

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

February 17, 2006

Committee
Report No.

06-17

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, 2006, makes reference to County Communication No. 06-6, from the Budget Director, transmitting the following:

1. A proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2006 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES, THE DEPARTMENT OF PUBLIC WORKS AND ENVIRONMENTAL MANAGEMENT, TOTAL OPERATING APPROPRIATIONS, AND TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)".

The purpose of the proposed bill is to increase carryover/savings from the Wastewater Fund and the appropriation for the Wastewater Reclamation Facilities Program-Wastewater Fund by \$625,000 due to increases in electrical costs.

2. A "Certification of Additional Revenues for Fiscal Year 2006" dated December 29, 2005, pursuant to Section 9-9.1, Charter of the County of Maui (Charter).

The document certifies that \$625,000 of additional carryover/savings is available from the Wastewater Fund.

At its meeting, your Committee met with the Budget Director, the Director of Public Works and Environmental Management, the Wastewater Reclamation Division Chief from the Department of Public Works and Environmental Management, the Director of Finance, and the First Deputy Corporation Counsel.

There was no public testimony.

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

February 17, 2006
Page 2

Committee
Report No. 06-17

At the meeting, the Budget Director submitted correspondence dated January 27, 2006, transmitting the following:

1. A revised proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2006 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES, THE DEPARTMENT OF PUBLIC WORKS AND ENVIRONMENTAL MANAGEMENT, TOTAL OPERATING APPROPRIATIONS, AND TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)".

The revised proposed bill increases carryover/savings from the Wastewater Fund and the appropriation for the Wastewater Reclamation Facilities Program-Wastewater Fund by \$825,000.

2. A revised "Certification of Additional Revenues for Fiscal Year 2006" dated January 27, 2006.

The document certifies that \$825,000 of additional carryover/savings is available from the Wastewater Fund.

The Budget Director also submitted charts relating to electrical costs for the Wastewater Reclamation Division.

The Director of Public Works and Environmental Management stated that the energy cost adjustment in the electrical bills increased from 35 percent of the total electric bill for the month of October 2004 to 52 percent of the total electric bill for the month of December 2005. He further stated that there was a 4 percent increase in the amount of electricity used in October 2005 compared to October 2004.

The Wastewater Reclamation Division Chief stated that the energy cost adjustment charged by Maui Electric Company, Ltd. reflects the utility's actual cost of fuel. He further stated that additional revenues are available because the Division conservatively estimated wastewater revenues, and actual revenues are well above the Fiscal Year (FY) 2006 Budget estimates.

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

February 17, 2006
Page 3

Committee
Report No. 06-17

Your Committee was concerned that appropriating an additional \$825,000 to the Wastewater Reclamation Facilities Program may deplete carryover/savings for the FY 2007 Budget.

The Wastewater Reclamation Division Chief stated that the Division estimates that approximately \$1,000,000 of carryover/savings will still be available after the \$825,000 is appropriated.

Your Committee questioned whether the Division considered other alternatives besides utilizing carryover/savings to address increased electrical costs.

The Wastewater Reclamation Division Chief stated that the Division considered postponing required maintenance of wastewater facilities before proposing this budget amendment.

Your Committee requested a description of energy efficiency measures taken at the Kihei Wastewater Reclamation Facility and why the facility experienced a 200,000 kilowatt hour increase in FY 2005. Your Committee also requested verification that the consultant for the wastewater rate program recommended that the County maintain \$1,000,000 in carryover/savings within the Wastewater Fund.

Your Committee voted to recommend the passage of the revised proposed bill on first reading and filing of the communication.

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

1. That Bill No. _____ (2006), as revised herein and attached hereto, entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2006 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES, THE DEPARTMENT OF PUBLIC WORKS AND ENVIRONMENTAL MANAGEMENT, TOTAL OPERATING APPROPRIATIONS, AND TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)", be **PASSED ON FIRST READING** and be **ORDERED TO PRINT**; and

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

February 17, 2006
Page 4

Committee
Report No. 06-17

2. That County Communication No. 06-6 be FILED.

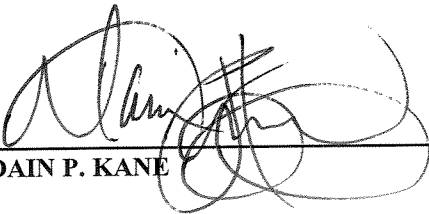
Adoption of this report is respectfully requested.

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COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

February 17, 2006
Page 5

Committee
Report No. 06-17



DAIN P. KANE Chair

DANNY A. MATEO Member

G. RIKI HOKAMA Vice-Chair

MICHAEL J. MOLINA Member

MICHELLE ANDERSON Member

JOSEPH PONTANILLA Member

ROBERT CARROLL Member

CHARMAINE TAVARES Member

JO ANNE JOHNSON Member

SECTION 2. Ordinance No. 3289, Bill No. 45 (2005), Draft 1, as amended ("Fiscal Year 2006 Budget"), is hereby amended as it pertains to Section 3.B.14, Department of Public Works and Environmental Management Wastewater Reclamation Facilities Program - Wastewater Fund, by increasing the appropriation by \$825,000, to read as follows:

