

COUNCIL OF THE COUNTY OF MAUI

# BUDGET AND FINANCE COMMITTEE

November 16, 2001

**Committee**  
**Report No.**

01-222

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 October 30, 2001 and November 1, 2001, makes reference to County Communication No. 01-271, from the Chair of the Budget and Finance Committee, relating to the matter of economic recovery actions. In light of the September 11, 2001 terrorist attacks on the United States and the effect on the economic well-being of our State and County, the Chair of the Budget and Finance Committee recognized that economic recovery actions may need to be taken in an expeditious manner.

Your Committee notes that while considering the disposition of County Communication No. 01-271 at its meeting of October 4, 2001, the Council revised the communication to also include referral of the matter of recent health-related concerns facing Maui County.

Your Committee notes that it previously reported on this matter through Committee Report No. 01-203, which recommended that a revised proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2002 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES AND THE DEPARTMENT OF HOUSING AND HUMAN CONCERNS" pass first reading and be ordered to print. The purpose of the revised proposed bill was to identify \$1,500,000 in Public Service Company Tax revenues and to appropriate the same amount to the Department of Housing and Human Concerns for MEO, Inc. - Hawaii Emergency Lauilima Partnership (HELP).

Your Committee further notes that in Committee Report No. 01-203, your Committee expressed the need to expedite the approval of the proposed bill, and requested that the Council Chair schedule a Special Council Meeting to enable the bill to be passed on second and final reading prior to the program's implementation scheduled for November 5. The Council scheduled its Special Council Meeting on October 25, 2001, and voted to adopt Committee Report No.

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01-203. The Council scheduled the proposed bill for second and final reading at its meeting of November 2, 2001.

Your Committee further notes that it previously reported on this matter through Committee Report No. 01-204, which recommended that a proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2002 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO RESIDENTIAL REFUSE DISPOSAL FEES AT COUNTY LANDFILLS" pass first reading and be ordered to print. The purpose of the proposed bill was to allow the Director of Public Works and Waste Management to waive Residential Refuse Disposal Fees at County landfills when deemed necessary to meet a public emergency threatening life, health or property.

Your Committee further notes that the Council scheduled Committee Report No. 01-204 for adoption and the proposed bill for first reading at the Council Meeting of November 2, 2001.

By correspondence dated October 23, 2001, the Budget Director transmitted the following:

1. A proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2001 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO THE CAPITAL IMPROVEMENT PROGRAM".

The purpose of the proposed bill is to reduce the appropriation for Lower Honoapiilani Road Improvement, Phase IV by \$1,000,000.

2. A proposed bill entitled "A BILL FOR AN ORDINANCE TO AMEND ORDINANCE NO. 2866, BILL NO. 48 (2000), AS AMENDED, RELATING TO THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI".

The purpose of the proposed bill is to reduce the bond ordinance by \$1,000,000 for Lower Honoapiilani Road Improvement, Phase IV.

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3. A proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2002 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES, DEPARTMENT OF PARKS AND RECREATION, DEPARTMENT OF PLANNING AND THE CAPITAL IMPROVEMENT PROGRAM".

The purpose of the proposed bill is to recognize an increase in estimated revenues in the General Fund by \$50,000, the Highway Fund by \$660,000, and the Bond/Lapsed Bond Fund by \$1,430,000 for a total increase in estimated revenues of \$2,140,000; and to increase the operating appropriations for the Department of Parks and Recreation by \$80,000, Department of Planning by \$140,000, and the Capital Improvement Program by \$1,920,000 for a total increase in appropriations of \$2,140,000.

4. A proposed bill entitled "A BILL FOR AN ORDINANCE TO AMEND ORDINANCE NO. 2965, BILL NO. 43 (2001), AS AMENDED, RELATING TO THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI".

The purpose of the proposed bill is to increase the bond authorization by \$1,300,000 for the various proposed projects.

5. A proposed bill entitled "A BILL FOR AN ORDINANCE TO AMEND ORDINANCE NO. 2966, BILL NO. 44 (2001), RELATING TO THE DETERMINATION THAT PART OF THE PROCEEDS OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI HERETOFORE ISSUED IS IN EXCESS OF THE AMOUNTS REQUIRED FOR THE PURPOSES FOR WHICH SUCH BONDS WERE INITIALLY ISSUED, OR MAY OR SHOULD NOT BE APPLIED TO THOSE PURPOSES, AND DIRECTING TO OTHER PUBLIC IMPROVEMENTS OR AUTHORIZED PURPOSES OF THE COUNTY OF MAUI".

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The purpose of the proposed bill is to recognize lapsed bond proceeds from the Lahaina Effluent Upgrade in the amount of \$130,000.

6. A proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2002 CAPITAL PROGRAM".

The purpose of the proposed bill is to reflect the proposed changes in the Fiscal Year 2002 Capital Improvement Program.

By correspondence dated October 24, 2001, the Mayor transmitted a proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2002 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES AND THE OFFICE OF THE MAYOR".

The purpose of the proposed bill is to recognize \$250,000 in Public Service Company Tax revenue and to appropriate the \$250,000 to the Office of the Mayor for dengue fever, anthrax and other health-related issues.

