

Budget and Finance Committee
Fiscal Year 2018 Budget recommendations for consideration
May 1, 2017

RECOMMENDING PASSAGE OF THE PROPOSED BILL ENTITLED "A BILL FOR AN ORDINANCE TO AMEND CHAPTER 14.34, MAUI COUNTY CODE, TO REPEAL THE COLLECTION AND TRANSMISSION SYSTEM PROJECT ASSESSMENT FEE."

The purpose of the proposed bill is to repeal the collection and transmission system project assessment fee for the Kihei Regional Wastewater Treatment System because the project is complete and the fee is no longer applicable, and to update Chapter 14.34, Maui County Code, accordingly.

RECOMMENDING PASSAGE OF THE PROPOSED BILL ENTITLED "A BILL FOR AN ORDINANCE AMENDING SECTION 2.44.015, MAUI COUNTY CODE, RELATING TO SALARIES OF DEPUTIES CORPORATION COUNSEL AND DEPUTIES PROSECUTING ATTORNEY."

The purpose of the proposed bill is to adjust the salary plan for deputies corporation counsel and deputies prosecuting attorney, retroactive to July 1, 2016.

RECOMMENDING PASSAGE OF THE FOLLOWING BILLS ON FIRST READING:

1. A proposed bill entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT FOR A LOAN FROM THE STATE OF HAWAII'S CLEAN WATER STATE REVOLVING FUND FOR THE CENTRAL MAUI LANDFILL PHASE VI-A, FISCAL YEAR 2018 BUDGET ORDINANCE."

The purpose of the proposed bill is to authorize the Mayor to enter into an intergovernmental agreement to finance the Central Maui Landfill Phase VI-A project, with funds not to exceed \$3,625,000.

2. A proposed bill entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO INTERGOVERNMENTAL AGREEMENTS FOR LOANS FROM THE STATE OF HAWAII'S WATER POLLUTION CONTROL REVOLVING FUND FOR VARIOUS WASTEWATER PROJECTS, FISCAL YEAR 2018 BUDGET ORDINANCE."

The purpose of the proposed bill is to authorize the Mayor to enter into intergovernmental agreements to finance the South Maui Recycled Water System Expansion (2nd Tank) project, with funds not exceeding \$5,500,000;

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Submitted by BF Committee Chair

and the Lahaina Wastewater Reclamation Facility Modifications project, Stage 1A, with funds not exceeding \$24,000,000.

The proposed bill will be revised to reduce the funding for the South Maui Recycled Water System Expansion to \$3,750,000.

3. A proposed bill entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT FOR A LOAN FROM THE STATE OF HAWAII'S DRINKING WATER TREATMENT REVOLVING LOAN FUND FOR VARIOUS WATER PROJECTS, FISCAL YEAR 2018 BUDGET ORDINANCE."

The purpose of the proposed bill is to authorize the Mayor to enter into an intergovernmental agreement to finance the Mahinahina Well #1 Development, with funds not to exceed \$5,000,000.

The title of the proposed bill will be revised to strike the phrase "various water projects" and insert in its place "the Mahinahina Well 1 Development."

4. A proposed bill entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE ISSUANCE OF SIXTY-THREE MILLION SIX HUNDRED FIFTY-SEVEN THOUSAND DOLLARS (\$63,657,000) 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."

The purpose of the proposed bill is to authorize the issuance of \$63,657,000 in general obligation bonds for various capital improvement projects.

The proposed bill will be revised to incorporate the changes recommended by the Committee, including a change in the amount of general obligation bonds in the title and text of the bill. Bond authorization for the War Memorial Gym Building Improvements will be withheld.

5. A proposed bill entitled "A BILL FOR AN ORDINANCE RELATING TO THE CAPITAL PROGRAM FOR THE FISCAL YEAR ENDING JUNE 30, 2018."

The purpose of the proposed bill is to set forth the Capital Program for FY 2018 through FY 2023. Incorporated within the proposed bill are Appendix A-1, a report entitled "COUNTY OF MAUI, CAPITAL IMPROVEMENT PROJECTS REPORT, AS OF DECEMBER 31, 2016," which lists all pending capital improvement projects and appropriations, except for Water Fund projects, as of December 31, 2016; Appendix A-2, a report entitled "County of Maui, Capital Improvement Program by District Job and Index, Fiscal Year Ending 6/30/2016 – as of 12/31/2016," which includes pending Water Fund capital improvement projects and appropriations as of December 31, 2016; and Appendix B, which is the proposed Capital Program for FY 2018 through FY 2023.

The proposed bill will be revised to incorporate the changes recommended by the Committee, including updating appendices to the most recent reporting period.

