

MICHAEL P. VICTORINO
Mayor

SCOTT K. TERUYA
Director

MAY-ANNE A. ALIBIN
Deputy Director



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DEPARTMENT OF FINANCE
COUNTY OF MAUI
200 S. HIGH STREET
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OFFICE OF THE
COUNTY COUNCIL

April 3, 2019

Ms. Michele Yoshimura *MJY*
Budget Director, County of Maui
200 South High Street
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL

Michael P. Victorino
Mayor

4/4/19
Date

Honorable Michael P. Victorino
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

For Transmittal to:

Honorable Keani Rawlins-Fernandez
Chair, Budget and Finance Committee
Maui County Council
200 South High Street
Wailuku, Hawaii 96793

Dear Chair Rawlins-Fernandez:

SUBJECT: FISCAL YEAR ("FY") 2020 BUDGET (FN-9)(EDB-1)

Pursuant to your letter dated March 29, 2019, regarding the fiscal Year 2020 Budget, below are the responses relating to an update on CBS-2324, related to the County Service Center and breakdown of the annual amount spent in office space rentals, by department, for the departments planning to occupy this space:

- 1) Status of the \$25 million appropriated in the FY 2018 Budget for this project.

Response: As of March 31, 2019, out of the FY 2018 Budget of \$25 million for the County Service Center, a total of \$21.8 million has been encumbered and \$386,057 has been spent. The remaining \$2.8 million funds lapsed at the end of December 31, 2018.

- 2) Work performed to date.

Response: Notice to Proceed was issued on January 3, 2019. As of February 28, 2019, the contractor has completed approximately 5% (\$900,000) of the work based on dollar value. Please note that work in the initial months are concentrated primarily on submittals, Request of Information, and material procurement, all of which are not pay items.

- 3) Anticipated timeline for completion.

Response: Project completion is anticipated to be June/July 2020.

- 4) Any modifications to the project since being approved by the Council for inclusion in the FY 2018 Budget.

Response: The original budget request by the administration of \$28.5 million was reduced by County Council to \$25 million. Consequently, the scope of construction work was reduced to eliminate paved employee parking, re-engineering of the entire building's air-conditioning system, reducing interior finish work for unassigned spaces, and elimination of emergency generator. These adjustments were made prior to bidding in July 2018. Modifications that need to be incorporated into the project since bid award include ground stabilization for open area (approximately 1.5 acres), addition of electric vehicle charging stations, additional security provisions requested by departments, and other less costly items (as indicated in the FY 2020 Proposed CIP Budget). More recently, the administration has been adjusting tenant mix, and to-date, this has not been finalized.

- 5) Breakdown of the annual amount spent in office space rentals, by department, for the departments planning to occupy this space.

Response: The following departments/agencies are currently planned to occupy the space at the New Service Center: 1) Department of Finance, Division of Motor Vehicles & Licensing (DMVL); 2) Department of Finance, Treasury; 3) Department of Finance, Real Property Assessment (RPA), and; 4) Department of Public Works, Development Services Administration (DSA), Inspectors. The administration still needs to assess the available space and the office space needs by various departments/agencies.

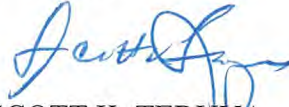
Below is a breakdown of the annual expenditures in office space rentals for the departments/divisions listed above:

Department/Agency	FY 2018 Rental Expenditures
DMVL, Treasury, and RPA – Maui Mall Service Center	\$564,663.49
DSA Inspectors – 86 Kamehameha Avenue, Kahului	\$212,804.89

Honorable Keani Rawlins-Fernandez
Chair, Budget and Finance Committee
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Thank you for your attention to this matter. Should you have any questions, please feel free to contact me at Ext. 7474.

Sincerely,



SCOTT K. TERUYA
Finance Director