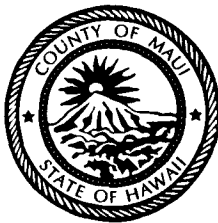


ALAN M. ARAKAWA  
Mayor



DON MEDEIROS  
Director

MARC I. TAKAMORI  
Deputy Director  
(808) 270-7511

**DEPARTMENT OF TRANSPORTATION**

COUNTY OF MAUI  
2145 Kaohu Street, Suite 102  
Wailuku, Hawaii, USA 96793

April 22, 2016

Mr. Sananda K. Baz *SKB*  
Budget Director, County of Maui  
200 South High Street  
Wailuku, Hawaii 96793

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

*Alan Arakawa* 4/22/16  
\_\_\_\_\_  
Director

RECEIVED  
2016 APR 22 09 30 AM  
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COUNTY CLERK

For Transmittal to:

Honorable Riki Hokama  
Chair, Budget and Finance Committee  
Maui County Council  
200 South High Street  
Wailuku, Hawaii 96793

Dear Chair Hokama:

**SUBJECT: FISCAL YEAR ("FY") 2017 BUDGET (TD-2) (BF-1)**

The Department of Transportation (DOT) hereby transmits the following responses for your Committee's information.

**Question:** For the Air Ambulance Program, explain why the State previously requested funds for a helicopter when the service is contracted through a third-party service provider. (DG)

**Response:** Per communications from the State Department of Health (DOH), in fiscal year 2012 an upgraded replacement helicopter was secured and placed into service for FY 2013. The cost for the aeromedical component of the contract with ILS dba AMR had increased from \$1,503,911 (prior to the upgraded replacement helicopter being placed into service) to \$2,065,314.11 (upgraded replacement helicopter placed into service as primary and previous helicopter in service as backup) in FY 2013. The DOH asked if the County of Maui were to be able to provide additional funding assistance to the State for FY 2014.

Since this request came in February of 2013, our budget submittal from our department to the Mayor had already been submitted. We informed the DOH that DOT had requested the \$672,215 budget for the Aeromedical Services for FY 2014.

**Question:** Provide details of all matching Federal grants for Bus and Bus Related Equipment (index 917720C, sub-object 7045, page 18-16 of the Budget Details). Include a description of each project proposed for funding. (MV)

**Response:** Please see the attached spreadsheet for more information.

**Question:** Provide the fuel costs included in the contracts for public transit, paratransit, and commuter routes. (MV)

**Response:** Please see attached response from Maui Economic Opportunity. Roberts Hawaii was unable to provide this data by the deadline.

**Question:** Provide the proposed expansion plans and estimated timelines for commuter routes. (MV)

**Response:** There are no route expansion plans for the commuter service. In regards to the fixed route service, there are several expansion plans/modifications DOT is looking at implementing.

The first route expansion plan is the reconfiguration of the Kaanapali Islander and Napili Islander routes. We are planning to modify the two separate routes into one inline route, still utilizing the two buses and same service hours. The reason behind this expansion plan is the elimination of the "U-turn" in Kapalua. Kapalua is requesting the Maui Bus to terminate at the Honolua Store thus eliminating the "U-turn". This route modification also eliminates the need for transfers at Whalers Village allowing the Napili riders to continue to ride on the same vehicle all the way to Wharf Cinema center and not have to contend with tourists for seats when transferring at Whalers Village. The projected timeline for this change is July 1<sup>st</sup>, 2016. Based on the current contract service hours for this route, there is no additional route costs to make this change.

The second route expansion plan is the modification of the Kula Villager route. There are plans to expand the route further up into Kula serving Hawaiian Homelands as well as expanding downwards to create the reverse route in the Upcountry area. If there are no issues with the installation of the potential bus stop signage and access in the Hawaiian Homelands area, this route modification may occur as early as January 1<sup>st</sup>, 2017.

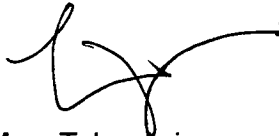
The Waihee route expansion is currently proposed for 2021 in the Short Range Transit Plan, but all new route expansions can be shifted based on funding availability. Since no new route expansions funds were requested, the earliest this route could be implemented would be July 1<sup>st</sup>, 2017. Based on the current

Honorable Riki Hokama, Chair  
and Members of the Maui County Council  
April 22, 2016  
Page 3

contract amounts, the estimated cost of this route for a full year would be approximately \$400,000. With all new route expansions, ADA paratransit service area also increases.

Please let me know if you have any questions, or require additional information.

