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COUNTY COUNCIL
COUNTY OF MAUI
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WAILUKU, MAUI, HAWAII 96793
www.MauiCounty.us

April 4, 2017

Mr. David Taylor, Director
Department of Water Supply
County of Maui
Wailuku, Hawaii 96793

Dear Mr. Taylor:

SUBJECT: FISCAL YEAR ("FY") 2018 BUDGET (WS-1) (BF-1)

At its meeting of March 31, 2017, the Budget and Finance Committee requested the following information:

1. The actual expenditure for water meter inventory (index 953083B, sub-object 6013 on page 19-13 of the Budget Details) for FY 2016 was \$331,888, the appropriation for FY 2017 is \$700,000, and the request for FY 2018 is \$550,000. Explain the request for \$550,000, and why it's not based on actual expenditures? Provide the number of water meters currently on-hand in inventory and number on order or in transit. Include the number of meters used annually. (MW)
2. Provide a breakdown of the request for \$400,000 for stores inventory expense (index 953083B, sub-object 6014 on page 19-13 of the Budget Details). (MW)
3. As it relates to the water billing system:
 - a. Provide an itemized list of expenditures, including all contracts, purchase orders, purchasing card transactions, etc., to implement the new system.
 - b. Is the cost share with Kauai based on a 50-50 split or on the number of users and bills issued? Explain.
 - c. Provide a cost comparison on the system with the Honolulu Board of Water Supply and after the implementation of the new system.

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- d. Is the new system fully implemented? If not, provide the expected date of completion.
4. Provide an itemized breakdown of Other Services (index 953083B, sub-object 6129 on page 19-14). It appears the Department was aware of a software upgrade upon implementation of the new billing system. Explain why the software upgrade was not negotiated to be included into the original contract. (SC)
5. Explain why the anticipated balance as of June 30, 2017 for the Upcountry Water System Expansion Capital Improvement Reserve Fund is \$5,000,000 and does not include the transfer of \$1,440,718 as appropriated in the FY 2017 Budget. (RH)
6. Provide a breakdown of funds for Capital Improvement Projects listed in the Program Budget book, based on the project description for the following: (1) Countywide Facility Improvements, page 732; (2) Countywide Upgrades and Replacements, page 734; (3) Upcountry Reliable Capacity, page 736; (4) Molokai Reliable Capacity, page 737; and (5) Central Maui Reliable Capacity, page 738.

May I further request you transmit your response no later than **April 11, 2017**, to enable the Committee to comprehensively review the FY 2018 Budget. To ensure efficient processing, please duplicate the coding in the subject line above for easy reference.

Should you have any questions, please contact me or the Committee staff (Michele Yoshimura at ext. 7663, Shelly Espeleta at ext. 7134, or Yvette Bouthillier at ext. 7758).

Sincerely,



RIKI HOKAMA, Chair
Budget and Finance Committee

bf:2018bgt:170331laws01:mmy
cc: Mayor Alan M. Arakawa
Budget Director