

COUNCIL OF THE COUNTY OF MAUI
BUDGET, FINANCE, AND ECONOMIC
DEVELOPMENT COMMITTEE

February 28, 2024

Committee
Report No. _____

Honorable Chair and Members
of the County Council
County of Maui
Wailuku, Maui, Hawaii

Chair and Members:

Your Budget, Finance, and Economic Development Committee, having met on February 5, 2024, and reconvened on February 6, 2024, makes reference to the following:

1. Bill 13 (2024), entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2024 BUDGET FOR THE COUNTY OF MAUI, REVENUES; CAPITAL IMPROVEMENT PROJECTS, DEPARTMENT OF TRANSPORTATION, WAILUKU-KAHULUI COMMUNITY PLAN AREA; AND APPENDIX C, DEPARTMENT OF TRANSPORTATION, WAILUKU-KAHULUI COMMUNITY PLAN AREA."

Bill 13's purpose is to amend the Fiscal Year ("FY") 2024 Budget, by: 1) amending Section 2, Estimated Revenues, by increasing Bond/Lapsed Bond by \$2,020,000; 2) amending Section 4.G., Department of Transportation, by adding a new appropriation for Wailuku-Kahului Community Plan Area, Government Facilities, entitled "Transportation Baseyard Facility" in the amount of \$2,020,000; 3) adjusting the totals accordingly; and 4) amending Appendix C - Capital Improvement Projects, Department of Transportation, Wailuku-Kahului Community Plan Area, by increasing the appropriation for the Transportation Baseyard Facility by \$2,020,000.

2. Bill 14 (2024), entitled "A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. 5530, BILL NO. 24, CD 1 (2023), RELATING TO THE ISSUANCE OF GENERAL

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OBLIGATION BONDS OF THE COUNTY OF MAUI ISSUANCE,
SALE AND DELIVERY OF SAID BONDS (DEPARTMENT OF
TRANSPORTATION).”

Bill 14’s purpose is to amend the FY 2024 general obligation
bond authorization ordinance by adding a new appropriation
of \$2,020,000 for “Transportation Baseyard Facility,” for the
Department of Transportation, Wailuku-Kahului Community
Plan Area, Government Facilities.

Your Committee notes that in FY 2023, the Council recognized \$19,436,902 for the Department of Transportation’s baseyard facility project. By correspondence dated February 2, 2024, the Director explained that the Department entered into a purchase sales agreement with the landowner for 12.5 acres of land for the facility on November 28, 2023. To date, the County is in contract to purchase the land for \$17,413,152.

Your Committee further notes that the Department did not have sufficient time to begin planning and design for the baseyard after entering into the purchase sales agreement, so the remaining FY 2023 funds lapsed. Bills 13 and 14 reappropriate funds for the planning and design of the facility. It is estimated that the planning and design phase will take approximately two years to complete before construction of the facility can move forward.

The Deputy Director said the new facility will enable the Department to host the necessary charging infrastructure for electric vehicles and assist with decarbonizing its transit fleet. The new facility will also house the Department’s offices and serve as a maintenance facility. The Department currently operates the fleet out of its contractor’s baseyards but is unable to install charging infrastructure.

Further, he said the Department is exploring two types of fueling technology: battery electric and hydrogen. He added that the design and

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engineering will accommodate both types of fueling technology for diversity in the transit fleet.

The Director estimates construction of the facility will cost between \$20 and \$30 million. The Department will be applying for funding from the Federal Transit Administration and other Federal and State agencies to help pay for the project.

Your Committee voted 8-0 to recommend passage of Bill 13 (2024) and Bill 14 (2024) on first reading. Committee Chair Sugimura, Vice-Chair Kama, and members Cook, Johnson, Lee, Paltin, Sinenci, and U'u-Hodgins voted "aye." Committee member Rawlins-Fernandez was excused.

Your Committee is in receipt of Bill 13, CD1 (2024), approved as to form and legality by the Department of the Corporation Counsel, incorporating nonsubstantive revisions.

