

**COUNCIL OF THE COUNTY OF MAUI**  
**BUDGET AND FINANCE COMMITTEE**

February 17, 2017

**Committee**  
**Report No. \_\_\_\_\_**

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

Chair and Members:

Your Budget and Finance Committee, having met on January 31, 2017, makes reference to County Communication 17-45, from the Budget Director, transmitting a proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2017 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO THE DEPARTMENT OF PARKS AND RECREATION, ADMINISTRATION PROGRAM (GRANT TO THE LAHAINA RESTORATION FOUNDATION FOR THE LAHAINA HARBOR FRONT IMPROVEMENT PROJECT, PHASE 2A – PARK ASSESSMENT FUND)."

The purpose of the proposed bill is to amend the Fiscal Year 2017 Budget by adding "Phase 1" to the appropriation entitled "Grant to the Lahaina Restoration Foundation for the Lahaina Harbor Front Improvement Project, Phase 2a – Park Assessment Fund," under the Department of Parks and Recreation, Administration Program.

Your Committee notes in Fiscal Year 2015, \$750,000 was appropriated to the Lahaina Restoration Foundation for Phase 1 of the project.

The Budget Director said Phase 1 was over budget by \$140,000. She explained the grantee, Lahaina Restoration Foundation, was unaware of the State law requirement to pay prevailing wages for projects funded by public funds or on public property.

The Deputy Director of Parks and Recreation said the Department of Labor alerted the Foundation and County that prevailing wages were not being paid. The Foundation corrected the situation and paid prevailing wages using private funds to allow the project to keep moving forward. However, they are now realizing a shortfall in private funding to continue

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the project, and therefore requesting an adjustment be made to the Fiscal Year 2017 Budget to allow the Foundation to be reimbursed for the \$140,000.

The Deputy Director said the Department has reviewed the scope of the project and the proposed amendment will not result in a request for additional funds and will not impact the completion of Phase 2a. She said the project, as proposed and funded during the Fiscal Year 2017 Budget deliberations, will be completed. Upon further review of the project, savings could be realized from the following: (1) components of the project may be done internally using existing contracts rather than executing new contracts; and (2) reduced design work may eliminate items initially included in the scope of the project that are no longer needed.

Your Committee requested the justification for use of Park Assessment funds from Phase 2a for Phase 1. The Deputy Director said the improvements completed in Phase 1 was on a portion of land included in the executive order and meets the criteria for use of Park Assessment funds.

She assured your Committee the funds expended for Phase 1 and Phase 2a were properly used and justified for improvements made only to property included in the executive order and under the management of the Department of Parks and Recreation.

The Deputy Director indicated the final phase of the project and funding request is anticipated in Fiscal Year 2019.

Your Committee voted 8-0 to recommend passage of the proposed bill on first reading and filing of the communication. Committee Chair Hokama, Vice-Chair White, and members Atay, Carroll, Crivello, Guzman, King, and Sugimura voted "aye." Committee member Cochran was excused.

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Your Budget and Finance Committee RECOMMENDS the following:

1. That Bill \_\_\_\_\_ (2017), attached hereto, entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2017 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO THE DEPARTMENT OF PARKS AND RECREATION, ADMINISTRATION PROGRAM (GRANT TO THE LAHAINA RESTORATION FOUNDATION FOR THE LAHAINA HARBOR FRONT IMPROVEMENT PROJECT, PHASE 2A – PARK ASSESSMENT FUND)," be PASSED ON FIRST READING and be ORDERED TO PRINT; and
2. That County Communication 17-45 be FILED.

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

  
\_\_\_\_\_  
RIKI HOKAMA, Chair

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ORDINANCE NO. \_\_\_\_\_

BILL NO. \_\_\_\_\_ (2017)

A BILL FOR AN ORDINANCE AMENDING  
THE FISCAL YEAR 2017 BUDGET FOR THE COUNTY OF MAUI  
AS IT PERTAINS TO THE DEPARTMENT OF PARKS AND RECREATION,  
ADMINISTRATION PROGRAM  
(GRANT TO THE LAHAINA RESTORATION FOUNDATION FOR THE LAHAINA  
HARBOR FRONT IMPROVEMENT PROJECT, PHASE 2A – PARK  
ASSESSMENT FUND)

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

SECTION 1. Ordinance No. 4334, Bill No. 62 (2016), Draft 1, as amended, "Fiscal Year 2017 Budget", is hereby amended as it pertains to Section 3.B.10.a., Department of Parks and Recreation, Administration Program, by adding "Phase 1" to the title of an appropriation entitled, "Grant to The Lahaina Restoration Foundation for the Lahaina Harbor Front Improvement Project, Phase 2a – Park Assessment Fund", to read as follows:

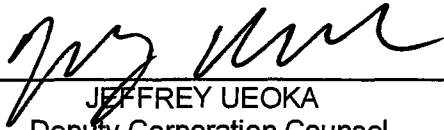
	<u>A - Salaries</u>	<u>B - Operations</u>	<u>C - Equipment</u>	<u>Total</u>
"10. Department of Parks and Recreation				
a. Administration Program				
(1) General	1,504,037	236,830	4,000	1,744,867
(i) Provided, that disbursement for salaries and premium pay is limited to 29.5 equivalent personnel.				
(2) Grant to The Lahaina Restoration Foundation	0	178,828	0	178,828
(3) Grant to The Lahaina Restoration Foundation for the Lahaina Harbor Front Improvement Project, <u>Phase 1 and Phase 2a –</u> Park Assessment Fund	0	500,000	0	500,000
(4) Grant for the Tom Morrow Equestrian Arena for sand replenishment and other improvements	0	30,000	0	30,000
(5) Grant to Maui Community Correctional Center for Workline Program	0	117,000	0	117,000

	<u>A - Salaries</u>	<u>B - Operations</u>	<u>C - Equipment</u>	<u>Total</u>
b. Parks Program	2,823,763	2,968,711	259,872	6,052,346
(1) Provided, that disbursement for salaries and premium pay is limited to 55.0 equivalent personnel.				
(2) Provided, that \$5,000 shall be used to install a lockable gate at the Pauwela Lighthouse Road entrance.				
(3) Provided, that \$5,000 shall be used to repair the Waikapu baseball diamond base line running path area.				
c. Recreation and Support Services Program	11,575,504	8,842,576	433,343	20,851,423
(1) Provided, that disbursement for salaries and premium pay is limited to 285.8 equivalent personnel and 8.0 Limited Term Appointment (LTA) equivalent personnel.				
d. Waiehu Golf Course Program – Golf Fund				
(1) General	972,452	785,183	359,400	2,117,035
(i) Provided, that disbursement for salaries and premium pay is limited to 20.9 equivalent personnel.				
(2) Contribution to General Fund – Employees' Retirement System (ERS) and Federal Insurance Contributions Act (FICA)	0	231,550	0	231,550
(3) Contribution to General Fund – Hawaii Employer-Union Health Benefits Trust Fund (EUTF)	0	162,226	0	162,226
(4) Contribution to General Fund – Other Post-Employment Benefits (OPEB)	0	90,647	0	90,647
(5) Debt Service	0	382,308	0	382,308
(6) Administrative Overhead Charge	0	1,244,733	0	1,244,733"

SECTION 2. New material is underscored.

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

APPROVED AS TO FORM AND LEGALITY:



JEFFREY UEOKA  
Deputy Corporation Counsel