

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

November 2, 2007

**Committee
Report No.**

07-120

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 October 1, 2007, makes reference to Contract No. C3924, between the County of Maui and Sato & Associates, Inc., for construction management, inspection, and material testing services to improve Market Street, from Wells Street to Kahawai Street, in Wailuku, in the amount of \$1,194,808.

Your Committee notes that the Fiscal Year (FY) 2007 Budget appropriated \$2 million in General Obligation Bonds for the Market Street Improvements to be supplemented by a \$4.8 million Federal Highway Administration/Intermodal Surface Transportation Efficiency Act (ISTEA) Highway grant.

Your Committee further notes that the Market Street Improvements project was supplemented with an additional \$562,750 from FY 2007 Budget appropriations for the Wailuku-Kahului Community Plan District Road Resurfacing.

At its meeting, your Committee met with the Budget Director; the Director of Finance; the Director of Public Works; the Engineering Program Manager, Department of Public Works; and a Deputy Corporation Counsel.

There was no public testimony.

Your Committee was concerned that the \$1,194,808 contract with Sato & Associates, Inc. represented an increase of \$494,808 over the \$700,000 estimated for construction management in the Mayor's proposed FY 2007 Budget.

The Engineering Program Manager stated that Sato & Associates, Inc. is required to prepare a structural inventory of existing conditions in addition to construction management, inspection, and material testing services. The additional structural inventory requirement added approximately \$300,000 to their contract.

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The Engineering Program Manager further stated that Sato and Associates, Inc. is also required to coordinate construction with merchants, residents, and the public, which added an additional \$95,000 to their contract.

The Director of Public Works stated that Sato & Associates, Inc. was selected from the County's list of qualified professionals, as required by Section 103D-304, Hawaii Revised Statutes (HRS), and a final contract was negotiated.

The Engineering Program Manager stated that the design of the project is in accordance with the guidelines established by the Maui Redevelopment Agency (MRA) Wailuku Redevelopment Area Plan. The MRA reviews applications for new development and renovation projects in the Wailuku Redevelopment Area authorized by Section 53-5, HRS, pertaining to the Urban Renewal Law. The Wailuku Redevelopment Area is approximately 68 acres located within the town of Wailuku. The boundaries include parts of Main Street, Vineyard Street, Market Street (including Happy Valley), Central Avenue, and Wells Street. The MRA advises the Planning Department, Mayor, and the County Council on matters pertaining to the Wailuku Redevelopment Area.

Your Committee requested that the Department of Public Works provide the construction plans for the Market Street Improvements, from Wells Street to Kahawai Street, and the vehicle weight capacity of the bridge over Iao Stream.

Your Committee voted to recommend filing the contract.

Your Budget and Finance Committee **RECOMMENDS** that Contract No. C3924 be **FILED**.

Adoption of this report is respectfully requested.

