

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

September 3, 2010

Committee
Report No. _____

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 August 17, 2010, makes reference to County Communication No. 10-165, from the Budget Director, transmitting the following:

1. A proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2011 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES; HANA COMMUNITY PLAN AREA, ROAD IMPROVEMENTS, KAHOLOPOO AND PAPAHAHAHAWA BRIDGE REPLACEMENTS; TOTAL CAPITAL IMPROVEMENT PROJECT APPROPRIATIONS; AND TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)".

The purpose of the proposed bill is to amend the Fiscal Year 2011 Budget to increase estimated revenues from the issuance of bonds by \$1,800,000; and to establish appropriations for road improvements in the Hana Community Plan area as follows: \$700,000 for the Kaholopoo Bridge Replacement project; and \$1,100,000 for the Papahawahawa Bridge Replacement project.

2. A proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. 3749 BILL NO. 37 (2010) RELATING TO THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI".

The purpose of the proposed bill is to increase the authority to issue general obligation bonds, to provide \$700,000 for the Kaholopoo Bridge Replacement project and \$1,100,000 for the Papahawahawa Bridge Replacement project.

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

September 3, 2010
Page 2

Committee
Report No. _____

Your Committee discussed technical aspects of the projects with representatives of the Department of Public Works. The Budget Director advised your Committee that the Council had made identical appropriations for Fiscal Year 2010, but that the funding had lapsed because of unexpected delays. He further advised that prompt enactment of the legislation would allow the projects to be included within the Statewide Transportation Improvement Program for Fiscal Year 2011.

Your Committee voted 7-0 to recommend passage on first reading of the proposed bills and filing of the communication. Committee Chair Pontanilla, Vice-Chair Mateo, and members Baisa, Medeiros, Molina, Nishiki, and Victorino voted "aye". Committee members Johnson and Kaho`ohalahala were excused.

Your Budget and Finance Committee RECOMMENDS the following:


1. That Bill No. _____ (2010), attached hereto, entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2011 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES; HANA COMMUNITY PLAN AREA, ROAD IMPROVEMENTS, KAHOLOPOO AND PAPAHAHAWA BRIDGE REPLACEMENTS; TOTAL CAPITAL IMPROVEMENT PROJECT APPROPRIATIONS; AND TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)", be PASSED ON FIRST READING and be ORDERED TO PRINT;
2. That Bill No. _____ (2010), attached hereto, entitled "A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. 3749 BILL NO. 37 (2010) RELATING TO THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI", be PASSED ON FIRST READING and be ORDERED TO PRINT; and
3. That County Communication No. 10-165 be FILED.

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

September 3, 2010
Page 3

Committee
Report No. _____

This report is submitted in accordance with Rule 7 of the Rules of the Council.



JOSEPH PONTANILLA, Chair

bf:cr:10081aa:dmr

ORDINANCE NO. _____

BILL NO. _____ (2010)

A BILL FOR AN ORDINANCE AMENDING THE
FISCAL YEAR 2011 BUDGET FOR THE COUNTY OF MAUI
AS IT PERTAINS TO ESTIMATED REVENUES;
HANA COMMUNITY PLAN AREA, ROAD IMPROVEMENTS,
KAHOLOPOO AND PAPAHAHAHAWA BRIDGE REPLACEMENTS;
TOTAL CAPITAL IMPROVEMENT PROJECT APPROPRIATIONS; AND
TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS) "

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

SECTION 1. Ordinance No. 3751, Bill No. 39 (2010) Draft 1, as amended, "Fiscal Year 2011 Budget", is hereby amended as it pertains to Section 2, Estimated Revenues, by increasing Bond/Lapsed Bond in the amount of \$1,800,000, and by increasing Total Estimated Revenues in the amount of \$1,800,000, to read as follows:

"ESTIMATED REVENUES

FROM TAXES, FEES AND ASSESSMENTS:

| | | |
|------------------------------|--|-------------|
| Real Property Taxes | | 215,186,317 |
| Circuit Breaker Adjustment | | (1,193,327) |
| Charges for Current Services | | 106,129,347 |
| Transient Accommodations Tax | | 17,500,000 |
| Public Service Company Tax | | 8,000,000 |
| Licenses/Permits/Others | | 25,615,078 |
| Fuel and Franchise Taxes | | 18,250,000 |
| Special Assessments | | 6,483,196 |
| Other Intergovernmental | | 21,620,000 |

