

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

August 22, 2008

Committee
Report No.

08-98

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 4, 2008, makes reference to County Communication No. 08-168, from the Budget Director, transmitting a proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. 3571 (2008) RELATING TO THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI".

The purpose of the proposed bill is to amend the bond authorization ordinance by adding the South Maui Community Park, Phase I, for \$2,500,000.

At its meeting, your Committee met with the Budget Director, Office of the Mayor; the Director of Finance; the Director of Parks and Recreation; and the First Deputy Corporation Counsel.

Your Committee received public testimony from four Kihei residents advocating for the construction of Phase I of the proposed South Maui Regional Park.

Your Committee received a document entitled "South Maui Community Park" and the general site plan for the park, from the Director of Parks and Recreation.

The Director of Parks and Recreation provided an overview of the project. She said that the park will include a softball field, two soccer fields, and related parking. The Director stated that the project has been the Department's number one priority for seven years, and the estimated date for bid opening is October 21, 2008.

Your Committee supported authorizing the issuance of bonds for this long awaited project, but questioned whether all the bond-authorized projects approved for Fiscal Year 2009 were ready to move forward. Your Committee suggested that the Budget Director review the status of all bond-authorized projects to ensure that the projects are on schedule.

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

August 22, 2008

Page 2

Committee

Report No. 08-98

Your Committee voted to recommend passage of the proposed bill and filing of the communication.

Your Budget and Finance Committee RECOMMENDS the following:

1. That Bill No. _____ (2008), attached hereto, entitled "A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. 3571 (2008) RELATING TO THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI", be PASSED ON FIRST READING and be ORDERED TO PRINT; and
2. That County Communication No. 08-168 be FILED.

Adoption of this report is respectfully requested.

bf:cr:08116aa:ltt/mjg

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

August 22, 2008
Page 3

Committee
Report No. 08-98



JOSEPH PONTANILLA Chair

DANNY A. MATEO Member

G. RIKI HOKAMA Vice-Chair

BILL KAUAKEA MEDEIROS Member

MICHELLE ANDERSON Member

MICHAEL J. MOLINA Member

GLADYS C. BAISA Member

MICHAEL P. VICTORINO Member

JO ANNE JOHNSON Member

ORDINANCE NO. _____

BILL NO. _____ (2008)

A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. 3571
(2008) RELATING TO THE ISSUANCE OF
GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI

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

SECTION 1. Ordinance No. 3571 (2008), 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 [\$28,984,000] \$31,484,000 (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. 3571 (2008), 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 2009 Budget, including amendments and supplements thereto, duly approved by the Council of the County (the "Council") for the fiscal year ending June 30, 2009 (the "Fiscal Year 2009 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 2009 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. Road Improvements (and related improvements, beautification, sidewalks, bike paths, drainage, bridge repairs and maintenance, safety and utilities, accessibility for persons with disabilities) including:
 - (1) Papahawahawa Bridge Replacement \$ 1,100,000

2. Paia-Haiku Community Plan Area
 - a. Government Facilities
 - (1) Haiku Fire Station \$ 600,000

3. Makawao-Pukalani-Kula Community Plan Area
 - a. Water Supply
 - (1) Makawao Waterline Improvements \$ 1,100,000

4. Wailuku-Kahului Community Plan Area
 - a. Parks and Recreation
 - (1) War Memorial Complex Improvements \$ 500,000
 - b. Sewer
 - (1) Environmental Protection Agency Consent Decree Sewer Rehabilitation \$ 1,000,000
 - c. Water Supply
 - (1) Waihee Wells Backup Generator \$ 700,000
 - (2) Wailuku Waterline Improvements \$ 3,334,000

5. 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) Liloa and Piikea Avenue Roundabout	\$ 2,500,000
	(2) South Kihei Road Sidewalks	\$ 250,000
b.	Sewer	
	(1) Environmental Protection Agency Consent Decree Sewer Rehabilitation	\$ 1,000,000
c.	Water Supply	
	(1) Maui Meadows Booster Pump Improvements	\$ 1,500,000
d.	<u>Parks and Recreation</u>	
	(1) <u>South Maui Community Park, Phase I</u>	<u>\$ 2,500,000</u>
6.	West Maui 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) Lower Honoapiilani Road Improvements	\$ 1,000,000
b.	Sewer	
	(1) Environmental Protection Agency Consent Decree Sewer Rehabilitation	\$ 1,000,000
7.	Molokai Community Plan Area	
a.	Government Facilities	
	(1) Molokai Baseyard	\$ 2,000,000
8.	Countywide	
a.	Sewer	
	(1) Countywide Environmental Protection Agency Consent Decree Wastewater Reclamation Facility Renovation Projects	\$ 3,400,000
	(2) Countywide Pump Station Renovations	\$ 8,000,000


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 replaced is bracketed. New material is underscored. In printing this ordinance, the County Clerk need not include the brackets, the bracketed material or the underscoring.

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

APPROVED AS TO FORM
AND LEGALITY:



TRACI FUJITA VILLAROSA
First Deputy Corporation Counsel
County of Maui

S:\CLERICAL\EK\ORDS\FY08\gobondam3571southmauicommph1.wpd