6. A proposed bill entitled "A BILL FOR AN ORDINANCE RELATING TO THE OPERATING BUDGET FOR THE COUNTY OF MAUI FOR THE FISCAL YEAR JULY 1, 2017 TO JUNE 30, 2018."

The purpose of the proposed bill is to appropriate estimated revenues for the operating and capital improvement budget. Incorporated within the proposed bill are Appendix A, which lists Grant Revenues and Special Purpose Revenues; Appendix B, which is the Schedule of Fees, Rates, Assessments, and Taxes; Appendix B-1, which lists the County's concessions, leases, and licenses by department; and Appendix C, which provides descriptions of Capital Improvement Projects.

The proposed bill will be revised to incorporate the changes recommended by the Committee, including updated General Budget Provisions; an updated Appendix A, which lists Grant Revenues and Special Purpose Revenues; an updated Appendix B, which is the Schedule of Fees, Rates, Assessments, and Taxes; an updated Appendix B-1, which lists the County's concessions, leases, and licenses by department; and an updated Appendix C, which contains descriptions of the Capital Improvement Projects approved by the Committee. Unless you have objections, I would like to give staff flexibility in making adjustments as needed to the appendices.

RECOMMENDING REFERRAL OF EACH OF THE FOLLOWING MATTERS TO THE STANDING COMMITTEE NOTED:

To the Budget and Finance Committee:

1. The matter relating to the development of a cost-effective funding structure for County capital improvement projects;
2. The matter relating to possible amendments to Chapter 3.48, Article XIII, Maui County Code, relating to the Circuit Breaker Tax Credit, including the phasing schedule for eligible percentage of circuit breaker tax credit set forth in Section 3.48.810; and
3. The matter relating to the Department of Parks and Recreation's use of ActiveNet software for permits and credit card transaction processing, including an analysis of associated charges and their impact on the Department's net fees and collections.

To the Housing, Human Services, and Transportation Committee:

1. The matter relating to the status of grants under the Department of Housing and Human Concerns and benchmarks for grantee performance;
2. The matter relating to the status of grants under the Department of Transportation and benchmarks for grantee performance;
3. The matter relating to an audit of every housing agreement starting with Mayor Charmaine Tavares' term, including an evaluation of any inconsistencies in implementation between different administrations or directors; and
4. The matter relating to an evaluation of the proposed new Waihee route and expanded hours for the Kihei Islander, Lahaina Islander, Kihei Villager, Kaanapali Islander, and Napili Islander routes, including estimated implementation costs, schedules, proposed fare increases, and whether such expansion, including bus replacements, can be sustained.

To the Infrastructure and Environmental Management Committee:

1. The matter relating to the use of 64-gallon carts for residential refuse collection;
2. The matter relating to a review of the Highway Beautification and Disposal of Abandoned or Derelict Vehicles Revolving Fund; and

3. The matter relating to a review of the curbside recycling program, or 3-Can Plan, including a determination of the true cost to operate the program and whether the Department of Environmental Management should charge differently than the fee provided in the annual budget, whether the program is operating efficiently, the demand for and feasibility of the program, the possible relocation of the program service area, and whether the program should be discontinued.

To the Parks, Recreation, Energy, and Legal Affairs Committee:

1. The matter relating to the status of grants under the Department of Parks and Recreation and benchmarks for grantee performance; and
2. The matter relating to the Waiehu Municipal Golf Course operations and improvements, including network connectivity, fees, and an update of the United States Golf Association Green Section Turf Advisory Service Visit reports dated October 29, 2008, and January 17, 2012.

To the Planning Committee:

1. The matter relating to the status of grants under the Department of Planning and benchmarks for grantee performance; and
2. The matter relating to the procurement of contract services for transient vacation rental enforcement by the Department of Planning.

To the Policy, Economic Development and Agriculture Committee:

1. The matter relating to the review of existing goals, objectives, and key performance measures for each County Department;
2. The matter relating to the status of grants under the Office of Economic Development and benchmarks for grantee performance; and
3. The matter relating to creating a task force to work on financial measures for County grants.

To the Water Resources Committee:

1. The matter relating to the status of grants under the Department of Water Supply and benchmarks for grantee performance.

RECOMMENDING FILING OF THE FOLLOWING COUNTY COMMUNICATIONS:

1. County Communication 17-69, from Council Chair Mike White, relating to the matter of the proposed budget for Fiscal Year 2018; and
2. County Communication 17-156, from the Chair of the Salary Commission, informing of the approval of a 12-percent salary increase for the County Auditor.
3. County Communication 17-165, from Mayor Alan M. Arakawa, relating to the proposed FY 2018 Budget for the County of Maui.

bf:2018bgt>List of Bills