

**COUNCIL OF THE COUNTY OF MAUI**  
**WATER RESOURCES COMMITTEE**

April 4, 2014

**Committee**  
**Report No.** \_\_\_\_\_

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

Chair and Members:

Your Water Resources Committee, having met on March 19, 2014, makes reference to County Communication 13-175, from Councilmember Michael P. Victorino, transmitting a proposed bill, entitled "A BILL FOR AN ORDINANCE AMENDING CHAPTER 14.07, MAUI COUNTY CODE, RELATING TO EXEMPTIONS FROM WATER SYSTEM DEVELOPMENT FEES".

The purpose of the proposed bill is to enable certain applicants to be eligible for lower water system development fees.

Your Committee notes a "water system development fee", as defined in the County Water Code, is "a monetary rate imposed on any applicant to fund a portion of costs to construct water system improvements or to recover the cost of existing water system improvements made in anticipation of additional demand on the water system."

Your Committee further notes water system development fees were doubled in the Fiscal Year 2014 Budget, from \$6,030 to \$12,060.

The Chair of your Committee transmitted a revised proposed bill approved as to form and legality, entitled "A BILL FOR AN ORDINANCE AMENDING CHAPTER 14.07, MAUI COUNTY CODE, RELATING TO WATER SYSTEM DEVELOPMENT FEES". The purpose of the revised proposed bill is to exempt certain applicants from paying the full amount of the generally applicable water system development fee if specifically set forth in the annual budget.

Your Committee notes the proposed bill could assist residents who had suffered economic hardship, perhaps by facilitating a reduction in fees for certain applicants for 5/8-inch water meters.

The First Deputy Corporation Counsel explained the proposed bill would clarify the authority for the Council, in the annual budget, to partly or fully exempt certain applicants from paying the full amount of the water system development fee.

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Your Committee voted 4-0 to recommend passage of the revised proposed bill on first reading and filing of the communication. Committee Chair Victorino and members Couch, Crivello, and Guzman voted "aye". Committee Vice-Chair White and members Baisa and Carroll 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 nonsubstantive revisions.

Your Water Resources Committee RECOMMENDS the following:

1. That Bill \_\_\_\_\_ (2014), as revised herein and attached hereto, entitled "A BILL FOR AN ORDINANCE AMENDING CHAPTER 14.07, MAUI COUNTY CODE, RELATING TO WATER SYSTEM DEVELOPMENT FEES", be PASSED ON FIRST READING and be ORDERED TO PRINT; and
2. That County Communication 13-175 be FILED.

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

  
\_\_\_\_\_  
MICHAEL P. VICTORINO, Chair

wr:cr:14001aa:kcw

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

BILL NO. \_\_\_\_\_ (2014)

A BILL FOR AN ORDINANCE AMENDING CHAPTER 14.07, MAUI COUNTY CODE,  
RELATING TO WATER SYSTEM DEVELOPMENT FEES

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

SECTION 1. Beginning with the termination of commercial pineapple cultivation in 1983, closure of Kaluakoi Resort in 2000, and most recently, substantial loss of 148 employees due to the reduced operations of Molokai Ranch in 2008, the economy of the island of Molokai is at a critical juncture. Hundreds of jobs have been lost. While some employment opportunities have since become available to residents of Molokai, unemployment levels are some of the highest in the State, and the lack of any substantial job market has forced many residents to commute to the outer islands for work or leave the island indefinitely. What remains is a resolved, working class population dependent on acquiring food through subsistence fishing, hunting, gathering, and farming. For over a decade, the United States Department of Agriculture Rural Development has acknowledged the economic challenges that face Molokai by designating it as the only island in the State that qualified for Enterprise Community funding from 1998 to 2008.

The purpose of this ordinance is to further assist the residents of Molokai, as well as other residents of Maui County similarly situated, with improving their socio-economic climate by providing relief from the increase in water system development fees for 5/8 inch water meters.

SECTION 2. Section 14.07.080, Maui County Code, is amended to read as follows:

**“14.07.080 Exemptions.** A. Any applicant for a building permit for an accessory dwelling shall pay one half of the [WSDF] water system development fee for the size meter required to be installed.

If the accessory dwelling is later subdivided from the premises, the applicant for subdivision shall pay the balance of the [WSDF] water system development fee in effect at the time of subdivision upon proof of the initial one-half payment and, upon the director's request, shall be required to relocate the meter.

B. Any applicant for a building permit for any structure shall be exempted from paying the [WSDF,] water system development fee, upon proof presented, that the structure or the premises on which the structure is located does not require water service or additional water service from the department's system, or that the applicant or the applicant's predecessor in interest had already paid the required [WSDF.] water system development fee.

C. Any temporary meter shall be exempt from the [WSDF.] water system development fee.

D. Any application for water service within [thirty six] thirty-six months after removal pursuant to the procedures set forth in this title shall be exempt from the [WSDF.] water system development fee.

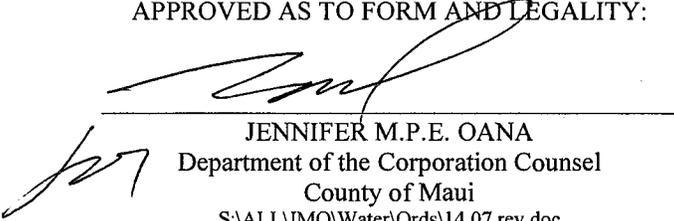
E. In addition to the above, any applicant for a water meter may be exempt from paying the full amount of the water system development fee if specifically set forth in the annual budget.”

SECTION 3. Sections 14.07.050, 14.07.070, 14.07.090, and 14.07.100 are amended by substituting “water system development fee” wherever the acronym “WSDF” appears, as the context requires.

SECTION 4. Material to be repealed is bracketed. New material is underscored. In printing this bill, the County Clerk need not include the brackets, the bracketed material, or the underscoring.

SECTION 5. This ordinance shall take effect upon its approval.

APPROVED AS TO FORM AND LEGALITY:



JENNIFER M.P.E. OANA

Department of the Corporation Counsel  
County of Maui

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