

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

October 21, 2016

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 September 1, 2016, September 13, 2016, and October 4, 2016, makes reference to County Communication 16-167, from the Budget Director, transmitting the following:

1. A proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2017 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES; DEPARTMENT OF MANAGEMENT, WAILUKU-KAHULUI COMMUNITY PLAN AREA, GOVERNMENT FACILITIES, WAIKAPU BASEYARDS; 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 2017 Budget by (1) increasing the Bond/Lapsed Bond Fund by \$550,000; and (2) adding an appropriation of \$550,000 under the Department of Management, Wailuku-Kahului Community Plan Area, Government Facilities, Bond Fund, for the Waikapu Baseyards project.

2. A proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. 4331, BILL NO. 59 (2016), RELATING TO THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI (BOND FUND - WAIKAPU BASEYARDS)."

The purpose of the proposed bill is to amend the FY 2017 general obligation bond authorization ordinance by adding

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\$550,000 under Public Improvements, Estimated Project Cost, Department of Management, Wailuku-Kahului Community Plan Area, Government Facilities, for the Waikapu Baseyards project.

3. A proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2017 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO APPENDIX C – CAPITAL IMPROVEMENT PROJECTS, DEPARTMENT OF MANAGEMENT, WAILUKU-KAHULUI COMMUNITY PLAN AREA, WAIKAPU BASEYARDS."

The purpose of the proposed bill is to amend the FY 2017 Budget, Appendix C, Capital Improvement Projects, by adding (1) an appropriation of \$550,000 under the Department of Management, Wailuku-Kahului Community Plan Area, for the Waikapu Baseyards project; and (2) a description of the project.

4. A report entitled "COUNTY OF MAUI, WAIKAPU FACILITIES MASTER PLAN, Final Submission – April 2015," prepared by HDR Engineering, Inc.

Your Committee notes the Waikapu Baseyards Project involves the planning and development of 100 acres acquired by the County for base-yard operations and other County facilities. The existing County base-yard facilities in Central Maui are organized independently and exist as separate departments across various locations. The project will create a single, consolidated base yard to improve operational efficiency and reduce operating costs. Additionally, the Project Master Plan is being amended to include a new base yard for the Department of Transportation.

Before the County can move forward in utilizing the project property, as well as the adjacent 209-acre property purchased for park use, the requested funds are needed to perform an archeological inventory plan and study, an environmental assessment, and lot consolidation and

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resubdivision. This will help identify the appropriate location for the base yards and location for future sports park use.

Your Committee further notes the Project Master Plan reflects the recommendation of the community and Councilmembers to locate the base yard away from the residential area of Waikapu and closer to Kuihelani Highway. This will help minimize the noise and traffic impacts from refuse trucks and other County vehicles on residents living nearby.

Your Committee discussed the location of the new Waikapu Fire Station within the project. The Waikapu Fire Station will improve coverage of the Department of Fire and Public Safety in the Waikapu area as well as provide additional support to brushfire-prone areas nearby.

In response to questions from your Committee, the Budget Director informed your Committee the project does not include the Waiale Road extension cost. The project includes the cost of the interior road from Kuihelani Highway up to Waiale Road. The Budget Director stated the first phase of the project will cost approximately \$50 million.

The Director informed your Committee it is possible that portions of the water and wastewater systems may be financed through the use of State Revolving Fund loans which may have lower interest rates than general obligation bond rates.

Your Committee added a proviso to the bill amending the FY 2017 Budget requiring quarterly status reports on the project be submitted to the Council. This will give Council adequate time to plan for financing future phases of the project.

Your Committee expressed concern about spending \$50 million on Phase I of the project, while the County faces urgent needs in the areas of affordable housing and homeless issues.

Your Committee voted 6-1 to recommend passage of the proposed bills on first reading. Committee Chair Hokama, Vice-Chair White, and members Baisa, Carroll, Crivello, and Victorino voted "aye." Committee

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member Couch voted “no.” Committee members Cochran and Guzman were excused.

Your Committee is in receipt of revised proposed bills, approved as to form and legality by the Department of the Corporation Counsel, incorporating your Committee’s recommended revisions and nonsubstantive revisions, including revisions that take into account prior amendments to the FY 2017 Budget.