At its meeting of October 30, 2001, your Committee met with the Mayor, the Budget Director, the Director of Public Works and Waste Management, the Director of Parks and Recreation, the Director of Planning, a Police Captain from the Department of Police, the County's Energy Specialist, an Executive Assistant to the Mayor, the Director of Finance, and a Deputy Corporation Counsel.

Your Committee received the following documents:

1. A chart regarding the economic recovery sources and uses of funds by projects from the Budget Director;
2. A chart entitled "FY 2002 CIP BY FUND" from Committee Staff;
3. A copy of a document entitled "2002 Supplemental Budget Request Capital Improvement Program" from the Director of Parks and Recreation; and

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4. Written testimony from Dr. Lorrin Pang, District Health Officer, State Department of Health, regarding dengue fever.

Your Committee received oral testimony from one member of the public, who read the written testimony by Dr. Lorrin Pang in support of additional funds to combat dengue fever.

The Mayor provided an overview of the proposed projects that he has reprioritized to assist in enhancing the local economy in response to the recent economic downturn. He informed your Committee that money for the projects is being redirected from other projects that are not proceeding, from lapsed bond funds, and from \$300,000 in additional bond authorization. Moreover, he stated that the projects would begin in the current fiscal year.

Your Committee notes that because the Capital Improvement Program (CIP) is an 18-month program, the life of this year's CIP is until December 2002.

The Director or departmental representative presented an overview of each project as follows:

1. Lahaina Police Station, \$170,000 from the Bond Fund and \$130,000 from the Lapsed Bond Fund. A Captain of the Department of Police stated that the Lahaina Police Station had problems that were unknown during the Fiscal Year (FY) 2002 budget review of this project. He indicated that a sump pump had backed up and caused significant damage to the ceiling and the officers' locker rooms, and rat infestation had recently been detected. A conceptual design for improvements to the station including repair of the locker room damage was completed and construction is estimated to begin within three months. In addition, he stated that the Department would be participating in an accreditation review in April, and they hoped the station would be in better condition.
2. Long-Range Planning, \$140,000 from the General Fund. The Planning Director stated that the Department wanted to continue the momentum of their work in the smart growth area and the

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General Plan update program. They are completing the work of the Smart Growth Advisory Committee. In addition, several technical studies (public infrastructure assessment, assessment of public facilities, 20-year population forecast, and land use forecast) are being done that are critical for the General Plan review. He further stated that the long-range planning is an ongoing need and use of the funds would be immediate.

3. Kalana Pakui Building, \$500,000 from the Bond Fund in addition to the \$500,000 in General Funds currently in the budget. An Executive Assistant to the Mayor stated that the cleanup of the building is more extensive than originally anticipated when \$500,000 was added to the FY 2002 budget. A bid request has been initiated with the construction to begin in January. It is expected that the building will be reoccupied in late March or early April 2002. The scope of the work includes: (a) removal of the old ceiling due to the extensive mold growth; (b) installation of a new ceiling, electrical wiring and computer cabling; (c) design of a new air system, which will include insulation exterior to the air ducts to prevent mold growth as opposed to the current system with insulation on the interior; and (d) installation of ultraviolet (UV) lights, which will help destroy bacteria in the air.
4. Energy Management Projects, \$150,000 from the Bond Fund. The County's Energy Specialist stated that there are two projects planned, one is a small solar photovoltaic system for the Wailuku Police Station (\$100,000) and the second is a net-metered demonstration wind project (\$50,000). He stated the projects could start immediately, but indicated that there may be a three- to six-month delay due to availability of solar panels.
5. Kanaloa Avenue, \$360,000 from the Highway Fund and \$340,000 from the Bond Fund. The Director of Public Works and Waste Management stated that the project request is for a total of \$700,000 of which \$400,000 are matching funds to the \$1.6 million received from the Federal government. The project received a Special Management Area (SMA) permit a couple months ago and

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has overcome community opposition. He indicated that the project would be ready to proceed within three to four months. The project is a reconstruction of the roadway with two lanes and a turning lane from the YMCA to Kahului Beach Road and includes resurfacing to Kaahumanu Avenue. In addition, sidewalks will be constructed on both sides of the road, drainage will be upgraded, and on-street parking in the landscaped area will be provided, which was requested by the residents.

6. Americans with Disabilities Act (ADA) Wheelchair Ramps, \$300,000 from the Highway Fund. The Director of Public Works and Waste Management stated that the County has been funding wheelchair ramps with County, Federal Community Development Block Grant (CDBG) and Transportation Equity Act for the 21<sup>st</sup> Century (TEA-21) funds. He indicated that the County has slipped behind and needs to get back on track. The money set aside this year from CDBG funds cannot be used for design, and therefore, this request is for design work. The project covers Countywide needs, focusing on areas near institutions and schools, then commercial areas and residential areas.
7. Makawao-Pukalani-Kula Community Plan District, \$340,000 from the Bond Fund. The Director of Parks and Recreation discussed the following four projects in the district for which additional funds are being requested: (1) Eddie Tam Ballfield Improvements, lighting (\$100,000); (2) Kula Community Center Tennis Court/Master Plan, master plan and design (\$50,000); (3) Eddie Tam Irrigation System, design and construction of an automatic irrigation system (\$140,000); and (4) Pukalani Park Master Plan Completion, replacement of an inferior existing irrigation system (\$50,000).
8. Wailuku-Kahului Community Plan District, \$300,000 from the Bond Fund. The Director of Parks and Recreation informed your Committee that the project involves the reconstruction of the football field to improve the quality and durability of the playing field. The project breakdown includes: design consultant, sports turf

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consultant, subsurface drainage system, subsurface soil and topsoil conditioning, and sprigging and establishment of turf.

