

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE 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 Budget and Finance Committee, having met on January 31, 2017, makes reference to County Communication 17-48, 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 WATER SUPPLY, COUNTYWIDE, WATER SUPPLY, COUNTYWIDE UPGRADES AND 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 2017 Budget by 1) increasing Carryover/Savings from the Water Fund by \$261,000; 2) increasing the appropriation by \$261,000 under the Department of Water Supply, Countywide, Water Supply, Water Fund – Unrestricted, for the Countywide Upgrades and Replacements projects.

2. 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 WATER SUPPLY, COUNTYWIDE, COUNTYWIDE UPGRADES AND REPLACEMENTS."

The purpose of the proposed bill is to amend the Fiscal Year 2017 Budget, Appendix C, Capital Improvement Projects, by 1) increasing the appropriation by \$261,000 under the

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

Page 2

Committee
Report No. _____

Department of Water Supply, Countywide, for the Countywide Upgrades and Replacements project; and 2) adding the following project descriptions: a) Design and planning improvements to the Upper Kula Water System and b) Construction and planning of a water tank to replace the existing tank at Kamaole Water Treatment Plant.

3. A Certification of Additional Revenues for Fiscal Year 2017, dated January 13, 2017, for \$261,000 in Carryover/Savings from the Water Fund.

The Director of Water Supply said the proposed amendment will provide water quality research and scientific testing for water in the Upcountry area. He said this is a component of a larger project to increase the availability of water for the Upcountry area.

He explained the project will identify the water quality and the treatment needs of blending mid-level water with upper-level water. He said the testing is a safety issue to allow mixing of water without negative results.

The Director said the Kamaole Water Tank Replacement project is for a half million water tank located on Thompson Road. During construction, unforeseen site issues arose at the project site. To prevent delays and further additional costs, the contractor completed the additional work necessary to keep the project moving.

The Budget Director informed your Committee the contractor completed the additional work on a force account basis pursuant to Section 11.4 – Change Order by Force Account of the General Terms and Conditions of the contract. This provision allowed the work to proceed before a formal change order was executed.

Your Committee voted 8-0 to recommend passage of the proposed bills on first reading and filing of the communication. Committee Chair Hokama, Vice-Chair White, and members Atay, Carroll, Crivello, Guzman,

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

Page 3

Committee
Report No. _____

King, and Sugimura voted "aye." Committee member Cochran was excused.

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

Your Budget and Finance Committee RECOMMENDS the following:

1. That Bill _____ (2017), 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 WATER SUPPLY, COUNTYWIDE, WATER SUPPLY, COUNTYWIDE UPGRADES AND 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 _____ (2017), 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 WATER SUPPLY, COUNTYWIDE, COUNTYWIDE UPGRADES AND REPLACEMENTS," be PASSED ON FIRST READING and be ORDERED TO PRINT; and
3. That County Communication 17-48 be FILED.

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

Page 4

**Committee
Report No.** _____

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. _____ (2017)

A BILL FOR AN ORDINANCE AMENDING
THE FISCAL YEAR 2017 BUDGET FOR THE COUNTY OF MAUI
AS IT PERTAINS TO ESTIMATED REVENUES;
DEPARTMENT OF WATER SUPPLY,
COUNTYWIDE, WATER SUPPLY,
COUNTYWIDE UPGRADES AND 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. 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 Carryover/Savings Water Fund in the amount of \$261,000; and by increasing Total Estimated Revenues in the amount of \$261,000, 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	35,275,000

FROM OTHER SOURCES:

Interfund Transfers	46,168,410
Bond/Lapsed Bond	36,179,000
Carryover/Savings:	
General Fund	18,186,419
Sewer Fund	4,002,252
Highway Fund	4,886,279
Solid Waste Management Fund	451,823
Golf Fund	458,756
Liquor Fund	797,883
Bikeway Fund	311,997
Water Fund	[7,751,766] <u>8,012,766</u>

TOTAL ESTIMATED REVENUES [661,330,129] 661,591,129"

SECTION 2. Fiscal Year 2017 Budget is hereby amended as it pertains to Section 4.K.1.a.(3), Department of Water Supply, Countywide, Water Supply, Water Fund - Unrestricted, by increasing the appropriation for a capital project entitled, "Countywide Upgrades and Replacements", in the amount of \$261,000, to read as follows:

"K. Department of Water Supply

1. Countywide

a. Water Supply

(1) State Revolving Loan Fund		
(i) Countywide Upgrades and Replacements		
(a) Omaopio Tank Booster Pump Replacement		2,000,000
(2) Water Fund - Restricted		
(i) Countywide Upgrades and Replacements		1,950,000
(3) Water Fund – Unrestricted		
(i) Countywide Conservation Program		1,000,000
(ii) Countywide Facility Improvements		2,150,000
(iii) Countywide Upgrades and Replacements	[550,000]	<u>811,000</u>

2. Makawao-Pukalani-Kula Community Plan Area

a. Water Supply

(1) State Revolving Loan Fund		
(i) Upcountry Reliable Capacity		
(a) Pookela Well #2 Exploratory		2,500,000
(2) Water Fund – Restricted		
(i) Upcountry Reliable Capacity		2,200,000

3. Wailuku-Kahului Community Plan Area

a. Water Supply

(1) Water Fund - Restricted		
(i) Central Maui Reliable Capacity		425,000

4. West Maui Community Plan Area

a. Water Supply

(1) State Revolving Loan Fund		
(i) West Maui Reliable Capacity		
(a) Mahinahina Well #1 Development		10,000,000"