Your Budget and Finance Committee RECOMMENDS the following:

1. That Bill _____ (2016), as revised herein and attached hereto, entitled “A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2017 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES; DEPARTMENT OF MANAGEMENT, WAILUKU-KAHULUI COMMUNITY PLAN AREA, GOVERNMENT FACILITIES, WAIKAPU BASEYARDS; 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 _____ (2016), as revised herein and attached hereto, entitled “A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. 4331, BILL NO. 59 (2016), RELATING TO THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI (WAIKAPU BASEYARDS),” be PASSED ON FIRST READING and be ORDERED TO PRINT; and
3. That Bill _____ (2016), as revised herein and attached hereto, entitled “A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2017 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO APPENDIX C – CAPITAL IMPROVEMENT PROJECTS, DEPARTMENT OF MANAGEMENT, WAILUKU-KAHULUI COMMUNITY PLAN AREA, WAIKAPU BASEYARDS,” be PASSED ON FIRST READING and be ORDERED TO PRINT.

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



RIKI HOKAMA, Chair

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ORDINANCE NO. _____

BILL NO. _____ (2016)

A BILL FOR AN ORDINANCE AMENDING
THE FISCAL YEAR 2017 BUDGET FOR THE COUNTY OF MAUI
AS IT PERTAINS TO ESTIMATED REVENUES;
DEPARTMENT OF MANAGEMENT,
WAILUKU-KAHULUI COMMUNITY PLAN AREA,
GOVERNMENT FACILITIES, WAIKAPU BASEYARDS;
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. 4334, Bill No. 62 (2016), Draft 1, as amended, "Fiscal Year 2017 Budget", is hereby amended as it pertains to Section 2, Estimated Revenues, by increasing Bond/Lapsed Bond Fund in the amount of \$550,000; and by increasing Total Estimated Revenues in the amount of \$550,000, to read as follows: .

"ESTIMATED REVENUES

FROM TAXES, FEES AND ASSESSMENTS:

Real Property Taxes		273,887,388
Circuit Breaker Adjustment		(398,235)
Charges for Current Services		136,035,737
Transient Accommodations Tax		23,484,000
Public Service Company Tax		9,100,000
Licenses/Permits/Others		35,170,154
Fuel and Franchise Taxes		23,606,500
Special Assessments		5,975,000
Other Intergovernmental		32,775,000

FROM OTHER SOURCES:

Interfund Transfers		45,967,103
Bond/Lapsed Bond	[38,129,000]	<u>38,679,000</u>
Carryover/Savings:		
General Fund		17,978,419
Sewer Fund		3,800,945
Highway Fund		4,886,279
Solid Waste Management Fund		22,086
Golf Fund		458,756
Liquor Fund		797,883
Bikeway Fund		311,997
Water Fund		<u>7,751,766</u>

TOTAL ESTIMATED REVENUES [659,739,778] 660,289,778"

SECTION 2. Fiscal Year 2017 Budget is hereby amended as it pertains to Section 4.E., Department of Management, by adding an appropriation for a capital project entitled, "Waikapu Baseyards", under the Wailuku-Kahului Community Plan Area, Government Facilities, Bond Fund, in the amount of \$550,000, to read as follows:

- "E. Department of Management
 - 1. Countywide
 - a. Other Projects
 - (1) Bond Fund
 - (i) Public Safety Radio System Replacement 4,550,000
 - 2. Wailuku-Kahului Community Plan Area
 - a. Government Facilities
 - (1) Bond Fund
 - (i) Waikapu Baseyards 550,000
 - (a) Provided, that a quarterly report be submitted to the Council on the project.

