort, I think that needs to...we all know where it stands in the community, it's to me a tax class that I feel we need to take serious consideration of, because this is where most of your homeowner class is also. So, adjustments to homeowners, hotels, please take it into totality of...as adjusting the whole tax structure. In my proposal, you notice I've gone up with Hotel/Resort and Short-Term, I still believe there should be a difference, but I would kind of reverse it. I think I would give the Hotel a break over the Short-Term. I still believe homeowners can pay more. They've been asking for more, so I don't have a problem giving more when they're paying more whether it be in transportation, Kaunoa services. I think we provide a great spectrum of activities for our community and they cost money. So, I don't have a problem asking them to pay a fair share. Then Commercial Residential, I think we need to really take a look at this in committee and see whether or not the permitted uses make sense with the tax. So Planning is going through a comprehensive zoning review and that would be a good time for us to look at Real Property Tax rates also. So, I would support some of it, Chair, and adjust others. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Hokama. Member Sugimura?

COUNCILMEMBER SUGIMURA: Thank you. As I proposed in...I would like to take a look at the Time Share and I know that you have averaged what we all proposed. In my proposal I put it back to what it currently is, which 15.41, and I would like to see it be a little bit higher than what you proposed in your proposal. I believe that after Budget I think we're gonna put a TIG together or something to look at all of these, but as you know with the generosity of the taxpayers, we have provided a lot of services for our people, and these are the rates that are basically going to be paying for it, and so I agree that homeowner is...are very precious to all of us because it represents, you know, the working families and whatever, but I think that if we can look at the parity of what we actually provide in terms of services, and needs, and roads, and infrastructures, and everything that...I can support, you know, 2.90 or \$3 around there for Homeowner. And Agriculture to remain at \$6 I think that that's fair. I also would like to ask that we look at hotels and the current rate what they pay is 9.37, the Mayor proposed 9.60, and this jumps to 11.39. I think we heard in public, the public

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hearing the impact of raising the rates too high and how that would be a ripple effect with the working families, so I do not support going up to that, you know, 11.39 rate, although I understand it's our average of what we said to you, and I would, you know, I would like to see it be more around the 9.70 or, you know, around there and not jump to 11.30. Maybe even like \$11 or something around that rate if it could be there, so that the jump will not be, you know, too drastic. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Sugimura. Member Molina?

COUNCILMEMBER MOLINA: Thank you, Madam Chair. I agree with a lot of your proposals, but Time Share, like some of the Members have been saying, I guess the average was 12.67, I think we can do better than that with an increase. My proposal that I handed out, I was proposing to keep it at the FY 2019 rate of 15.41; however, I'd like to, maybe if we don't get that number I'd still like to see something above the 12.67 average. With regards to hotels, I'm in agreement that we... 11.39 is a bit high. Kauai is, I had mentioned earlier during the session was that next highest to Maui County. Maui was what, \$9.37? Kauai, the next highest County at 10.85. My proposal, I had it at 10.37 for the hotels, I'm flexible but I'd like to see a number, maybe somewhere in between 10.37 and 10.85, or sub 11, I guess if you wanna call it. And Short-Term Rental too, I guess, you know, somewhere high ten's. So, but I think the general feeling, at least amongst the resort properties and investment properties, I get the feeling they expect an increase, the question becomes is how much we want to tax. So, we want to tax, but we got to be careful not to kill off any businesses potentially, or see some people get laid off. So, I'm trying to find that happy medium, Madam Chair. So, because it is... these are the revenue generating properties for our County, so we have to really work this thing carefully. But I feel there's some numbers that can be adjusted upwards and some that could be adjusted downwards and we can reach that happy plateau that everybody can live with. And the Homeowner's slight bump to 2.90, I'm okay with that although my preference was to keep it flat, but think 2.90 should not make that much of an impact on our homeowners and I can remember a time when during my first tenure on the Council it was well above the \$3, I guess, price tag, \$3 per \$1,000 yeah so it's like as high as I think 3.40, 3.50, maybe higher. I'm sure Members Lee and Hokama can recall much higher rates for Homeowner's. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Molina. Member Lee?

COUNCILMEMBER LEE: Madam Chair, I would like to propose that we change the Time Share rate from 12.67 to 13.67, and that we change the Hotel rate from 11.39 to 10.39.

COUNCILMEMBER MOLINA: Second.

COUNCILMEMBER LEE: And I really don't need to have a discussion, I think everybody talked about these and I'm hoping there's some agreement. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Lee. Okay, there's a motion on the floor by Member Lee, seconded by Member Molina to increase the Time Share...or to set the Time Share rate at 13.67 and the Hotel rate at 10.39. Members, discussion? Member Paltin?

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COUNCILMEMBER PALTIN: The only thing about that is then short-term rentals would be above hotels, at that point did you want to address that after or in the same motion?

COUNCILMEMBER LEE: Madam Chair?

CHAIR RAWLINS-FERNANDEZ: Member Lee?

COUNCILMEMBER LEE: The reason why I'm suggesting reducing the Hotel/Resort rate somewhat is because they employ most of our people, a lot more than any of the other categories. So, I really believe that we need to be careful that we don't overcharge them because then there will be a ripple effect on our employees, which would not be the same thing with time share and short-term rentals, thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Lee. Chair King?

VICE-CHAIR KING: First I have a question for Member Lee. I have a question. Did you...was that balanced out when you came up with those numbers?

COUNCILMEMBER LEE: No.

VICE-CHAIR KING: Okay.

COUNCILMEMBER LEE: I'm letting the Chair take care of that.

VICE-CHAIR KING: Okay, so I understand about the hotels, and I think we brought it down quite a bit. I think the rate on Oahu is 13 something...13.60 or something like that, so we're still quite a bit below the rate on Oahu. I think it's fair, I don't know how much you reduce it by each penny but, you know, we could, I guess we have a couple of million dollars wiggle room. But just in looking at all of these figures, I think they're pretty fair, and I think that you and I, Chair, have met together and separately with the time share folks about some of their issues and one of their issues is that they wanted to be...they were willing to be a margin above the hotels, but not \$6 more, so I think this is a fair margin. I'm glad that we were able to bring it down quite a bit from the original. I would...I don't know that it makes that big of a difference putting Ag up to six, but if we can give agriculture a little bit of a break because, you know, we're now focused on agriculture, we're trying to get people to grow our food and fuel and everything else so I just wanted to give support for your proposal, although I would like to see Conservation less because, you know, as a supporter of the Hawaiian Islands Land Trust, you know, their...that's one of the perks of being an ag easement is that you have lower taxes. But it's only...the difference would only be, putting it back would only be 36,000 so it's pretty minimal amount that we're gonna raise with that increase. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Chair King. So, I just got the information from the certification and Honolulu's hotel and resort rate is at 13.90, Hawaii County is at 11.55, and Kauai County is at 10.85. And from what I understand in crunching the numbers it would be where it's at now with 11.39 would be about \$3 more a room.

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So, I don't think it's excessive, probably less than \$3 more a room per night. Okay, Members, any more discussion? Member Paltin?

COUNCILMEMBER PALTIN: Do we need to take two at a time or can we just vote one at a time?

CHAIR RAWLINS-FERNANDEZ: The motion was both, but you can move to amend the motion.

COUNCILMEMBER PALTIN: I'd like to try and move to amend it to take them separately.

CHAIR RAWLINS-FERNANDEZ: Member Lee?

COUNCILMEMBER LEE: Sure, I'll do that.

CHAIR RAWLINS-FERNANDEZ: Okay.

COUNCILMEMBER LEE: Cancel the previous one.

COUNCILMEMBER PALTIN: Okay.

COUNCILMEMBER LEE: Cancel it.

CHAIR RAWLINS-FERNANDEZ: Member Molina?

COUNCILMEMBER LEE: Withdraw the motion.

CHAIR RAWLINS-FERNANDEZ: Okay.

COUNCILMEMBER LEE: Time Share, I propose 13.67.

COUNCILMEMBER MOLINA: Second.

CHAIR RAWLINS-FERNANDEZ: Okay. Motion by Member Lee to set the Time Share rate at 13.67, seconded by Member Molina. Members, discussion? Member Paltin?

COUNCILMEMBER PALTIN: Sorry, no I forgot to...

CHAIR RAWLINS-FERNANDEZ: Okay, Members, any discussion? Okay, all those in favor of setting the Time Share rate at 13.67 please say "aye."

COUNCILMEMBERS: Aye.

CHAIR RAWLINS-FERNANDEZ: Any opposed?

COUNCILMEMBERS: No.

CHAIR RAWLINS-FERNANDEZ: Okay. Okay, so for those in favor please raise your hand. Okay, for yes. So, all those in favor of setting Time Share at 13.67, please raise your

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hand. Okay, Member Molina, Member Lee. Okay, and those opposed are Chair King, Member Hokama, Member Paltin, Member Sugimura, and Member Kama, and myself; and one excused, Member Sinenci; motion fails.

VOTE: AYES: Councilmembers Lee and Molina.

**NOES: Chair Rawlins-Fernandez, Vice-Chair King, and
Councilmembers Hokama, Kama, Paltin, and
Sugimura.**

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmember Sinenci.

MOTION FAILED.

COUNCILMEMBER PALTIN: Can I propose to set Time Share at \$14?.

CHAIR RAWLINS-FERNANDEZ: Okay, Member Paltin moved to set Time Share at a \$14 rate.
Any second?

COUNCILMEMBER SUGIMURA: Second.

CHAIR RAWLINS-FERNANDEZ: Okay, motion by Member Paltin, second by Member Sugimura. Okay, Members, discussion? Okay, all those in favor, please say "aye."

COUNCILMEMBER PALTIN: Aye.

CHAIR RAWLINS-FERNANDEZ: Any opposed?

COUNCILMEMBERS: No.

CHAIR RAWLINS-FERNANDEZ: Okay, motion fails. Let's see, seven opposed; one in favor, Member Paltin; one excused, Member Sinenci.

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VOTE:	AYES:	Councilmember Paltin.
	NOES:	Chair Rawlins-Fernandez, Vice-Chair King, and Councilmembers Hokama, Kama, Lee, Molina, and Sugimura.
	ABSTAIN:	None.
	ABSENT:	None.
	EXC.:	Councilmember Sinenci.

MOTION FAILED.

CHAIR RAWLINS-FERNANDEZ: Member Molina?

COUNCILMEMBER MOLINA: Yeah, Madam Chair, move to propose to set the Time Share rate at \$13.93.

COUNCILMEMBER LEE: Second.

CHAIR RAWLINS-FERNANDEZ: Okay, motion by Member Molina to set the Time Share rate at 13.93, and seconded by Member Lee. Members, discussion? Okay, I'll call for the question. All those in favor, please say "aye."

COUNCILMEMBERS: Aye.

CHAIR RAWLINS-FERNANDEZ: Any opposed?

COUNCILMEMBERS: No.

CHAIR RAWLINS-FERNANDEZ: Okay.

COUNCILMEMBER SUGIMURA: Oh, this is going to be hard.

CHAIR RAWLINS-FERNANDEZ: Okay, you gotta raise your hand again for me. Okay, all those in favor of setting the Time Share rate at 13.93 please raise your hand? Member Molina, Member Lee, Member Paltin. Okay, all those opposed? Chair King, Member Hokama, Member Sugimura, Member Kama, and myself. One excused, Member Sinenci.

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VOTE:	AYES:	Councilmembers Molina, Lee, and Paltin.
	NOES:	Chair Rawlins-Fernandez, Vice-Chair King, and Councilmembers Hokama, Kama, and Sugimura.
	ABSTAIN:	None.
	ABSENT:	None.
	EXC.:	Councilmember Sinenci.

MOTION FAILED.

VICE-CHAIR KING: Chair?

CHAIR RAWLINS-FERNANDEZ: Yeah?

VICE-CHAIR KING: Can I make a motion?

CHAIR RAWLINS-FERNANDEZ: Yes.

VICE-CHAIR KING: I move that we accept the rates proposed by our EDB Committee Chair. We have so many papers in front of us, I guess this would be the one marked second that we received today.

COUNCILMEMBER LEE: Twelve sixty-seven?

VICE-CHAIR KING: Right.

CHAIR RAWLINS-FERNANDEZ: It'll be received on 4/29/19 at the bottom right.

VICE-CHAIR KING: Right, 4/29/19, I don't know if you have a time stamp on this but...and then...and I believe it was a little bit higher than what we needed to make cuts by, so I would...I'm going to make this motion first and then leave it up to another Member to figure out where to put the balance.

COUNCILMEMBER LEE: Second.

CHAIR RAWLINS-FERNANDEZ: Okay, motion by Chair King, second by Member Lee to set the rates at the EDB Chair's proposed rates distributed on 4/29. Members, discussion? Okay, I'll call for the question. All those in favor please say "aye" and raise your hand.

COUNCILMEMBERS: Aye.

CHAIR RAWLINS-FERNANDEZ: Okay. Member Lee, Chair King, and myself. All those opposed?

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COUNCILMEMBERS: No.

CHAIR RAWLINS-FERNANDEZ: Member Molina, Member Hokama, Member Paltin, Member Sugimura, Member Kama; and one excused, Member Sinenci. So, the motion fails 3-5, one excused.

VOTE: **AYES:** **Chair Rawlins-Fernandez, Vice-Chair King, and Councilmember Lee.**

NOES: **Councilmembers Hokama, Kama, Molina, Paltin, and Sugimura.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **Councilmember Sinenci.**

MOTION FAILED.

