

COUNCIL OF THE COUNTY OF MAUI

BUDGET AND FINANCE COMMITTEE

December 11, 2018

**Committee
Report No.** _____

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 13, 2018, makes reference to County Communication 18-390, from the Budget Director, transmitting the following:

1. A proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2019 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES; DEPARTMENT OF FINANCE, COUNTYWIDE, OTHER PROJECTS, COUNTYWIDE EQUIPMENT; TOTAL CAPITAL IMPROVEMENT PROJECT APPROPRIATIONS; AND TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)."

The purpose of the proposed bill is to amend the Fiscal Year ("FY") 2019 Budget by 1) increasing Estimated Revenues from the Bond Fund by \$1,351,000; 2) amending Section 4.B.1.a.(1)(i), Department of Finance, Countywide, Other Projects, Bond Fund, Countywide Equipment, by a) decreasing the appropriation for the two 1500 Gallons Per Minute ("GPM") pumper trucks for the Kihei and Napili Fire Stations by \$148,000; b) adding an appropriation for a ladder truck for the Wailea Fire Station in the amount of \$1,347,000; and c) adding an appropriation for a portion of two brush trucks, one each for the Lahaina and Kahului Fire Stations in the amount of \$152,000; and 3) adjusting the totals accordingly.

2. A proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. 4858, BILL NO. 54 (2018), RELATING TO THE ISSUANCE OF GENERAL OBLIGATION

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BONDS OF THE COUNTY OF MAUI ISSUANCE, SALE AND DELIVERY OF SAID BONDS (DEPARTMENT OF FINANCE – COUNTYWIDE EQUIPMENT).”

The purpose of the proposed bill is to amend the FY 2019 general obligation bond authorization ordinance by increasing the appropriation under the Department of Finance, Countywide, Other Projects, Countywide Equipment, by \$1,351,000, for equipment for the Department of Fire and Public Safety (“Department”), Fire/Rescue Operations Program.

3. A proposed bill entitled “A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2019 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO APPENDIX C – CAPITAL IMPROVEMENT PROJECTS, DEPARTMENT OF FINANCE, COUNTYWIDE, COUNTYWIDE EQUIPMENT.”

The purpose of the proposed bill is to amend the FY 2019 Budget, Appendix C, Capital Improvement Projects, by revising the appropriations under the Department of Finance, Countywide, Countywide Equipment, for the Department by 1) increasing the total appropriation by \$1,351,000; 2) appropriating \$1,552,000 for two 1500 GPM Pumper Trucks for the Napili and Kihei Fire Stations; 3) adding an appropriation for one Ladder Truck for the Wailea Fire Station in the amount of \$1,347,000; and 4) adding an appropriation for a portion of two brush trucks, one each for the Lahaina and Kahului Fire Stations in the amount of \$152,000.

4. A copy of the consolidated cost estimate dated October 12, 2018, including discounts for bulk purchasing, for all five trucks submitted by Hughes Fire Equipment.

Your Committee notes for FY 2019, \$1,700,000 from the Bond Fund was appropriated for the acquisition of two 1500 GPM pumper trucks, one each for the Kihei and Napili Fire Stations; and \$300,000 from the General

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Fund was appropriated for two brush trucks, one each for the Lahaina and Kahului Fire Stations.

The Budget Director said in FY 2018, \$1,000,000 from the Bond Fund was appropriated for the acquisition of a ladder truck for the Wailea Fire Station. The Department is requesting the funds be appropriated in the FY 2019 Budget to allow for the consolidation of the acquisition of five vehicles rather than undertaking a separate procurement for each vehicle. This process would allow for discounts to be applied for a bulk sale and cost-savings should be realized.

Your Committee notes the FY 2018 appropriation will lapse on December 31, 2018, and the Department does not have sufficient time to encumber the funds prior to that date.

The Fire Chief said the FY 2018 appropriation was for the replacement of the tower platform truck with a ladder truck for the Wailea Fire Station. He said the ladder truck is more conducive than the tower platform for the operations of the Department.

The Fire Chief said the initial bid proposals received for the ladder truck were more than the FY 2018 appropriation; therefore, the specifications for the truck were revised. He said the revised specifications provide for the safest and efficient vehicle suitable for the Department.

He said following a review of the specifications for the pumper vehicles for the Kihei and Napili Fire Stations, revisions were made to reduce the scope of the specifications. He said the revised specifications do not jeopardize the safety and effectiveness of the vehicles.