SECTION 3. Fiscal Year 2017 Budget is hereby amended as it pertains to the Total Capital Improvement Project Appropriations to reflect an increase of \$550,000, to read as follows:

"TOTAL CAPITAL IMPROVEMENT PROJECT APPROPRIATIONS [113,869,914] 114,419,914"

SECTION 4. Fiscal Year 2017 Budget is hereby amended as it pertains to the Total Appropriations (Operating and Capital Improvement Projects) to reflect an increase of \$550,000, to read as follows:

"TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS) [659,739,778] 660,289,778"

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:



JEFFREY UEOKA
Deputy Corporation Counsel

ORDINANCE NO. _____

BILL NO. _____ (2016)

A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. 4331,
BILL NO. 59 (2016), RELATING TO THE ISSUANCE
OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI
(WAIKAPU BASEYARDS)

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

SECTION 1. Ordinance No. 4331, Bill No. 59 (2016), 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 [~~\$29,753,000~~] \$30,303,000 (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. 4331, Bill No. 59 (2016), 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 2017 Budget, including amendments and supplements thereto, duly approved by the Council of the County (the "Council") for the fiscal year ending June 30, 2017 (the "Fiscal Year 2017 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 2017 Budget, to be financed with proceeds from the sale of the Bonds, are as follows:

Public Improvements:

Estimated Project Cost

A. Department of Environmental Management		
1. Hana Community Plan Area		
a. Sanitation		
(1)	Hana Landfill Makai Berm Waste Removal	2,000,000
2. Wailuku-Kahului Community Plan Area		
a. Sanitation		
(1)	Central Maui Landfill (CML) Phase V Gas Collection System Expansion	2,500,000
3. West Maui Community Plan Area		
a. Government Facilities		
(1)	Lahaina Refuse Office	250,000
B. Department of Finance		
1. Countywide		
a. Other Projects		
(1)	Countywide Equipment	3,190,000
C. Department of Management		
1. Countywide		
a. Other Projects		
(1)	Public Safety Radio System Replacement	4,550,000
2. <u>Wailuku-Kahului Community Plan Area</u>		
a. <u>Government Facilities</u>		
(1)	<u>Waikapu Baseyards</u>	<u>550,000</u>
D. Department of Parks and Recreation		
1. Countywide		
a. Parks and Recreation		
(1)	Countywide Park Playground Improvements	200,000
(2)	Countywide Toilet Trailers	440,000

2.	Hana Community Plan Area		
	a. Parks and Recreation		
	(1) Helene Hall Improvements		50,000
3.	Kihei-Makena Community Plan Area		
	a. Parks and Recreation		
	(1) South Maui Building Maintenance Repairer Baseyard		150,000
	(2) South Maui Community Park		650,000
	(3) South Maui Parks System		303,000
4.	Lanai Community Plan Area		
	a. Parks and Recreation		
	(1) Lanai Parks System		425,000
5.	Makawao-Pukalani-Kula Community Plan Area		
	a. Parks and Recreation		
	(1) Upcountry Skate Park		1,100,000
	(2) Waiakoa Gym Improvements		75,000
6.	Molokai Community Plan Area		
	a. Parks and Recreation		
	(1) Molokai Parks System		580,000
7.	Paia-Haiku Community Plan Area		
	a. Parks and Recreation		
	(1) Paia-Haiku Parks System		400,000
8.	Wailuku-Kahului Community Plan Area		
	a. Parks and Recreation		
	(1) Central Maui Parks System		461,000
	(2) Waiehu Golf Course Starter Booth and Restaurant		500,000
	(3) Waiehu Golf Course Wastewater Improvements		50,000
	(4) Waikapu Community Center Basketball Court Improvements		500,000
	(5) Waikapu Community Center Expansion		500,000
	(6) Wailuku Pool Improvements		50,000
	(7) War Memorial Complex Paving Improvements		100,000

9.	West Maui Community Plan Area	
a.	Parks and Recreation	
(1)	West Maui Parks System	1,915,000
E. Department of Police		
1.	Molokai Community Plan Area	
a.	Government Facilities	
(1)	Kaunakakai Police Station	390,000
F. Department of Public Works		
1.	Countywide	
a.	Road Improvements (and related improvements, beautification, sidewalks, bike paths, drainage, bridge repairs and maintenance, safety and utilities, accessibility for persons with disabilities) including:	
(1)	Countywide Bridge Improvements	370,000
2.	Hana Community Plan Area	
a.	Road Improvements (and related improvements, beautification, sidewalks, bike paths, drainage, bridge repairs and maintenance, safety and utilities, accessibility for persons with disabilities) including:	
(1)	Kalepa Revetment and Seawall Repairs	500,000
(2)	Koukouai Bridge Rehabilitation	600,000
(3)	Piilani Highway Road Improvements at Nuanualoa	147,000
3.	Kihei-Makena Community Plan Area	
a.	Road Improvements (and related improvements, beautification, sidewalks, bike paths, drainage, bridge repairs and maintenance, safety and utilities, accessibility for persons with disabilities) including:	
(1)	North South Collector Road – Lokelani School to Auhana Road	100,000
(2)	Pavement Rehabilitation at Various Locations – South Maui	1,860,000
4.	Lanai Community Plan Area	
a.	Government Facilities	
(1)	Lanai Baseyard Improvements	300,000