COUNCILMEMBER LEE: Okay, let's hear another motion.

COUNCILMEMBER PALTIN: I move...

CHAIR RAWLINS-FERNANDEZ: Member Kama? Oh...Member Kama?

COUNCILMEMBER KAMA: I move to set the rate at \$12.

CHAIR RAWLINS-FERNANDEZ: For what?

COUNCILMEMBER SUGIMURA: Time Share.

COUNCILMEMBER KAMA: For Time Share.

CHAIR RAWLINS-FERNANDEZ: Time Share at \$12, okay. Okay, motion by Member Kama to set the Time Share rate at \$12. Okay, there's no second, Member Kama. Okay.

COUNCILMEMBER KAMA: Still open.

CHAIR RAWLINS-FERNANDEZ: Member Paltin?

COUNCILMEMBER PALTIN: I move to set the Residential rate at 5.60.

CHAIR RAWLINS-FERNANDEZ: Residential rate...okay. Okay.

COUNCILMEMBER MOLINA: Madam Chair, can you repeat the motion . . . *(inaudible)* . . .

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CHAIR RAWLINS-FERNANDEZ: The motion is to set the Residential rate from 5.52 to \$6...no 5.60. Five point six zero.

COUNCILMEMBER SUGIMURA: Six...second.

CHAIR RAWLINS-FERNANDEZ: Five point six zero from 5.52, so it'll been an increase of 8 cents.

COUNCILMEMBER SUGIMURA: Second.

CHAIR RAWLINS-FERNANDEZ: Oh, okay. Moved by Member Paltin, seconded by Member Sugimura.

VICE-CHAIR KING: Chair, I have a question.

CHAIR RAWLINS-FERNANDEZ: Chair King?

VICE-CHAIR KING: I just wanted to find out from maybe our Budget Chair, or maybe Member Paltin, that what is the thinking behind having the Residential higher than the Commercial Residential?

CHAIR RAWLINS-FERNANDEZ: Member Paltin?

COUNCILMEMBER PALTIN: Because they said Commercial Residential is mainly B&Bs so it's a hybrid of them getting their homeowner exemption and the Commercial rate, whereas residential homes are mostly investment properties, and so for me, personally, I don't believe that it...I mean I really think it should be \$6 but I'm just going with Hokama's proposal.

VICE-CHAIR KING: You think the Commercial Residential should be \$6?

COUNCILMEMBER PALTIN: No, the Residential, Residential, because, you know, if you look at all the tax map keys, like Hui Road E in West Maui, all those properties are like way over a million dollars. They're not short-term rentals, they're just people's investment empty mansions. And, you know, from all the testimony that we got from the short-term rental folks, their line was they're contributing to the economy by having people stay in their houses and spend money in our economy, whereas the second home folks who are not having folks live there are not contributing to the economy, they're just having land in Maui County as an investment and I kind of don't really believe in that.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Paltin. Member Lee?

COUNCILMEMBER LEE: I support the motion and ready for the vote.

CHAIR RAWLINS-FERNANDEZ: Okay, any other discussion? Okay, all those in favor of setting residential at 5.60, please say "aye" and raise your hand.

COUNCILMEMBERS: Aye.

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CHAIR RAWLINS-FERNANDEZ: Okay. Okay, Member Molina, Member Lee, Member Hokama, Member Paltin, Member Sugimura, Member Kama, and myself. All those opposed? Oh, Chair King?

VICE-CHAIR KING: Yeah, I vote with everybody, yeah.

CHAIR RAWLINS-FERNANDEZ: Okay. Okay, so eight in favor; one excused.

VOTE: **AYES:** **Chair Rawlins-Fernandez, Vice-Chair King, and Councilmembers Hokama, Kama, Lee, Molina, Paltin, and Sugimura.**

NOES: **None.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **Councilmember Sinenci.**

MOTION CARRIED.

ACTION: **APPROVE.**

CHAIR RAWLINS-FERNANDEZ: All right, we're making progress. Okay, we got 5.60 over here.

VICE-CHAIR KING: Chair?

COUNCILMEMBER LEE: Madam Chair?

VICE-CHAIR KING: Chair? Can you...is it possible to find out how much this adds to the equation?

CHAIR RAWLINS-FERNANDEZ: Yes, I think...I'm thinking, let's do all the "easier ones" like Apartment, there wasn't too much discussion on the Apartment, Commercial, Industrial, so let's get those set before I bring out another printout of what it would be.

VICE-CHAIR KING: Okay.

CHAIR RAWLINS-FERNANDEZ: I'll entertain a motion.

VICE-CHAIR KING: I'll make a motion to set Apartment at 6.31, Commercial at 7.39, Industrial at 7.48, and Homeowner at 2.90.

COUNCILMEMBER LEE: Second.

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CHAIR RAWLINS-FERNANDEZ: Okay. Motion by Chair King, second by Member Lee to set Apartment at 6.31, Commercial at 7.39, Industrial at 7.48, and Homeowner at 2.90. Discussion?

COUNCILMEMBER MOLINA: Call for the question.

CHAIR RAWLINS-FERNANDEZ: Okay, all those in favor please say "aye."

COUNCILMEMBERS: Aye.

CHAIR RAWLINS-FERNANDEZ: Any opposed?

COUNCILMEMBER HOKAMA: No.

CHAIR RAWLINS-FERNANDEZ: Okay. Seven "ayes;" one "no," Member Hokama; and one excused, Member Sinenci.

VOTE: AYES: Chair Rawlins-Fernandez, Vice-Chair King, and Councilmembers Kama, Lee, Molina, Paltin, and Sugimura.

NOES: Councilmember Hokama.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmember Sinenci.

MOTION CARRIED.

ACTION: APPROVE.

CHAIR RAWLINS-FERNANDEZ: Okay.

COUNCILMEMBER PALTIN: I move to set Commercial Residential at 4.60.

VICE-CHAIR KING: Second.

CHAIR RAWLINS-FERNANDEZ: Okay, motion by Member Paltin, second by Chair King to set Commercial Residential at 4.60, four point six zero. Discussion? Okay, all those in favor please say "aye."

COUNCILMEMBERS: Aye.

CHAIR RAWLINS-FERNANDEZ: Any opposed?

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COUNCILMEMBER HOKAMA: No.

CHAIR RAWLINS-FERNANDEZ: Okay, so that was seven "ayes;" one "no," Member Hokama; one excused, Member Sinenci.

VOTE: **AYES:** **Chair Rawlins-Fernandez, Vice-Chair King, and Councilmembers Kama, Lee, Molina, Paltin, and Sugimura.**

NOES: **Councilmember Hokama.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **Councilmember Sinenci.**

MOTION CARRIED.

ACTION: **APPROVE.**

CHAIR RAWLINS-FERNANDEZ: Okay, so that's at 4.60. Okay, I'll entertain a motion for Agriculture.

VICE-CHAIR KING: So moved.

CHAIR RAWLINS-FERNANDEZ: At 4.94?

VICE-CHAIR KING: No, 5.94.

CHAIR RAWLINS-FERNANDEZ: Oh, 5.94?

VICE-CHAIR KING: Yes.

COUNCILMEMBER LEE: Second.

CHAIR RAWLINS-FERNANDEZ: Okay, so motion by Chair King, second by Member Lee to set Agriculture...Agricultural at \$5.94. Discussion?

VICE-CHAIR KING: Call for the question.

CHAIR RAWLINS-FERNANDEZ: Okay, all those in favor, please say "aye."

COUNCILMEMBERS: Aye.

CHAIR RAWLINS-FERNANDEZ: Any opposed?

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COUNCILMEMBERS: No.

CHAIR RAWLINS-FERNANDEZ: Okay. Member Kama, did you vote one way or the other?

COUNCILMEMBER KAMA: I voted in support.

CHAIR RAWLINS-FERNANDEZ: Okay, in support, okay. So, we have Member Molina, Member Lee, Chair King, Member Kama, and myself, that's five in favor. Member Hokama, Member Paltin, Member Sugimura, opposed. And one excused, Member Sinenci. Motion passes.

**VOTE: AYES: Chair Rawlins-Fernandez, Vice-Chair King, and
 Councilmembers Kama, Lee, and Molina.**

NOES: Councilmembers Paltin, Hokama, and Sugimura.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmember Sinenci.

MOTION CARRIED.

ACTION: APPROVE.

CHAIR RAWLINS-FERNANDEZ: Okay.

COUNCILMEMBER PALTIN: I move to set Conservation at 6.43.

COUNCILMEMBER LEE: Second.

CHAIR RAWLINS-FERNANDEZ: Okay. Motion by Member Paltin to set Conservation at 6.43, \$6.43, seconded by Member Lee. Discussion?

VICE-CHAIR KING: So, Chair, just to...I just want to draw this out because I mean...not draw it out, but just draw a picture because if you're being asked to put something in agricultural conservation and it's Ag, I guess it would be cheaper to stay at the \$6...or 5.94 rate for Ag than to go into Conservation. Is that correct, Mr. Ueoka? If you go into Conservation, if you do a conservation easement, or an ag conservation easement, then it's gonna cost you 6.43 in taxes versus the 5.94?

CHAIR RAWLINS-FERNANDEZ: Mr. Ueoka?

MR. UEOKA: Chair, I can't get into it with valuations. I'm not an appraiser and I don't know exactly what would happen. I don't know what value would change or what would

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happen, I'm not sure. I can't tell you if their bill would go up or down, I cannot tell you that.

VICE-CHAIR KING: That's unfortunate.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Mr. Ueoka. Member Paltin?

COUNCILMEMBER PALTIN: An ag easement is not putting it into Conservation, right? Because you're just saying that you're going to do agriculture on an ag easement, but a conservation easement, the land has to be zoned Conservation, you're not changing zoning if you put a ag easement on something, it's still zoned Agriculture.

CHAIR RAWLINS-FERNANDEZ: Mr. Ueoka?

MR. UEOKA: Again I --

VICE-CHAIR KING: That was the question, yeah.

MR. UEOKA: --you guys are getting really specific on matters and I can't tell you yes or no a bill will go up or down cause every case will be looked at on its own; however, if a conservation easement is placed on ag land, I would imagine it would go under Conservation because at that point, its highest and best use would be Conservation, not Agriculture. Thank you, Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Mr. Ueoka.

VICE-CHAIR KING: Okay.

CHAIR RAWLINS-FERNANDEZ: Member Paltin?

COUNCILMEMBER PALTIN: But it would still be zoned Ag and you could still do ag on it?

CHAIR RAWLINS-FERNANDEZ: Mr. Ueoka?

MR. UEOKA: It depends what that conservation easement says.

COUNCILMEMBER PALTIN: Oh.

COUNCILMEMBER LEE: Call for the question.

CHAIR RAWLINS-FERNANDEZ: Okay, all those in favor of setting Conservation at 6.43, \$6.43, please say "aye."

COUNCILMEMBERS: Aye.

CHAIR RAWLINS-FERNANDEZ: Okay, please say "aye" and raise your hand. Okay. Member Molina, Member Lee, Member Paltin, Member Kama, and myself, and so that is five. And all those opposed, please raise your hand.

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COUNCILMEMBERS: No.

CHAIR RAWLINS-FERNANDEZ: Okay, Chair King, Member Hokama, Member Sugimura. So, it's 5-3; one excused, Member Sinenci. Okay, so the motion passes.

**VOTE: AYES: Chair Rawlins-Fernandez and Councilmembers
 Kama, Lee, Molina, and Paltin.**

**NOES: Vice-Chair King and Councilmembers Hokama
 and Sugimura.**

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmember Sinenci.

MOTION CARRIED.

ACTION: APPROVE.

CHAIR RAWLINS-FERNANDEZ: Member Lee?

COUNCILMEMBER LEE: Madam Chair, I'm getting some texts, we're going so fast. Can you read what has passed and what has not passed?

CHAIR RAWLINS-FERNANDEZ: Sure. Residential at 5.60, five, sixty, Apartment at 6.31, Commercial at 7.39, Industrial at 7.48, Agricultural at 5.94, Conservation at 6.43, Homeowner at 2.90, and Commercial Residential at 4.60, four point six zero. And so the last three, of course is Time Share, Hotel/Resort, and Short-Term. Mr. Ueoka?

MR. UEOKA: Just a clarification, yeah, you guys are setting them for posting purposes. The real reso, you'll have one more public hearing and, you know, these will be the numbers you'll be deciding on at the...after the next public hearing. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo for that clarification, Mr. Ueoka.

VICE-CHAIR KING: Okay, so can I just ask?

CHAIR RAWLINS-FERNANDEZ: Chair King?

VICE-CHAIR KING: Okay, so are we in the same situation as we were when we posted the range? So, the number we post, we cannot go higher than that, but we could go lower?

CHAIR RAWLINS-FERNANDEZ: Mr. Ueoka?

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VICE-CHAIR KING: Are we required to balance this out today for posting?

CHAIR RAWLINS-FERNANDEZ: Mr. Ueoka?

VICE-CHAIR KING: Please say you know the answer.

MR. UEOKA: Two issues you're talking about. Estimated revenues and the estimated cost...and we're running out of time too, so.

VICE-CHAIR KING: Right.

UNIDENTIFIED SPEAKER: Talk fast.

MR. UEOKA: That has to be done by June 10th for your Budget. These rates, you need to post them today at 4:00. Those are the rates you're going to accept in your Budget. If you increase or decrease them, then you need to go through the posting methods set forth in 3.48.565 A and B, and redo these public hearings again and they take around at least three weeks, so.

