

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

February 21, 2020

Committee
Report No. _____

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

Chair and Members:

Your Economic Development and Budget Committee, having met on February 6, 2020, makes reference to the following:

1. A Miscellaneous Communication dated August 23, 2019, from the County Clerk, relating to the Central Maui Landfill Land Purchase Project, CBS-3567.
2. County Communication 20-50, from the Budget Director, transmitting a proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. 4985, BILL NO. 34 (2019), RELATING TO THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI ISSUANCE, SALE AND DELIVERY OF SAID BONDS (DEPARTMENT OF ENVIRONMENTAL MANAGEMENT - CENTRAL MAUI LANDFILL EXPANSION)" ("Expansion bill").

The purpose of the proposed bill is to amend the Fiscal Year ("FY") 2020 general obligation bond authorization ordinance under the Department of Environmental Management, Wailuku-Kahului Community Plan Area, Sanitation, by adding the Central Maui Landfill Expansion project in the amount of \$12,500,000, for design, permit, and construction to expand Phase III of the Central Maui Landfill facility.

3. County Communication 20-51, from the Budget Director, transmitting a proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. 4985, BILL NO. 34 (2019), RELATING TO THE ISSUANCE OF GENERAL

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

Page 2

Committee
Report No. _____

OBLIGATION BONDS OF THE COUNTY OF MAUI ISSUANCE,
SALE AND DELIVERY OF SAID BONDS (DEPARTMENT OF
ENVIRONMENTAL MANAGEMENT - CENTRAL MAUI
LANDFILL LAND PURCHASE)” (“Purchase bill”).

The purpose of the proposed bill is to amend the FY 2020 general obligation bond authorization ordinance under the Department of Environmental Management, Wailuku-Kahului Community Plan Area, Sanitation, by adding the Central Maui Landfill Land Purchase project in the amount of \$200,000, to acquire 17 acres for the Central Maui Landfill to allow for the development of a dedicated emergency debris sorting and recovery site and other ancillary facilities.

Your Committee notes the Central Maui Landfill Expansion project and the Central Maui Landfill Land Purchase project are included in the FY 2020 Budget. However, the Council did not authorize the use of bond funds for the project. These bills would grant the authorization.

The Director of Environmental Management distributed two appraisal reports. One is for a 63-acre parcel adjacent to the Central Maui Landfill, identified for real property tax purposes as tax map key (2) 3-8-003:025. The other appraisal is for a 17-acre portion of that parcel. As of June 14, 2019, the 17-acre portion was appraised as having a market value of \$720,000. As of August 15, 2019, the entire parcel was appraised as having a market value of \$1,860,000. The Purchase bill pertains to the 17-acre portion.

A representative from the Department of Environmental Management explained the Department intends to use the \$200,000 to conduct an Environmental Assessment on the property.

The Budget Director requested that the Purchase bill be deferred. Because the Department of Environment Management is considering the

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

Page 3

Committee
Report No. _____

purchase of the entire 63-acre parcel, the Administration intends to submit new bills for that purpose.

Your Committee raised a concern that the proposed Central Maui Landfill Expansion project would have an impact on Maui EKO Systems, Inc., which does composting at the landfill. Rubens Fonseca, Plant Manager for Maui EKO Systems, Inc., said that during the project's construction, the company's area of operation will shrink from 16 acres to 7 acres. At this size, the company will only be able to process materials, which will then be landfilled.

The Director of Environmental Management confirmed they will need to landfill materials like green waste, fats, and oils during the project's construction. However, such activities are compliant with requirements of the State Department of Health and the United States Environmental Protection Agency.

Your Committee voted 8-1 to recommend passage of the Expansion bill on first reading and filing of County Communication 20-50. Committee Chair Rawlins-Fernandez and members Hokama, Kama, Lee, Molina, Paltin, Sinenci, and Sugimura voted "aye." Committee Vice-Chair King voted "no."

Your Committee is in receipt of a revised proposed Expansion bill, approved as to form and legality by the Department of the Corporation Counsel, incorporating nonsubstantive revisions, including adjustments to reflect the expected passage of other pending legislation.

Your Economic Development and Budget Committee **RECOMMENDS** the following:

1. That Bill _____ (2020), as revised herein and attached hereto, entitled "A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. 4985, BILL NO. 34 (2019), RELATING TO THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE

COUNCIL OF THE COUNTY OF MAUI
**ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE**

Page 4

**Committee
Report No. _____**

COUNTY OF MAUI ISSUANCE, SALE AND DELIVERY OF
SAID BONDS (DEPARTMENT OF ENVIRONMENTAL
MANAGEMENT - CENTRAL MAUI LANDFILL EXPANSION),”
be PASSED ON FIRST READING and be ORDERED TO PRINT;
and

2. That County Communication 20-50 be FILED.

COUNCIL OF THE COUNTY OF MAUI
**ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE**

Page 5

**Committee
Report No.** _____

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



KEANI N.W. RAWLINS-FERNANDEZ, Chair

edb:cr:20048aa:jgk

ORDINANCE NO. _____

BILL NO. _____ (2020)

A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. 4985,
BILL NO. 34 (2019), RELATING TO THE ISSUANCE OF GENERAL
OBLIGATION BONDS OF THE COUNTY OF MAUI
ISSUANCE, SALE AND DELIVERY OF SAID BONDS
(DEPARTMENT OF ENVIRONMENTAL
MANAGEMENT – CENTRAL MAUI LANDFILL EXPANSION)

