

COUNCIL OF THE COUNTY OF MAUI
BUDGET, FINANCE, AND ECONOMIC
DEVELOPMENT COMMITTEE

September 2, 2022

Committee
Report No. _____

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

Chair and Members:

Your Budget, Finance, and Economic Development Committee, having met on August 17, 2022, makes reference to County Communication 21-221, from Councilmember Yuki Lei K. Sugimura, transmitting a proposed bill entitled "A BILL FOR AN ORDINANCE ESTABLISHING A NEW CHAPTER 3.41, MAUI COUNTY CODE, CREATING THE KULA AGRICULTURAL PARK REVOLVING FUND."

The purpose of the proposed bill is to establish a new Chapter 3.41, Maui County Code, for the Kula Agricultural Park Revolving Fund.

Your Committee notes that the bill's stated purpose of establishing a revolving fund is for fencing for feral ungulate control, security, and maintenance and repairs of common areas at the Kula Agricultural Park, which is greatly needed.

Your Committee further notes that the bill may be broadened to allow for the establishment of a fund to provide for feral ungulate control, security, and maintenance and repairs of common areas at agricultural parks throughout the County. Your Committee notes that funds for expenditures related to abandoned vehicle removal, theft, environmental cleanup, and vandalism are needed.

The Budget Director said the revolving fund would be intended for incidental costs at the agricultural parks, not capital improvement projects, such as perimeter fence installation, and that revolving fund revenues would be expended on an as-needed basis.

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Your Committee notes in the event that subsequent agricultural parks are created, revenues from the revolving fund may be expended to provide for a particular agricultural park on an as-needed basis, or a set amount of the fund's revenues may be allocated to a specific agricultural park, and maintained in a separate account, under the revolving fund.

The Budget Director said that the purpose of the revolving funds would not be to issue grants, that instead, grants would be issued from agricultural promotion or other appropriations in the budget.

The Budget Director also said if the revolving fund held insufficient funds to cover costs, an appropriation would be made from the general fund for revenues to go into the revolving fund, or that an appropriation would be made to cover the costs of the needed expenditures.

The Budget Director noted the current \$31,000 collected in yearly rent from the Kula Agricultural Park is sufficient to repair very minor incidentals. In the event that additional funds would be needed for electrical vehicle hookups or environmental cleanup, an appropriation would be made to cover those costs.

Your Committee noted that subsection B of Section 3.41.030 of the proposed bill states that any balance remaining in the revolving fund at the end of the fiscal year shall not lapse, but shall remain in the fund accumulating from year to year.

Your Committee noted the bill should be expanded to accommodate any new county agricultural parks that may be established in the future and agreed to amend the bill as follows:

- Delete "Kula Agricultural Park Revolving Fund," and insert "County of Maui Agricultural Parks Revolving Fund" in the bill title.

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- Replace Section 3.41.020 subsection A. with “The fund is established for the purpose of maintenance and repairs and other related costs at the County of Maui Agricultural Parks.”
- Delete “Office of Economic Development” and insert “Department of Agriculture” under Section 3.41.030 subsection D.
- Effective date to take effect on July 1, 2023.
- Delete “Kula Agricultural Park” and insert “County of Maui Agricultural Parks” throughout the proposed bill.

Your Committee voted 8-0 to recommend passage of the revised proposed bill on first reading and filing of the communication. Committee Chair Rawlins-Fernandez, Vice-Chair Paltin, and members Johnson, Kama, King, Molina, Sinenci, and Sugimura voted “aye.” Committee member Lee was excused.

Your Committee is in receipt of a revised proposed bill, entitled “A BILL FOR AN ORDINANCE ESTABLISHING A NEW CHAPTER 3.41, MAUI COUNTY CODE, CREATING THE COUNTY OF MAUI AGRICULTURAL PARKS REVOLVING FUND,” approved as to form and legality by the Department of the Corporation Counsel, incorporating your Committee’s recommended revisions and nonsubstantive revisions.

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

1. That Bill _____ (2022), as revised herein and attached hereto, entitled “A BILL FOR AN ORDINANCE ESTABLISHING A NEW CHAPTER 3.41, MAUI COUNTY CODE, CREATING THE COUNTY OF MAUI AGRICULTURAL PARKS REVOLVING

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FUND,” be PASSED ON FIRST READING and ORDERED TO
PRINT; and

2. That County Communication 21-221 be FILED.

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



KEANI N.W. RAWLINS-FERNANDEZ, Chair

ORDINANCE NO. _____

BILL NO. _____ (2022)

A BILL FOR AN ORDINANCE ESTABLISHING A NEW CHAPTER 3.41,
MAUI COUNTY CODE, CREATING THE COUNTY OF MAUI
AGRICULTURAL PARKS REVOLVING FUND

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

SECTION 1. Title 3, Maui County Code, is amended by adding a new chapter to be appropriately designated and to read as follows:

“Chapter 3.41

**COUNTY OF MAUI AGRICULTURAL PARKS
REVOLVING FUND**

Sections:

3.41.010 Fund establishment.

3.41.020 Purpose.

3.41.030 Deposits to the fund and use.

3.41.040 Administration.

3.41.010 Fund establishment. There is established and created a fund to be known as the “County of Maui Agricultural Parks Revolving Fund.”

3.41.020 Purpose. The fund is established for the purpose of maintenance and repairs and other related costs at the County of Maui agricultural parks.

3.41.030 Deposits to the fund and use. A. All rent, including any interest and service charges, paid to the County of Maui for leases at a County of Maui agricultural park must be deposited into the fund.

B. In adopting each fiscal year's budget and capital program, the council may make appropriations to the fund. Any balance remaining in this fund at the end of the fiscal

year does not lapse, and remains in the fund accumulating from year to year.

C. The revenues in the fund must not be used for any purpose except for those listed in section 3.41.020.

D. The department of agriculture is responsible for the management of the fund.

3.41.040 Administration. A. The director of finance must establish a separate account to record all revenues credited to, and expenditures made from, the fund.

B. Expenditures from the fund must be through appropriations established in the annual budget ordinance.

C. On or before March 1 of each year, the director of finance must transmit to the council a detailed report of the fund during the preceding year.”

SECTION 2. This Ordinance takes effect on July 1, 2023.

APPROVED AS TO FORM AND LEGALITY:



KRISTINA C. TOSHIKIYO

Department of the Corporation Counsel

County of Maui

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BFED-35 2022-08-26 Ch 3.41

Ag Parks Revolving Fund