VICE-CHAIR KING: Okay.

MR. UEOKA: Thank you.

VICE-CHAIR KING: So, we are trying to get to the hard numbers today.

CHAIR RAWLINS-FERNANDEZ: Okay. I'll entertain...Member Paltin?

COUNCILMEMBER PALTIN: Move to do Short-Term Rental at 10.40.

COUNCILMEMBER SUGIMURA: Second.

CHAIR RAWLINS-FERNANDEZ: Okay. Motion by Member Paltin to set Short-Term Rental rate at 10.40, and seconded by Member Sugimura. Discussion?

VICE-CHAIR KING: Chair?

CHAIR RAWLINS-FERNANDEZ: Chair King?

VICE-CHAIR KING: When I looked at your previous proposal which was dated 4/29 earlier today on the resolution, and you had put 11.89 and when I looked at changing it to 10.40 it was a difference of 14,060,000 so that's a pretty large jump down, and I don't know that we've increased it enough with the other increases we've done, so it's hard to all of a sudden go that low if we don't know if that's gonna work in the end.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Chair King. Member Lee?

COUNCILMEMBER LEE: For the Members' information, we went up 8 cents on one rate and 5 cents on another, so I don't think we're not nearly close to 14 million so, you know, 10.40 seems awfully low at this point.

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VICE-CHAIR KING: I agree.

CHAIR RAWLINS-FERNANDEZ: Yes. Okay, if there's no objection we're gonna take a quick recess. It's 3:43 on April 29th we're gonna...five...at the call...

UNIDENTIFIED SPEAKER: Three fifty-three.

CHAIR RAWLINS-FERNANDEZ: What'd I say? Three fifty-three on April 29th, we're going to recess at the call of the Chair. Okay. The Economic Development and Budget Committee is now in recess. . . .*(gavel)*. . .

RECESS: 3:53 p.m.
RECONVENE: 4:11 p.m.

CHAIR RAWLINS-FERNANDEZ: . . .*(gavel)*. . . Will the Economic Development and Budget Committee please return to order? It is 4:11 p.m. on April 29th. And so we have for the Member's convenience, the spreadsheet on the screens. So, we can see in real time what the adjustments would mean for the balance. And so, right now we have Short-Term at what was proposed at 11.07, we...I entered in the adjustments for Residential and Commercial Residential at 5.60 and 4.60 respectively. And the new total is \$358,742,257. So, the motion on the floor is to adjust Short-Term Rental from 11.07 to 10.40. You can just type right into it, you don't even need to double click. Okay, and so by entering in \$10.40 in the Short-Term Rental, it brings it down to \$352,419,970. And the amount that we need to cover everything, including the shortfalls in the Special Funds is \$352,828,890.

VICE-CHAIR KING: Chair?

CHAIR RAWLINS-FERNANDEZ: Chair King?

VICE-CHAIR KING: I'd like to propose an amendment to the Short-Term.

CHAIR RAWLINS-FERNANDEZ: Okay.

VICE-CHAIR KING: I'd like to amend the Short-Term rental tax to be \$10.75.

CHAIR RAWLINS-FERNANDEZ: Mr. Krueger, will you please make the adjustment to 10.75?

VICE-CHAIR KING: No, see if there's a second.

COUNCILMEMBER LEE: Second.

CHAIR RAWLINS-FERNANDEZ: Okay, moved by Chair King, seconded by Member Lee to set the Short-Term rate at 10.75. And you'll see it brings it up to \$355,722,657. Okay, Members, discussion? Call for the question? Okay, so we are...we will be voting on the amendment to the main motion which is to adjust the...set the Short-Term Rental at 10.75. Okay, all those in favor please say "aye."

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COUNCILMEMBERS: Aye.

CHAIR RAWLINS-FERNANDEZ: Any opposed? Okay, raise your guys' hands. Okay, all those in favor please raise your hand. Okay, Member Molina, Member Lee, Chair King, Member Hokama, Member Paltin, Member Sugimura, Member Kama, and myself. So eight in favor; one excused, Member Sinenci.

VOTE: AYES: Chair Rawlins-Fernandez, Vice-Chair King, and Councilmembers Hokama, Kama, Lee, Molina, Paltin, and Sugimura.

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmember Sinenci.

MOTION CARRIED.

ACTION: APPROVE.

CHAIR RAWLINS-FERNANDEZ: Okay, so we have the main motion on the floor, which is the amended main motion for 10.75 for Short-Term Rental. Discussion? Okay, I'll call for the question. All those in favor of setting the Short-Term rate at 10.75, please raise your hand. Okay, Member Molina, Member Lee, Chair King, Member Hokama, Member Paltin, Member Sugimura, Member Kama, and myself. So, eight in favor; one...zero opposed; and one excused, Member Sinenci.

VOTE: AYES: Chair Rawlins-Fernandez, Vice-Chair King, and Councilmembers Hokama, Kama, Lee, Molina, Paltin, and Sugimura.

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmember Sinenci.

MOTION CARRIED.

ACTION: APPROVE.

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VICE-CHAIR KING: Let me see if I can guesstimate here. I move to set the Time Share rate at...why does it say 13.93?

COUNCILMEMBER SUGIMURA: That's the Mayor's.

CHAIR RAWLINS-FERNANDEZ: Sorry, I was asking my office to make the adjustments while we were discussing so that they could print it out and give it to me.

VICE-CHAIR KING: Okay.

CHAIR RAWLINS-FERNANDEZ: So...

VICE-CHAIR KING: 'Cause yours says 12.67.

CHAIR RAWLINS-FERNANDEZ: Yeah.

VICE-CHAIR KING: Can we see what it...what the total is with if we make that 12.67? And go down to the bottom?

CHAIR RAWLINS-FERNANDEZ: And then bring it down to the balance please, Mr. Krueger. Okay, so at 12.67 it would be \$351,502,268 so we would then be under.

VICE-CHAIR KING: Yeah. I wish we had seen that earlier 'cause we thought we were over.

CHAIR RAWLINS-FERNANDEZ: You can move for a reconsideration.

COUNCILMEMBER PALTIN: Can we see what it was at, at 13.93?

CHAIR RAWLINS-FERNANDEZ: Three hundred and fifty-four million, five hundred seventy-eight thousand, one hundred and twenty-one.

VICE-CHAIR KING: Okay, I'll make a motion to set the Time Share rate at \$13.00

CHAIR RAWLINS-FERNANDEZ: Thirteen even?

VICE-CHAIR KING: Even. I don't know if that's gonna work.

CHAIR RAWLINS-FERNANDEZ: So, 352,307,848.

VICE-CHAIR KING: Okay.

COUNCILMEMBER LEE: What's the magic number?

CHAIR RAWLINS-FERNANDEZ: So, Chair King made a motion for \$13 even.

VICE-CHAIR KING: Can I...let me withdraw that motion, I'll make a new motion.

CHAIR RAWLINS-FERNANDEZ: Okay.

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VICE-CHAIR KING: So, the new motion would be for...I'm trying to guess, \$13.20.

CHAIR RAWLINS-FERNANDEZ: Okay, I'm gonna go make an adjustment to the spreadsheet so we don't have to keep going up and down. Would you guys like that?

COUNCILMEMBERS: Yes.

CHAIR RAWLINS-FERNANDEZ: Okay.

VICE-CHAIR KING: Twenty cents.

CHAIR RAWLINS-FERNANDEZ: Okay, there we go. Time Share at \$13.

VICE-CHAIR KING: And twenty cents.

CHAIR RAWLINS-FERNANDEZ: I'm sorry?

VICE-CHAIR KING: It was for 13.20.

CHAIR RAWLINS-FERNANDEZ: Thirteen twenty.

UNIDENTIFIED SPEAKER: So close.

UNIDENTIFIED SPEAKER: And yet so far.

CHAIR RAWLINS-FERNANDEZ: She's adjusting it, she just wants to see what it would look like.

VICE-CHAIR KING: Yeah, 25.

CHAIR RAWLINS-FERNANDEZ: Okay. Chair King will you withdraw your last motion?

VICE-CHAIR KING: Yes, I withdraw that and I'll make a motion...

CHAIR RAWLINS-FERNANDEZ: And if you would like to just put in numbers --

VICE-CHAIR KING: Okay.

CHAIR RAWLINS-FERNANDEZ: --you will have to make a motion.

VICE-CHAIR KING: Okay, I'll make the motion --

CHAIR RAWLINS-FERNANDEZ: Then that way it's cleaner.

VICE-CHAIR KING: --to raise the Time Share...set the Time Share rate at \$13.25.

COUNCILMEMBER LEE: Second.

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CHAIR RAWLINS-FERNANDEZ: Okay. Motion by Chair King to set the Time Share rate at 13.25, second by Member Lee. And that would bring it to a total of \$352,918,137.

COUNCILMEMBER HOKAMA: Chair?

CHAIR RAWLINS-FERNANDEZ: Member Hokama?

COUNCILMEMBER HOKAMA: Yeah, I'll be speaking against the motion. To be honest here, this is more than a scary way to figure out one budget on taxation. To look at cents, when we got to be looking at dollars about how we're going to budget accordingly for the future. If we're having a hard time on this annual budget, how the hell we're going to budget for the next 10, 20 years? I think we should...this needs to be step one out of something we feel is going to move us forward, you know, my thing is adjust accordingly. Time Share I would say put it at 14.40, you're going to get \$2.5 million less than your current year, okay. That is a sizeable reduction in revenue generation. Look at the component and percentage that each class provides to the total pot of what you trying to fund. We borrowed like hell, okay. Debt service is gonna be a key factor and I will tell you, Members, I would rather we come up with some extra millions because I support the Chair's efforts to pay down with cash as much debt and obligation as possible. So, having little excess is not a bad thing, and we shouldn't be budgeting to the penny, Chair. That is crazy. Not with the kind of bills we have, and I'm making an assumption that the balances in all the other funds are going to go our way. Okay, I don't have that luxury currently, so I'm making adjustments on what I think the General Fund and Real Property class can provide, and I think four and a half to five point, you know, two-five percent increase is something we can defend if we show them how we putting the cash forward. So, I would recommend 4.40 [sic] for Time Share.

UNIDENTIFIED SPEAKER: Fourteen forty.

COUNCILMEMBER HOKAMA: Everybody can see the adjustments we're making. You cannot make that one crack in one leap from 15.41 to 12.93. You know what you going to have to do to the other tax categories to make up that much money? I've yet to see any Council with that kind of political strength. 'Cause you're going to have to dodge homeowners too, you cannot ignore homeowners, you folks already did. I commend you, I think that's the right thing...moving in the right direction. But be real with your borrowing and be real with our cash because that is going to set our whole philosophy moving forward on what kind of projects we're willing to borrow and fund. Thank you, Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Hokama. And Members know how I feel about us, you know, using the excess just as a buffer so that we have room to play with until the second reading and with that amount to pay down our debts so that we can continue to have a good bond rating. Member Lee?

COUNCILMEMBER LEE: Thank you, Madam Chair. I agree with Member Hokama that we should have a cushion. A...not a tight one, but a reasonable one and that is the reason why I had proposed 13.67 which would have given us that cushion. I would like to propose that again.

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VICE-CHAIR KING: Make amendment to the motion.

COUNCILMEMBER LEE: Did you make the motion?

VICE-CHAIR KING: I did, so just make an amendment.

COUNCILMEMBER LEE: I would like make an amendment to the motion.

CHAIR RAWLINS-FERNANDEZ: Chair King, would you like to withdraw your motion?

VICE-CHAIR KING: She's just going to make an amendment to my motion.

CHAIR RAWLINS-FERNANDEZ: Okay, 'cause then we're gonna have to vote two times, okay.

COUNCILMEMBER LEE: For the amount of 13.67.

VICE-CHAIR KING: Second.

CHAIR RAWLINS-FERNANDEZ: Okay. Amendment to the main motion to adjust the Time Share rate to 13.67. Motion by Member Lee, seconded by Chair King. Member Hokama?

COUNCILMEMBER HOKAMA: So, just so I'm clear, 13.67 would bring us less revenues than this current year, right? By 3 million? Okay.

CHAIR RAWLINS-FERNANDEZ: Four million. Four million, two hundred forty-seven thousand, six hundred and six, so that's the number where it says revenue reduction FY '19 versus FY '20 rate.

COUNCILMEMBER HOKAMA: Okay, good. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Hokama. Okay, Members, any more discussion? Okay, I'll call for the question. Okay. All those in favor of adjusting...amending the main motion...I can't remember what the first motion was, but to 13.67, please say "aye."

COUNCILMEMBERS: Aye.

CHAIR RAWLINS-FERNANDEZ: All those opposed?

COUNCILMEMBERS: No.

CHAIR RAWLINS-FERNANDEZ: Okay. Amendment to the motion fails. Those in favor, Member Molina, Member Lee...oh, no, okay. Okay, those in favor, please raise your hand. Okay. Member Lee, Chair King. All those opposed. Member Molina, Member Hokama, Member Paltin, Member Sugimura, Member Kama, and myself, and one excused. So, the motion to amend the main motion fails.

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VOTE: **AYES:** **Vice-Chair King and Councilmember Lee.**

NOES: **Chair Rawlins-Fernandez and Councilmembers**
 Hokama, Kama, Molina, Paltin, and Sugimura.

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **Councilmember Sinenci.**

MOTION FAILED.

