

**COUNCIL OF THE COUNTY OF MAUI**  
**BUDGET AND FINANCE COMMITTEE**

January 25, 2008

**Committee**  
**Report No.**

\_\_\_\_\_ 08-10 \_\_\_\_\_

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 March 19, 2007, March 20, 2007, March 21, 2007 and December 3, 2007, makes reference to the following:

1. County Communication No. 06-293, from the Budget Director, transmitting the Capital Improvement Projects Implementation Report for Fiscal Year 2007 First Quarter (as of September 30, 2006);
2. County Communication No. 07-69 from the Budget Director, requesting a time extension to submit the Capital Improvement Project Implementation Report for the Fiscal Year 2007 Second Quarter;
3. County Communication No. 07-90, from the Budget Director, transmitting the Capital Improvement Projects Implementation Report for Fiscal Year 2007 Second Quarter (as of December 31, 2006);
4. County Communication No. 07-140, from the Budget Director, requesting a time extension to submit the Capital Improvement Projects Implementation Report for Fiscal Year 2007 Third Quarter;
5. County Communication 07-163, from the Budget Director, transmitting the Capital Improvement Projects Implementation Report for the Fiscal Year 2007 Third Quarter (as of March 31, 2007);
6. County Communication No. 07-240, from the Budget Director, requesting a time extension to submit the Capital Improvement Project Implementation Report for Fiscal Year 2007 Fourth Quarter;
7. County Communication No. 07-290, from the Budget Director, transmitting the Capital Improvement Projects Implementation Report for the Fiscal Year 2007 Fourth Quarter (as of June 30, 2007); and

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8. County Communication No. 07-297, from the Budget Director, requesting a time extension to submit the Capital Improvement Project Implementation Report for the Fiscal Year 2008 First Quarter.

At its meeting of January 5, 2007, the Council referred County Communication No. 06-293 to your Committee (County Communication No. 07-4).

By separate correspondence dated March 12, 2007, the Chair of your Committee requested that the Director of Parks and Recreation, the Director of Water Supply, and the Director of Public Works and Environmental Management provide an overview of their department's operations, report on the results of any prior requests for additional resources, and report any specific problems that prohibited their respective departments from meeting their goals and objectives.

At its meeting of March 19, 2007, your Committee met with the Budget Director; the Director of Finance; the Director of Parks and Recreation; the Parks Maintenance Superintendent, Parks Maintenance Program, Department of Parks and Recreation; the Chief of Planning and Development, Department of Parks and Recreation; the Golf Course Superintendent, Waiehu Golf Course Program, Department of Parks and Recreation; and the Corporation Counsel.

There was no public testimony.

Your Committee received a document entitled "FY 2007 SECOND QUARTER - AS OF DECEMBER 31, 2006, CAPITAL IMPROVEMENT PROJECTS IMPLEMENTATION REPORT", and draft documents entitled "THE GYMNASIUMS OF MAUI COUNTY, Department of Parks and Recreation, Recreation and Support Services FY 2006" and "COMMUNITY CENTERS OF MAUI COUNTY, Department of Parks and Recreation, Recreation and Support Services FY 2002" from the Director of Parks and Recreation.

Your Committee was concerned that the Department of Parks and Recreation began the construction of a maintenance building without a building permit. Your Committee was also concerned that the Department purchased building materials with funds that were budgeted for departmental operations.

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The Director of Parks and Recreation stated that the plans for the maintenance building is being reviewed by a consultant. After approval by the consultant, the Department will apply for the proper building permits.

Your Committee entered into a comprehensive discussion regarding (1) the Department's decision not to proceed with plans to retrofit the Lahaina Civic Center as an emergency shelter; (2) the increased costs anticipated for the construction of the Kula tennis courts; (3) the lighting requirements for the Keopuolani Ball Field; (4) final plans for the construction of the Boys and Girls Club-Lahaina Unit building; (5) the plans for the Lahaina Civic Center Improvements; (6) improvements to various County pools; and (7) repairs and improvements to various community centers.

Your Committee deferred consideration of the matter pending further discussion.

At its meeting of March 20, 2007, your Committee met with the Budget Director; the Director of Finance; the Director of Water Supply; the Deputy Director of Water Supply; the Fiscal Officer, Fiscal/Customer Service Program, Department of Water Supply; the Engineering Program Manager and a Civil Engineer, Engineering Program, Department of Water Supply; and the Corporation Counsel.

There was no public testimony.