The Fire Chief said the two brush trucks requested for Kahului and Lahaina would provide an alternative vehicle for the crews from a specialty vehicle to access certain areas. The Kahului Fire Station has two specialty companies, Rescue and HazMat, and a suppression company. He said whenever a suppression-type fire occurs in the Central area, both specialty companies have limited ability to assist the suppression company because of inadequate pumping capability. The brush trucks would provide the

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specialty crew with an adequate vehicle to respond and assist, especially with off-road incidents. He said the same limitations apply to the Lahaina vehicle, whereas the Lahaina Fire Station has a ladder truck that is not appropriate to respond in off-road incidents.

The Fire Chief said Hughes Fire Equipment provided a cost estimate for the acquisition of five vehicles, including discounts should the five vehicles be purchased under a single procurement. He said the cost estimate provided by Hughes Fire Equipment transmitted to your Committee is not an actual bid for the five vehicles.

Your Committee acknowledged the Department's efforts to explore other alternatives for the procurement and acquisition of large pieces of equipment to maximize the County's purchasing power.

Your Committee voted 7-0 to recommend passage of the proposed bills on first reading and filing of the communication. Committee Chair Hokama and members Atay, Carroll, Cochran, Crivello, King, and Sugimura voted "aye." Committee Vice-Chair White and member Guzman were excused.

Your Committee is in receipt of revised proposed bills, approved as to form and legality by the Department of the Corporation Counsel, incorporating nonsubstantive revisions that take into account prior amendments to the FY 2019 Budget.

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

1. That Bill _____ (2018), as revised herein and attached hereto, entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2019 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES; DEPARTMENT OF FINANCE, COUNTYWIDE, OTHER PROJECTS, COUNTYWIDE EQUIPMENT; TOTAL CAPITAL IMPROVEMENT PROJECT APPROPRIATIONS; AND TOTAL APPROPRIATIONS (OPERATING AND CAPITAL

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IMPROVEMENT PROJECTS),” be PASSED ON FIRST READING and be ORDERED TO PRINT;

2. That Bill _____ (2018), as revised herein and attached hereto, entitled “A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. 4858, BILL NO. 54 (2018), RELATING TO THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI ISSUANCE, SALE AND DELIVERY OF SAID BONDS (DEPARTMENT OF FINANCE – COUNTYWIDE EQUIPMENT),” be PASSED ON FIRST READING and be ORDERED TO PRINT;
3. That Bill _____ (2018), as revised herein and attached hereto, entitled “A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2019 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO APPENDIX C – CAPITAL IMPROVEMENT PROJECTS, DEPARTMENT OF FINANCE, COUNTYWIDE, COUNTYWIDE EQUIPMENT,” be PASSED ON FIRST READING and be ORDERED TO PRINT; and
4. That County Communication 18-390 be FILED.

This report is submitted in accordance with Rule 8 of the Rules of the Council.



RIKI HOKAMA, Chair

ORDINANCE NO. _____

BILL NO. _____ (2018)

A BILL FOR AN ORDINANCE AMENDING
THE FISCAL YEAR 2019 BUDGET FOR THE COUNTY OF MAUI
AS IT PERTAINS TO ESTIMATED REVENUES;
DEPARTMENT OF FINANCE, COUNTYWIDE,
OTHER PROJECTS, COUNTYWIDE EQUIPMENT;
TOTAL CAPITAL IMPROVEMENT PROJECT APPROPRIATIONS; AND
TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)

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

SECTION 1. Ordinance No. 4861, Bill No. 57 (2018), as amended, "Fiscal Year 2019 Budget", is hereby amended as it pertains to Section 2, Estimated Revenues, by increasing Bond/Lapsed Bond in the amount of \$1,351,000; and by increasing Total Estimated Revenues in the amount of \$1,351,000, to read as follows:

"ESTIMATED REVENUES

FROM TAXES, FEES AND ASSESSMENTS:

Real Property Taxes		321,907,576
Circuit Breaker Adjustment		(421,854)
Charges for Current Services		149,631,691
Transient Accommodations Tax		23,484,000
Public Service Company Tax		7,500,000
Licenses/Permits/Others		39,500,999
Fuel and Franchise Taxes		24,311,000
Special Assessments		7,615,000
Other Intergovernmental		19,698,000

FROM OTHER SOURCES:

Interfund Transfers		38,485,216
Bond/Lapsed Bond	[117,944,000]	<u>119,295,000</u>
Carryover/Savings:		
General Fund		21,754,424
Sewer Fund		4,494,008
Highway Fund		10,318,711
Solid Waste Management Fund		3,135,751
Golf Fund		419,510
Liquor Fund		945,163
Bikeway Fund		11,733
Water Fund		<u>17,835,400</u>

TOTAL ESTIMATED REVENUES [808,570,328] 809,921,328"

SECTION 2. Fiscal Year 2019 Budget is hereby amended as it pertains to Section 4.B.1.a.(1)(i), Department of Finance, Countywide, Other Projects, Bond Fund, Countywide Equipment, by decreasing the appropriation for two pumper trucks for Kihei and Napili Stations by \$148,000; and adding appropriations for a ladder truck for the Wailea Station, in the amount of \$1,347,000, and one brush truck each for Lahaina and Kahului Stations, in the amount of \$152,000, to read as follows:

<u>PROJECT TITLE</u>	<u>APPROPRIATION</u>
<ul style="list-style-type: none"> "B. Department of Finance <ul style="list-style-type: none"> 1. Countywide <ul style="list-style-type: none"> a. Other Projects <ul style="list-style-type: none"> (1) Bond Fund <ul style="list-style-type: none"> (i) Countywide Equipment [4,175,000] <ul style="list-style-type: none"> (a) Provided, that \$1,690,000 shall be for four automated refuse trucks: one each for Central Maui and West Maui and two for Makawao. (b) Provided that \$270,000 shall be for one roll-off truck for residential drop-off at the Central Maui Landfill. (c) Provided, that [\$1,700,000] <u>\$1,552,000</u> shall be for two 1500 GPM pumper trucks, one each for Kihei and Napili Fire Stations. (d) Provided, that \$515,000 shall be for one wheel-loader for the Central Maui Landfill. (e) <u>Provided, that \$1,347,000 shall be for a ladder truck for the Wailea Fire Station.</u> (f) <u>Provided, that \$152,000 shall be for a portion of one brush truck each for Lahaina and Kahului Fire Stations.</u> 	<u>5,526,000"</u>

SECTION 3. Fiscal Year 2019 Budget is hereby amended as it pertains to the Total Capital Improvement Project Appropriations to reflect an increase of \$1,351,000, to read as follows:

"TOTAL CAPITAL IMPROVEMENT PROJECT APPROPRIATIONS	[201,666,792]	<u>203,017,792"</u>
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SECTION 4. Fiscal Year 2019 Budget is hereby amended as it pertains to the Total Appropriations (Operating and Capital Improvement Projects) to reflect an increase of \$1,351,000, to read as follows:

"TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)	[808,570,328]	<u>809,921,328"</u>
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SECTION 5. Material to be repealed is bracketed. New material is underscored.

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

APPROVED AS TO FORM AND LEGALITY:

A handwritten signature in black ink, appearing to read "Jeffrey Ueoka", is written over a horizontal line.

JEFFREY UEOKA
Deputy Corporation Counsel

ORDINANCE NO. _____

BILL NO. ____ (2018)

A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. 4858,
BILL NO. 54 (2018), RELATING TO THE ISSUANCE OF GENERAL
OBLIGATION BONDS OF THE COUNTY OF MAUI
ISSUANCE, SALE AND DELIVERY OF SAID BONDS
(DEPARTMENT OF FINANCE – COUNTYWIDE
EQUIPMENT)

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

SECTION 1. Ordinance No. 4858, Bill No. 54 (2018), is amended by amending Section 1 to read as follow:

SECTION 1. Authorization of General Obligation Bonds. Pursuant to Chapter 47, Hawaii Revised Statutes, as amended, and particularly Part I thereof, there are hereby authorized to be issued and sold from time to time general obligation bonds of the County of Maui, State of Hawaii (the "County") in an aggregate principal amount not to exceed [~~\$74,849,000~~] \$76,200,000 (the "Bonds"), the proceeds derived from the sale of which shall be used to pay all or part of the cost of appropriations for the public improvements of the County described in Section 2 hereof.