Your Committee is in receipt of Bill 14, CD1 (2024), entitled "A BILL FOR AN ORDINANCE AMENDING ORDINANCE 5530 (2023), RELATING TO THE ISSUANCE, SALE, AND DELIVERY OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI (DEPARTMENT OF TRANSPORTATION)," approved as to form and legality by the Department of the Corporation Counsel, incorporating nonsubstantive revisions.

Your Budget, Finance, and Economic Development Committee RECOMMENDS the following:

1. That Bill 13, CD1 (2024), as revised herein and attached hereto, entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2024 BUDGET FOR THE COUNTY OF MAUI, REVENUES; CAPITAL IMPROVEMENT PROJECTS, DEPARTMENT OF TRANSPORTATION, WAILUKU-KAHULUI COMMUNITY PLAN AREA; AND APPENDIX C, DEPARTMENT OF TRANSPORTATION, WAILUKU-KAHULUI COMMUNITY

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PLAN AREA,” be PASSED ON FIRST READING and be ORDERED TO PRINT; and

2. That Bill 14, CD1 (2024), as revised herein and attached hereto, entitled “A BILL FOR AN ORDINANCE AMENDING ORDINANCE 5530 (2023), RELATING TO THE ISSUANCE, SALE, AND DELIVERY OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI (DEPARTMENT OF TRANSPORTATION),” be PASSED ON FIRST READING and be ORDERED TO PRINT.

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



YUKI LEI K. SUGIMURA, Chair

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ORDINANCE NO. _____

BILL NO. 13, CD1 (2024)

A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2024
BUDGET FOR THE COUNTY OF MAUI, REVENUES;
CAPITAL IMPROVEMENT PROJECTS, DEPARTMENT OF
TRANSPORTATION, WAILUKU-KAHULUI COMMUNITY PLAN AREA;
AND APPENDIX C, DEPARTMENT OF TRANSPORTATION,
WAILUKU-KAHULUI COMMUNITY PLAN AREA

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

SECTION 1. Ordinance No. 5528, Bill No. 22, CD1, FD2 (2023), as amended, "Fiscal Year 2024 Budget", Section 2, Estimated Revenues, is amended to increase Bond/Lapsed Bond in the amount of \$2,020,000, and increase the total accordingly, to read as follows:

"ESTIMATED REVENUES

FROM TAXES, FEES AND ASSESSMENTS:

| | | |
|------------------------------|--|-------------|
| Real Property Taxes | | 534,949,079 |
| Circuit Breaker Adjustment | | (325,398) |
| Transient Accommodations Tax | | 60,000,000 |
| Charges for Current Services | | 172,264,662 |
| Public Service Company Tax | | 7,000,000 |
| Licenses/Permits/Others | | 45,268,317 |
| Fuel and Franchise Taxes | | 23,500,000 |
| Special Assessments | | 6,700,000 |
| Other Intergovernmental | | 19,150,000 |

FROM OTHER SOURCES:

| | | |
|--|--------------|-------------------|
| Interfund Transfers | | 76,491,088 |
| Bond/Lapsed Bond | [65,175,048] | <u>67,195,048</u> |
| Carryover/Savings: | | |
| General Fund | | 71,391,201 |
| Sewer Fund | | 10,073,191 |
| Highway Fund | | 8,000,039 |
| Solid Waste Management Fund | | 4,945,233 |
| Environmental Protection and Sustainability Fund | | 665,143 |
| Liquor Fund | | 855,282 |
| Bikeway Fund | | 199,760 |
| Water Fund | | <u>9,905,110</u> |

TOTAL ESTIMATED REVENUES [1,116,207,755] 1,118,227,755"

SECTION 2. Fiscal Year 2024 Budget, Section 4.G, Department of Transportation, is amended to add a new appropriation for the Wailuku-Kahului Community Plan Area, Government Facilities, Bond Fund entitled "Transportation Baseyard Facility" in the amount of \$2,020,000, to read as follows:

| <u>"PROJECT TITLE</u> | <u>APPROPRIATION</u> |
|---|----------------------|
| G. Department of Transportation | |
| 1. Countywide | |
| a. Other Projects | |
| (1) Bond Fund | |
| (i) Bus Stops and Shelters | 600,000 |
| | |
| 2. <u>Wailuku-Kahului Community Plan Area</u> | |
| <u>a. Government Facilities</u> | |
| <u>(1) Bond Fund</u> | |
| <u>(i) Transportation Baseyard Facility</u> | <u>2,020,000"</u> |

