

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

November 17, 2006

Committee

Report No.

06-142

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 31, 2006, makes reference to County Communication No. 06-246, from the Budget Director, transmitting the following:

1. A proposed bill entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT FOR A STATE WATER POLLUTION CONTROL REVOLVING FUND LOAN FOR THE LAHAINA WASTEWATER PUMP STATION NO. 1 REPLACEMENT". (Lahaina WWPS #1 Replacement project)

The purpose of the proposed bill is to authorize the Mayor of the County of Maui to enter into an intergovernmental agreement and execute all documents with the State of Hawaii for a loan from the State Water Pollution Control Revolving Fund for the Lahaina Wastewater Pump Station (WWPS) #1 Replacement project, West Maui Community Plan District, for a principal amount not to exceed \$7,050,000.

2. A proposed bill entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT FOR A STATE WATER POLLUTION CONTROL REVOLVING FUND LOAN FOR THE LAHAINA-CONSENT DECREE SEWER REHABILITATION". (EPA Consent Decree Sewer Rehabilitation project)

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The purpose of the proposed bill is to authorize the Mayor of the County of Maui to enter into an intergovernmental agreement and execute all documents with the State of Hawaii for a loan from the State Water Pollution Control Revolving Fund for the Environmental Protection Agency (EPA) Consent Decree Sewer Rehabilitation project, West Maui Community Plan District, for a principal amount not to exceed \$1,500,000.

3. A proposed bill entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT FOR A STATE WATER POLLUTION CONTROL REVOLVING FUND LOAN FOR THE COUNTYWIDE WASTEWATER PUMP STATIONS RENOVATIONS". (Countywide Pump Station Renovations project)

The purpose of the proposed bill is to authorize the Mayor of the County of Maui to enter into an intergovernmental agreement and execute all documents with the State of Hawaii for a loan from the State Water Pollution Control Revolving Fund for the Countywide Pump Station Renovations project for a principal amount not to exceed \$2,500,000.

4. A proposed bill entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT FOR A STATE WATER POLLUTION CONTROL REVOLVING FUND LOAN FOR THE LAHAINA WASTEWATER PUMP STATION NO. 4 MODIFICATIONS". (Lahaina WWPS #4 Modifications project)

The purpose of the proposed bill is to authorize the Mayor of the County of Maui to enter into an intergovernmental agreement and execute all documents with the State of Hawaii for a loan from the State Water Pollution Control Revolving Fund for the Lahaina WWPS #4 Modifications project, West Maui Community Plan District, for a principal amount not to exceed \$1,700,000.

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5. A proposed bill entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT FOR A STATE WATER POLLUTION CONTROL REVOLVING FUND LOAN FOR THE CENTRAL-CONSENT DECREE SEWER REHABILITATION". (EPA Consent Decree Sewer Rehabilitation project)

The purpose of the proposed bill is to authorize the Mayor of the County of Maui to enter into an intergovernmental agreement and execute all documents with the State of Hawaii for a loan from the State Water Pollution Control Revolving Fund for the EPA Consent Decree Sewer Rehabilitation project, Wailuku-Kahului Community Plan District, for a principal amount not to exceed \$500,000.

6. A proposed bill entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT FOR A STATE WATER POLLUTION CONTROL REVOLVING FUND LOAN FOR THE KIHEI-CONSENT DECREE SEWER REHABILITATION". (EPA Consent Decree Sewer Rehabilitation project)

The purpose of the proposed bill is to authorize the Mayor of the County of Maui to enter into an intergovernmental agreement and execute all documents with the State of Hawaii for a loan from the State Water Pollution Control Revolving Fund for the EPA Consent Decree Sewer Rehabilitation project, Kihei-Makena Community Plan District, for a principal amount not to exceed \$5,000,000.

7. A proposed bill entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT FOR A STATE WATER POLLUTION CONTROL REVOLVING FUND LOAN FOR THE WAILUKU-KAHULUI WASTEWATER RECLAMATION FACILITY ELECTRICAL/SOLIDS UPGRADE". (Wailuku-Kahului WWRF Electrical and Solids Upgrade project)

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The purpose of the proposed bill is to authorize the Mayor of the County of Maui to enter into an intergovernmental agreement and execute all documents with the State of Hawaii for a loan from the State Water Pollution Control Revolving Fund for the Wailuku-Kahului Wastewater Reclamation Facility (WWRF) Electrical and Solids Upgrade project, Wailuku-Kahului Community Plan District, for a principal amount not to exceed \$2,000,000.