FROM OTHER SOURCES:

| | | |
|-----------------------------|--------------|-------------------|
| Interfund Transfers | | 34,470,622 |
| Bond/Lapsed Bond | [45,000,000] | <u>46,800,000</u> |
| Carryover/Savings: | | |
| General Fund | | 9,430,031 |
| Sewer Fund | | 4,221,775 |
| Highway Fund | | 4,429,085 |
| Solid Waste Management Fund | | 4,900,555 |
| Golf Fund | | 160,413 |
| Liquor Fund | | 447,899 |
| Bikeway Fund | | 0 |
| Water Fund | | <u>3,578,803</u> |

| | | |
|--------------------------|---------------|---------------------|
| TOTAL ESTIMATED REVENUES | [524,229,794] | <u>526,029,794"</u> |
|--------------------------|---------------|---------------------|

SECTION 2. Ordinance No. 3751, Bill No. 39 (2010) Draft 1, as amended, "Fiscal Year 2011 Budget", is hereby amended as it pertains to Section 4.D, From the Bond Fund, by adding an appropriation for Hana Community Plan Area, Road Improvements, Kaholopoo Bridge Replacement in the amount of \$700,000; and Papahawahawa Bridge Replacement in the amount of \$1,100,000, to read as follows:

"D. From the Bond Fund

1. Hana Community Plan Area

a. Parks and Recreation

- (1) Nahiku Community Center 250,000
 - (i) Provided, that the State release matching funds.

b. Road Improvements (and related improvements, beautification, sidewalks, bike paths, drainage, bridge repairs and maintenance, safety and utilities,

- (1) Kaholopoo Bridge Replacement 700,000
- (2) Papahawahawa Bridge Replacement 1,100,000

2. Paia-Haiku Community Plan Area

a. Water Supply

- (1) Paia-Haiku Source Improvements 1,100,000

3. Makawao-Pukalani-Kula Community Plan Area

a. Drainage

- (1) Polipoli Road Drainage Improvements 2,000,000

b. Water Supply

- (1) Upcountry Water Storage 1,000,000

4. Wailuku-Kahului Community Plan Area

a. Parks and Recreation

- (1) War Memorial Football Stadium Improvements 2,200,000
- (2) War Memorial Little League Restroom Cesspool Conversion 100,000
- (3) War Memorial Park Office Building and Gym 1,500,000

b. Water Supply

- (1) Wailuku-Kahului Distribution System Improvements 3,200,000
- (2) Wailuku-Kahului Source Improvements 3,000,000

c. Sanitation

- (1) Central Maui Landfill Nonpotable Water Tank System 300,000
- (2) Central Maui Landfill Potable Water Line 150,000

d. Sewer

- (1) Environmental Protection Agency (EPA) Consent Decree Sewer Rehabilitation 1,000,000
- (2) Wailuku Wastewater Pump Station Building Renovation 1,000,000

5. Kihei-Makena Community Plan Area

a. Government Facilities

- (1) Kihei Police Station 20,000,000

b. Water Supply

- (1) Kihei-Makena Distribution System Improvements 2,000,000

| | | |
|--|--|------------|
| 6. West Maui Community Plan Area | | |
| a. Government Facilities | | |
| (1) Lahaina Fire Station Addition | | 1,100,000 |
| 7. Lanai Community Plan Area | | |
| a. Parks and Recreation | | |
| (1) Old Lanai Gym Renovation | | 250,000 |
| 8. Countywide | | |
| a. Government Facilities | | |
| (1) Countywide Facility Building Improvements | | 150,000 |
| (2) Countywide Fire Facilities | | 150,000 |
| (3) County Morgue | | 200,000 |
| (4) Countywide Public Works American with Disabilities Act (ADA) Improvements | | 500,000 |
| b. Parks and Recreation | | |
| (1) Community Center Renovations | | 200,000 |
| (2) Countywide Parks American with Disabilities Act (ADA) Improvements | | 500,000 |
| c. Sanitation | | |
| (1) Landfill Gas Monitoring Wells | | 350,000 |
| (2) Renewable Power | | 250,000 |
| (3) Waste to Energy | | 150,000 |
| d. Sewer | | |
| (1) Countywide Environmental Protection Agency (EPA) Consent Decree Wastewater Reclamation Facility Renovation Projects | | 400,000 |
| (2) Countywide Injection Well Rehabilitation | | 2,000,000" |
| (i) Provided, that prior to expending funds the Department of Environmental Management shall work with the Department of Water Supply and private entities on a new verification study that provides the Council with future alternatives for the transmission and optimization of R-1 recycled water from the Kahului Wastewater Reclamation Facility (WWRF) in order to provide a source of irrigation water for existing and planned future projects, and to provide alternatives to the use of injection wells. The Department of Environmental Management shall transmit a status report regarding this matter to the Council by January 1, 2011. | | |

