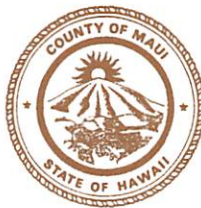


ALAN M. ARAKAWA
MAYOR

OFFICE OF THE COUNTY CLERK
County of Maui

AUG 31 2017 11:45a.m. *gz*



KEITH A. REGAN
MANAGING DIRECTOR

OFFICE OF THE MAYOR

Ke'ena O Ka Meia
COUNTY OF MAUI – Kalana O Maui
August 30, 2017

REFERENCE NO. BD-BA 18-19

Honorable Alan Arakawa
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

For Transmittal to:

Honorable Michael White, Chair
and Members of the Maui County Council
200 South High Street
Wailuku, Hawaii 96793

Dear Chair White:

SUBJECT: AMENDMENTS TO THE FISCAL YEAR 2018 BUDGET

On behalf of the Department of Transportation, I am transmitting the attached proposed bill for the purpose of increasing the FY 2018 appropriations for the Human Services Transportation Program and Public Transit Program to allocate additional funding requested by Maui Economic Opportunity, Inc. (MEO).

As stated in the attached correspondence from MEO Chief Executive Officer Debbie Cabebe, MEO is requesting an additional \$39,141, under the Human Services Transportation Program and \$54,276 under the Public Transit Program to satisfy terms of a recently ratified collective bargaining agreement requiring that MEO offer wage increases and supplemental premium pay to its human services drivers and annual leave benefits to its paratransit drivers.

Attached is a Certification of Additional Revenues for Fiscal Year 2018 certifying the availability of General Fund Carryover/Savings in the amount of \$39,141 and Highway Fund Carryover/Savings in the amount of \$54,276 to fund this request.

Thank you for your attention in this matter. Should you have any questions, please feel free to contact me at Ext. 7212.

Sincerely,

LYNN A.S. ARAKI-REGAN
Budget Director

Attachments (3)

cc: Keith Regan, Managing Director
Danny Agsalog, Director of Finance
Don Medeiros, Director of Transportation

COUNTY COMMUNICATION NO. 17-358

ORDINANCE NO. _____

BILL NO. _____ (2017)

A BILL FOR AN ORDINANCE AMENDING
THE FISCAL YEAR 2018 BUDGET FOR THE COUNTY OF MAUI
AS IT PERTAINS TO ESTIMATED REVENUES;
DEPARTMENT OF TRANSPORTATION,
HUMAN SERVICES TRANSPORTATION PROGRAM – GENERAL FUND,
PUBLIC TRANSIT PROGRAM – HIGHWAY FUND;
TOTAL OPERATING APPROPRIATIONS; AND
TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)

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

SECTION 1. Ordinance No. 4456, Bill No. 65 (2017), Draft 1, as amended, "Fiscal Year 2018 Budget", is hereby amended as it pertains to Section 2, Estimated Revenues, by increasing Carryover/Savings from the General Fund in the amount of \$39,141; Carryover/Savings from the Highway Fund in the amount of \$54,276; and by increasing Total Estimated Revenues in the amount of \$93,417, to read as follows:

"ESTIMATED REVENUES

FROM TAXES, FEES AND ASSESSMENTS:

Real Property Taxes		303,548,805
Circuit Breaker Adjustment		(373,138)
Charges for Current Services		142,393,137
Transient Accommodations Tax		21,204,000
Public Service Company Tax		8,500,000
Licenses/Permits/Others		38,694,419
Fuel and Franchise Taxes		21,000,000
Special Assessments		6,002,000
Other Intergovernmental		36,450,000

FROM OTHER SOURCES:

Interfund Transfers		49,705,630
Bond		45,705,000
Carryover/Savings:		
General Fund	[6,273,867]	<u>6,313,008</u>
Sewer Fund		5,023,222
Highway Fund	[1,330,866]	<u>1,385,142</u>
Solid Waste Management Fund		298,920
Golf Fund		363,433
Liquor Fund		722,099
Bikeway Fund		47,276
Water Fund		<u>18,325,916</u>

TOTAL ESTIMATED REVENUES [705,215,452] 705,308,869"

SECTION 2. Fiscal Year 2018 Budget is hereby amended as it pertains to Section 3.B.16.b., Department of Transportation, Human Service Transportation Program – General Fund, by increasing B – Operations and Total by \$39,141; and Section 3.B.16.e., Public Transit Program – Highway Fund, by increasing B – Operations and Total by \$54,276, to read as follows:

	<u>A - Salaries</u>	<u>B - Operations</u>	<u>C - Equipment</u>	<u>Total</u>
"16. Department of Transportation				
a. Administration Program – General Fund				
(1) General	488,964	703,295	2,500	1,194,759
(i) Provided, that disbursement for salaries and premium pay is limited to 6.0 equivalent personnel.				
b. Human Services Transportation Program – General Fund	0	[6,180,013] <u>6,219,154</u>	0	[6,180,013] <u>6,219,154</u>
c. Air Ambulance Program – General Fund	0	672,215	0	672,215
d. Administration Program – Highway Fund	0	50,000	350,000	400,000
e. Public Transit Program – Highway Fund	0	[10,860,015] <u>10,914,291</u>	0	[10,860,015] <u>10,914,291</u>

SECTION 3. Fiscal Year 2018 Budget is hereby amended as it pertains to the Total Operating Appropriations to reflect a B – Operations and Total increase of \$93,417, to read as follows:

"TOTAL OPERATING APPROPRIATIONS	177,286,835	[379,074,216] <u>379,167,633</u>	6,314,619	[562,675,670] <u>562,769,087</u>
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SECTION 4. Fiscal Year 2018 Budget is hereby amended as it pertains to the Total Appropriations (Operating and Capital Improvement Projects) to reflect an increase of \$93,417, to read as follows:

"TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)			[705,215,452]	<u>705,308,869</u>
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SECTION 5. Material to be repealed is bracketed. New material is underscored.