8. A proposed bill entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT FOR A STATE WATER POLLUTION CONTROL REVOLVING FUND LOAN FOR THE CENTRAL OPERATIONS AND MAINTENANCE FACILITY". (Central Operations and Maintenance Facilities project)

The purpose of the proposed bill is to authorize the Mayor of the County of Maui to enter into an intergovernmental agreement and execute all documents with the State of Hawaii for a loan from the State Water Pollution Control Revolving Fund for the Central Operations and Maintenance Facilities project, for a principal amount not to exceed \$500,000.

By correspondence dated October 6, 2006, the Budget Director transmitted the following revised proposed bills, which revise the titles to correctly reference the names of the projects as identified in the Fiscal Year (FY) 2006 and 2007 Budgets.

1. A revised proposed bill entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT FOR A STATE WATER POLLUTION CONTROL REVOLVING FUND LOAN FOR THE LAHAINA WASTEWATER PUMP STATION (WWPS) #1 REPLACEMENT, WEST MAUI COMMUNITY PLAN DISTRICT, FISCAL YEAR 2007 BUDGET ORDINANCES (ALSO KNOWN AS LAHAINA WASTEWATER PUMP STATION NO. 1 REPLACEMENT)". (Lahaina WWPS #1 Replacement project)

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2. A revised proposed bill entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT FOR A STATE WATER POLLUTION CONTROL REVOLVING FUND LOAN FOR THE ENVIRONMENTAL PROTECTION AGENCY (EPA) CONSENT DECREE SEWER REHABILITATION, WEST MAUI COMMUNITY PLAN DISTRICT, FISCAL YEAR 2007 BUDGET ORDINANCES (ALSO KNOWN AS CONSENT DECREE SEWER REHABILITATION-LAHAINA)". (EPA Consent Decree Sewer Rehabilitation project)

3. A revised proposed bill entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT FOR A STATE WATER POLLUTION CONTROL REVOLVING FUND LOAN FOR THE COUNTYWIDE PUMP STATION RENOVATIONS, COUNTYWIDE, FISCAL YEAR 2007 BUDGET ORDINANCES (ALSO KNOWN AS COUNTYWIDE WASTEWATER PUMP STATIONS RENOVATIONS)". (Countywide Pump Station Renovations project)

4. A revised proposed bill entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT FOR A STATE WATER POLLUTION CONTROL REVOLVING FUND LOAN FOR THE LAHAINA WASTEWATER PUMP STATION (WWPS) #4 MODIFICATIONS, WEST MAUI COMMUNITY PLAN DISTRICT, FISCAL YEAR 2006 BUDGET ORDINANCES (ALSO KNOWN AS LAHAINA WASTEWATER PUMP STATION NO. 4 MODIFICATIONS)". (Lahaina WWPS #4 Modifications project)

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5. A revised proposed bill entitled “A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT FOR A STATE WATER POLLUTION CONTROL REVOLVING FUND LOAN FOR THE ENVIRONMENTAL PROTECTION AGENCY (EPA) CONSENT DECREE SEWER REHABILITATION, WAILUKU-KAHULUI COMMUNITY PLAN DISTRICT, FISCAL YEAR 2007 BUDGET ORDINANCES (ALSO KNOWN AS CONSENT DECREE SEWER REHABILITATION-CENTRAL)”. (EPA Consent Decree Sewer Rehabilitation project)

6. A revised proposed bill entitled “A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT FOR A STATE WATER POLLUTION CONTROL REVOLVING FUND LOAN FOR THE ENVIRONMENTAL PROTECTION AGENCY (EPA) CONSENT DECREE SEWER REHABILITATION, KIHEI-MAKENA COMMUNITY PLAN DISTRICT, FISCAL YEAR 2007 BUDGET ORDINANCES (ALSO KNOWN AS CONSENT DECREE SEWER REHABILITATION-KIHEI)”. (EPA Consent Decree Sewer Rehabilitation project)

7. A revised proposed bill entitled “A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT FOR A STATE WATER POLLUTION CONTROL REVOLVING FUND LOAN FOR WAILUKU-KAHULUI WASTEWATER RECLAMATION FACILITY (WWRF) ELECTRICAL AND SOLIDS UPGRADE, WAILUKU-KAHULUI COMMUNITY PLAN DISTRICT, FISCAL YEAR 2007 BUDGET ORDINANCES (ALSO KNOWN AS WAILUKU-KAHULUI WASTEWATER RECLAMATION FACILITY ELECTRICAL/SOLIDS UPGRADE)”. (Wailuku-Kahului WWRF Electrical and Solids Upgrade project)

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8. A revised proposed bill entitled “A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT FOR A STATE WATER POLLUTION CONTROL REVOLVING FUND LOAN FOR THE CENTRAL OPERATIONS AND MAINTENANCE FACILITIES, COUNTYWIDE, FISCAL YEAR 2007 BUDGET ORDINANCES (ALSO KNOWN AS CENTRAL OPERATIONS AND MAINTENANCE FACILITY)”. (Central Operations and Maintenance Facilities project)

By correspondence dated October 24, 2006, the Budget Director transmitted eight further revised proposed bills to reference “intergovernmental agreement” within the text of the bills.

