

COUNCIL OF THE COUNTY OF MAUI

BUDGET AND FINANCE COMMITTEE

October 4, 2001

Committee

Report No. 01-181

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

Chair and Members:

Your Budget and Finance Committee, having met on September 18, 2001, makes reference to County Communication No. 01-246, from the Director of Public Works and Waste Management, transmitting a proposed bill entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT FOR A STATE WATER POLLUTION CONTROL REVOLVING FUND LOAN FOR THE LAHAINA WASTEWATER PUMPSTATION NOS. 5 AND 6 FORCEMAIN RE-ROUTING".

The purpose of the proposed bill is to authorize the Mayor to execute an intergovernmental agreement with the State of Hawaii for a State Water Pollution Control Revolving Fund Loan (SRF loan) in the amount of \$3,795,000 to finance the construction of the Lahaina Wastewater Pumpstation Nos. 5 and 6 Forcemain Re-routing.

At its meeting, your Committee met with the Budget Director, the Director of Public Works and Waste Management, and a Deputy Corporation Counsel.

The Budget Director informed your Committee that the project was reviewed and authorized in the Fiscal Year (FY) 2002 Budget as a Capital Improvement Project to be funded with an SRF loan in the amount of \$3,300,000.

The Director of Public Works and Waste Management informed your Committee that the proposed bill would authorize the Mayor to enter into an intergovernmental agreement with the State Department of Health (DOH) Wastewater Branch. As background information, the Director of Public Works and Waste Management stated that the DOH has a State Water Pollution Control Revolving Fund, which provides low-interest loans for sewer projects. The SRF loan is repaid and the funds are loaned again, with approximately 80 percent of the funds loaned at any one time.

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The Director of Public Works and Waste Management stated that the project currently in the budget that qualifies for this loan is the re-routing of the forcemain between Lahaina pumpstations Nos. 5 and 6. He informed your Committee that the Department had a community meeting to discuss the alignment of this project. He stated that there were initially six different ways to address the project, which has now been reduced to two, including re-lining the existing line. He noted that re-lining will probably save money and may be less disruptive. Further discussions with the community will be held to discuss the timing of the construction in order to be sensitive to the needs of the residents and visitors.

The Director of Public Works and Waste Management stated that the correct amount for the project is \$3,300,000 and that the proposed bill should be revised to reflect this amount. He further noted that this SRF loan would save the County about \$550,000 in interest costs over the life of the loan.

Your Committee requested that the Department of the Corporation Counsel revise the proposed bill to replace \$3,795,000 with \$3,300,000 as approved in the FY 2002 Budget.

Your Committee voted to recommend passage of the revised proposed bill on first reading and filing of the communication.

Your Committee is in receipt of a revised proposed bill entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT FOR A STATE WATER POLLUTION CONTROL REVOLVING FUND LOAN FOR THE LAHAINA WASTEWATER PUMPSTATION NOS. 5 AND 6 FORCEMAIN RE-ROUTING". The revised proposed bill replaces the amount of the loan from \$3,795,000 with \$3,300,000 as approved in the FY 2002 Budget.

Your Budget and Finance Committee RECOMMENDS the following:

1. That Bill No. _____ (2001), as revised herein and attached hereto, entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN

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INTERGOVERNMENTAL AGREEMENT FOR A STATE WATER
POLLUTION CONTROL REVOLVING FUND LOAN FOR THE
LAHAINA WASTEWATER PUMPSTATION NOS. 5 AND 6
FORCEMAIN RE-ROUTING” PASS FIRST READING and BE
ORDERED TO PRINT; and

2. That County Communication No. 01-246 be FILED.

Adoption of this report is respectfully requested.

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