The Director of Water Supply stated that the Kamole Weir Water Treatment Facility Clearwell replacement project is 25 percent complete and is estimated to be completed on September 19, 2007.

Your Committee entered into a comprehensive discussion regarding (1) the Department's decision to look into cost-effective alternatives to Granular Activated Carbon filters for removal of organic carbon; (2) the Department's decision to do the Papohaku Waterline Replacement project internally; (3) the status of the Vineyard Street Waterline Improvements; (4) the status of the acquisition of the Wailuku Water Company's watershed and water-related assets; (5) the status of Countywide pump replacements; (6) the status of the Kaupakalua Well Storage Tank; (7) the status of the Hana Source Development – Hamoa Well 2; (8) the environmental assessment for the Lower Kula (Piipolo) Reservoir; and (9) the lapsed appropriation for the Waikapu Well Development.

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Your Committee requested that the Department of Water Supply provide (1) a list of waterline replacement or upgrade projects for the next ten years, and a diagram of the water transmission lines; (2) the capacity of the Kaupakalua Well and the amount of water allocated to the County; and (3) a copy of the Piihola Well agreement.

Your Committee deferred consideration of the matter pending further discussion.

By correspondence dated March 20, 2007, the Director of Public Works and Environmental Management responded to your Committee Chair's request of March 12, 2007, relating to Capital Improvement Project updates.

At its meeting of March 21, 2007, your Committee met with the Budget Director; the Director of Finance; the Director of Public Works and Environmental Management; the Engineering Program Manager and a Civil Engineer, Engineering Program, Department of Public Works and Environmental Management; the Land Use and Codes Administrator, Development Services Administration, Department of Public Works and Environmental Management; the Chief of Field Operations and Maintenance, Highway Administration Program, Department of Public Works and Environmental Management; the Wastewater Reclamation Division Chief, Wastewater Administration Program, Department of Public Works and Environmental Management; the Solid Waste Division Chief, Solid Waste Administration Program, Department of Public Works and Environmental Management; and the Corporation Counsel.

There was no public testimony.

Your Committee received a document entitled "FY2006-2007 CIP PROJECTS OVER \$750,000" from the Civil Engineer.

The Civil Engineer reviewed the status of ongoing highway, drainage, and bridge projects over \$750,000.

The Engineering Program Manager stated that an increase in the cost of paving materials and the lack of paving companies have escalated the cost of repaving. He further stated that it costs the County approximately \$130,000 to resurface one lane for one mile.

Your Committee deferred consideration of the matter pending further discussion.

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By correspondence dated April 2, 2007, the Director of Water Supply transmitted a copy of an agreement concerning the development of the Piiholo well and requested additional time to respond to your Committee's request dated March 28, 2007.

By correspondence dated April 26, 2007 the Budget Director transmitted correspondence dated April 25, 2007, from the Director of Water Supply, providing information on the Kaupakalua well.

By correspondence dated April 27, 2007, the Budget Director transmitted correspondence dated April 26, 2007, from the Director of Water Supply, transmitting diagrams of transmission lines on Maui and Molokai.

At its meeting of December 3, 2007, your Committee met with the Deputy Director of Finance; the Accounting System Administrator, Department of Finance; a Budget Analyst, Office of the Mayor; the Deputy Director of Public Works; the Director of Environmental Management; the Solid Waste Division Chief, Department of Environmental Management; and a Deputy Corporation Counsel.

There was no public testimony.

Your Committee was concerned that the Budget Director is unable to transmit the Capital Improvement Project Implementation Reports on a timely basis considering that the Office of the Mayor was provided funding for a Countywide Capital Improvement Project (CIP) Coordinator.

The Budget Analyst stated it has been difficult to appoint a qualified person to the Countywide CIP Coordinator position because most of the applicants are current civil servants who are not interested in pursuing an appointed position in the Office of the Mayor. She further stated that a time extension is requested to ensure that the information presented in the Capital Improvement Project Implementation Reports is consistent with the information presented in the Finance Director's Quarterly report.

Your Committee voted to recommend filing of the communications.

Your Budget and Finance Committee **RECOMMENDS** the following:

1. That County Communication No. 06-293 be FILED;

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2.     That County Communication No. 07-69 be FILED;
3.     That County Communication No. 07-90 be FILED;
4.     That County Communication No. 07-140 be FILED;
5.     That County Communication No. 07-163 be FILED;
6.     That County Communication No. 07-240 be FILED;
7.     That County Communication No. 07-290 be FILED; and
8.     That County Communication No. 07-297 be FILED.

Adoption of this report is respectfully requested.

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