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

There was no public testimony.

Your Committee notes that the proposed bill regarding the Lahaina WWPS #4 Modifications project is related to a FY 2006 Budget appropriation of \$1,700,000, which will lapse on December 31, 2006. Your Committee further notes that the other proposed bills relate to appropriations in the FY 2007 Budget. Therefore, due to its time sensitivity, the proposed bill relating to the Lahaina WWPS #4 Modifications project was the only bill posted on your Committee’s agenda.

The Budget Director stated that financing the Lahaina WWPS #4 Modifications project through a State Water Pollution Control Revolving Fund Loan is more cost effective than utilizing general obligation bonds.

The Wastewater Reclamation Division Chief stated that the Lahaina WWPS #4 Modifications project’s bid opening is scheduled for November 29, 2006, and the Department intends to execute the contract and encumber funds before December 31, 2006.

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Your Committee voted to recommend passage of the further revised proposed bill and deferred the matter pending further discussion.

Your Budget and Finance Committee RECOMMENDS that Bill No. _____ (2006), as revised herein and attached hereto, entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT FOR A STATE WATER POLLUTION CONTROL REVOLVING FUND LOAN FOR THE LAHAINA WASTEWATER PUMP STATION (WWPS) #4 MODIFICATIONS, WEST MAUI COMMUNITY PLAN DISTRICT, FISCAL YEAR 2006 BUDGET ORDINANCES (ALSO KNOWN AS LAHAINA WASTEWATER PUMP STATION NO. 4 MODIFICATIONS)", be PASSED ON FIRST READING and be ORDERED TO PRINT.

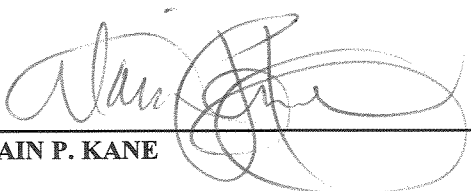
Adoption of this report is respectfully requested.

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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

ORDINANCE NO. _____

BILL NO. _____ (2006)

A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT FOR A STATE WATER POLLUTION CONTROL REVOLVING FUND LOAN FOR THE LAHAINA WASTEWATER PUMP STATION (WWPS) #4 MODIFICATIONS, WEST MAUI COMMUNITY PLAN DISTRICT, FISCAL YEAR 2006 BUDGET ORDINANCES (ALSO KNOWN AS LAHAINA WASTEWATER PUMP STATION NO. 4 MODIFICATIONS)

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

SECTION 1. Request for Loan. The County of Maui, pursuant to Section 342D-83 through Section 342D-87, Hawaii Revised Statutes, has submitted an application for a State Water Pollution Control Revolving Fund Loan ("SRF loan") to the Director of the Department of Health, State of Hawaii, to finance the construction of the Lahaina Wastewater Pump Station (WWPS) #4 Modifications, West Maui Community Plan District, Fiscal Year 2006 Budget Ordinances (also known as Lahaina Wastewater Pump Station No. 4 Modifications).


Under the terms and conditions anticipated with regard to such SRF loan, the County shall repay, over a term of twenty years, the principal amount, which shall not exceed \$1,700,000 at a fixed rate of interest which shall not exceed the Bond Buyer's 20-year general obligation bond issue.

SECTION 2. Council Authorization. Pursuant to Section 2.20.020 of the Maui County Code, the Council hereby authorizes the Mayor to enter into an intergovernmental agreement, which would include the execution of all necessary documents between the State of Hawaii and the County of Maui relating to the SRF loan to finance the construction of the Lahaina Wastewater Pump Station

(WWPS) #4 Modifications, West Maui Community Plan District, Fiscal Year 2006 Budget Ordinances (also known as Lahaina Wastewater Pump Station No. 4 Modifications), including a pledge of the County's full faith and credit, including but not limited to, the County's general taxing power as security for repayment of the loan and payment of interest and loan fees, and a covenant to exercise the County's authority as needed. The repayment of principal, interest, and any loan fees, shall be a first charge on the General Fund of the County.

SECTION 3. Effective Date. This ordinance shall take effect upon its approval.

APPROVED AS TO FORM
AND LEGALITY:


CINDY Y. YOUNG
Deputy Corporation Counsel
County of Maui

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