CHAIR RAWLINS-FERNANDEZ: And so, we're back at the main motion which is for 13.25.

VICE-CHAIR KING: Chair?

CHAIR RAWLINS-FERNANDEZ: Chair King?

VICE-CHAIR KING: I withdraw my motion.

CHAIR RAWLINS-FERNANDEZ: Okay, so it...mahalo, Chair King. So, by withdrawing the main motion, it goes back to the Chair's proposed rate which was 12.67.

COUNCILMEMBER HOKAMA: Chair?

CHAIR RAWLINS-FERNANDEZ: Member Hokama?

COUNCILMEMBER HOKAMA: I'm going to move to make it 14.40.

COUNCILMEMBER SUGIMURA: Second.

CHAIR RAWLINS-FERNANDEZ: Okay. Motion by Member Hokama to set the Time Share rate at 14.40, seconded by Member Sugimura. Discussion?

COUNCILMEMBER HOKAMA: Chair, real quickly, I think this gives us sufficient flexibility because I really would like to see the tighter numbers eventually, so I think this gives you and the Staff some flexibility to make sure that we can consolidate and come up with something balanced. So, I would suggest we go with this at this time. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Hokama. Member Sugimura?

COUNCILMEMBER SUGIMURA: Yeah, so I support this. It's actually like about a dollar less than what they're currently paying with the existing rate, with 15.41. So, I support this.

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CHAIR RAWLINS-FERNANDEZ: Okay. Okay, any more discussion? If not, I'll call for the question. Okay, all those in favor please say "aye" and raise your hand.

COUNCILMEMBERS: Aye.

CHAIR RAWLINS-FERNANDEZ: Okay. So, that's seven in favor; one opposed, myself; and one excused, Member Sinenci. Okay. So, the Time Share rate is at 14.40.

VOTE: AYES: Vice-Chair King, and Councilmembers Hokama, Kama, Lee, Molina, Paltin, and Sugimura.

NOES: Chair Rawlins-Fernandez.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmember Sinenci.

MOTION CARRIED.

ACTION: APPROVE.

CHAIR RAWLINS-FERNANDEZ: Okay, Mr. Krueger, would you like to unhide the rows for us, please? You just highlight the 8 and the 26 and you right click and go unhide. Mahalo. Okay, so these are the rates. Time Share, 14.40; Residential, 5.60; Apartment 6.31; Commercial, 7.39; Industrial, 7.48; Agricultural, 5.94; Conservation, 6.43; Hotel/Resort, \$11; Short Term, 10.75, Homeowner, 2.90; Commercial Residential, 4.60. Bringing us to a total of \$355,725,463. And if you'd like to know, I'll add that up.

COUNCILMEMBER LEE: Madam Chair, can we get copies before we go home?

CHAIR RAWLINS-FERNANDEZ: Yes.

COUNCILMEMBER LEE: Thanks.

CHAIR RAWLINS-FERNANDEZ: And that would give us a buffer of \$2,896,573. Okay. So, we'll save that and then we can print that out. So, I guess do Members need to see that anymore? Otherwise, we'll save and we'll print, and distribute. Chair King?

VICE-CHAIR KING: I just...we don't need a vote for the overall Property Tax resolution, that's going to come later?

CHAIR RAWLINS-FERNANDEZ: Mr. Ueoka?

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MR. UEOKA: Thank you, Chair. Tonight you guys are just agreeing on rates to post. The vote will be at your meeting, Chair King, after the...you know, next meeting for hearings. Thanks.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Mr. Ueoka. Okay, so those are the rates that will be posted. Okay, Members...mahalo, Mr. Krueger. We'll now set aside our RPT and Budget Bill, and we'll look at Appendix A, Part II. And that one looks like this, it says II, Special Purpose Revenues. Okay and we'll start with corrections starting with Member Molina. If after your review, you saw any needed corrections on Special Purpose Revenues, Appendix A, Part II. Member Molina?

COUNCILMEMBER MOLINA: Not at this time, Madam Chair. Thank you.

CHAIR RAWLINS-FERNANDEZ: Okay, mahalo. Member Lee?

COUNCILMEMBER LEE: Nothing, thank you.

CHAIR RAWLINS-FERNANDEZ: Okay, Chair King?

VICE-CHAIR KING: Nothing at this time.

CHAIR RAWLINS-FERNANDEZ: Okay. Member Hokama?

COUNCILMEMBER HOKAMA: None.

CHAIR RAWLINS-FERNANDEZ: Okay. Member Paltin?

COUNCILMEMBER PALTIN: None at this time, Chair.

CHAIR RAWLINS-FERNANDEZ: Okay. Member Sugimura?

COUNCILMEMBER SUGIMURA: So, Special Revenues, is this where the matching from the State --

CHAIR RAWLINS-FERNANDEZ: Yeah

COUNCILMEMBER SUGIMURA: --should be?

CHAIR RAWLINS-FERNANDEZ: So, this is where we would adjust the 120...oh, no sorry, the 125 that you're talking about for the matching from the State for the IAL is going to be in Appendix A, Part I.

COUNCILMEMBER SUGIMURA: A-I...okay.

CHAIR RAWLINS-FERNANDEZ: Yeah, sorry.

COUNCILMEMBER SUGIMURA: This is A?

CHAIR RAWLINS-FERNANDEZ: This is Part II. This is Appendix A, Part II.

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COUNCILMEMBER SUGIMURA: Okay.

CHAIR RAWLINS-FERNANDEZ: Yeah, so the 125 for the IAL and the 6,000 for the Women's Commission adjustments will be made in Part I.

COUNCILMEMBER SUGIMURA: Okay, and TOD? Okay, thank you.

CHAIR RAWLINS-FERNANDEZ: Okay. Member Kama?

COUNCILMEMBER KAMA: Nothing. No corrections.

CHAIR RAWLINS-FERNANDEZ: Okay. So, we're going to set that aside...or should we...I'll entertain a motion to...Mr. Ueoka?

MR. UEOKA: Thank you, Chair. Being that you guys just changed the rates around a little bit and your amounts and the percentages will change that go into the various funds, so if you do plan on adopting, you should probably have that adjusted so the Members can vote on that number, the correct number. Thank you, Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Mr. Ueoka.

COUNCILMEMBER SUGIMURA: Okay, so we'll wait.

CHAIR RAWLINS-FERNANDEZ: Okay, so we'll set that aside. Okay. Appendix C, Capital Improvement Projects. So, if you...so that one looks like this. Appendix C, this is the Capital Improvement Projects. So, I'm going to ask again if any of the Members saw any need for corrections, and I'll start on the other side with Member Kama.

COUNCILMEMBER KAMA: I have no changes, no problem.

CHAIR RAWLINS-FERNANDEZ: Okay. Mahalo, Member Kama. Member Sugimura? Pass? Come back to you?

COUNCILMEMBER SUGIMURA: Come back.

CHAIR RAWLINS-FERNANDEZ: Okay. Member Paltin?

COUNCILMEMBER PALTIN: One thing that I didn't see was the Safer [sic] Routes to School one.

CHAIR RAWLINS-FERNANDEZ: Okay. And that's under Public Works?

COUNCILMEMBER PALTIN: Yeah, like around Page 10, 11.

CHAIR RAWLINS-FERNANDEZ: Okay. And that is CBS-2772 on Page 800, and that would've been after assessment of County of Maui. Okay, so the Safe Routes to School is a State appropriation. All \$1,650,000 is a State appropriation, so it wouldn't appear in our Appendix C.

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COUNCILMEMBER PALTIN: Oh, okay. Then that's all I got.

CHAIR RAWLINS-FERNANDEZ: Okay. Mahalo, Member Paltin. Member Hokama?

COUNCILMEMBER HOKAMA: No, none.

CHAIR RAWLINS-FERNANDEZ: Okay. Chair King?

VICE-CHAIR KING: Are we on Appendix C?

CHAIR RAWLINS-FERNANDEZ: Appendix C.

VICE-CHAIR KING: Are we on Appendix C?

CHAIR RAWLINS-FERNANDEZ: Yes.

VICE-CHAIR KING: No changes.

CHAIR RAWLINS-FERNANDEZ: Okay. Member Lee?

COUNCILMEMBER LEE: None for me, thank you.

CHAIR RAWLINS-FERNANDEZ: Okay, mahalo. Member Molina?

COUNCILMEMBER MOLINA: . . .*(inaudible)*. . .

CHAIR RAWLINS-FERNANDEZ: Okay. Okay, Member Sugimura, back to you. Good? Okay.

VICE-CHAIR KING: Do you want a motion?

CHAIR RAWLINS-FERNANDEZ: Yeah.

VICE-CHAIR KING: Move to --

CHAIR RAWLINS-FERNANDEZ: I believe so.

VICE-CHAIR KING: --approve Appendix C, Capital Improvement Projects.

COUNCILMEMBER LEE: Second.

CHAIR RAWLINS-FERNANDEZ: Mr. Ueoka? Oh, Ms. Yoshimura?

MS. YOSHIMURA: Chair, Appendix C gives you all of the CIP projects whether it's with the Operating Budget or through the Grant Revenue Funds, and it includes all the Grant Revenue. So, like if a project has Federal monies, it will include the Federal monies here, so it doesn't necessarily total what your CIP appropriations are in your Operating Budget 'cause it takes into consideration the matching funds, the...and the grant

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funding. So, like for a Federal...for a highway project if there's Federal funds attached to the project, then it should be reflected in the total, in Appendix C.

VICE-CHAIR KING: So, what are you saying? That we don't need to approve it, or we shouldn't approve it?

MS. YOSHIMURA: No, I'm just saying that the amounts that are reflected in Appendix C should reflect the grant appropriations as well. So, like with the Safe Routes to School, it should be listed in Appendix C, 'cause it's a capital project.

COUNCILMEMBER PALTIN: It's not though.

MS. YOSHIMURA: Even though...yeah. So, even though it's not funded through the Operating Budget and it's funded through the Appendix A, it should still reflect as a project that will be expended for capital improvements.

COUNCILMEMBER PALTIN: Okay, then I need the Safer [sic] Routes to School in here is what you're saying?

CHAIR RAWLINS-FERNANDEZ: Yeah, so that adjustment and for other...the adjustment after that CBS-5510 is also not in here. So, CBS-2772 and CBS-5510 should have been after CBS-1037, as well as CBS-5512. Okay, so we'll make those adjustments and, Chair King, would you mind withdrawing your motion? Member Lee?

VICE-CHAIR KING: Sure.

CHAIR RAWLINS-FERNANDEZ: Okay, so the motion is withdrawn. Okay and we'll make those adjustments.

COUNCILMEMBER PALTIN: Thank you.

CHAIR RAWLINS-FERNANDEZ: Okay. Mahalo, Member Paltin.

VICE-CHAIR KING: Chair?

CHAIR RAWLINS-FERNANDEZ: Chair King?

VICE-CHAIR KING: Are we gonna go back through --

CHAIR RAWLINS-FERNANDEZ: The Budget bill?

VICE-CHAIR KING: --the Budget bill for the provisos?

CHAIR RAWLINS-FERNANDEZ: Yes.

VICE-CHAIR KING: Okay. I just had some proviso changes.

CHAIR RAWLINS-FERNANDEZ: Okay. So we can set aside Appendix C and we'll make those corrections. And for all the Members that are wondering, the RPT rates reso was

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extended to the deadline from 4:00 p.m. to tomorrow morning at 9:00 a.m., in case anyone was wondering, 'cause we went past 4:00. Okay.

COUNCILMEMBER PALTIN: Chair? So then what does that mean to us?

CHAIR RAWLINS-FERNANDEZ: We're good.

COUNCILMEMBER PALTIN: Oh, okay.

CHAIR RAWLINS-FERNANDEZ: We're still on time. We're okay. Okay, so I'll start this time from my left, Member Molina, on the...any corrections to provisos or anything that doesn't affect the balance?

COUNCILMEMBER MOLINA: Not at this time, Madam Chair.

CHAIR RAWLINS-FERNANDEZ: Okay. Mahalo, Member Molina. Member Lee?

COUNCILMEMBER LEE: . . .*(inaudible)*. . .

CHAIR RAWLINS-FERNANDEZ: Okay, mahalo. Chair King?

VICE-CHAIR KING: Thank you, Chair. Yeah I just, it was brought to my attention that there were...they had removed the funding for the Friday events, and so I guess the implication was that we were supposed to proviso those out of our district funds and maybe Budget Director Yoshimura could confirm that. There was...there used to be a separate item in here for the Friday events, but I didn't see that in there, so.

CHAIR RAWLINS-FERNANDEZ: The Friday block parties?

VICE-CHAIR KING: Right. And I think Member Lee proviso'd it in her district funds.

CHAIR RAWLINS-FERNANDEZ: Yeah, I think it came out of the district funds.

VICE-CHAIR KING: Okay.

CHAIR RAWLINS-FERNANDEZ: The 140.

VICE-CHAIR KING: Okay, so if that's...is that true? Okay, so I need to proviso that, Chair --

CHAIR RAWLINS-FERNANDEZ: Okay, can you tell us what page?

VICE-CHAIR KING: --on Page 20.

CHAIR RAWLINS-FERNANDEZ: Okay, Page 20.

VICE-CHAIR KING: Twenty. To proviso 25,000 for Fourth Friday. And then I'd like to --

CHAIR RAWLINS-FERNANDEZ: Twenty-five thousand?

