

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

February 20, 2004

Committee
Report No. 04-31

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 27, 2004, makes reference to County Communication No. 03-296, from the Budget Director, transmitting the following:

1. A proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2004 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES, CAPITAL IMPROVEMENT PROJECTS, AND TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)" (budget bill).

The purposes of the budget bill are to:

- (a) appropriate funds for road improvements in the Paia-Haiku Community Plan District, the Kihei-Makena Community Plan District, and the West Maui Community Plan District, by amending the Estimated Revenues to increase the Bond/Lapsed Bond Fund by \$3,065,799; and
- (b) add \$100,000 in the Paia-Haiku Community Plan District for a Paia Mini-Bypass Connection (Mini-Bypass) to Baldwin Avenue; \$2,465,799 in the Kihei-Makena Community Plan District for "Central Kihei Transportation Improvements" (North-South Collector Road), a "Temporary Roundabout at Piikea Avenue-Liloa Street Intersection" (Roundabout), and "North-South Collector Road Bikepath, Kaonoulu Street to Waipuilani Road" (Bikepath); and \$500,000 in the West Maui Community Plan District for "Keawe Street Extention [*sic*] Projects".

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2. A proposed bill entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE ISSUANCE OF EIGHTEEN MILLION TWO HUNDRED THIRTY FOUR THOUSAND FIVE HUNDRED NINETY TWO DOLLARS (\$18,234,592) AGGREGATE PRINCIPAL AMOUNT OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI FOR THE PURPOSE OF PROVIDING FUNDS TO PAY ALL OR A PART OF THE COST OF APPROPRIATIONS FOR PUBLIC IMPROVEMENTS OF AND FOR THE COUNTY OF MAUI; FIXING THE FORM, DENOMINATIONS AND CERTAIN OTHER FEATURES OF SUCH BONDS AND PROVIDING FOR THEIR SALE; AUTHORIZING THE DIRECTOR OF FINANCE TO DETERMINE CERTAIN DETAILS OF THE BONDS; AUTHORIZING THE ISSUANCE AND SALE OF A LIKE PRINCIPAL AMOUNT OF GENERAL OBLIGATION BOND ANTICIPATION NOTES IN ANTICIPATION OF THE ISSUANCE AND SALE OF SUCH BONDS; AND PROVIDING FOR OTHER ACTIONS RELATED TO THE ISSUANCE, SALE AND DELIVERY OF SAID BONDS" (bond bill).

The purpose of the bond bill is to increase the general obligation bond authorization by \$6,465,799 for road improvement projects in the Paia-Haiku Community Plan District, the Kihei-Makena Community Plan District, and the West Maui Community Plan District, for a total bond principal amount not to exceed \$18,234,592.

By correspondence dated December 9, 2003, the Department of the Corporation Counsel transmitted a proposed bill, entitled "A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. 3123, BILL NO. 15 (2003) RELATING TO THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI". The proposed bill replaces the bond bill transmitted by County Communication No. 03-296. The proposed bill amends a prior bond authorization rather than authorizing the issuance of new general obligation bonds. Furthermore, the proposed bill authorizes an increase to the total bond principal amount not to exceed \$21,634,592, which includes \$3,400,000 for the North-South Collector Road that was not included in the Fiscal Year (FY) 2004 Bond Authorization Ordinance (Ordinance No. 3123).

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Your Committee notes that the Council appropriated \$3.4 million for the North-South Collector Road in the FY 2004 Budget Ordinance, but deleted the \$3.4 million appropriation from the Bond Authorization Ordinance because the Administration was still considering a potential design change for the North-South Collector Road, from a four-lane roadway to a two-lane roadway. The Council decided that the Administration should resubmit the bond authorization request after the Administration had determined the design of the roadway and whether the project still qualified for Federal funds.

By correspondence dated December 17, 2003, your Committee's Chair requested that the Director of Public Works and Environmental Management provide: (1) project information for each of the additional Capital Improvement Projects (CIP) requested in County Communication No. 03-296; (2) the status of Federal funding for the North-South Collector Road; and (3) the status of highway projects with funds encumbered prior to FY 2001.

By correspondence dated January 15, 2004, the Director of Public Works and Environmental Management provided the requested information.

At its meeting, your Committee met with the Budget Director, the Director of Public Works and Environmental Management, and the First Deputy Corporation Counsel.

Your Committee received oral and written testimony from one member of the public expressing support for the Mini-Bypass project. She provided a sample of traffic delays on Hana Highway from Kahului to Paia for a 12-day period between January 2, 2004 and January 23, 2004. Delays averaged 12 minutes with a low of no delay to a high of 29 minutes.