SECTION 6. This Ordinance shall take effect upon its approval.

APPROVED AS TO FORM AND LEGALITY:



JEFFREY UEOKA
Deputy Corporation Counsel



Maui Economic Opportunity, Inc.

P.O. Box 2122
Kahului, HI 96733
808-249-2990
Fax: 808-249-2991
www.meoinc.org

July 31, 2017

Mr. Don Medeiros
Director of Transportation
County of Maui Department of Transportation
2145 Kaohu Street
David Trask Building, Suite 102
Wailuku, HI 96793

Dear Mr. Medeiros:

As you are aware, MEO has been negotiating with the Hawaii Teamsters & Allied Workers, Local 996 for the past two years. On Sunday, July 30, 2017 the Puunene drivers ratified the contract.

Based on the terms of the contract MEO is required to offer annual leave benefits to the Paratransit Drivers. They currently do not incur these benefits. The contracts states, "*Subject to additional funding by Maui County, Paratransit Drivers will accrue annual leave beginning July 1, 2017 in accordance with Section 17.4 or upon such date after July 1, 2017 that such additional funding occurs.*"

Another provision requires that MEO provide a .40 raise to all human services drivers making less than \$19.00 per hour and premium pay supplement of \$50.00 per month for drivers making \$19.00 and above who work at least 100 hours per month. The contract states, "The premium pay supplement shall not be considered compensation for the purposes of calculating overtime." Both of these conditions are also subject to MEO receiving additional funding from Maui County.

MEO submitted a request for a three percent increase for this fiscal year, unfortunately the request was not funded by Council.

At the close of the last fiscal year, (July 1, 2016-June 30, 2017), MEO returned \$38,116.00 in unspent funds under its Human Service contract. This savings was due to less than projected fringe benefits costs due open positions, lower than budgeted mileage reimbursement expenses, lower than expected equipment repair and maintenance costs, and fuel, a decrease in vehicle insurance premiums due to disposal of older buses, and lower than expected software licensing fees for Ecolane and contracts and consultants. Many of these items are difficult to budget to the exact dollar, therefore there are fiscal years where savings are realized and funds are returned to the County. If MEO runs short during the year, we have not been able to seek additional funds.

The Promise of Community Action

Community Action changes people's lives, embodies the spirit of hope, improves communities, and makes America a better place to live. We care about the entire community, and we are dedicated to helping people help themselves and each other.



The Paratransit is based on fee for service, therefore we only receive funds based on billable hours. Due to the efficiency of the Ecolane system we only billed the full budgeted amount in one of the last four years of the contract.

Having said that, I respectfully request additional funds for fiscal year July 1, 2017 – June 30, 2018 to comply with the terms of the Collective Bargaining Agreement (CBA). We request at least \$39,141.00 to cover negotiated wage adjustments for the Human Service CDL Drivers and at least \$54,276.00 additional funds to provide Paratransit drivers with paid annual leave. The current structure of the paratransit contract does not allow us to bill for anything other than billable hours.

In accordance with the terms and conditions of MEO's County contracts, any unspent funds will be returned to the County at the end of the fiscal year.

We apologize for any inconvenience this may cause and look forward to your response.

Sincerely,



Debbie Cabebe, SPHR
Chief Executive Officer

Cc: John Knorek, Attorney at Law

CERTIFICATION OF ADDITIONAL REVENUES FOR FISCAL YEAR 2018

I, ALAN M. ARAKAWA, Mayor of the County of Maui, State of Hawaii, pursuant to Section 9-9.1 of the Revised Charter of the County of Maui (1983), as amended, do hereby certify that there is available for appropriation revenue received from anticipated sources but in excess of the budget estimates for Fiscal Year 2018. The amount available for appropriation is:

From Carryover/Savings:

General Fund \$39,141.00
Highway Fund \$54,276.00

Handwritten signature of Alan M. Arakawa

ALAN M. ARAKAWA
Mayor, County of Maui

STATE OF HAWAII)
) SS.
COUNTY OF MAUI)

On this 30th day of August, 2017, before me appeared Alan M. Arakawa, to me personally known, who being by me duly sworn did say that he is the Mayor of the County of Maui, a political subdivision of the State of Hawaii, and that the seal affixed to the foregoing instrument is the lawful seal of the said County of Maui, and that the said instrument was signed and sealed on behalf of said County of Maui pursuant to Section 9-18 of the Charter of the County of Maui; and the said ALAN M. ARAKAWA acknowledged the said instrument to be the free act and deed of said County of Maui.

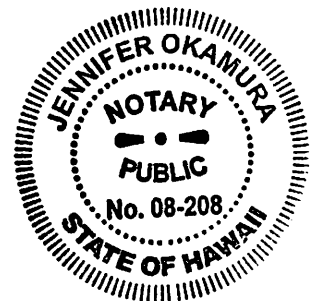
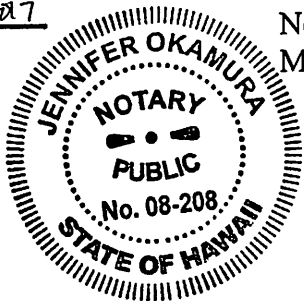
IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Doc. Date: Undated # Pages:
Jennifer Okamura Second Circuit
Doc. Description: Certification of
Additional Revenues
for Fiscal Year 2018.

Handwritten signature of Jennifer Okamura
Notary Signature Date 8/30/2017

Handwritten signature of Jennifer Okamura

Jennifer Okamura
Notary Public, State of Hawaii
My commission expires: June 29, 2020



NOTARY CERTIFICATION