

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

February 8, 2008

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

\_\_\_\_\_ 08-21

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 24, 2008, makes reference to County Communication No. 08-6, from the Budget Director, transmitting a proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2008 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO THE DEPARTMENT OF WATER SUPPLY".

The purpose of the proposed bill is to amend the Fiscal Year (FY) 2008 Budget by increasing the appropriation in the Department of Water Supply, Fiscal/Customer Service Program-Water Supply Fund, from \$2,090,682 to \$2,240,682, and decreasing the appropriation in the Department of Water Supply, Engineering Program-Water Supply Fund, from \$1,824,629 to \$1,674,629.

At its meeting, your Committee met with the Budget Director; the Fiscal Officer, Department of Water Supply; and a Deputy Corporation Counsel.

There was no public testimony.

The Fiscal Officer stated that the transfer of \$150,000 from the Engineering Program to the Fiscal/Customer Service Program is required to replenish the inventory of supplies, which has been depleted because of the numerous main waterline (main line) breaks since July 1, 2007 and the recent storm damage. She explained that the Department has responded to 144 main line breaks in the first 6½ months of FY 2008, compared to 191 for the entire FY 2007, and 158 for the entire FY 2006.

Your Committee was concerned that the Department did not anticipate the need for additional supplies in their FY 2008 Budget request considering that all of the \$200,000 appropriated in the FY 2006 and FY 2007 Budgets were expended.

Your Committee expressed further concern that the increase in main line breaks could be due to old and damaged waterlines that have not been replaced on a timely basis. Your Committee noted that the Department has not followed the schedule

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recommended in the report entitled “The County of Maui Department of Water Supply-System Replacement Needs Analysis and System Valuation” prepared by Brown and Caldwell (November 2000).

The Fiscal Officer explained that the replacement of waterlines is limited by the amount of revenues received from water fees and the Department’s ability to complete construction projects funded in the fiscal year’s budget. Furthermore, she stated that the Department has not been able to fill the engineering positions funded in the FY 2008 Budget.

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 THE FISCAL YEAR 2008 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO THE DEPARTMENT OF WATER SUPPLY”, be **PASSED ON FIRST READING** and be **ORDERED TO PRINT**; and
2. That County Communication No. 08-6 be **FILED**.

Adoption of this report is respectfully requested.

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