SECTION 2. Disposition of Bond Proceeds. All or any portion of the proceeds derived from the sale of the Bonds or any notes issued in anticipation of the Bonds shall be used to pay all or part of the cost of any of the public improvements listed below in accordance with appropriations contained in the Fiscal Year 2019 Budget, including amendments and supplements thereto, duly approved by the Council of the County (the "Council") for the fiscal year ending June 30, 2019 (the "Fiscal Year 2019 Budget"); provided, however, that pursuant to Section 47-5, Hawaii Revised Statutes, the part of such proceeds which are in excess of the amounts required for the purposes for which the Bonds are initially issued from time to time, or which may not be applied to such purposes, or which the Council deems should not be applied to such purposes, may be applied to finance such other public improvements of the County as the Council shall, by ordinance approved by an affirmative vote of two-thirds of all of its members, determine; and provided further that the actual use and application of the proceeds of Bonds issued pursuant to this ordinance shall not in any way affect the validity or legality of such Bonds. No proceeds of the Bonds shall be applied to any public improvement listed in this section unless and until there shall be a valid appropriation of general obligation bond proceeds in effect for such public improvement. The public improvements provided for or to be provided for in the Fiscal Year 2019 Budget, to be financed with proceeds from the sale of the Bonds, are as follows:

Public Improvements:

Estimated Project Cost

<u>PROJECT TITLE</u>	<u>APPROPRIATION</u>
A. Department of Environmental Management	
1. Hana Community Plan Area	
a. Sanitation	
(1) Hana Landfill Makai Berm Waste Removal	1,000,000
2. Wailuku-Kahului Community Plan Area	
a. Drainage	
(1) Central Maui Landfill Stormwater Management Improvements	750,000
b. Sanitation	
(1) Central Maui Landfill Monitoring Well Design/Construction	500,000
(2) Central Maui Landfill Land Purchase	250,000
(3) Central Maui Landfill Phase III	250,000
B. Department of Finance	
1. Countywide	
a. Other Projects	
(1) Countywide Equipment	[4,175,000] 5,526,000
C. Department of Management	
1. Countywide	
a. Other Projects	
(1) Public Safety Radio System Replacement	1,200,000
2. Wailuku-Kahului Community Plan Area	
a. Government Facilities	
(1) Wailuku Civic Complex	42,000,000
D. Department of Parks and Recreation	
1. Makawao-Pukalani-Kula Community Plan Area	
a. Parks and Recreation	
(1) Waiakoa Gym Improvements	175,000
2. Paia-Haiku Community Plan Area	
a. Parks and Recreation	
(1) Alfred "Flako" Boteilho, Sr. Gym Improvements	1,500,000
(2) Paia-Haiku Parks System	950,000

3. Wailuku-Kahului Community Plan Area		
a. Parks and Recreation		
(1) War Memorial Complex Paving Improvements		500,000
(2) Wells Park Master Plan Implementation		150,000
4. West Maui Community Plan Area		
a. Parks and Recreation		
(1) West Maui Parks System		286,000
5. Lanai Community Plan Area		
a. Parks and Recreation		
(1) Lanai Parks Maintenance Building		1,200,000
(2) Lanai Community Center Commercial Kitchen		900,000
E. Department of Public Works		
1. Countywide		
a. Drainage		
(1) Countywide Drainage Improvements		1,300,000
b. Road Improvements (and related improvements, beautification, sidewalks, bike paths, drainage, bridge repairs and maintenance, safety and utilities, accessibility for persons with disabilities) including:		
(1) Countywide Federal Aid Program		2,000,000
2. Hana Community Plan Area		
a. Drainage		
(1) Mahalawa Bridge Replacement		250,000
b. Road Improvements (and related improvements, beautification, sidewalks, bike paths, drainage, bridge repairs and maintenance, safety and utilities, accessibility for persons with disabilities) including:		
(1) Kalepa Revetment and Seawall Repairs		500,000
(2) Maka'ala Road Resurfacing		550,000
3. Kihei-Makena Community Plan Area		
a. Drainage		
(1) South Maui Drainline Repairs		2,300,000
b. Road Improvements (and related improvements, beautification, sidewalks, bike paths, drainage, bridge repairs and maintenance, safety and utilities, accessibility for persons with disabilities) including:		