Your Committee received the following documents from the Budget Director:

1. Two proposed bills entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2004 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES, CAPITAL IMPROVEMENT PROJECTS, AND TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)" (revised budget bills).

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The revised budget bills separate the proposed budget bill attached to County Communication No. 03-296 into two bills. The first revised budget bill amends the Estimated Revenues to increase the Carryover/Savings in the Highway Fund by \$200,000, and to appropriate \$100,000 for the Mini-Bypass project and \$100,000 for the Roundabout project.

The second revised budget bill amends the Estimated Revenues to increase Bond/Lapsed Bond Fund by \$2,865,799, and to appropriate these funds for improvements to the North-South Collector Road in Kihei and the Keawe Street Extension in Lahaina.

2. A revised proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. 3123, BILL NO. 15 (2003), AS AMENDED, RELATING TO THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI" (revised bond bill).

The revised bond bill incorporates housekeeping changes because of pending budget amendments, and changes the year from "2003" to "2004".

3. A document entitled "CERTIFICATION OF ADDITIONAL REVENUES FOR FISCAL YEAR 2004".

The document certifies that \$800,000 is available for appropriation from the Solid Waste Fund and \$200,000 from the Highway Fund.

The Budget Director informed your Committee that the Estimated Revenues from Carryover/Savings in the Highway Fund are higher than anticipated for FY 2004. The first revised budget bill appropriates \$200,000 from Carryover/Savings in the Highway Fund as opposed to an increase in the Bond/Lapsed Bond Fund for the Mini-Bypass and the Roundabout projects.

The Director of Public Works and Environmental Management provided location and vicinity maps for the road improvement projects. He noted that the Department considers the Mini-Bypass as a temporary, short-term solution for the

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traffic delays on Hana Highway through Paia. He further noted that a more permanent solution would not be completed until about 2010. The Mini-Bypass is a cooperative project between the State, A&B and the County. The State would provide a turnoff lane along the shoulder of Hana Highway from Baldwin Beach Park to the start of the Mini-Bypass. A&B would provide the improvements to an existing cane haul road, and the County would provide improvements at the intersection of the cane haul road and Baldwin Avenue.

The Director informed your Committee that the Roundabout would be installed at the intersection of Piikea Avenue and Liloa Street in Kihei. Several other locations were considered for a temporary roundabout, but at the request of community leaders, the Department decided on the Kihei location.

The Director explained that the design of the North-South Collector Road was revised from a four-lane road to a two-lane road with a 60-foot right-of-way. He noted that the road project would qualify for Federal funding; however, the Bikepath project would be constructed with County funds.

Your Committee expressed concern about whether the construction of a Bikepath in the 60-foot right-of-way would impact the County's ability to receive Federal funds for the roadway project. Your Committee requested that your Committee's Chair seek clarification from the State Department of Transportation (DOT).

The Director of Public Works and Environmental Management informed your Committee that the Keawe Street extension would connect the north end of the first phase of the Lahaina Bypass from Lahainaluna Road to Honoapiilani Highway. He stated that Federal funds would be available in FY 2005 for the construction.

Your Committee recommended that the first revised budget bill relating to the Mini-Bypass and the Roundabout be further revised to incorporate housekeeping changes because of pending budget amendments.

Your Committee voted to recommend passage of the first revised budget bill relating to the Mini-Bypass Connection to Baldwin Avenue and the Roundabout at Piikea Avenue-Liloa Street Intersection on first reading.

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Your Committee deferred discussion on the second revised budget bill pending further information from the State DOT regarding the road improvement projects in the Kihei-Makena Community Plan District and the West Maui Community Plan District.

Your Committee is in receipt of a revised proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2004 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES, CAPITAL IMPROVEMENT PROJECTS, AND TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)", incorporating your Committee's recommendations.

Your Budget and Finance Committee RECOMMENDS that Bill No. _____ (2004), as revised herein and attached hereto, entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2004 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES, CAPITAL IMPROVEMENT PROJECTS, AND TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)", be PASSED ON FIRST READING and be ORDERED TO PRINT.

Adoption of this report is respectfully requested.

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G. RIKI HOKAMA **Chair**

DANNY A. MATEO **Member**

WAYNE K. NISHIKI **Vice-Chair**

MICHAEL J. MOLINA **Member**

ROBERT CARROLL **Member**

JOSEPH PONTANILLA **Member**

JO ANNE JOHNSON **Member**

CHARMAINE TAVARES **Member**

DAIN P. KANE **Member**