5.	Makawao-Pukalani-Kula Community Plan Area	
a.	Drainage	
(1)	Ditch Improvements at Waipoli Road	800,000
6.	Molokai Community Plan Area	
a.	Drainage	
(1)	Kaunakakai Drainage System B	200,000
b.	Government Facilities	
(1)	Molokai Baseyard	1,297,000
7.	Wailuku-Kahului Community Plan Area	
a.	Drainage	
(1)	Papa Avenue Drainage Improvements	400,000
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)	Kahakuloa Stream Bridge	650,000
(2)	Onehee Avenue and Kea Street Pavement Rehabilitation	200,000
8.	West Maui Community Plan Area	
a.	Drainage	
(1)	Lahaina Watershed Flood Control	500,000
G. Department of Transportation		
1.	Countywide	
a.	Other Projects	
(1)	Bus Stops and Shelters	500,000

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:

A handwritten signature in black ink, appearing to be 'J. M. ...', written over a horizontal line.

Deputy Corporation Counsel
County of Maui

2016-0345

BF-95 2016-10-07 Bond Amendment Waikapu Baseyards

ORDINANCE NO. _____

BILL NO. _____ (2016)

A BILL FOR AN ORDINANCE AMENDING
THE FISCAL YEAR 2017 BUDGET FOR THE COUNTY OF MAUI
AS IT PERTAINS TO APPENDIX C - CAPITAL IMPROVEMENT PROJECTS,
DEPARTMENT OF MANAGEMENT,
WAILUKU-KAHULUI COMMUNITY PLAN AREA,
WAIKAPU BASEYARDS

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

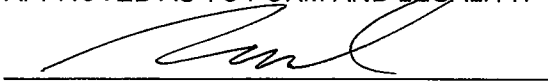
SECTION 1. Ordinance No. 4334, Bill No. 62 (2016), Draft 1, as amended, "Fiscal Year 2017 Budget," Appendix C – Capital Improvement Projects, is hereby amended as it pertains to the Department of Management, Wailuku-Kahului Community Plan Area, by adding an appropriation numbered CBS-1213, entitled, "Wailuku Baseyards," in the amount of \$550,000, to read as follows:

"APPENDIX C - Capital Improvement Projects		
CBS NO.	PROJECT TITLE/DESCRIPTION	APPROPRIATION
	<u>Department of Management</u>	
	<u>1. Countywide</u>	
CBS-1009	<u>a. Public Safety Radio System Replacement</u>	3,800,000 C 750,000 G
	Design, site improvements, construction, and acquisition of required components for replacement of the Public Safety Radio System. FY 2017 scope includes constructing new radio sites at Lahaina Water Treatment Plant and Mahinahina Water Plant, acquisition of equipment and electronics required within the facilities, and additional user equipment system-wide. Begin design and permitting process for new radio site at Hana.	
	<u>2. Wailuku-Kahului Community Plan Area</u>	
CBS-1213	<u>a. Waikapu Baseyards</u>	500,000 G 50,000 P"
	<u>Planning and development of the 100-acre property recently acquired by the County for baseyard operations and other appropriate County facilities. Scope of work to include archaeological services, environmental assessment, and lot consolidation/subdivision and zoning.</u>	

SECTION 2. New material is underscored.

SECTION 3. This Ordinance shall take effect upon its approval.

APPROVED AS TO FORM AND LEGALITY:



JEFFREY UEOKA

Deputy Corporation Counsel

