

**COUNCIL OF THE COUNTY OF MAUI**  
**BUDGET AND FINANCE COMMITTEE**

September 16, 2011

**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 30, 2011, makes reference to County Communication 11-193, from the Budget Director, transmitting 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 amend the Fiscal Year ("FY") 2011 general obligation bond authorization ordinance by adding \$1,100,000 for the Lahaina Fire Station Addition project, for the West Maui Community Plan area.

The Budget Director noted that the capital improvement project appropriation for this project is already included in the FY 2011 Budget. This appropriation lapses on December 31, 2011, half-way through FY 2012. Therefore, it is important to authorize the issuance of general obligation bonds for this project.

Representatives of the Department of Fire and Public Safety noted that the project would provide a much needed shelter for the station's tanker truck and rescue boat, and would enhance fire protection and rescue services in West Maui.

Your Committee approved a few technical revisions. The project description was changed to "Lahaina Fire Station Addition" to be consistent with the description in the FY 2012 budget ordinance. This project name was included in the title of the proposed bill for ease of reference. And the bill was adjusted by incorporating pending amendments of the bond authorization ordinance that are expected to be passed before the Council takes up this amendment of the bond authorization ordinance. (The Kihei Police Station bond authorization is expected to pass second reading at the September 16, 2011, Council meeting.)

Your Committee voted 7-0 to recommend passage of the revised proposed bill on first reading and filing of the communication. Committee Chair Pontanilla,

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Vice-Chair Hokama, and members Baisa, Carroll, Cochran, Couch and White voted “aye”. Committee members Mateo and Victorino were excused.

Your Committee is in receipt of a revised proposed bill, approved as to form and legality by the Department of the Corporation Counsel, incorporating your Committee’s recommendations.

Your Budget and Finance Committee RECOMMENDS the following:

1. That Bill \_\_\_\_\_ (2011), as revised herein and 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 (LAHAINA FIRE STATION ADDITION)”, be PASSED ON FIRST READING and be ORDERED TO PRINT; and
2. That County Communication 11-193 be FILED

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

  
\_\_\_\_\_  
JOSEPH PONTANILLA, Chair

ORDINANCE NO. \_\_\_\_\_

BILL NO. \_\_\_\_\_ (2011)

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 (LAHAINA  
FIRE STATION ADDITION)

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 [\$51,900,000] \$53,000,000 (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, Bill No. 37 (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. Road Improvements (and related improvements, beautification, sidewalks, bike paths, drainage, bridge repairs and maintenance, safety and utilities, accessibility for persons with disabilities), including:		
	(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) 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.	Drainage	
	(1) Lahaina Watershed Flood Control	\$ 2,500,000
b.	<u>Government Facilities</u>	
	(1) <u>Lahaina Fire Station Addition</u>	<u>\$ 1,100,000</u>
7.	Lanai Community Plan Area	
a.	Parks and Recreation	
	(1) Old Lanai Gym Renovations	\$ 250,000
8.	Molokai Community Plan Area	
a.	Government Facilities	
	(1) Molokai Baseyard	\$ 3,700,000
9.	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 repealed is bracketed. New material is underscored.

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

APPROVED AS TO FORM  
AND LEGALITY:

*for*   
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ADRIANNE N. HEELY  
Deputy Corporation Counsel  
County of Maui

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