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

SECTION 1. Ordinance No. 4985, Bill No. 34 (2019), 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 Hawaii (the "County") in an aggregate principal amount not to exceed [~~\$53,277,700~~] \$65,777,700 (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 No. 4985, Bill No. 34 (2019), 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 2020 Budget, including amendments and supplements thereto, duly approved by the Council of the County (the "Council") for the fiscal year ending June 30, 2020 (the "Fiscal Year 2020 Budget"); provided, however, that pursuant to Section 47-5, Hawaii Revised Statutes, the part of such proceeds which are 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 2020 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 Environmental Management	
1. Hana Community Plan Area	
a. Sanitation	
(1) Hana Landfill Office Trailer and PV Expansion	25,000
2. Wailuku-Kahului Community Plan Area	
a. Sanitation	
(1) CML Storage Facility/Infrastructure	300,000
(2) CML Customer Drop-Off Area Improvements	67,000
(3) Central Maui Landfill Entrance Facility	50,000
Traffic Improvements	
(4) <u>Central Maui Landfill Expansion</u>	<u>12,500,000</u>
b. Sewer	
(1) Lower Main Street Sewer Upgrade	2,500,000
(2) Wailuku-Kahului Recycled Water Force Main	500,000
3. West Maui Community Plan Area	
a. Sewer	
(1) West Maui Recycled Water System Expansion	1,500,000
4. Kihei-Makena Community Plan Area	
a. Sewer	
(1) Kihei-Makena Sewer Expansion	1,000,000
B. Department of Finance	
1. Countywide	
a. Other Projects	
(1) Countywide Equipment	5,405,000

C.	Department of Fire and Public Safety		
	1. Lanai Community Plan Area		
	a. Government Facilities		
	(1) Lanai Fire Station Improvements		1,872,000
	2. Molokai Community Plan Area		
	a. Government Facilities		
	(1) Pukoo Fire Station Relocation		455,000
D.	Department of Management		
	1. Wailuku-Kahului Community Plan Area		
	a. Government Facilities		
	(1) New County Service Center		1,500,000
	(2) Information Technology Data Center Improvements		350,000
E.	Department of Parks and Recreation		
	1. Hana Community Plan Area		
	a. Government Facilities		
	(1) Old Hana School Improvements		350,000
	(2) Helene Hall Improvements		800,000
	b. Parks and Recreation		
	(1) ADA Access to Hana Ball Park		50,000
	2. Lanai Community Plan Area		
	a. Parks and Recreation		
	(1) Lanai Youth Center and Skate Park		3,500,000
	(2) Lanai Parks System		533,700
	3. Paia-Haiku Community Plan Area		
	a. Parks and Recreation		
	(1) Alfred "Flako" Boteilho, Sr. Gym Improvements		225,000
	4. Wailuku-Kahului Community Plan Area		
	a. Parks and Recreation		
	(1) War Memorial Complex Paving Improvements		2,750,000
	(2) Central Maui Regional Sports Complex Maintenance Operations and Storage Buildings		1,750,000
F.	Department of Police		
	1. Wailuku-Kahului Community Plan Area		
	a. Government Facilities		
	(1) Wailuku Police Station Improvements		1,500,000
G.	Department of Public Works		
	1. Countywide		
	a. Drainage		
	(1) Countywide Drainage Improvements		3,000,000

2. Hana Community Plan Area		
a. Drainage		
(1) Mahalawa Bridge Replacement		1,200,000
(2) Waikakoi Bridge Replacement		850,000
b. Road Improvements (and related improvements, beautification, sidewalks, bike paths, drainage, bridge repairs and maintenance, safety and utilities, accessibility for persons with disabilities) including:		
(1) Koukouai Bridge Replacement		2,000,000
3. Kihei-Makena 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) North South Collector Road (Namauu Place to Kulanihakoi Street)		1,000,000
(2) South Kihei Road Sidewalk Improvements		1,900,000
(3) Ohukai Road Sidewalk Improvements		600,000
4. Makawao-Pukalani-Kula 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) Pukalani Terrace Subdivision Pavement Reconstruction		2,000,000
(2) Iolani Street, Loha Street, and Makani Road Pavement Rehabilitation		400,000
5. Paia-Haiku 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) Kaupakalua Road Pavement Reconstruction		2,247,000
6. Wailuku-Kahului Community Plan Area		
a. Government Facilities		
(1) Emergency Management Office Renovation		500,000
(2) Kalana O Maui 2nd Floor Deck Repair Above Emergency Management Agency		600,000
(3) Kalana O Maui Fire Sprinkler System, Phase 2		450,000
(4) Kalana Pakui Building AC Replacement		600,000
b. Drainage		
(1) Certification of Levees and Additional Work for Levee No. 27		380,000
(2) Wailuku Heights Drainline and Outlet Repair		1,000,000

- 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) Waiale Road Improvements (Kaohu Street to Waiinu Road) 600,000
 - (2) Wakea Avenue and Kamehameha Avenue Intersection Improvements 250,000

7. West Maui 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) Papalaua Street Traffic Signal Improvements at Wainee Street 632,000
 - (2) Kahana Nui Bridge Replacement 1,076,000
 - (3) Napili 4/5 Culvert at Lower Honoapiilani Road 3,910,000
 - (4) West Maui Drainline Assessment 500,000
 - (5) Lower Honoapiilani Road Erosion at Kaopala Bay 600,000

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 shall take effect upon its approval.

APPROVED AS TO FORM
AND LEGALITY:



Deputy Corporation Counsel
County of Maui
2019-0098/2019-0483
EDB-48 2020-02-13 GO Bonds DEM CML Expansion