

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

March 5, 2004

Committee
Report No.

04-41

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 February 17, 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".

COUNCIL OF THE COUNTY OF MAUI

BUDGET AND FINANCE COMMITTEE

March 5, 2004
Page 2

Committee
Report No. 04-41

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.

Your Committee notes that it previously reported on this matter through Committee Report No. 04-31, which recommended that 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)" be passed on first reading and be ordered to print. The proposed bill authorized appropriations for the Mini-Bypass in the Paia-Haiku Community Plan District and the Roundabout in the Kihei-Makena Community Plan District. Your Committee recommended that consideration of appropriations for road improvements for the North-South Collector Road and the Bikepath in the Kihei-Makena Community Plan District, and the Keawe Street Extension in the West Maui Community Plan District be

COUNCIL OF THE COUNTY OF MAUI

BUDGET AND FINANCE COMMITTEE

March 5, 2004
Page 3

Committee
Report No. 04-41

deferred. At its meeting of February 20, 2004, the Council adopted Committee Report No. 04-31 (Bill No. 16 (2004)).

By correspondence dated February 5, 2004, your Committee requested that the Director of the State Department of Transportation (DOT) or a representative attend a meeting in order to provide the DOT's perspective on the time tables for these projects and funding sources (Federal, State, County).

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 public testimony from one member of the public in support of the Bikepath.

Your Committee notes that the DOT was unable to send a representative to the meeting, but provided a response via a telephone conversation with your Committee staff regarding the status of the North-South Collector Road and Bikepath projects and its source of funding. Glenn Yasui, State DOT Highways Administrator, stated that receipt of Federal funds for the North-South Collector Road is dependent upon the minimum functional classification of the road. Currently, the road is classified as a four-lane major collector road, which is eligible for Federal funding. However, the road might not be eligible for Federal funds if the classification is changed. Mr. Yasui stated that a new traffic study would need to be done to review the interrelationship between the North-South Collector Road, Piilani Highway, and South Kihei Road. He stated that the County had submitted no new plan, but had referred to another option to build a new road mauka of Piilani Highway in order to relieve traffic congestion in the South Maui area.

Your Committee expressed concerns about spending millions of dollars to build a temporary Bikepath when the North-South Collector Road might need to be expanded to four lanes in the future. It appears to be more prudent to use the funds for a more permanent solution.

COUNCIL OF THE COUNTY OF MAUI

BUDGET AND FINANCE COMMITTEE

March 5, 2004
Page 4

Committee
Report No. 04-41

Your Committee proceeded to review the following revised proposed bills:

1. A budget 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)".

The purposes of the budget bill are to:

- a. appropriate funds for road improvements in 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 \$2,865,799; and
 - b. add \$1,333,489 in the Kihei-Makena Community Plan District for "Central Kihei Transportation Improvements" (North-South Collector Road); \$1,032,310 for the "North-South Collector Road Bikepath, Kaonoulu Street to Waipuilani Road" (Bikepath); and \$500,000 in the West Maui Community Plan District for "Keawe Street Extension Projects".
2. A bond 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".

The purpose of the bond bill is to increase the general obligation bond authorization by \$6,265,799 for road improvement projects in the Kihei-Makena Community Plan District and the West Maui Community Plan District, for a total bond principal amount not to exceed \$20,834,592.

Your Committee recommended that the budget bill and bond bill be further revised to include only the Keawe Street Extension Projects, and incorporate housekeeping changes because of pending budget amendments.

COUNCIL OF THE COUNTY OF MAUI

BUDGET AND FINANCE COMMITTEE

March 5, 2004
Page 5

Committee
Report No. 04-41

Your Committee voted to recommend passage of the revised budget bill and the revised bond bill on first reading.

Your Committee deferred discussion pending further information regarding the North-South Collector Road and Bikepath projects in the Kihei-Makena Community Plan District.

Your Committee is in receipt of: (1) a revised budget 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)"; and (2) a revised bond 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", incorporating your Committee's recommendations.

Your Budget and Finance Committee RECOMMENDS the following:

1. 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; and
2. That Bill No. _____ (2004), as revised herein and attached hereto, 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", be PASSED ON FIRST READING and be ORDERED TO PRINT.

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

March 5, 2004
Page 6

Committee
Report No. 04-41

Adoption of this report is respectfully requested.

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COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

March 5, 2004
Page 7

Committee
Report No. 04-41

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**