

**COUNCIL OF THE COUNTY OF MAUI**

# **BUDGET AND FINANCE COMMITTEE**

April 20, 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 March 28, 2018, makes reference to the following:

1. County Communication 17-442, from the Budget Director, transmitting the Budget Implementation Report for Fiscal Year ("FY") July 1, 2017 to June 30, 2018 (First Quarter ending September 30, 2017).
2. County Communication 17-468, from the Director of Finance, transmitting the Director's Quarterly Report and Capital Improvement Projects Report for FY July 1, 2017 to June 30, 2018 (First Quarter ending September 30, 2017).
3. County Communication 18-70, from the Budget Director, transmitting the Budget Implementation Report for FY July 1, 2017 to June 30, 2018 (Second Quarter ending December 31, 2017).
4. County Communication 18-89, from the Director of Finance, transmitting the Director's Quarterly Report and Capital Improvement Projects Report for FY July 1, 2017 to June 30, 2018 (Second Quarter ending December 31, 2017).

Your Committee received updates on capital improvement projects funded prior to FY 2014 from the Department of Fire and Public Safety, the Department of Police, the Department of Parks and Recreation, the Department of Environmental Management, the Department of Public Works, and the Department of Water Supply. Your Committee recommended if projects are no longer needed, funds from those projects be unencumbered and reappropriated for other projects.

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Your Committee was concerned that funds were still encumbered for projects that may have already been completed, but for which the contracts have not been closed out.

The Department of Fire and Public Safety provided updates on the Haiku Fire Station, Lanai Fire Station, and Pukoo Fire Station projects. The Deputy Fire Chief said various reports and an environmental assessment must be completed for the Haiku Fire Station before the Department requests construction funding. The Department is still working to acquire land for the expansion project at the Lanai Fire Station and for the relocation of the Pukoo Fire Station on Molokai.

The Department of Police provided an update relating to Countywide Police Facilities. A representative from the Department reported that a consultant was selected to design the Lahaina Police Station locker room renovation project, vendor selection is ongoing for the Forensic Facility Air Conditioning System project, and the Wailuku Police Station Fuel Tank project was deferred to FY 2019 because of insufficient funds.

Another representative from the Department of Police provided an update on the Public Safety Radio project. He said the system has been implemented and operational for over a year. He said FY 2018 funding will be used to upgrade the network system on Molokai.

The Director of Parks and Recreation refrained from providing an update on the Nahiku Community Center project because of pending litigation.

The Director said a pilot project is being considered to install a system to turn wastewater into recycled water at Helene Hall in Hana. The Department of Environmental Management is assisting with the project.

The Deputy Director of Environmental Management provided updates for various projects from FY 2014 and prior to FY 2014. He said funds have lapsed because the Department has received favorable bids on projects resulting in cost savings to the County.

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He said most of the older projects are complete. The delay in closing the contracts may be caused by incomplete final documentation, such as final invoices, as-built plans, or other tasks that are the responsibility of the County engineer.

The Deputy Director said if road work is required before a project is completed, the Department will postpone the road work until a group of projects in the same area is done to allow for uniformity in resurfacing of the roads.

The Deputy Director said the Lahaina Pump Station 4 Force Main project is pending resolution of credits owed to the County by the contractor. These credits are for actual items or materials used that may have been less than what was provided for in the scope of the project.

Your Committee questioned how recent tariffs established on steel will affect Department of Public Works' projects. The Director of Public Works said he is not able to determine the impacts of the tariffs on County projects at this time, but higher prices could be problematic for the Department. He added that roadway construction costs increase an average of 2 to 3 percent per year.

A representative from the Department of Water Supply said the Mahinahina Well 1 Drilling/Development project was cancelled because the well did not have a sufficient long-term sustainable yield to function as a production well. She said the Department will proceed to develop Well 2 as the primary well and later develop Well 1 to function as a backup well.

Your Committee deferred action on County Communications 18-70 and 18-89 pending further discussion.

Your Committee voted 7-0 to recommend filing of County Communications 17-442 and 17-468. Committee Chair Hokama, Vice-Chair White, and members Atay, Carroll, Cochran, Crivello, and Sugimura voted "aye." Committee members Guzman and King were excused.

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Your Budget and Finance Committee RECOMMENDS the following:

1. That County Communication 17-442 be FILED; and
2. That County Communication 17-468 be FILED.

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

  
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RIKI HOKAMA, Chair

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