(1)	North South Collector Road (Namaau Place to Kulanihakoi Street)	500,000
4. Molokai Community Plan Area		
a. Drainage		
(1)	Kaunakakai Drainage System B	2,000,000
b. Government Facilities		
(1)	Molokai Baseyard	250,000
5. Wailuku-Kahului Community Plan Area		
a. Drainage		
(1)	Central Maui Drainline Repairs	1,500,000
(2)	Central Maui Drainline Assessment	700,000
(3)	Hauoli Street Drainage Basin & Outlet Repair	1,000,000
(4)	Iao Stream Bank Stabilization at Millyard	500,000
b. Road Improvements (and related improvements, beautification, sidewalks, bike paths, drainage, bridge repairs and maintenance, safety and utilities, accessibility for persons with disabilities) including:		
(1)	Waiale Road Improvements (Kaohu Street to Waiinu Road)	150,000
(2)	Kamehameha Avenue at Maui Lani Parkway Intersection Improvements	2,865,000
6. West Maui Community Plan Area		
a. Road Improvements (and related improvements, beautification, sidewalks, bike paths, drainage, bridge repairs and maintenance, safety and utilities, accessibility for persons with disabilities) including:		
(1)	Front Street Breakwall Repair Fronting Lahaina Center	500,000
(2)	Front Street Deck and Rail Repair Near Lahainaluna Road	700,000
F. Department of Transportation		
1. Wailuku-Kahului Community Plan Area		
a. Government Facilities		
(1)	Central Maui Transit Hub	650,000
G. Department of Police		
1. Countywide		
a. Government Facilities		
(1)	Countywide Police Facilities	848,000

The cost of issuance of the Bonds or any series thereof, including without limitation, the initial fee of paying agents and registrars, the fees of financial consultants and bond counsel, the cost of preparation of any Official Statement relating to the Bonds, any notices of sale and forms of bid and the definitive Bonds, and the costs of publication of any notices of sale, may be paid from the proceeds of the Bonds or any series thereof and such costs shall be allocated pro rata to each of the foregoing projects financed from such proceeds.

SECTION 3. Material to be repealed is bracketed. New material is underscored.

SECTION 4. This ordinance shall take effect upon its approval.

APPROVED AS TO FORM
AND LEGALITY:



Deputy Corporation Counsel
County of Maui

2018-0310

BF-186 2018-11-15 Accompany Bond FIN Countywide Equipment

ORDINANCE NO. _____

BILL NO. _____ (2018)

A BILL FOR AN ORDINANCE AMENDING
THE FISCAL YEAR 2019 BUDGET FOR THE COUNTY OF MAUI
AS IT PERTAINS TO APPENDIX C - CAPITAL IMPROVEMENT PROJECTS,
DEPARTMENT OF FINANCE,
COUNTYWIDE,
COUNTYWIDE EQUIPMENT

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


SECTION 1. Ordinance No. 4861, Bill No. 57 (2018), as amended, "Fiscal Year 2019 Budget", Appendix C – Capital Improvement Projects, is hereby amended as it pertains to the Department of Finance, by increasing the appropriation for equipment purchases under the Department of Fire and Public Safety, in the amount of \$1,351,000, to read as follows:

"APPENDIX C - Capital Improvement Projects		
Capital improvement project funding may not be used for any purpose other than as described in this appendix.		
CBS NO.	PROJECT TITLE/DESCRIPTION	APPROPRIATION
	<u>Department of Finance</u>	
	<u>1. Countywide</u>	
CBS-1218	<u>a. Countywide Equipment</u> [4,175,000]	<u>5,526,000</u>
	Purchase of equipment. 1) Department of Environmental Management (Solid Waste Operations) in the amount of \$2,475,000 for: four (4) Automated Refuse Trucks, one each for Central Maui and West Maui, and two for Makawao (\$422,500 each); one (1) Roll-off Truck for Residential Drop-off at Central Maui Landfill (\$270,000); and one (1) Loader at the Central Maui Landfill (\$515,000); and 2) Department of Fire and Public Safety (Fire/Rescue Operations) in the amount of [\$1,700,000] <u>\$3,051,000</u> for: two (2) 1500 GPM Pumper Trucks for Napili and Kihei Fire Stations (<u>\$1,552,000</u>); one (1) Ladder Truck for the <u>Wailea Fire Station</u> (<u>\$1,347,000</u>); and a portion of two (2) Brush Trucks, one each for <u>Lahaina and Kahului Fire Stations</u> (<u>\$152,000</u>).	

SECTION 2. Material to be repealed is bracketed. New material is underscored.

SECTION 3. This Ordinance shall take effect upon its approval.

APPROVED AS TO FORM AND LEGALITY:



JEFFREY UEOKA
Deputy Corporation Counsel