9. Countywide, \$100,000 from the Bond Fund. The Director of Parks and Recreation stated that funding will be used for fencing replacement projects at the War Memorial Football Complex, Kalama Park, Kahului Pony League Baseball Field, Duke Maliu Complex, and Kaunakakai Recreational Facility.
10. Turf Management Program, \$80,000 from the General Fund. The Director of Parks and Recreation stated that the funds will be used to purchase additional agricultural supplies to improve turf conditions and intensify the weed control program.

After a brief discussion, your Committee recessed its meeting to November 1, 2001.

At its reconvened meeting of November 1, 2001, your Committee met with the Mayor, the Budget Director, an Executive Assistant to the Mayor, and a Deputy Corporation Counsel.

The Mayor stated that he is requesting \$250,000 in the Office of the Mayor to continue with on-going efforts to address dengue fever. He is hoping to establish a cost-sharing program with the State. In addition, he stated that since the landfill fees have been suspended, the Administration is reviewing the Solid Waste Fund and may need to return to the Council to address any shortfall in funds.

An Executive Assistant to the Mayor reviewed a summary of the County's efforts, in coordination with the State Department of Health, to address dengue fever. These efforts included: (1) establishing a blood testing lab in the old Hana School; (2) adding supplemental phone lines to handle the additional calls; (3) establishing a dengue information center at the Haiku Community Center; and (4) spearheading efforts to eliminate potential breeding sites for the mosquitoes with massive cleanups centered in Hana, Nahiku and the Haiku area. He informed your Committee that 2,000 old tires, 50 cars, and 6 tons of bulky items had been



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retrieved. The next focus is an island-wide cleanup. A schedule is being developed with the Department of Public Works and Waste Management.

The Executive Assistant indicated that the amount of new cases of dengue fever has dramatically decreased; however, there are three suspected cases on Molokai. He further stated that the Administration is working on a plan to stop dengue from entering the island at the airport. The focus is to inform people arriving from dengue-epidemic areas of what actions to take and provide them with insect repellent. He further stated that the State Department of Health is looking at ways to provide funds to assist with the cost to eliminate the old tires.

The Executive Assistant stated that the effort is to stop the mosquito by continuing the cleanup efforts throughout the islands. He said that the Centers for Disease Control and Prevention (CDC) was very impressed with the efforts in Haiku. He further acknowledged the coordinated efforts of the County, including the Department of Public Works and Waste Management and the Community Work Day Program, the State Department of Health, and the State Department of Transportation.

The Deputy Corporation Counsel provided clarification regarding the waiving of the refuse disposal fees at the County landfills. He stated that the fees will be waived until the end of this fiscal year, and that the action of waiving the fees was not done under the emergency powers of the Council. In addition, he noted that the proposed bill is scheduled for consideration at the Council Meeting of November 2, 2001.

The Mayor explained that only projects that are ready to move forward within the next 12 months have been reprioritized to receive funding.

After extensive discussion and review of each project requested by the Administration, your Committee voted to recommend passage of the proposed bills on first reading.

Your Committee is in receipt of a revised proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2002 CAPITAL PROGRAM", which corrects nonsubstantive, typographical errors.

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Your Budget and Finance Committee RECOMMENDS the following:

1. That Bill No. \_\_\_\_\_ (2001), attached hereto, entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2001 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO THE CAPITAL IMPROVEMENT PROGRAM" PASS FIRST READING and BE ORDERED TO PRINT;
2. That Bill No. \_\_\_\_\_ (2001), attached hereto, entitled "A BILL FOR AN ORDINANCE TO AMEND ORDINANCE NO. 2866, BILL NO. 48 (2000), AS AMENDED, RELATING TO THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI" PASS FIRST READING and BE ORDERED TO PRINT;
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7. That Bill No. \_\_\_\_\_ (2001), attached hereto, entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2002 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES AND THE OFFICE OF THE MAYOR" PASS FIRST READING and BE ORDERED TO PRINT.

Adoption of this report is respectfully requested.

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**G. RIKI HOKAMA** Chair

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**PATRICK S. KAWANO** Member

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**ALAN M. ARAKAWA** Member

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**MICHAEL J. MOLINA** Member

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**ROBERT CARROLL** Member

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**WAYNE K. NISHIKI** Member

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**JO ANNE JOHNSON** Member

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**CHARMAINE TAVARES** Member

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**DAIN P. KANE** Member