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VICE-CHAIR KING: Twenty-five thousand. And then I'd like to adjust the proviso for the Aha Moku for North Waipuilani Park to 20,000.

CHAIR RAWLINS-FERNANDEZ: Okay, so from 25 to 20?

VICE-CHAIR KING: And then the Ma'alaea Village Ahupua'a assigned project to 5,000. And also the wording on number three should be that the 60,000 shall be for the Whale Day Festival and Parade.

CHAIR RAWLINS-FERNANDEZ: Okay.

VICE-CHAIR KING: And that's all.

CHAIR RAWLINS-FERNANDEZ: And the proviso for the block party for Fourth Friday --

VICE-CHAIR KING: For Fourth Friday.

CHAIR RAWLINS-FERNANDEZ: --proviso 25,000 for Kihei Fourth Friday.

VICE-CHAIR KING: Right.

COUNCILMEMBER LEE: Madam Chair?

CHAIR RAWLINS-FERNANDEZ: Member Lee?

COUNCILMEMBER LEE: Are you done?

VICE-CHAIR KING: Yeah, I don't know...we don't need to vote on that, do we?

COUNCILMEMBER LEE: No. You're just doing provisos, right?

VICE-CHAIR KING: Yeah.

COUNCILMEMBER LEE: Not changing any money?

VICE-CHAIR KING: Nope, not adding anything.

CHAIR RAWLINS-FERNANDEZ: Any objections to making those amendments to South Maui Economic Development and culture programs?

COUNCILMEMBERS: No objections.

VICE-CHAIR KING: Oh, I know...I had one other question.

CHAIR RAWLINS-FERNANDEZ: Chair King?

VICE-CHAIR KING: So you and I had spoken about the 500,000 that's in Emergency Management for the Molokai Plan and you had...I wasn't sure if you were serious

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about wanting to move that over to Council Services or if you want to keep that in Emergency Management.

CHAIR RAWLINS-FERNANDEZ: Yeah. I think that would...okay so.

VICE-CHAIR KING: So the RFP would go out through --

CHAIR RAWLINS-FERNANDEZ: The Council.

VICE-CHAIR KING: --the Council. It's under Emergency Management right now and I know that we had talked about that's not really what...they don't really plan, they just react to emergencies.

CHAIR RAWLINS-FERNANDEZ: Okay, that's on Page 3. Okay, so is there any objection to moving on Page 3, number two, Emergency Management Agency?

VICE-CHAIR KING: That would be the second proviso.

CHAIR RAWLINS-FERNANDEZ: The second proviso.

VICE-CHAIR KING: And the 500...

CHAIR RAWLINS-FERNANDEZ: Provided that the 500,000 shall be for Phase I of Countywide Master Plan for Shoreline Retreat, beginning with Molokai. The 500,000 and that proviso moved under the...Page 2, Office of County Council, Council Service Program.

COUNCILMEMBER LEE: Madam Chair? Can I get a comment from the Budget Director on that proposal?

CHAIR RAWLINS-FERNANDEZ: Ms. Yoshimura?

COUNCILMEMBER LEE: If you don't have any, that's okay.

MS. YOSHIMURA: Yeah, we were just looking and discussing where this should fall, but I have no comments to provide.

COUNCILMEMBER LEE: Okay, thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Lee.

COUNCILMEMBER KAMA: Chair?

CHAIR RAWLINS-FERNANDEZ: Member Kama?

COUNCILMEMBER KAMA: I thought...and I can't remember, we had a discussion about the Emergency Management downstairs and how overcrowded it becomes when they have to deliberate during, you know, those crisis, times of crisis, so did we say we're gonna study? I thought we...but I don't seem to see it anywhere here. I thought was going to try to look for them a bigger place, or something like that.

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CHAIR RAWLINS-FERNANDEZ: So, I'm gonna finish this first, and then we can discuss the --

COUNCILMEMBER KAMA: Okay.

CHAIR RAWLINS-FERNANDEZ: --study.

COUNCILMEMBER KAMA: Thank you.

CHAIR RAWLINS-FERNANDEZ: So, are there any objections to moving that 500,000?

COUNCILMEMBERS: No objections.

CHAIR RAWLINS-FERNANDEZ: Okay, so we'll move that under Council Services. Okay, Member Kama?

COUNCILMEMBER KAMA: Yes?

CHAIR RAWLINS-FERNANDEZ: Under Emergency Management, was there a proposal...the study, was that a proposal of yours?

COUNCILMEMBER KAMA: No, I thought that we had...

CHAIR RAWLINS-FERNANDEZ: I know we talked about it --

COUNCILMEMBER KAMA: Yeah.

CHAIR RAWLINS-FERNANDEZ: --but if there wasn't --

COUNCILMEMBER KAMA: So, we didn't do anything?

CHAIR RAWLINS-FERNANDEZ: --a proposal...

COUNCILMEMBER KAMA: You need an action?

CHAIR RAWLINS-FERNANDEZ: Yeah.

COUNCILMEMBER KAMA: Okay.

CHAIR RAWLINS-FERNANDEZ: If someone...Member Lee?

COUNCILMEMBER KAMA: Thank you.

COUNCILMEMBER LEE: Thank you, Madam Chair. I was just wondering if there's any interest amongst the Councilmembers about...since we have these district allocations, I would imagine that there are many times when you'd like to use it in another district. So, I was wondering if the wording could be preference for a specific district, but Countywide as a proviso. If it's too complicated, never mind, we can just move on.

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VICE-CHAIR KING: Complicated.

COUNCILMEMBER SUGIMURA: Good thought.

CHAIR RAWLINS-FERNANDEZ: Would you like us to look that up?

COUNCILMEMBER LEE: Well, you know, it might be too time consuming, why don't we just refer this, maybe you can take this up in your Committee at a later date.

CHAIR RAWLINS-FERNANDEZ: Okay.

COUNCILMEMBER LEE: Yeah, after the Budget.

CHAIR RAWLINS-FERNANDEZ: Okay.

COUNCILMEMBER LEE: Okay.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Lee.

COUNCILMEMBER LEE: Thanks.

CHAIR RAWLINS-FERNANDEZ: Okay. Okay. Alright, so we did Member Molina. Member Hokama?

COUNCILMEMBER HOKAMA: . . .*(inaudible)*. . .

CHAIR RAWLINS-FERNANDEZ: Member Paltin?

COUNCILMEMBER PALTIN: Thank you, Chair. On Page 5, under F(4), item (i), can I please add at the end of the sentence "for community cleanup support?"

CHAIR RAWLINS-FERNANDEZ: Okay.

COUNCILMEMBER PALTIN: And on Page 9, I think for 6B, number two, I'd like to put an (i), proviso 50,000 for the evaluation of the Travelodge Weinberg property, including building inspection to determine such factors as structural integrity, presence of asbestos, and lead in plumbing and paint for repurposing as affordable rentals TMK 4-5-006-004-0000.

CHAIR RAWLINS-FERNANDEZ: Member Paltin, is this the one that we voted on when we were reviewing Appendix A, Part II?

COUNCILMEMBER PALTIN: That's correct.

CHAIR RAWLINS-FERNANDEZ: Yeah, okay.

VICE-CHAIR KING: Chair?

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CHAIR RAWLINS-FERNANDEZ: Chair King?

VICE-CHAIR KING: Is this under the Affordable Rental Housing Program?

COUNCILMEMBER PALTIN: Under Grants and Disbursement for Affordable Rental Housing Programs.

VICE-CHAIR KING: Okay, cause I thought those were basically to go directly to folks renting. That's money that goes directly to the programs that gives people stipends for helping them with their rentals.

CHAIR RAWLINS-FERNANDEZ: Member Paltin?

COUNCILMEMBER PALTIN: Okay, then I'll put it under (1) General, (iii).

CHAIR RAWLINS-FERNANDEZ: Did you get an opportunity to speak with the Director to see where it would be most appropriately placed?

COUNCILMEMBER PALTIN: They just said in the DHHC was all I got to.

CHAIR RAWLINS-FERNANDEZ: Mr. Ueoka?

MR. UEOKA: I believe Ms. Yoshimura mentioned that the understanding was when you spoke with the Housing Director when she was here that she would include it under item B(1)(ii), and that 500,000 would be included in there.

COUNCILMEMBER PALTIN: Oh yeah, that's what I originally said. Thanks.

CHAIR RAWLINS-FERNANDEZ: Okay. So, B(1)(ii), and that funding is already in there. So, no amendment to be made? No corrections?

COUNCILMEMBER PALTIN: B(2)(i).

CHAIR RAWLINS-FERNANDEZ: B...

COUNCILMEMBER PALTIN: Oh, B(1)...

CHAIR RAWLINS-FERNANDEZ: B(1)(ii).

COUNCILMEMBER PALTIN: (II).

CHAIR RAWLINS-FERNANDEZ: B(1)(ii).

COUNCILMEMBER PALTIN: Yeah, sorry.

CHAIR RAWLINS-FERNANDEZ: Where the 500,000 is?

COUNCILMEMBER PALTIN: Yes.

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CHAIR RAWLINS-FERNANDEZ: Okay, alright. Any other corrections, Member Paltin?

COUNCILMEMBER PALTIN: That's it for me.

CHAIR RAWLINS-FERNANDEZ: Okay, mahalo. Member Sugimura?

COUNCILMEMBER SUGIMURA: Thank you. Page 31, Water Operations Program, C, number three, provided that...I'm sorry, number two, provided that 200,000 shall be for the engineering feasibility study to use storm water for drought resiliency for Upcountry. I think we forgot the word "Upcountry." So, if we could add that in.

CHAIR RAWLINS-FERNANDEZ: Okay.

COUNCILMEMBER SUGIMURA: And I think we don't really have to proviso all of our district pots.

CHAIR RAWLINS-FERNANDEZ: Right.

COUNCILMEMBER SUGIMURA: Correct. But --

CHAIR RAWLINS-FERNANDEZ: Yeah.

COUNCILMEMBER SUGIMURA: --I'll put in that \$25,000 shall be for a signage project for Kula Community Association.

CHAIR RAWLINS-FERNANDEZ: Okay, before we move on to the next one, Ms. Yoshimura, did you have any comments on the last item?

MS. YOSHIMURA: Chair, yes. On that \$200,000 feasibility study, it should actually be moved to the Administration Program under...and that's where the engineering program is located, under that program. So, if we could just move that proviso number two to Page 29, or Page 30.

COUNCILMEMBER SUGIMURA: Page 30, Roman numeral IV.

MS. YOSHIMURA: Number IV.

CHAIR RAWLINS-FERNANDEZ: And then it would be IV?

MS. YOSHIMURA: Yes.

COUNCILMEMBER SUGIMURA: Okay. Thank you.

CHAIR RAWLINS-FERNANDEZ: Oh, Ms. Yoshimura?

MS. YOSHIMURA: Sorry, Chair. And another...on Page 31, under item C, Water Operations Program, proviso number three for the water tanker trailers, that was an old proviso, if we could have that removed, please.

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CHAIR RAWLINS-FERNANDEZ: Okay. Members, any objection?

COUNCILMEMBERS: No objections.

CHAIR RAWLINS-FERNANDEZ: Okay, so we'll strike that. The letter C, Water Operations Program - Water Fund, number three. Okay. Member Sugimura?

COUNCILMEMBER SUGIMURA: So, I just wanted to put an...

CHAIR RAWLINS-FERNANDEZ: Is this Page 18?

COUNCILMEMBER SUGIMURA: Pukalani, correct. Number seven, Pukalani-Kula-Ulupalakua Economic Development and Cultural Program, provided that 25,000 shall be for the Kula Community Association signage...cultural signage project.

CHAIR RAWLINS-FERNANDEZ: Is that number three?

COUNCILMEMBER SUGIMURA: It'll be number three, correct.

CHAIR RAWLINS-FERNANDEZ: And this was one of the items that you --

COUNCILMEMBER SUGIMURA: I mentioned that I wanted to...

CHAIR RAWLINS-FERNANDEZ: --proposed --

COUNCILMEMBER SUGIMURA: Yeah.

CHAIR RAWLINS-FERNANDEZ: --during that time, but you didn't submit it in writing?

COUNCILMEMBER SUGIMURA: Yeah, I didn't have the...I just got the information from Vernon actually, who did the Kihei project.

VICE-CHAIR KING: So, you want to say ahupuaa project, right?

COUNCILMEMBER SUGIMURA: It's the ahupuaa, yeah.

CHAIR RAWLINS-FERNANDEZ: Signage.

VICE-CHAIR KING: Okay.

CHAIR RAWLINS-FERNANDEZ: And how much?

COUNCILMEMBER SUGIMURA: Twenty-five thousand. I believe that was what the grant was for the Kihei project.

VICE-CHAIR KING: That's what we spent on Kihei, and so this would be kind of connecting from the top --

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COUNCILMEMBER SUGIMURA: Top, yeah, he calls it the top.

VICE-CHAIR KING: --of Kula and through the four different ahupuaa.

COUNCILMEMBER SUGIMURA: And he did the bottom he said. But anyway, I didn't have the information and they're actually starting to work on it so I believe by the time of the fiscal year...the new fiscal year, it'll be more appropriate.

CHAIR RAWLINS-FERNANDEZ: Okay.

COUNCILMEMBER SUGIMURA: Okay.

CHAIR RAWLINS-FERNANDEZ: Is that all?

COUNCILMEMBER SUGIMURA: That's all for mine for now.

