

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

December 3, 2004

**Committee
Report No.**

04-205

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 November 9, 2004, makes reference to County Communication No. 04-228, from the Budget Director, transmitting a proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2004 BUDGET FOR THE COUNTY OF MAUI RELATING TO DEPARTMENT OF WATER SUPPLY CAPITAL IMPROVEMENT PROJECTS".

The purpose of the proposed bill is to amend the Fiscal Year 2004 Budget, Capital Improvement Program projects, as follows:

1. increase the appropriation in the Hana Community Plan District by \$1,460,000 for the Hana-Hamoa Waterline Improvements project;
2. reduce the appropriation for the Makawao-Pukalani-Kula Community Plan District by \$1,000,000;
3. delete the Alae Tank Replacement project; and
4. reduce the appropriation for the Wailuku-Kahului Community Plan District by \$460,000 for the Camp Maluhia Well project.

At its meeting, your Committee met with the Budget Director; the Director of Water Supply; the Engineering Program Manager, Engineering Division, Department of Water Supply; and the Corporation Counsel.

There was no public testimony.

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Your Committee received the following documents at its meeting:

1. written testimony from John Blumer-Buell, dated November 9, 2004, expressing concerns about the Hana-Hamoa Waterline Improvements; and
2. a description of the Hamoa-Hana Waterline Improvements project, a related site map, and related correspondence dated November 5, 2004, from C. Takumi Engineering, Inc., all submitted by the Department of Water Supply.

The Director of Water Supply provided an overview of the Hana-Hamoa Waterline Improvements project. He stated that the request for additional funds is a result of unanticipated costs. The original appropriation for the project was \$2.5 million. The significant cost increase is attributed to the project's remote location, higher costs for the 12-inch waterline, and escalating costs throughout the Maui construction industry.

The Director of Water Supply stated that the project would improve the pumping capacity in Hana town, which will benefit the entire East Maui community.

In response to concerns raised in written testimony, the Engineering Program Manager stated that the Department of Water Supply has met with members of the community. The concerns expressed related to another project on Haneoo Road, which has been put on hold as a result of the community's concerns.

The Director of Water Supply stated that redirecting funds from the Alae Tank Replacement and Camp Maluhia Well projects would not be a problem. Archaeological issues are currently impeding the Alae Tank Replacement project's progress, and negotiations with the landowner are slowing the Camp Maluhia Well project.

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

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Your Budget and Finance Committee RECOMMENDS the following:

1. That Bill No. _____ (2004), attached hereto, entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2004 BUDGET FOR THE COUNTY OF MAUI RELATING TO DEPARTMENT OF WATER SUPPLY CAPITAL IMPROVEMENT PROJECTS", be PASSED ON FIRST READING and be ORDERED TO PRINT; and
2. That County Communication No. 04-228 be FILED.

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**

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CHARMAINE TAVARES **Member**

DAIN P. KANE **Member**