<u>"FUNCTIONS AND PROGRAMS</u>	<u>APPROPRIATION</u>
14. Department of Public Works and Environmental Management	
a. Administration Program - General Fund	\$408,097
(1) Provided, that disbursement for salaries and premium pay is limited to 6.0 equivalent personnel.	
b. Engineering Program - General Fund	\$1,618,568
(1) Provided, that disbursement for salaries and premium pay is limited to 28.0 equivalent personnel.	
c. Special Maintenance Program - General Fund	\$2,698,632
(1) Provided, that disbursement for salaries and premium pay is limited to 9.8 equivalent personnel.	
d. Development Services Administration Program - General Fund	\$2,046,010
(1) Provided, that disbursement for salaries and premium pay is limited to 42.8 equivalent personnel.	
e. Abandoned Vehicle, Scrap Metal, and White Goods Program - General Fund	\$633,000
(1) Provided, that disbursement for salaries and premium pay is limited to 2.0 equivalent personnel.	
f. Administration Program - Highway Fund	\$425,901
(1) Provided, that disbursement for salaries and premium pay is limited to 6.0 equivalent personnel.	
(2) Contribution to General Fund - ERS and FICA	\$1,217,525
(3) Contribution to General Fund - Health Fund	\$881,983
(4) Contribution to General Fund	\$1,234,357
(5) Contribution for Bikeway Fund	\$214,037
(6) Debt Service	\$1,502,688
(7) Administrative Overhead Charge	\$1,373,642
g. Road, Bridge and Drainage Maintenance - Highway Fund	\$7,139,717
(1) Provided, that disbursement for salaries and premium pay is limited to 109.0 equivalent personnel.	
h. Traffic Management Program - Highway Fund	\$959,557
(1) Provided, that disbursement for salaries and premium pay is limited to 13.0 equivalent personnel.	
i. Garage Services - Highway Fund	\$1,944,142
(1) Provided, that disbursement for salaries and premium pay is limited to 29.0 equivalent personnel.	

j. Administration and Engineering Program - Wastewater Fund	\$1,453,998
(1) Provided, that disbursement for salaries and premium pay is limited to 15.3 equivalent personnel.	
(2) Contribution to General Fund - ERS and FICA	\$998,312
(3) Contribution to General Fund - Health Fund	\$723,077
(4) Debt Service	\$10,687,485
(5) Administrative Overhead Charge	\$1,403,235
k. Wastewater Reclamation Facilities Program - Wastewater Fund [\$12,846,911]	<u>\$13,671,911</u>
(1) Provided, that disbursement for salaries and premium pay is limited to 92.0 equivalent personnel.	
l. Administration Program - Solid Waste Fund	\$297,883
(1) Provided, that disbursement for salaries and premium pay is limited to 7.0 equivalent personnel.	
(2) Contribution to General Fund - ERS and FICA	\$610,660
(3) Contribution to General Fund - Health Fund	\$442,343
(4) Debt Service	\$2,479,755
(5) Administrative Overhead Charge	\$1,061,387
m. Landfill Disposal Program - Solid Waste Fund	\$5,616,088
(1) Provided, that disbursement for salaries and premium pay is limited to 22.0 equivalent personnel.	
n. Residential Collection Program - Solid Waste Fund	\$2,141,572
(1) Provided, that disbursement for salaries and premium pay is limited to 43.0 equivalent personnel.	
o. Diversion Program - Solid Waste Fund	\$678,802
(1) Provided, that disbursement for salaries and premium pay is limited to 1.6 equivalent personnel.	
(2) Temporary Material Recovery Facility (MRF)	\$450,000"

SECTION 3. The Total Operating Appropriations is amended to reflect an increase of \$825,000, to read as follows:

"TOTAL OPERATING APPROPRIATIONS	[\$316,865,285]	<u>\$317,690,285</u>
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SECTION 4. The Total Appropriations (Operating and Capital Improvement Projects) is amended to reflect an increase of \$825,000, to read as follows:

"TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)	[\$390,931,612]	<u>\$391,756,612"</u>
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SECTION 5. Material to be repealed is bracketed. New material is underscored. In printing this ordinance, the County Clerk need not include the brackets, the bracketed materials or the underscoring.

SECTION 6. This ordinance shall take effect upon its approval.

APPROVED AS TO FORM AND LEGALITY:



TRACI FUJITA VILLAROSA
First Deputy Corporation Counsel

s:mayor/budget/2006/ordinance amendments/fy06-bgtordrev-11-PWEM-Wastewater-revised.xls

CERTIFICATION OF ADDITIONAL
REVENUES FOR FISCAL YEAR 2006

I, ALAN M. ARAKAWA, Mayor of the County of Maui, State of Hawaii, pursuant to Section 9-9.1 of the Revised Charter of the County of Maui (1983), as amended, do hereby certify, that there is available for appropriation revenue received from anticipated sources but in excess of the budget estimates for Fiscal Year 2006. The amount available for appropriation is:

From the Carryover/Savings:

Wastewater Fund \$825,000.00



ALAN M. ARAKAWA
Mayor, County of Maui

STATE OF HAWAII)
) SS.
COUNTY OF MAUI)

On this 27 day of January, 2006, before me appeared Alan M. Arakawa, to me personally known, who being by me duly sworn did say that he is the Mayor of the County of Maui, a political subdivision of the State of Hawaii, and that the seal affixed to the foregoing instrument is the lawful seal of the said County of Maui, and that the said instrument was signed and sealed on behalf of said County of Maui pursuant to Section 9-18 of the Charter of the County of Maui; and the said ALAN M. ARAKAWA acknowledged the said instrument to be the free act and deed of said County of Maui.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.



LINDA K. TAMASHIRO
Notary Public, State of Hawaii
My commission expires: October 19, 2006

13