Sincerely,

A handwritten signature in black ink, appearing to read 'Marc Takamori', with a stylized flourish extending to the right.

Marc Takamori  
Deputy Director of Transportation

Cc: Mayor Alan M. Arakawa  
Budget Director

Attachments

FEDERAL GRANTS  
COUNTY MATCH DETAILS FY 2017

**QUESTION NO. 2 RESPONSE**

| <u>Federal Program</u>                  | <u>Federal Fiscal Year</u> | <u>County Fiscal Year</u> | <u>Federal Allocation</u> | <u>County Match</u> | <u>Total FTA &amp; County</u> | <u>Proposed Projects</u>  |
|---|----------------------------|---------------------------|---------------------------|---------------------|-------------------------------|---|
| Bus and Bus Facilities-Rural area 5339  | FFY 2013                   | FY 2017                   | \$ 415,834.00             | \$ 103,958.50       | \$ 519,792.50                 | CAD AVL system for fixed route fleet  |
| Bus and Bus Facilities-Small urban 5339 | FFY 2013                   | FY 2017                   | \$ 332,900.00             | \$ 83,225.00        | \$ 416,125.00                 | ADA stop announcements audio/visual for fixed route fleet   |
| Urban area Formula Program 5307         | FFY 2013                   | FY 2017                   | \$ 1,018,787.00           | \$ 254,696.75       | \$ 1,273,483.75               | We are planning to utilize the remaining \$162,816.50 in County matching funds to match a portion of the Federal allocation (approximately \$ 650,000) to purchase Automated passenger counters for fixed route fleet, to contract a qualified statistician to satisfy the FTA requirement of verifying the accuracy of the automated passenger counters, to upgrade existing outdated cameras and to have the capability to remotely access video in the fixed route and paratransit fleets, instead of physically having to pull hard drives when the situation arises. |
|   |                            |                           | \$ 1,767,521.00           | \$ 441,880.25       | \$ 2,209,401.25               |   |

Please keep In mind that all projects need to be reviewed an approved by FTA, and formal RFP's still need to be requested.



April 21, 2016

Mr. Don Medeiros, Director  
Department of Transportation  
County of Maui  
Wailuku, HI 96793

RE: Response to Fiscal year 2017 Budget, Committee Request for information

Dear Mr. Medeiros:

In response to Budget Chair Hokama's request on behalf of the Budget and Finance Committee I am providing fuel costs for the paratransit operations from July 1, 2013 to March 31, 2016. Please see the cost per year breakdown below.

|          |                              |
|----------|------------------------------|
| PY 13-14 | \$280,566                    |
| PY 14-15 | \$226,146                    |
| PY 15-16 | \$148,933 (7/1/15 – 3/31/16) |

I would like to take this opportunity to express my concern over analyzing one component of a fee for service contract as it does not give a clear picture of the overall financial picture. When the RFP was published bidders, were given historical data on passenger boardings and billable hours. Bidders were also required to pay prevailing wage for drivers and mechanics and were responsible for the cost of all maintenance and repairs for all County owned paratransit vehicles. Bidders were also responsible for insuring and registering the vehicles. In addition, bidders were required to print and distribute daily and monthly passes. Based on all of these factors, MEO determined that \$54.00 per service hour reimbursement would be feasible and would allow us to provide this service at an affordable cost to the County.

In the first year of the contract we implemented a new scheduling software and telephone system to better serve the clients, however this resulted in a reduction in the billable service hours due to combined trips and system efficiency. At the end of the fiscal year, the billable hours were \$825,000.00 less than what was billed by the previous contractor, in the previous year. In the three years MEO has operated the paratransit, the County and taxpayers have saved nearly 2.5 million dollars.

In the last three years boardings have increased and eligible riders increased from 700 to more than 1100. As a result of the efficiency of the scheduling software, MEO incurred less billable hours than anticipated. Therefore we were operating in a deficit until this fiscal year, where we are breaking even. While gas prices may have decreased other operational costs

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have increased. Medical, insurance, drug tests, physicals, repairs and maintenance, etc. have all increased and are expected to continue to increase.

We appreciate the council's desire for fiscal responsibility, however we respectfully request the council to approve a 5% increase to the paratransit contract. MEO has not received an increase in this contract since its inception.

Should you have any questions, please call me at 249-2990.

Sincerely,

A handwritten signature in black ink that reads "Lyn McNeff". The signature is written in a cursive, flowing style.

Lyn McNeff  
CEO

CC: Harry Johnson Transportation Director  
Debbie Cabebe, CPO  
Debbie Lorenzo, CFO