CHAIR RAWLINS-FERNANDEZ: Okay. Mahalo, Member Sugimura. Member Kama?

COUNCILMEMBER KAMA: Okay, so on Page 9, First-Time Homebuyers Program that's all in red, so I just wanted to make sure that that's where the IDA program would fall under 'cause I didn't see it written, so I wasn't sure if that's where it is. So, I'm just asking if that's where it's at 'cause it doesn't spell it out there.

CHAIR RAWLINS-FERNANDEZ: Is it a combined? Are you combining the First-Time Homebuyers Program with the IDA?

COUNCILMEMBER KAMA: Well, part of the First-Time Homebuyers Program, this would provide the matching funds if they saved and they got somebody else to match, then they'd be able to get their down payment, at least some of their down payment. So that's what that First-Time Homebuyers...so I just wanted to be sure that that's what it is unless it's something else.

CHAIR RAWLINS-FERNANDEZ: Okay, I guess the notes reflect it being referred to committee.

COUNCILMEMBER KAMA: Okay, thank you.

CHAIR RAWLINS-FERNANDEZ: Chair King?

VICE-CHAIR KING: Yeah, I was just going to say we did ask for it to be referred to Committee.

COUNCILMEMBER KAMA: Okay.

VICE-CHAIR KING: These funds can still be used by folks with an IDA, but the group that's putting together the IDA probably won't be ready for a couple of years for matching funds because it takes a while for the folks that sign up to actually save the money that they're going to have matched, so it'll be a year or two before they can get...before

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they're at the point where they need extra funds. But I think we...it's a good idea to take it to committee and get the program started.

COUNCILMEMBER KAMA: Yeah, okay. I'm good with that, send it to me. I'm open to that, thank you. And then, see Page 10, item (ii).

CHAIR RAWLINS-FERNANDEZ: What number?

COUNCILMEMBER KAMA: Page 10 on the very top in red. It says (ii).

CHAIR RAWLINS-FERNANDEZ: Under Human Concerns, General? On Page 9?

COUNCILMEMBER KAMA: Yes.

CHAIR RAWLINS-FERNANDEZ: Okay.

COUNCILMEMBER KAMA: So, it says provided that 25,000 shall be for a suicide crisis study for Maui County. So that is still in there 'cause I don't see anything written across the page? I just assumed that it was already in the total Budget and it didn't need to be written out, so I just want to be sure about that.

CHAIR RAWLINS-FERNANDEZ: So, that is on Page 9 on the bottom where it says --

COUNCILMEMBER KAMA: Page 10 on the top.

CHAIR RAWLINS-FERNANDEZ: --Human Concerns Program?

COUNCILMEMBER KAMA: Yes. So, it starts on Page 9, but it actually continues on Page 10 at the top in red. So, I just want to make sure that it's there and the study...the funds will be available.

CHAIR RAWLINS-FERNANDEZ: Staff, for the study, for the suicide crisis study?

MS. ESPELETA: Madam Chair, it looks like it appears as a proviso for 25,000 but the operations amount was not increased for the same amount.

COUNCILMEMBER KAMA: Can I increase it now?

CHAIR RAWLINS-FERNANDEZ: Okay. So, that would change the overall balance.

COUNCILMEMBER PALTIN: Chair?

CHAIR RAWLINS-FERNANDEZ: Member Paltin?

COUNCILMEMBER PALTIN: You can take the 25,000 from Page 5, number four, (i).

CHAIR RAWLINS-FERNANDEZ: So, 263 minus 25,000?

COUNCILMEMBER PALTIN: Yeah.

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CHAIR RAWLINS-FERNANDEZ: Ms. Yoshimura?

MS. YOSHIMURA: Sorry, Chair. It's...be careful with your funds.

CHAIR RAWLINS-FERNANDEZ: Yeah, so this is the EP&S Fund.

COUNCILMEMBER PALTIN: Okay, sorry...tried.

COUNCILMEMBER KAMA: Thank you, Tamara.

CHAIR RAWLINS-FERNANDEZ: Member Sugimura?

COUNCILMEMBER SUGIMURA: So, to support Tasha on that, 'cause I know it's something very important to her that 25,000. My initial 80,000 that came up earlier, is it gone already?

CHAIR RAWLINS-FERNANDEZ: It's gone. So, the rates that we proposed included a buffer. So, if Members --

COUNCILMEMBER SUGIMURA: Allow, yes.

CHAIR RAWLINS-FERNANDEZ: --allow an increase in 25,000 for...under Department of Housing and Human Concerns, Human Concerns Program, General, we can add that under Category B, Operations, an increase of 25,000.

VICE-CHAIR KING: So moved.

CHAIR RAWLINS-FERNANDEZ: Okay. Moved by Chair King.

COUNCILMEMBER KAMA: Second.

CHAIR RAWLINS-FERNANDEZ: Second by Member Kama. Discussion? Okay, all those in favor please say "aye."

COUNCILMEMBERS: Aye.

CHAIR RAWLINS-FERNANDEZ: Any opposed? Okay. Motion passes with eight in favor; and one excused.

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VOTE: **AYES:** **Chair Rawlins-Fernandez, Vice-Chair King, and Councilmembers Hokama, Kama, Lee, Molina, Paltin, and Sugimura.**

NOES: **None.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **Councilmember Sinenci.**

MOTION CARRIED.

ACTION: **APPROVE.**

COUNCILMEMBER KAMA: Thank you, Chair. Thank you, Members.

CHAIR RAWLINS-FERNANDEZ: Okay, so the new total is \$1,994,599. Okay. Member Kama, did you have any other corrections?

COUNCILMEMBER KAMA: No, that was it. Thank you, Chair.

CHAIR RAWLINS-FERNANDEZ: Okay.

VICE-CHAIR KING: Would you like a motion?

CHAIR RAWLINS-FERNANDEZ: So, there's going to be adjustments that we're going to have to make. Okay.

VICE-CHAIR KING: Chair?

CHAIR RAWLINS-FERNANDEZ: I'll do...Chair King?

VICE-CHAIR KING: Okay, if we have the revenue numbers now for RPT, do we want to plug in the number for the affordable housing 4 percent, since we should have that number?

CHAIR RAWLINS-FERNANDEZ: Based on the RPT?

VICE-CHAIR KING: Well, right --

CHAIR RAWLINS-FERNANDEZ: Wait.

VICE-CHAIR KING: --the 4 percent...

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CHAIR RAWLINS-FERNANDEZ: I mean we're going to have to take a recess to try to calculate that.

VICE-CHAIR KING: Okay. We don't have to do it right now, we can do it if we're going to take a dinner break and we can do it when we come back.

CHAIR RAWLINS-FERNANDEZ: Okay. Ms. Yoshimura?

MS. YOSHIMURA: Chair, on Page 8 for the Department of Fire and Public Safety, notice that the amount was zeroed out and 100,000 was added to the Administration Program, but yet a \$250,000 proviso was placed on the Operations. Could we get clarification please?

CHAIR RAWLINS-FERNANDEZ: Staff, there's a note here that says 150,000 was already included in the Operations total, increase of 100,000 to Ops, and that is...so it was a 250,000 for a feasibility study and that's reflected in the Operations.

MS. ESPELETA: Chair, for the initial 150,000...well, can we clarify with the Budget Director that the 150 was included in the top line under Operations? Because when we added the additional 100,000 then we added it to that top line as well, Admin Program.

CHAIR RAWLINS-FERNANDEZ: Ms. Yoshimura?

MS. YOSHIMURA: Chair, Page 7-10 of the Budget Details, the total Administration Program is \$1.410 million, that would be the total between the Administration Program on the top line 1,267,050 plus the 150. So, it was broken into two separate appropriations for a total of \$1.4 million. So, by increasing the Administration Program by 100,000 and deleting the 150, it would leave that appropriation short by 150,000. Thank you.

VICE-CHAIR KING: Chair?

CHAIR RAWLINS-FERNANDEZ: Chair King?

VICE-CHAIR KING: I don't know if this is too simple, but if I...I took the revenue of 355,725,463 by 4 percent, so that leaves the affordable housing 4 percent with \$14,229,018.50 which is...which leaves us with about 700,000 extra over what was...the number that was plugged in there.

CHAIR RAWLINS-FERNANDEZ: Okay.

VICE-CHAIR KING: So, if you're looking for extra money, it's in there, on that line, the line eight which is transfer to the Affordable Housing Fund.

CHAIR RAWLINS-FERNANDEZ: On Appendix A?

VICE-CHAIR KING: On Appendix A, Page 7 that figure that we put in there for transfer to the Affordable Housing Fund that's supposed to be 4 percent is actually...so 4 percent is actually \$724,352 less than that number that's there, the 149.

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CHAIR RAWLINS-FERNANDEZ: So if you're asking me to confirm or...I can't do that right now.

VICE-CHAIR KING: No.

CHAIR RAWLINS-FERNANDEZ: Yeah.

VICE-CHAIR KING: I'm just saying that if you're looking for extra money, there's extra money there. 'Cause it's...4 percent is cheaper, is less than what we, the number we put in there.

CHAIR RAWLINS-FERNANDEZ: Okay. So, for Ms. Yoshimura, Department and...Fire and Public Safety, was that resolved? Okay, we're going to take a quick recess. Okay.

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

CHAIR RAWLINS-FERNANDEZ: For Page 8. Okay, we're going to call a recess at the call of the Chair. It's 5:09 on April 29th. The Economic Development and Budget Committee is now in recess. . . .*(gavel)*. . .

RECESS: 5:09 p.m.
RECONVENE: 5:25 p.m.

CHAIR RAWLINS-FERNANDEZ: . . .*(gavel)*. . . Will the Economic Development and Budget Committee please return to order. It's 5:25 p.m. on April 29th and we're doing our last adjustments on the Budget Bill. Members, please turn to Page 8. So, the adjustment...the correction being made to number five, Department of Fire and Public Safety, under Operations, the \$1,260,750 we will add the 250,000 to that amount to provide for the feasibility and assessment study for the Haiku Fire Station, for a new total of \$1,510,750.

VICE-CHAIR KING: So moved.

COUNCILMEMBER LEE: Second.

CHAIR RAWLINS-FERNANDEZ: Okay, moved by Chair King, seconded by Member Lee. All those in favor?

COUNCILMEMBERS: Aye.

CHAIR RAWLINS-FERNANDEZ: Any opposed? Okay. Motion carries with eight in favor; and one excused, Member Sinenci.

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VOTE: **AYES:** **Chair Rawlins-Fernandez, Vice-Chair King, and Councilmembers Hokama, Kama, Lee, Molina, Paltin, and Sugimura.**

NOES: **None.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **Councilmember Sinenci.**

MOTION CARRIED.

ACTION: **APPROVE.**

CHAIR RAWLINS-FERNANDEZ: Okay, and the last one on the Budget Bill, if you go to Page 16, we received written communication by Mr. Jacob Verkerke and the request is to change...you'll see Information Technology Services, ITS Program on Page 16 toward the bottom. The request is to change from "Provided that disbursements for salary and premium pay is limited to 47.0 equivalent personnel and 1.0 Limited Term Appointment, LTA equivalent personnel" to "Provided that disbursements for salaries and premium pay is limited to 48.0 equivalent personnel". So, the request is to remove the LTA and make it a E/P.

COUNCILMEMBER LEE: So moved.

CHAIR RAWLINS-FERNANDEZ: And if you would...okay.

VICE-CHAIR KING: Second.

CHAIR RAWLINS-FERNANDEZ: Okay. Okay. Moved by Member Lee, seconded by Chair King. Discussion? Okay.

VICE-CHAIR KING: Call for the question.

CHAIR RAWLINS-FERNANDEZ: All those in favor of removing the one limited-term appointment equivalent personnel and adding that to the...from 47 to 48 equivalent personnel, please say "aye."

COUNCILMEMBERS: Aye.

CHAIR RAWLINS-FERNANDEZ: Any opposed?

COUNCILMEMBER HOKAMA: No.

CHAIR RAWLINS-FERNANDEZ: Okay. Seven...the motion carries seven in favor; one opposed, Member Hokama; one excused, Member Sinenci.

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VOTE: **AYES:** **Chair Rawlins-Fernandez, Vice-Chair King, and Councilmembers Kama, Lee, Molina, Paltin, and Sugimura.**

NOES: **Councilmember Hokama.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **Councilmember Sinenci.**

MOTION CARRIED.

ACTION: **APPROVE.**

CHAIR RAWLINS-FERNANDEZ: Okay. Mr. Ueoka?

MR. UEOKA: Thank you, Chair. We're looking at Page 8/9 under Ocean Safety Program, under the item E to the second proviso. I think it might be moving forward easier if you delete the specific dollar amounts for the positions and just leave it at 214,200 shall be for five full-time and 10 half-time positions, including the OSO I, OSO III, and Secretary I. Yeah, just delete the amounts, but leave in the description of the positions. Just, it might be difficult for the Department to fill it, so just...so we don't have any issues on it, it'll be smoother moving forward. I'm sorry, even that 214,200 should be removed and just the five full-time and 10 half-time. My apologies. Thank you, Chair.

CHAIR RAWLINS-FERNANDEZ: Member Paltin? Would you like to consider that recommendation?

COUNCILMEMBER PALTIN: Yeah, I'll move to do that.

CHAIR RAWLINS-FERNANDEZ: Okay.

COUNCILMEMBER KAMA: Second.

