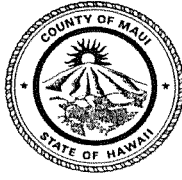


ALAN M. ARAKAWA
Mayor



DAVID TAYLOR, P.E.
Director

RECEIVED

GLADYS C. BAISA
Deputy Director

2017 JUN -9 AM 9:50

OFFICE OF THE MAYOR

DEPARTMENT OF WATER SUPPLY

COUNTY OF MAUI
200 SOUTH HIGH STREET
WAILUKU, MAUI, HAWAII 96793-2155
www.mauiwater.org

June 9, 2017

RECEIVED
OFFICE OF THE
COUNTY CLERK

2017 JUN -9 AM 11:37

RECEIVED

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

For Transmittal to:

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

APPROVED FOR TRANSMITTAL

 6/9/17
Mayor Date

Dear Chair White and Members:

SUBJECT: PROPOSED BILL "A BILL FOR AN ORDINANCE AMENDING SECTION 14.05.050, MAUI COUNTY CODE, RELATING TO REIMBURSEMENT FOR SUBDIVISION WATER MAIN EXTENSION"

Attached please find the proposed bill entitled, "A BILL FOR AN ORDINANCE AMENDING SECTION 14.05.050, MAUI COUNTY CODE, RELATING TO REIMBURSEMENT FOR SUBDIVISION WATER MAIN EXTENSION". The purpose of this proposed bill is to include parameters on the amount that the Department is allowed to reimburse for the cost of a water main extension. The current ordinance has no dollar limits and could cause a serious fiscal challenge as there is no defined revenue stream to offset possible expenses.

The Department respectfully request that this matter be referred to the appropriate Council committee for expeditious review, discussion and execution.

Thank you for your attention to this matter. Should further clarification be necessary, please contact me at Ext. 7816.

Sincerely,


DAVID TAYLOR, P.E.
Director of Water Supply

Attachments

xc: Gladys C. Baisa, Deputy Director

DT:atn

P:\DOCS\Council\060917_White_14.05.050.doc

COUNTY COMMUNICATION NO. 17-242

ORDINANCE NO. _____

BILL NO. _____ (2017)

A BILL FOR AN ORDINANCE AMENDING SECTION 14.05.050,
MAUI COUNTY CODE, RELATING TO REIMBURSEMENT
FOR SUBDIVISION WATER MAIN EXTENSION

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

SECTION 1. Section 14.05.050, Maui County Code, is amended to read
as follows:

“14.05.050 Reimbursement for water main extension. A. If the department’s facilities in the area are inadequate, or where departmental facilities are not readily available to serve a proposed subdivision, the subdivider shall extend a water main from the nearest adequate departmental facility. The water main so constructed connecting the subdivision water system to the nearest point of adequacy of the public water system shall be deemed a main extension.

B. The subdivider shall be reimbursed for the cost of a main extension in accordance with this section. However, no reimbursement shall be made if the main extension will only serve areas under the same ownership as the subdivision under construction. In no case shall reimbursement for water main extension be made for any portion of the cost of a main less than six-inch size in agricultural, rural, and residential areas, or of any of the portion of the cost of a main less than eight-inch size in other areas.

C. The department shall reimburse the subdivider fifty percent of the cost of a water main extension~~[.]~~ up to a maximum reimbursement of \$25,000. For subdivisions that result from an immediate transfer of property to a person or persons who are related to the subdivider by blood, adoption or marriage, specifically limited to a spouse, parents, children, grandparents, grandchildren, or siblings, the reimbursement shall be seventy-five percent~~[.]~~ up to a maximum reimbursement of \$35,000. The reimbursement procedure shall be as follows:

1. Prior to installation of the main extension, the subdivider shall enter into an agreement with the department. If the subdivider has not substantially complied with the terms of the agreement within one year from date thereof, the

agreement may, in the discretion of the director, be terminated.

2. After the work has been completed and before acceptance, the subdivider shall furnish the department with an affidavit itemizing the costs incurred by the subdivider for the installation of the main extension.

3. Reimbursement shall be made in five equal annual installments, without interest. For subdivisions that result from an immediate transfer of property to a person or persons who are related to the subdivider by blood, adoption or marriage, specifically limited to a spouse, parents, children, grandparents, grandchildren, or siblings, the reimbursement shall be made in two equal annual installments, without interest. The initial payment will be made at the end of the fiscal year in which the construction project is completed and accepted by the department.

4. The department shall make the final determination as to the cost of the off-site water main or main extension installed by the subdivider, and reimbursement shall be based upon said estimates of the department, less any reimbursement made under section 14.05.040.

5. All reimbursements shall be payable to the original subdivider entering into the agreement with the department, unless otherwise directed by the original subdivider in writing.

D. Where large quantities of water are required or a large investment is necessary to provide service, the subdivider shall be informed as to the conditions under which reimbursement for off-site water mains may be approved. "Large quantities of water" shall mean large quantities of water as defined in section 16-201-03 of title 16, chapter 201, County administrative rules.

E. Reimbursement shall not be made to subdividers for mains installed to a subdivision where such mains were not approved by the department prior to their installation.

F. Reimbursement shall not be made to a subdivider for main extensions installed to a subdivision in areas where an agreement for reimbursement for water main extension already exists."

SECTION 2. Material to be repealed is bracketed. New material is underscored. In printing this bill, the County Clerk need not include the brackets, the bracketed material, or the underscoring.

SECTION 3. This ordinance shall take effect upon its approval.

APPROVED AS TO FORM
AND LEGALITY:

A handwritten signature in black ink, appearing to read 'J. Oana', written over a horizontal line.

JENNIFER M.P.E. OANA
Deputy Corporation Counsel
County of Maui
2017-0536