

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

April 7, 2017

**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 February 14, 2017, and March 21, 2017, makes reference to the following:

1. Miscellaneous Communication dated October 12, 2016, from the County Clerk, transmitting County Communication 16-223 and related documents associated with the County of Maui September 2016 Flood event and costs.
2. County Communication 17-44, from the Budget Director, transmitting a proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING APPENDIX A OF THE FISCAL YEAR 2017 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO PART II, SPECIAL PURPOSE REVENUES – SCHEDULE OF REVOLVING/SPECIAL FUNDS FOR FISCAL YEAR 2017, EMERGENCY FUND."

The purpose of the proposed bill is to amend Appendix A, Part II, of the Fiscal Year 2017 Budget by increasing the proviso amount for County costs related to the September 2016 flooding event by \$838,000 under the Emergency Fund (Section 9-14, Revised Charter of the County of Maui (1983), as amended; Chapter 3.96, Maui County Code).

By correspondence dated January 23, 2017, the Budget Director transmitted a revised proposed bill to amend Appendix A, Part II, of the Fiscal Year 2017 Budget by increasing the proviso amount for County costs related to the September 2016 flooding event by \$910,327 under the Emergency Fund (Section 9-14, Revised Charter of the County of Maui (1983), as amended; Chapter 3.96, Maui County Code).

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Your Committee notes, Ordinance 4364, Bill 102 (2016), appropriated \$5,000,000 for County costs related to the September 2016 flooding event. By correspondence dated October 21, 2016, the Budget Director transmitted copies of all contracts, purchase orders, and p-card transactions related to the September 2016 flood event.

The Director of Public Works informed your Committee costs incurred from emergency work related to the flood event were covered by funds taken from existing capital improvement projects and Fiscal Year 2017 operation funds. He said the depletion of funds resulted in current projects being stalled.

He said the Department responded to the emergency situation and did work necessary to minimize the significant risk associated with other events that may occur. For example, to prevent risks from future floods, the Highways Division and contractors performed work to repair Levee C; cleared basins of debris; repaired the river bank near the Imi Kala Bridge; removed debris at Ua Place and Iao Bridge, including between Iao Bridge and the Flood Control Project; and repaired the Hauoli Street Sediment Basin.

He said the Department identified the immediate work required to address safety concerns, while being mindful of expenses and reimbursements.

A representative from the Department of Environmental Management said their role in the emergency response was to develop a temporary site at the Central Maui Landfill to receive and process debris related to the flood event. The site is no longer needed so the Department is currently conducting the required soil tests to prepare for closure.

A representative from the Department of Police informed your Committee the role of the Department was to provide a checkpoint at the top of Iao Valley Road to prevent nonresidents and visitors from entering the area. The Department did not provide any services within the park area.

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The Director of Parks and Recreation said security at Kepaniwai Park was stationed at the park entrance to monitor the traffic related to the clean-up process. The main focus for security was not allowing unnecessary vehicles within the park area.

The Emergency Management Officer said Hawaii Emergency Management Agency has provided assistance to various County departments related to expenditures and reimbursement for costs related to the flood event.

Representatives from the Hawaii Emergency Management Agency outlined the Public Assistance Program provided through the Federal Emergency Management Agency. They explained the process of applying for financial assistance for debris removal, emergency protective measures, and permanent restoration of infrastructure.

The representative said first and foremost, the priority is not whether reimbursement is available for work performed following an emergency situation, but rather it is to save lives and save properties.

The representatives acknowledged all the hard work and effort by the County employees involved with the flood event. They praised the Department personnel for being responsive to the community yet being mindful of following protocol and procedures.

Your Committee noted the emergency repairs are complete and payments have been made to the vendors. Furthermore, the proposed amendment will allow reimbursement to various departments and funds to carryout operations and projects as planned for Fiscal Year 2017.

Your Committee noted that further discussion on the process of emergency procurement and Federal Emergency Management Agency reimbursements is warranted; therefore, your Committee recommended the matter relating to the Emergency Fund be referred to the Policy, Economic Development, and Agriculture Committee.

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Your Committee voted 8-1 to recommend passage of the revised proposed bill on first reading, referral of the Miscellaneous Communication, and filing of the County communication. Committee Chair Hokama, Vice-Chair White, and members Atay, Carroll, Crivello, Guzman, King, and Sugimura voted "aye." Committee member Cochran voted "no."

Your Budget and Finance Committee RECOMMENDS the following:

1. That Bill _____ (2017), as revised herein and attached hereto, entitled "A BILL FOR AN ORDINANCE AMENDING APPENDIX A OF THE FISCAL YEAR 2017 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO PART II, SPECIAL PURPOSE REVENUES - SCHEDULE OF REVOLVING/SPECIAL FUNDS FOR FISCAL YEAR 2017, EMERGENCY FUND," be PASSED ON FIRST READING and be ORDERED TO PRINT;
2. That the Miscellaneous Communication dated October 12, 2016 be REFERRED to the Policy, Economic Development, and Agriculture Committee; and
3. That County Communication 17-44 be FILED.

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



RIKI HOKAMA, Chair

ORDINANCE NO. _____

BILL NO. _____ (2017)

A BILL FOR AN ORDINANCE AMENDING APPENDIX A
OF THE FISCAL YEAR 2017 BUDGET FOR THE COUNTY OF MAUI
AS IT PERTAINS TO PART II, SPECIAL PURPOSE REVENUES -
SCHEDULE OF REVOLVING/SPECIAL FUNDS FOR FISCAL YEAR 2017,
EMERGENCY FUND

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

SECTION 1. Ordinance No. 4334, Bill No. 62 (2016), Draft 1, as amended, "Fiscal Year 2017 Budget", Appendix A, Part II, Special Purpose Revenues – Schedule of Revolving/Special Funds for Fiscal Year 2017, is hereby amended as it pertains to the Emergency Fund, by increasing the proviso for County costs related to the September 2016 flooding event in the amount of \$910,327, to read as follows:

**“II. SPECIAL PURPOSE REVENUES - SCHEDULE OF REVOLVING/SPECIAL FUNDS
FOR FISCAL YEAR 2017**

	<u>ESTIMATED BALANCE AS OF 6/30/16</u>	<u>ANTICIPATED REVENUES FOR FY 2017</u>	<u>TOTAL FOR FY 2017</u>
“K. Emergency Fund (Section 9-14, Revised Charter of the County of Maui (1983), as amended; Chapter 3.96, Maui County Code) (1) Provided, that [\$5,000,000] <u>\$5,910,327</u> shall be for County costs related to the September 2016 flooding event.	31,201,919	4,000,000	35,201,919”

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