

COUNCIL OF THE COUNTY OF MAUI

**POLICY, ECONOMIC DEVELOPMENT,
AND AGRICULTURE COMMITTEE**

February 17, 2017

**Committee
Report No. _____**

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

Chair and Members:

Your Policy, Economic Development, and Agriculture Committee, having met on January 30, 2017, makes reference to County Communication 16-326, from the Director of Transportation, transmitting a proposed bill entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE FEDERAL TRANSIT ADMINISTRATION."

The purpose of the proposed bill is to authorize the Mayor to enter into an intergovernmental agreement with the Federal Transit Administration (FTA) in order to directly receive Federal assistance funds as authorized by Title 49 U.S.C. Chapter 53.

At the request of the Chair of your Committee, the Department of the Corporation Counsel transmitted a revised proposed bill, approved as to form and legality, reflecting the current year.

The Director of Transportation said the agreement will allow the County to bypass the State and receive direct funding from the FTA for transportation programs and projects. Direct funding is made possible through the formation of the Maui Metropolitan Planning Organization, which designates Maui as an urban area with a population of 50,000 or more to receive Federal funding for transportation planning.

He explained the Urbanized Area Formula Funding program (5307 fund) is available to urbanized areas for transit capital and operating assistance, and for transportation-related planning in urbanized areas. Eligible activities may include: planning, engineering, design and

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evaluation of transit projects, and other technical transportation-related studies; and capital investments in bus and bus-related activities such as replacement, overhaul and rebuilding of buses, crime prevention and security equipment, and construction of maintenance and passenger facilities.

The Director said the 5307 fund has accumulated nearly \$5 million in Federal Fiscal Years 2014 through 2016. Approximately \$400,000 of the funds are set to lapse at the end of September 2017.

The Department anticipates using approximately \$1 to \$2 million of these funds annually, as allocated per year by the State. Transportation projects would be vetted through the normal County budget process.

Your Committee requested the Department submit a list of projects for which lapsed funds could be used in the Fiscal Year 2018 Budget, including a flowchart of how funds would flow, from where, and for what purpose.

Staff, at the direction of your Chair, contacted the Department for clarification on the funds set to lapse in September 2017. The Deputy Director informed Staff of a correction, noting that funds are set to lapse in September 2019 instead of 2017 as stated during the Committee meeting.

Your Committee voted 8-0 to recommend passage of the revised proposed bill on first reading and filing of the communication. Committee Chair Sugimura, Vice-Chair Crivello, and members Atay, Carroll, Guzman, Hokama, King, and White voted "aye." Councilmember Cochran was excused.

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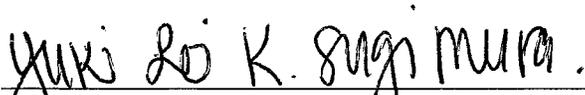
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Your Policy, Economic Development, and Agriculture Committee
RECOMMENDS the following:

1. That Bill ____ (2017), as revised herein and attached hereto, entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE FEDERAL TRANSIT ADMINISTRATION," be PASSED ON FIRST READING and be ORDERED TO PRINT; and
2. That County Communication 16-326 be FILED.

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



YUKI LEI K. SUGIMURA, Chair

ORDINANCE NO. _____

BILL NO. _____ (2017)

A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE
COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT
WITH THE FEDERAL TRANSIT ADMINISTRATION

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

SECTION 1. The Federal Transit Administration (FTA), an operating administration of the United States Department of Transportation, has been authorized to provide federal financial assistance to support public transportation by Title 49 U.S.C. Chapter 53, or other federal statutes administered by the FTA.

The County of Maui's public transit program qualifies for award of FTA funds to be used to develop new public transit systems, or improve, maintain, and operate existing transit systems. Award of federal financial assistance by FTA, as a grant or cooperative agreement, will impose certain obligations upon the County of Maui, including annual certifications and assurances, and will require the County of Maui to provide the non-Federal share of transportation-related expenses for projects supported with FTA funds.

Section 2.20.020, Maui County Code, provides that, unless authorized by ordinance, the Mayor shall not enter into any intergovernmental agreement or any amendment thereto which places a financial obligation upon the County or any department or agency thereof.

SECTION 2. Council Authorization. The Council hereby authorizes the Mayor, on behalf of the County of Maui, to execute and file an application with the FTA for federal assistance as authorized by 49 U.S.C. Chapter 53, or other federal statutes administered by the FTA, and to execute all necessary documents, including grant or cooperative agreements and annual certifications and assurances, as required by the FTA in order to directly receive federal assistance funds, and to execute any amendments thereto.

The Council further confirms that the Director of the Department of Transportation for the County of Maui is authorized to draw payments against available FTA grant funding using the ECHO web system or other FTA automated application used to request payments from grant awards.

SECTION 3. Effective date. This ordinance shall take effect upon its approval.

APPROVED AS TO FORM
AND LEGALITY:



JERRIE L. SHEPPARD
Deputy Corporation Counsel
County of Maui
LF 2016-0427