SECTION 3. The Total Capital Improvement Project Appropriations is amended to reflect an increase of \$1,800,000, to read as follows:

| | | |
|---|--------------|--------------------|
| "TOTAL CAPITAL IMPROVEMENT PROJECT APPROPRIATIONS | [89,692,678] | <u>91,492,678"</u> |
|---|--------------|--------------------|

SECTION 4. The Total Appropriations (Operating and Capital Improvement Projects) is amended to reflect an increase of \$1,800,000, to read as follows:

| | | |
|--|---------------|---------------------|
| "TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS) | [524,229,794] | <u>526,029,794"</u> |
|--|---------------|---------------------|

SECTION 5. Material to be repealed is bracketed. New material is underscored.

SECTION 6. This Ordinance shall take effect upon its approval.

APPROVED AS TO FORM AND LEGALITY:



TRACI FUJITA VILLAROSA
First Deputy Corporation Counsel

S:\BUDGET\FY2011\BUDGET AMENDMENTS\031-PROPOSED BILLS\6BD-BA_11-6_CIP_PW_GOB-Papahawahawa_Kaholopoo Bridge.xls]Sheet 1

ORDINANCE NO. _____

BILL NO. _____ (2010)

A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. 3749
BILL NO. 37 (2010) RELATING TO THE ISSUANCE OF
GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI

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

SECTION 1. Ordinance No. 3749 Bill No. 37 (2010), is amended
by amending Section 1 to read as follows:

"SECTION 1. Authorization of General Obligation Bonds. Pursuant to Chapter 47, Hawaii Revised Statutes, as amended, and particularly Part I thereof, there are hereby authorized to be issued and sold from time to time general obligation bonds of the County of Maui, State of Hawaii (the "County") in an aggregate principal amount not to exceed [\$23,900,000] \$25,700,000 (the "Bonds"), the proceeds derived from the sale of which shall be used to pay all or part of the cost of appropriations for the public improvements of the County described in Section 2 hereof."

SECTION 2. Ordinance No. 3749 (2010), is amended by amending
Section 2 to read as follows:

"SECTION 2. Disposition of Bond Proceeds. All or any portion of the proceeds derived from the sale of the Bonds or any notes issued in anticipation of the Bonds shall be used to pay all or part of the cost of any of the public improvements listed below in accordance with appropriations contained in the Fiscal Year 2011 Budget, including amendments and supplements thereto, duly approved by the Council of the County (the "Council") for the fiscal year ending June 30, 2011 (the "Fiscal Year 2011 Budget"); provided, however, that pursuant to Section 47-5, Hawaii Revised Statutes, the part of such proceeds which are in excess of the amounts required for the purposes for which the Bonds are initially issued from time to time, or which may not be applied to such purposes, or which the Council deems should not be applied to such purposes, may be applied to finance such other public improvements of the County as the Council shall, by ordinance approved by an affirmative vote of two-thirds of all of its members, determine; and provided further that the actual use and application of the proceeds of

Bonds issued pursuant to this ordinance shall not in any way affect the validity or legality of such Bonds. No proceeds of the Bonds shall be applied to any public improvement listed in this section unless and until there shall be a valid appropriation of general obligation bond proceeds in effect for such public improvement. The public improvements provided for or to be provided for in the Fiscal Year 2011 Budget, to be financed with proceeds from the sale of the Bonds, are as follows:

Public Improvements:

Estimated Project Cost

- | | | | |
|----|---|----|------------------|
| 1. | Hana Community Plan Area | | |
| | a. Parks and Recreation | | |
| | (1) Nahiku Community Center | \$ | 250,000 |
| | b. <u>Road Improvements (and related improvements, beautification, sidewalks, bike paths, drainage, bridge repairs and maintenance, safety and utilities,</u> | | |
| | (1) <u>Kaholopoo Bridge Replacement</u> | | <u>700,000</u> |
| | (2) <u>Papahawahawa Bridge Replacement</u> | | <u>1,100,000</u> |
| 2. | Paia-Haiku Community Plan Area | | |
| | a. Water Supply | | |
| | (1) Paia-Haiku Source Improvements | \$ | 1,100,000 |
| 3. | Makawao-Pukalani-Kula Community Plan Area | | |
| | a. Drainage | | |
| | (1) Polipoli Road Drainage Improvements | \$ | 2,000,000 |
| | b. Water Supply | | |
| | (1) Upcountry Water Storage | \$ | 1,000,000 |
| 4. | Wailuku-Kahului Community Plan Area | | |
| | a. Parks and Recreation | | |
| | (1) War Memorial Football Stadium Improvements | \$ | 2,200,000 |
| | (2) War Memorial Little League Restroom Cesspool Conversion | \$ | 100,000 |
| | (3) War Memorial Park Office Building and Gym | \$ | 1,500,000 |
| | b. Water Supply | | |
| | (1) Wailuku-Kahului Distribution System Improvements | \$ | 3,200,000 |
| | (2) Wailuku-Kahului Source Improvements | \$ | 3,000,000 |
| | c. Sanitation | | |

| | | |
|----|--|--------------|
| | (1) Central Maui Landfill Nonpotable Water Tank System | \$ 300,000 |
| | (2) Central Maui Landfill Potable Water Line | \$ 150,000 |
| d. | Sewer | |
| | (1) EPA Consent Decree Sewer Rehabilitation | \$ 1,000,000 |
| | (2) Wailuku Wastewater Pump Station Building Renovation | \$ 1,000,000 |
| 5. | Kihei-Makena Community Plan Area | |
| a. | Water Supply | |
| | (1) Kihei-Makena Distribution System Improvements | \$ 2,000,000 |
| 6. | Lanai Community Plan Area | |
| a. | Parks and Recreation | |
| | (1) Old Lanai Gym Renovations | \$ 250,000 |
| 7. | Countywide | |
| a. | Government Facilities | |
| | (1) Countywide Facility Building Improvements | \$ 150,000 |
| | (2) Countywide Fire Facilities | \$ 150,000 |
| | (3) County Morgue | \$ 200,000 |
| | (4) Countywide Public Works ADA Improvements | \$ 500,000 |
| b. | Parks and Recreation | |
| | (1) Community Center Renovations | \$ 200,000 |
| | (2) Countywide Parks ADA Improvements | \$ 500,000 |
| c. | Sanitation | |
| | (1) Landfill Gas Monitoring Wells | \$ 350,000 |
| | (2) Renewable Power | \$ 250,000 |
| | (3) Waste to Energy | \$ 150,000 |
| d. | Sewer | |
| | (1) Countywide EPA Consent Decree Wastewater Reclamation | \$ 400,000 |
| | (2) Countywide Injection Well Rehabilitation | \$ 2,000,000 |


The cost of issuance of the Bonds or any series thereof, including without limitation, the initial fee of paying agents and registrars, the fees of financial consultants and bond counsel, the cost of preparation of any Official Statement relating to the Bonds, any notices of sale and forms of bid and the definitive

Bonds, and the costs of publication of any notices of sale, may be paid from the proceeds of the Bonds or any series thereof and such costs shall be allocated pro rata to each of the foregoing projects financed from such proceeds."

SECTION 3. Material to be replaced is bracketed. New material is underscored.

SECTION 4. This ordinance shall take effect upon its approval.

APPROVED AS TO FORM
AND LEGALITY:



TRACI FUJITA VILLAROSA
First Deputy Corporation Counsel
County of Maui

S:\CLERICAL\EK\ORDS\FY11\2011gobondam3749kaholopoo&papahawahawa.wpd