SECTION 3. Fiscal Year 2017 Budget is hereby amended as it pertains to the Total Capital Improvement Project Appropriations to reflect an increase of \$261,000, to read as follows:

"TOTAL CAPITAL IMPROVEMENT PROJECT APPROPRIATIONS	[114,469,914]	<u>114,730,914"</u>
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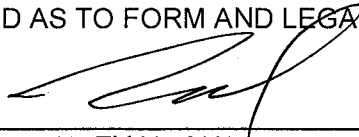
SECTION 4. Fiscal Year 2017 Budget is hereby amended as it pertains to the Total Appropriations (Operating and Capital Improvement Projects) to reflect an increase of \$261,000, to read as follows:

"TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)	[661,330,129]	<u>661,591,129"</u>
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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. _____ (2017)

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 WATER SUPPLY,
 COUNTYWIDE,
 COUNTYWIDE UPGRADES AND REPLACEMENTS

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 Water Supply, by increasing the appropriation for a capital project entitled, "Countywide Upgrades and Replacements", in the amount of \$261,000; and adding additional project descriptions, to read as follows:

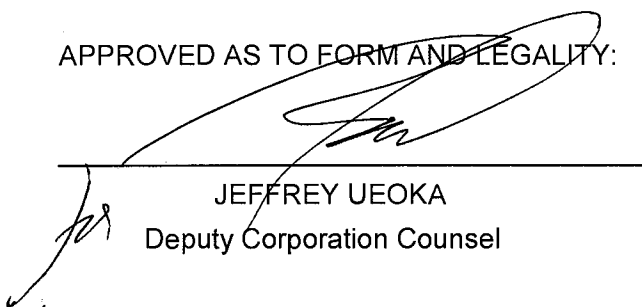
"APPENDIX C - Capital Improvement Projects"		
CBS NO.	PROJECT TITLE/DESCRIPTION	APPROPRIATION
	<u>Department of Water Supply</u>	
	1. Countywide	
CBS-2299	a. Countywide Upgrades and Replacements	100,000 A [1,100,000] D 1,251,000 [3,300,000] C <u>3,410,000</u>
	1) Replace an existing booster pump and related electrical components as part of the Omaopio Tank replacement project; 2) Construct a water tank to replace the existing 50,000 gallon Keanae Water Tank to address corrosion and deficiencies identified by the Department of Health; 3) Construct a chlorine scrubber and enclose the chlorine storage room at Kamaole Water Treatment Plant to protect against chlorine gas leaks; 4) Design a water line to upsize existing 6-inch and 8-inch water lines along Baldwin Avenue in Paia to be at least a 12-inch line to address substandard water pressure for fire protection; 5) Design a water line to upsize an existing 4 inch water line along Hobron Avenue in Kahului to address leakage and insufficient flow for fire protection; 6) Design improvements to the spillways at the six raw water reservoirs serving the Mahinahina, Olinda, and Piiholo Water Treatment Plants to address compliance with Department of Land and Natural Resources dam safety regulations; 7) Design improvements to the water system served by the Opaepilau Water Tank in Haiku to address low pressures and inadequate storage capacity for fire protection; 8) Acquire easements on property adjacent to the Maluhia Tank site in Makawao for booster pump station upgrades; 9) Upsize existing 6-inch water line to an 8-inch water line on Mokuhaui Road in Happy Valley by December 31, 2016; 10) <u>Design and planning improvements to the Upper Kula Water System;</u> 11) <u>Construction and planning of a water tank to replace existing tank at Kamaole Water Treatment Plant.</u>	

CBS-1076	b. Countywide Conservation Program		
	Locating and replacing of leaking waterlines (transmission, distribution, and service laterals) identified by Leak Detection, repair of leaking tanks, design of projects to provide supply side conservation, including a water audit.	1,000,000	C
CBS-1075	c. Countywide Facility Improvements		
	1) Well and booster pump replacements, including granular activated carbon filters at Napili and Hamakuapoko; and booster pumps at North Waihee, Wakiu Well B, Kula Agricultural Park Station B and Napili Well B. 2) Replace the roof of the NASKA Baseyard mechanic shop; 3) Replace the roof of the clearwell at the Olinda Water Treatment Plant; 4) Reinforce the embankment of the sludge dewatering reservoir at the Olinda Water Treatment Plant; 5) Repair and recoat the interior and exterior of the clearwell at the Lahainaluna and Mahinahina Water Treatment Plants; and 5) Repair and recoat the interior and exterior of the Maunaolu Tank in Haliimaile.	2,150,000	C
	2. Makawao-Pukalani-Kula Community Plan Area		
CBS-1106	a. Upcountry Reliable Capacity	200,000	D
		4,500,000	C
	1) Construction of an exploratory well for the Pookela Well 2; 2) Design of the Pookela Well 2 facility, contingent upon the results of the exploratory well; 3) Construction of a chloramine addition system at the Upper Kimo Booster Pump Station to streamline the disinfection process for supplementing the Upper Kula System with water from the Lower Kula System.		
	3. Wailuku-Kahului Community Plan Area		
CBS-1102	a. Central Maui Reliable Capacity	200,000	A
		225,000	D
	Land acquisition and design for a new water tank near the existing Makai Heights water tank in North Kihei.		
	4. West Maui Community Plan Area		
CBS-1092	a. West Maui Reliable Capacity	10,000,000	C"
	Construction of the Mahinahina Well 1 facility and related transmission		

SECTION 2. Material to be repealed is bracketed. 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