SECTION 3. Fiscal Year 2024 Budget, Total Capital Improvement Project Appropriations, is amended to reflect an increase of \$2,020,000, to read as follows:

| | |
|---|---------------------|
| "TOTAL CAPITAL IMPROVEMENT PROJECT APPROPRIATIONS | [156,833,382] |
| | <u>158,853,382"</u> |

SECTION 4. Fiscal Year 2024 Budget, Total Appropriations (Operating and Capital Improvement Projects), is amended to reflect an increase of \$2,020,000, to read as follows:

| | | |
|--|-----------------|-----------------------|
| "TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS) | [1,116,207,755] | <u>1,118,227,755"</u> |
|--|-----------------|-----------------------|

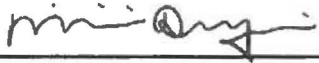
SECTION 5. Fiscal Year 2024 Budget, Appendix C, "Appendix C – Capital Improvement Projects", Department of Transportation, Wailuku-Kahului Community Plan Area is amended to increase the appropriation for Transportation Baseyard Facility in the amount of \$2,020,000, to read as follows:

| "APPENDIX C – Capital Improvement Projects | | |
|---|--|---------------------------|
| CBS NO. | PROJECT TITLE/DESCRIPTION | APPROPRIATION |
| | <u>Department of Transportation</u> | |
| | <u>2. Wailuku-Kahului Community Plan Area</u> | |
| CBS-7244 | a. Transportation Baseyard Facility | [2,400,000] 4,420,000" |
| | The County of Maui Department of Transportation is in need of building its own bus and maintenance facility baseyard. With the State and Counties initiative to transform Hawaii's ground transportation to 100% renewable fuel sources by 2045 and the Counties by 2035, it is imperative that Maui Bus has its own facility to make this transition. The facility would need to be centrally located and may include a transfer station and a park and ride. The first phase would be to acquire approximately 12.5 acres of centrally located land. It would also include funds for the planning, design/engineering and construction management of the project. The second phase would be to construct the facility utilizing Federal Funds, Federal Transit Administration (FTA) funds. The construction of the baseyard may be done in multiple phases which would include electrification of transportation (electrical charging infrastructure), maintenance facility and office space, transfer station, and park and ride. | |

SECTION 6. Material to be repealed is bracketed. New material is underscored.

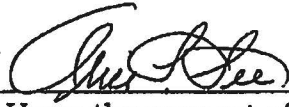
SECTION 7. This Ordinance takes effect on approval.

APPROVED AS TO FORM AND LEGALITY:



FOR KRISTINA C. TOSHIKIYO
Deputy Corporation Counsel

INTRODUCED BY:

A handwritten signature in cursive script, appearing to read "Chris Lee", is written above a horizontal line.

Upon the request of the Mayor.

ORDINANCE NO. _____

BILL NO. 14, CD1 (2024)

A BILL FOR AN ORDINANCE AMENDING ORDINANCE 5530 (2023),
RELATING TO THE ISSUANCE, SALE, AND DELIVERY OF GENERAL
OBLIGATION BONDS OF THE COUNTY OF MAUI
(DEPARTMENT OF TRANSPORTATION)

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

SECTION 1. Ordinance 5530 (2023) is amended by amending Section 1 to read as

follows:

“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 Hawai‘i (the "County") in an aggregate principal amount not to exceed [~~\$62,825,091~~] \$64,845,091 (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. Ordinance 5530 (2023) is amended by amending Section 2 to read as

follows:

“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 2024 Budget, including amendments and supplements thereto, duly approved by the Council of the County (the "Council") for the fiscal year ending June 30, 2024 (the "Fiscal Year 2024 Budget"); provided, however, that pursuant to Section 47-5, Hawai‘i Revised Statutes, the part of such proceeds which is 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 2024 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 Agriculture | |
| 1. Makawao-Pukalani-Kula Community Plan Area | |
| a. Other Projects | |
| (1) Kula Agricultural Park Phase 1 Expansion-Upcountry Maui Kula Ag Park | 10,000,000 |
| B. Department of Environmental Management | |
| 1. Kihei-Mākena Community Plan Area | |
| a. Sewer | |
| (1) Kaiola Place Sewer Extension | 1,000,000 |
| (2) Kihei Wastewater Pump Station No. 9 Modification/Upgrade | 500,000 |
| 2. Wailuku-Kahului Community Plan Area | |
| a. Sanitation | |
| (1) Central Maui Landfill Land Purchase | 2,000,000 |
| (2) Central Maui Landfill Phase II/III Interface Development | 1,200,000 |
| (3) Central Maui Landfill Phase III-B Lateral Expansion | 400,000 |
| b. Sewer | |
| (1) Kahului Beach Road Sewer Line Upgrade | 1,500,000 |
| (2) Wailuku/Kahului Environmental Protection Agency (EPA) Compliance Sewer Rehabilitation | 1,000,000 |
| 3. West Maui Community Plan Area | |
| a. Sewer | |
| (1) Lāhainā Wastewater Reclamation Facility R-1 Process Expansion | 1,350,000 |
| (2) Nāpili No. 2 Force Main Replacement | 1,500,000 |
| (3) Nāpili Wastewater Pump Station No. 2 Modifications | 1,000,000 |
| (4) West Maui Environmental Protection Agency (EPA) Compliance Sewer Rehabilitation | 2,000,000 |
| C. Department of Management | |
| 1. Wailuku-Kahului Community Plan Area | |
| a. Government Facilities | |
| (1) 60 South Church Street Building Renovations | 150,043 |

| | |
|--|-----------|
| (2) Wailuku Civic Hub | 3,515,000 |
| D. Department of Parks and Recreation | |
| 1. Hāna Community Plan Area | |
| a. Parks and Recreation | |
| (1) Old Hana School Improvements | 3,000,000 |
| 2. Wailuku-Kahului Community Plan Area | |
| a. Parks and Recreation | |
| (1) War Memorial Football Stadium and Track Rehabilitation | 3,630,048 |
| E. Department of Police | |
| 1. Countywide | |
| a. Government Facilities | |
| (1) Radiosystem Facility Upgrades | 3,980,000 |
| F. Department of Public Works | |
| 1. Countywide | |
| a. Drainage | |
| (1) Countywide Drainline Replacement Program | 5,000,000 |
| b. Government Facilities | |
| (1) Countywide Facilities Maintenance Program | 4,250,000 |
| (2) Countywide DPW Baseyard Facilities Program | 2,300,000 |
| c. 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 Road Resurfacing and Pavement Preservation | 8,050,000 |
| 2. Hāna Community Plan Area | |
| a. Other Projects | |
| (1) East Maui Rockfall and Embankment Repairs | 3,900,000 |
| 3. Wailuku-Kahului 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) Maui Lani Parkway Extension | 1,000,000 |
| G. Department of Transportation | |
| 1. Countywide | |
| a. Other Projects | |

(1) Bus Stops and Shelters 600,000

2. Wailuku-Kahului Community Plan Area

a. Government Facilities

(1) Transportation Baseyard Facility 2,020,000

TOTAL [62,825,091] 64,845,091

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 takes effect on approval.

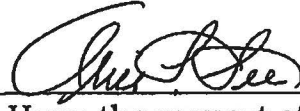
APPROVED AS TO FORM AND LEGALITY:



Kristina C. Toshikiyo
Deputy Corporation Counsel
County of Maui

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INTRODUCED BY:

A handwritten signature in cursive script, appearing to read "Charles R. Lee". The signature is written in black ink and is positioned above a horizontal line.

Upon the request of the Mayor.