CHAIR RAWLINS-FERNANDEZ: Okay. Moved by Member Paltin, seconded by Member Kama. All those in favor of removing the amounts in the proviso itself on Page 8 to 9 under Ocean Safety Program, please say "aye."

COUNCILMEMBERS: Aye.

CHAIR RAWLINS-FERNANDEZ: Any opposed? Okay. Motion passes with eight "ayes," zero "noes," and one excused, Member Sinenci.

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VOTE: **AYES:** **Chair Rawlins-Fernandez, Vice-Chair King, and Councilmembers Hokama, Kama, Lee, Molina, Paltin, and Sugimura.**

NOES: **None.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **Councilmember Sinenci.**

MOTION CARRIED.

ACTION: **APPROVE.**

CHAIR RAWLINS-FERNANDEZ: Mr. Ueoka?

MR. UEOKA: For clarification, you guys removed the SR-15A, six-month funding, and the SR levels also? 'Cause those are assumed in the positions you're putting in so if that's okay. Thank you, Chair.

CHAIR RAWLINS-FERNANDEZ: Member Paltin?

COUNCILMEMBER PALTIN: Yes.

CHAIR RAWLINS-FERNANDEZ: Any objections?

COUNCILMEMBER KAMA: None.

CHAIR RAWLINS-FERNANDEZ: Okay. Okay. So, we'll make that changes. Okay, Members, I'll bring...so if there's no more changes, we'll move to the next document. Okay, so on the Fund Balances as of April 29, 2019 this document here that had the totals on the last page. The Fund Balances. Okay, and we talked about the Special Funds having a \$800,000 shortfall, and so you'll see the breakdown of where that shortfall is in detail in this document here. And so those shortfalls can be adjusted with an interfund transfer from General Funds. And if Members are okay, we can include that in the nonsubstantive changes that we ask Staff to make for us in preparation for first reading.

VICE-CHAIR KING: Do you want a motion?

CHAIR RAWLINS-FERNANDEZ: Sure. Just to make it official.

VICE-CHAIR KING: Okay. So, we're going to...we want a motion to approve this with allowing the Staff to make interfund transfers and any nonsubstantive changes.

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CHAIR RAWLINS-FERNANDEZ: Yes.

VICE-CHAIR KING: That's my motion.

COUNCILMEMBER LEE: Second.

CHAIR RAWLINS-FERNANDEZ: Okay, moved by Chair King, seconded by Member Lee. Any discussion? Okay, seeing...oh, Member Hokama?

COUNCILMEMBER HOKAMA: I believe it would be to our responsibility if we at least looked at minimizing the transfers. That's not the purpose of General Fund is to take care Special Fund's shortfalls. We should be looking at what makes the Special Fund work, and then make the adjustments, and then see if we should or not do transfers. The purpose is not to do any transfers. Thank you, Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Hokama. Member Paltin?

COUNCILMEMBER PALTIN: I just was wondering what is PAF revenue? Is it park assessment fee?

CHAIR RAWLINS-FERNANDEZ: Yeah, park assessment fees.

COUNCILMEMBER PALTIN: Okay. And then I guess I don't understand how we're negative balance on park assessment fee. Is it that we didn't collect what we were supposed to collect? Or we overspent?

CHAIR RAWLINS-FERNANDEZ: Staff?

MS. CHUNG: Chair, in the Mayor's budget, the proposed capital projects under the Park Assessment Fund were exactly balanced, but when we added the Kula park playground under that fund, then it made it go negative.

CHAIR RAWLINS-FERNANDEZ: Okay, so that's where the park assessment fees went to.

VICE-CHAIR KING: Chair?

COUNCILMEMBER HOKAMA: We had a balance, Chair. We cannot have a negative.

VICE-CHAIR KING: I thought that we put that --

CHAIR RAWLINS-FERNANDEZ: Chair King?

VICE-CHAIR KING: --extra funding in there under General Funds. So, why would that be a negative? I thought I remembered Member Sugimura putting that in as General Funds, because you didn't have enough park assessment fees.

COUNCILMEMBER SUGIMURA: We did. Could I?

CHAIR RAWLINS-FERNANDEZ: Member Sugimura?

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COUNCILMEMBER SUGIMURA: So, the park assessment fee that was available for my fund was 160,000 of which I said we're going to use...I asked if we could use 138,650 to make up for the topography and the ADA compliance for the playground equipment. So, you're correct it's 138,650 is the deficiency that I asked to be covered, but I did have enough in my Park Assessment Fund which came from the Department, the amounts.

VICE-CHAIR KING: Then why would it be...why would we have a negative showing?

COUNCILMEMBER SUGIMURA: I think that's the amount of...that's the amount of the overage that I asked to be covered.

VICE-CHAIR KING: Right, but if it was covered under your park assessment, it shouldn't be showing a negative.

COUNCILMEMBER HOKAMA: Somebody's number is screwed up.

COUNCILMEMBER SUGIMURA: Just got to look at it if they could, yeah? 'Cause there should be enough money in the fund. You want me to get the exact amount?

CHAIR RAWLINS-FERNANDEZ: Yes, please. Okay. Okay, we're going to take a brief recess at the call of the Chair. It's 5:36 on April 29th and the Economic Development and Budget Committee is now in recess. . . .(gavel). . .

RECESS: 5:36 p.m.
RECONVENE: 5:53 p.m.

CHAIR RAWLINS-FERNANDEZ: . . .(gavel). . . Will the Economic Development and Budget Committee please return to order. It is 5:53 on April 29th and we're on the homestretch. Okay, we're just making adjustments to some of the Special Funds, and so, Member Sugimura, we checked the Departmental response PR-1 and the total balance in the Makawao-Pukalani-Kula park assessment fees, the balance is one hundred sixty-five thousand, eight hundred twenty-one thousand [sic] dollars, and eighty cents. And so, that balance has enough to cover the Kula park. Okay. So, we'll make that adjustment and if you flip to EP&S revenue, and that is on Page 2, on the bottom of Page 2, you'll see a negative balance of \$11,893 and if you go to your Budget Bill, on the bottom where it has EP&S, the Operations, it's Member Paltin's two proposals to add funding for the grant for Go Green West Maui Recycling and increase the grant to Community Work Day Program dba Malama Maui Nui. It equals 110,910 and I reduced the balance by 96,000 by reducing the green waste management contract on Molokai by six months, and so that \$110,910 minus the 96,000 gave us \$14,910 and Member Paltin requested to have that money come out of the grant to Community Work Day Program dba Malama Maui Nui. So, that increase was an addition of \$50,000 so the 50,000 minus \$14,910 gives us a new increase of \$35,090 and that balance will then be zero.

UNIDENTIFIED SPEAKER: . . .(inaudible). . .

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CHAIR RAWLINS-FERNANDEZ: EP&S revenue on your Fund Balances sheet.

VICE-CHAIR KING: Okay. So, just eliminate that 11,000?

CHAIR RAWLINS-FERNANDEZ: Yes.

COUNCILMEMBER PALTIN: And the new total would be 251,090 for Community Work Day.

CHAIR RAWLINS-FERNANDEZ: Okay. Two hundred and fifty-nine thousand.

COUNCILMEMBER PALTIN: Two hundred fifty-one thousand, and ninety dollars.

CHAIR RAWLINS-FERNANDEZ: Okay. Any objections, Members? Okay. So, we'll make those adjustments. Okay, and then the other balances...so the \$8 negative balance is it was an issue of rounding on one side and not rounding on the other, which is how we ended up with negative \$8 there. And for the other three for Solid Waste, Sewer, and Water, it was a combination of additional funding that we added to Operations and to CIP. For example, I added three more positions to Solid Waste, and so if Members would feel comfortable allowing the Staff to make those adjustments for first reading.

VICE-CHAIR KING: Chair?

CHAIR RAWLINS-FERNANDEZ: Chair King?

VICE-CHAIR KING: We have a motion on the floor to allow the Staff to do interfund...to do those three interfund changes and any nonsubstantive changes. I think it was seconded by Member Lee.

CHAIR RAWLINS-FERNANDEZ: Yes, so the motion is on the floor made by Chair King, seconded by Member Lee. Any discussion? Member Hokama?

COUNCILMEMBER HOKAMA: I am looking at those sheets you shared with us. So, Water they show you, your revs, 90.7 mil, OPs 70.9, CIP 20, and then I look on Page 30 where we upped our...

CHAIR RAWLINS-FERNANDEZ: The Budget Bill?

COUNCILMEMBER HOKAMA: Yeah, by 2 million. Okay, we increased Debt Service by 2 million, but we're only showing a balance of negative 199,000. I know you folks been trying to keep up, so I'd rather you guys just tell us straight, adjourn for the night, do a complete spreadsheet run for us, so that what is in the adjustments that we've been working on and the Fund Balances all come out okay. 'Cause I won't give you guys any authorization from me to make adjustments for me until I know what numbers I'm working with. Okay, thank you very much.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Hokama. Members, any other discussion? Okay, so I'll call for the question. All those in favor of the motion, please say "aye."

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VICE-CHAIR KING: Aye.

COUNCILMEMBER MOLINA: What is the motion?

CHAIR RAWLINS-FERNANDEZ: Okay. The motion is to allow Committee Staff to make nonsubstantive revisions prior to first reading to prepare us for first reading to ensure accuracy and legality. And that would include the interfund transfers...the shortfalls that I was talking about. And including the CIPs that were State and Federal funded, if they didn't show up in the Appendix C, then they would add it 'cause it's not a change.

COUNCILMEMBER LEE: Madam Chair?

CHAIR RAWLINS-FERNANDEZ: Member Lee?

COUNCILMEMBER LEE: Am I correct to assume that a lot of these imbalances are due to the last-minute changes that were made?

CHAIR RAWLINS-FERNANDEZ: The Solid Waste, Sewer, Water --

COUNCILMEMBER LEE: Yes.

CHAIR RAWLINS-FERNANDEZ: --shortfalls?

COUNCILMEMBER LEE: Yeah.

CHAIR RAWLINS-FERNANDEZ: The last-minute changes that we made?

COUNCILMEMBER LEE: I was just wondering.

CHAIR RAWLINS-FERNANDEZ: I think it's a combination of all the changes that we made to Operations and CIP. So, a little bit here and a little bit there, and that's how we ended up with the negative balance.

COUNCILMEMBER LEE: Yeah, I can see that because we made changes up until like couple hours ago --

CHAIR RAWLINS-FERNANDEZ: Right

COUNCILMEMBER LEE: --you know?

CHAIR RAWLINS-FERNANDEZ: Yeah.

COUNCILMEMBER LEE: Alright. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Lee. Member Sugimura?

COUNCILMEMBER SUGIMURA: . . .*(inaudible)*. . .

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CHAIR RAWLINS-FERNANDEZ: Okay, so I'll call for the question on the motion. All those in favor of the motion, please say "aye."

COUNCILMEMBERS: Aye.

CHAIR RAWLINS-FERNANDEZ: All those opposed?

COUNCILMEMBER HOKAMA: No.

CHAIR RAWLINS-FERNANDEZ: Okay, we'll raise our hand. Okay, all those in favor of the motion, please raise your hand. Okay, Member Molina, Member Lee, Chair King, Member Paltin, Member Sugimura, Member Kama, and myself. All those opposed? Member Hokama. And one excused, Member Sinenci.

VOTE: AYES: Chair Rawlins-Fernandez, Vice-Chair King, and Councilmembers Kama, Lee, Molina, Paltin, and Sugimura.

NOES: Councilmember Hokama.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmember Sinenci.

MOTION CARRIED.

ACTION: APPROVE.

CHAIR RAWLINS-FERNANDEZ: Okay. So, we are done for tonight. So, I'll entertain a motion to recommend for approval for first reading the Real Property Tax resolution, the Budget Bill, the General Budget Provisions...oh, Mr. Ueoka?

MR. UEOKA: Chair, I don't think you approve the Real Property Tax reso tonight.

CHAIR RAWLINS-FERNANDEZ: Okay. Okay. So, for the rates that we set for posting when it was up on the screen...I'll entertain a motion to have that reflected in the resolution, RPT rates.

VICE-CHAIR KING: So moved.

COUNCILMEMBER LEE: Second.

CHAIR RAWLINS-FERNANDEZ: Moved by Chair King, seconded by Member Lee. Discussion? Okay, all those in favor please say "aye."

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COUNCILMEMBERS: Aye.

CHAIR RAWLINS-FERNANDEZ: Any opposed? Okay. Motion passes with eight "ayes," and one excused, Member Sinenci.

VOTE: **AYES:** **Chair Rawlins-Fernandez, Vice-Chair King, and Councilmembers Hokama, Kama, Lee, Molina, Paltin, and Sugimura.**

NOES: **None.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **Councilmember Sinenci.**

MOTION CARRIED.

ACTION: **ADOPTION of resolution.**

CHAIR RAWLINS-FERNANDEZ: Okay. So, I'll entertain a motion to recommend approval of the Budget Bill; General Budget Provisions; Appendix A, Part I, Grant Revenue; Appendix A, Part II, Special Purpose Revenues; Appendix B, Rates and Fees with the...yeah, Appendix B-1, Concession, Lease, License Schedule; Appendix C, Capital Improvement Program; Capital Program Bill, which is the appendix with the pie charts in it, which is more housekeeping, as is the Bond Bill and the Lapsed Bond Bill.

COUNCILMEMBER LEE: Move to approve.

VICE-CHAIR KING: Second.

CHAIR RAWLINS-FERNANDEZ: And it would include what we voted on the...motion would include directing Committee Staff to make nonsubstantive revisions prior to first reading to ensure accuracy and legality and that would include the interfund transfer for the shortfall and then adding to the CIP and Appendix C the State fund and the Federal fund.

COUNCILMEMBER LEE: And that would be included in my motion.

VICE-CHAIR KING: Second.

CHAIR RAWLINS-FERNANDEZ: Okay. Moved by Member Lee and seconded by Chair King. Discussion? Member Sugimura?

COUNCILMEMBER SUGIMURA: Yeah, just want to make sure my IAL, the Important Ag Land...which appendix is it in?

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CHAIR RAWLINS-FERNANDEZ: That's gonna be Appendix A, Part I, Grant Revenue.

COUNCILMEMBER SUGIMURA: A, Part I. So it's not what we're approving right now, right?

CHAIR RAWLINS-FERNANDEZ: Yes.

COUNCILMEMBER SUGIMURA: 'Cause we didn't get to talk about it. Let me just check.

VICE-CHAIR KING: Call for the question.

CHAIR RAWLINS-FERNANDEZ: Member Sugimura, did you want to speak to the 125,000 for the IAL matching fund?

COUNCILMEMBER SUGIMURA: Yeah, so the IAL...I'm sorry if I missed it, but the IAL we got the matching funds from the State, it won't be approved, I guess Legislature is in session tomorrow to approve their final bill, but it is in the bill for the IAL 125,000 with the County to match. And then also in there is another element for the transit-oriented development for half-a-million dollars, 500,000 which the Planning Department asked for with a 100,000 match from the County which is in Planning, so it's there.

CHAIR RAWLINS-FERNANDEZ: Okay.

COUNCILMEMBER SUGIMURA: Just want to make sure. I didn't see it in here, so I...I just wanted to make sure that we don't overlook it. Thank you.

CHAIR RAWLINS-FERNANDEZ: Yeah, so that was what I spoke to earlier with the Appendix A, Part I, Grant Revenue with the Women's Commission, the IAL, and then with the...

COUNCILMEMBER SUGIMURA: The TOD.

CHAIR RAWLINS-FERNANDEZ: Yeah.

COUNCILMEMBER SUGIMURA: Okay.

CHAIR RAWLINS-FERNANDEZ: Okay.

COUNCILMEMBER SUGIMURA: Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Sugimura. Members, any other discussion? Member Paltin?

COUNCILMEMBER PALTIN: I just was wondering when is the next time we come back over here?

CHAIR RAWLINS-FERNANDEZ: In the EDB Committee, or as like a...or like GET?

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COUNCILMEMBER PALTIN: Oh, do we have to come tomorrow for that deadline that you were talking about earlier? The four o'clock that got moved to...

CHAIR RAWLINS-FERNANDEZ: To nine o'clock tomorrow morning. Yeah, so we completed that by proposing the RPT rates.

COUNCILMEMBER PALTIN: So, don't need to do it tomorrow?

CHAIR RAWLINS-FERNANDEZ: So, that's for posting, and we just voted to approve that.

COUNCILMEMBER PALTIN: Okay, so don't do that tomorrow.

CHAIR RAWLINS-FERNANDEZ: No, it's pau. We did it already.

COUNCILMEMBER PALTIN: Oh, okay, got it.

CHAIR RAWLINS-FERNANDEZ: Yeah, we're good. Yeah, so...

COUNCILMEMBER SUGIMURA: So, what is happening tomorrow?

CHAIR RAWLINS-FERNANDEZ: Mr. Ueoka?

VICE-CHAIR KING: We just did it --

CHAIR RAWLINS-FERNANDEZ: You're making faces.

VICE-CHAIR KING: --after 4:00 p.m. so she was just letting us know we're okay because we met the 9:00 a.m. tomorrow deadline.

CHAIR RAWLINS-FERNANDEZ: Yeah, so the deadline was at 4:00 p.m. and we got an extension until tomorrow at 9:00, but we already passed it so that's what's gonna be posted. Yeah. Mr. Ueoka?

COUNCILMEMBER SUGIMURA: So, do we come back tomorrow? Are you saying we're done?

CHAIR RAWLINS-FERNANDEZ: Yes.

COUNCILMEMBER SUGIMURA: So, next time we come back is GET?

MR. UEOKA: You guys when vote, yeah?

CHAIR RAWLINS-FERNANDEZ: We voted to approve the reso --

VICE-CHAIR KING: We're...

CHAIR RAWLINS-FERNANDEZ: --for posting. I said for posting.

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VICE-CHAIR KING: We have a motion on the floor right now so we have to take this vote, but everybody keeps asking questions about coming back tomorrow.

CHAIR RAWLINS-FERNANDEZ: Okay. So we have a motion on the floor by Member Lee, seconded by Chair King. Any other discussion?

COUNCILMEMBER HOKAMA: Chair?

CHAIR RAWLINS-FERNANDEZ: Member Hokama?

COUNCILMEMBER HOKAMA: So, this is my understanding, after this it goes to first reading before the Council. So, I'll state that I'll be voting no on this motion at this time. I have never voted for a budget that I cannot even tell one person what is our expense, what is our revenues, and what did we fund. I'm kind of disappointed that we didn't bring more clarity to the process. I'm still yet befuddled, I hope the Staff can show me the numbers that make sense because eventually someone is going to have to explain to the taxpayers what we did and I can't...I really don't know who can to be honest regarding this Budget. I'm kind of disappointed how we grew. There's some good stuffs but I think we should have cut certain things and put in place certain shoreline projects regarding potential hardening, because my thing is we cannot start too early, and I think we placed enough increases in Real Property Tax to make it happen. And so that's, one of my side of disappointments regarding the projects that I had hoped we could maybe start regarding shoreline. Protecting the existing tax base which is South and West Maui, before it becomes a negative and a burden on how we going to do things in the future. I think we're a little too short-sighted on just finishing this year's Budget instead of setting a first step on what we going to need to do for the next 20 years. So, I appreciate my time to express my comments, and I need the tax base to pay attention on what and how we're doing taxation by categories, so please speak up. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Mr. Hokama. Chair King?

VICE-CHAIR KING: Thank you, Chair. I just wanted to say I appreciate all your hard work and all the OCS and your staff hard work. For me, I support the Budget and I think we've done a lot of hard work on shoring up infrastructure. Every year when we get into budget is not the time to start making plans. I think we need to do that starting the week after we pass the Budget in second reading and make...do the TIG for tax reform and do the TIG for affordable housing and some of these other things instead of waiting until we get into Budget and trying to do them. So, starting...I mean, we have a clear pathway of where we need to go now after some of the discussion that comes up, and I think we can...this is a good basis for being prepared for the next Budget, and starting to do that kind of planning that we need to do. But, you know, I've been watching the process over the years and I think that every year we go through this where we say, you know, we bring good ideas up, but it's too...you can't really flesh them out during Budget. So I have faith that this Council is going to move ahead after Budget Session and actually have those meetings and do the hard work and start planning, but, you know, just to move ahead, I think it's really dangerous to move ahead and say we're gonna harden the shoreline because we know that the community doesn't want that. So, the only way we're really gonna be able to move

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ahead with the plan is through community meetings and getting the experts in here and working with them. I think we did a lot of good work with referrals to committees and I appreciate all the Councilmembers being willing to take on the committee subjects and moving forward with them and, you know, I will support as much as I can through Council Services and I know OCS will, so we have a full contingent. Hopefully, by the end of this month all positions...there will be no more open positions and that's really exciting. So, anyway just wanted to say that and I thank you for, you know, of course the first time you're going to be muddling through some parts of it and then figuring out where you want to go, but I think we did some really good work and I'm happy that we created the program first, instead of creating the funding first and then trying to fit the program into it because the program to me is more meaningful that way. Okay, thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Chair King. Member Lee?

COUNCILMEMBER LEE: Madam Chair, I want to thank you for your hard work along with OCS Staff and your staff and of course the Members of this Committee, which I have found them to be very creative, and innovative, and of course you, very energetic. This has been a truly collaborative process. And from beginning to end, even where you tried to average rates and so forth. You really tried your best to include everybody and bring out the value in every person. I'm really happy with many of the decisions and the proposals of the Members, because we are going to be doing some really new things...well, we'll have the National Guard working on invasive species. We have some very good potential affordable housing projects. We're going to be introducing new programs in the area of the homeless. There's so many things to look forward to, and it was truly a group effort. Thank you, Madam Chair.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Lee. Okay.

VICE-CHAIR KING: Call for the question.

CHAIR RAWLINS-FERNANDEZ: Okay. Well, I want to thank all of you before I call for the question since we're doing thank you's.

VICE-CHAIR KING: Okay.

CHAIR RAWLINS-FERNANDEZ: I'm really happy that many of you felt like this was a collaborative kakou effort. I really tried to be, you know, transparent in all the decisions that I was making and I wanted it to be a proposal that reflected all of us and I really tried to make sure that everyone's voices were heard and, you know, I really want to thank our hardworking Staff here, and, you know, our Budget Director, Michele Yoshimura, and Mr. Ueoka for really helping, you know, Members clarify things and make sure that we're on the right path. And I think, you know, we're gonna do like really...I really like our Budget. I think, you know, we're going to do great things. Like Member Lee and Chair King said, there's a lot of innovative, creative ideas and, you know, really putting our money where our mouth is, you know, we talked about how affordable housing is a priority and I think we made it a priority in this Budget. I think we made environmental protection and cultural preservation a priority in this Budget. And, you know, I think we did do, you know, things that will

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be planning for the future. I mean one of the things, you know, is the \$500,000 plan for Phase I, Countywide planning for Molokai in moving forward in, you know, planning for sea level rise and climate change and continue...flooding and so I think we are planning for the future in that way. And so, I really appreciate Members' support as, you know, I Chaired this Committee for the first time, you really did make it fun. I enjoyed every minute with all of you and I appreciate that, you know, the support, your flexibility, your understanding, and I enjoyed this process, and it was really thanks to all of you, so mahalo. Okay, I'll call for the question. Okay. All those in favor, please say "aye."

COUNCILMEMBERS: Aye

CHAIR RAWLINS-FERNANDEZ: Any opposed?

COUNCILMEMBER HOKAMA: No.

CHAIR RAWLINS-FERNANDEZ: Okay. Motion passes with seven "ayes;" one no, Member Hokama; and one excused, Member Sinenci.

VOTE: AYES: Chair Rawlins-Fernandez, Vice-Chair King, and Councilmembers Kama, Lee, Molina, Paltin, and Sugimura.

NOES: Councilmember Hokama.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmember Sinenci.

MOTION CARRIED.

ACTION: FIRST READING of proposed bills.

CHAIR RAWLINS-FERNANDEZ: Okay. Mahalo, Members, for all the good work. Oh, okay we're going to talk about the RPT resolution. Mr. Ueoka?

MR. UEOKA: Oh, I'm...

CHAIR RAWLINS-FERNANDEZ: Oh, no?

MR. UEOKA: I have nothing on the RPT resolution. I'm sorry, in that laundry list of things you listed that you guys voted on --

CHAIR RAWLINS-FERNANDEZ: Yes?

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MR. UEOKA: --was the Capital Program included?

CHAIR RAWLINS-FERNANDEZ: Yes.

MR. UEOKA: Okay. Thank you. Oh, yeah, and the SRF loans, and all of that, and the Bond bill, and all that other good stuff.

CHAIR RAWLINS-FERNANDEZ: Yes.

MR. UEOKA: Okay --

CHAIR RAWLINS-FERNANDEZ: Yeah.

MR. UEOKA: --just wanted to make sure. Thank you.

CHAIR RAWLINS-FERNANDEZ: It's in there. Okay. Mahalo, Mr. Ueoka. Okay, Members, if there's no last questions or comments, this...we're pau.

COUNCILMEMBER PALTIN: No need come tomorrow.

CHAIR RAWLINS-FERNANDEZ: No need come tomorrow and...so, yeah, we won't be meeting tomorrow. This is it, and you know, we'll be meeting for our first reading and we can make any adjustments then. Member Molina?

COUNCILMEMBER MOLINA: Yeah. Thank you, Madam Chair, and thank you too, for all your work, and the Staff. Just a friendly reminder to everybody we have a GET meeting scheduled for Thursday, May 2nd. Then I think Council, and then followed by Affordable Housing Committee on Friday. So, plenty more stuff to keep us busy with. Thank you.

CHAIR RAWLINS-FERNANDEZ: Mahalo, Member Molina.

COUNCILMEMBER PALTIN: . . .*(inaudible)*. . .


CHAIR RAWLINS-FERNANDEZ: Okay, so if there's no last announcements or questions or comments, I'll now adjourn our meeting. It's 6:19 on April 29th and the Economic Development and Budget Committee is now adjourned. . . .*(gavel)*. . .

ADJOURN: 6:19 p.m.

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APPROVED:



KEANI N.W. RAWLINS-FERNANDEZ, Chair
Economic Development and Budget Committee

edb:min:190429r:ma

Transcribed by: Melissa Agtunong

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CERTIFICATE

I, Melissa Agtunong, hereby certify that the foregoing represents to the best of my ability, a true and correct transcript of the proceedings. I further certify that I am not in any way concerned with the cause.

DATED the 20th day of May, 2019, in Kahului, Hawaii

A handwritten signature in black ink, appearing to read 'Melissa Agtunong', written over a horizontal line.

Melissa Agtunong