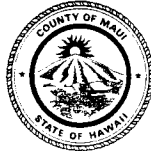


JOSIAH K. NISHITA
County Clerk



OFFICE OF THE COUNTY CLERK

COUNTY OF MAUI
200 SOUTH HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.mauicounty.gov/county/clerk

641-41
RECEIVED

MARGARET C. CLARK
Deputy County Clerk

2019 MAY 22 AM 8:52

OFFICE OF THE
COUNTY COUNCIL

May 21, 2019

Honorable Alice L. Lee, Chair
Water and Infrastructure Committee
Council of the County of Maui
Wailuku, Hawaii 96793

Dear Chair Lee:

Pursuant to the adoption of Committee Report No. 19-49, As Amended on May 17, 2019, the matter relating to the Kihei-Makena Sewer Expansion project, was referred to your Committee.

Respectfully yours,

A handwritten signature in black ink, appearing to read "Josiah K. Nishita", is written over a horizontal line.

JOSIAH K. NISHITA
County Clerk

/jym

Enclosure

cc: Director of Council Services

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

May 17, 2019

Committee
Report No. 19-49
As Amended

NOTE: The recommendations contained in this committee report were amended by the Council at its meeting of May 17, 2019, by deleting the bracketed material and underscoring the new material. This committee report was then adopted as amended.

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

Chair and Members:

This report recommends passage of a budget that:

- Confirms the worth and dignity of every person in Maui County;
- Reflects decision-making with a balanced approach that gives consideration to as many policy viewpoints as possible;
- Preserves natural resources, the islands' identity, and cultural assets; and
- Expands housing opportunities for residents.

Your Economic Development and Budget Committee, having met on April 1, 2019, April 2, 2019, April 3, 2019, April 4, 2019 (reconvene), April 5, 2019, April 8, 2019, April 9, 2019, April 10, 2019, April 11, 2019, April 12, 2019, April 15, 2019, April 16, 2019, April 17, 2019, April 18, 2019, April 22, 2019, April 23, 2019, April 24, 2019, April 25, 2019, and April 29, 2019 (reconvene), makes reference to the following:

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

Page 2

Committee
Report No. 19-49
As Amended

1. County Communication 19-61, from Council Chair Kelly T. King, relating to the matter of the proposed budget for Fiscal Year ("FY") 2020.
2. County Communication 19-158, from Mayor Michael P. Victorino, relating to the proposed FY 2020 Budget for the County of Maui. Included in the Mayor's transmittal are the following:
 - a. A proposed bill entitled "A BILL FOR AN ORDINANCE RELATING TO THE OPERATING BUDGET FOR THE COUNTY OF MAUI FOR THE FISCAL YEAR JULY 1, 2019 TO JUNE 30, 2020" ("Budget bill").

The purpose of the proposed bill is to appropriate estimated revenues for the operating and capital improvement budget. Incorporated within the proposed bill are:

- Appendix A, which lists Grants and Restricted Use Revenues in Part I and Special Purpose Revenues in Part II;
 - Appendix B, which is the Schedule of Fees, Rates, Assessments, and Taxes;
 - Appendix B-1, which lists the County's concessions, leases, and licenses by department; and
 - Appendix C, which provides descriptions of Capital Improvement Projects.
- b. A proposed bill entitled "A BILL FOR AN ORDINANCE RELATING TO THE CAPITAL PROGRAM FOR THE

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

Page 3

Committee

Report No. 19-49

As Amended

FISCAL YEAR ENDING JUNE 30, 2020" ("Capital Program bill").

The purpose of the proposed bill is to set forth the Capital Program for FY 2020 through FY 2025. Incorporated within the proposed bill are:

- Appendix A-1, a report entitled "County of Maui Capital Improvement Projects Report (Excluding Department of Water Supply) As of 12/31/2018," which lists all pending capital improvement projects and appropriations, except for Water Fund projects, as of December 31, 2018;
 - Appendix A-2, a report entitled "County of Maui, Statement of Appropriations and Expenditures, Capital Improvement Program by District, Fiscal Year Ending 6/30/2019 – as of 12/31/2018," which includes pending Water Fund capital improvement projects and appropriations as of December 31, 2018; and
 - Appendix B, which is the proposed Capital Program for FY 2020 through FY 2025.
- c. A proposed bill entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE ISSUANCE OF SIXTY-FOUR MILLION, SIX HUNDRED SEVEN THOUSAND DOLLARS (\$64,607,000) AGGREGATE PRINCIPAL AMOUNT OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI FOR THE PURPOSE OF PROVIDING FUNDS TO PAY ALL OR A PART OF THE COST OF APPROPRIATIONS FOR PUBLIC IMPROVEMENTS OF AND FOR THE COUNTY OF MAUI; FIXING THE FORM,

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

Page 4

Committee
Report No. 19-49
As Amended

DENOMINATIONS AND CERTAIN OTHER FEATURES OF SUCH BONDS AND PROVIDING FOR THEIR SALE; AUTHORIZING THE DIRECTOR OF FINANCE TO DETERMINE CERTAIN DETAILS OF THE BONDS; AUTHORIZING THE ISSUANCE AND SALE OF A LIKE PRINCIPAL AMOUNT OF GENERAL OBLIGATION BOND ANTICIPATION NOTES IN ANTICIPATION OF THE ISSUANCE AND SALE OF SUCH BONDS; AUTHORIZING THE ISSUANCE OF REFUNDING GENERAL OBLIGATION BONDS OF THE COUNTY; AND PROVIDING FOR OTHER ACTIONS RELATED TO THE ISSUANCE, SALE AND DELIVERY OF SAID BONDS" ("Bond Authorization bill").

The purpose of the proposed bill is to authorize the issuance of \$64,607,000 in general obligation bonds for various capital improvement projects.

- d. A proposed bill entitled "A BILL FOR AN ORDINANCE DETERMINING THAT PART OF THE PROCEEDS OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI HERETOFORE ISSUED IS IN EXCESS OF THE AMOUNTS REQUIRED FOR THE PURPOSES FOR WHICH SUCH BONDS WERE INITIALLY ISSUED, OR MAY OR SHOULD NOT BE APPLIED TO THOSE PURPOSES, AND DIRECTING SUCH PROCEEDS TO OTHER PUBLIC IMPROVEMENTS OR AUTHORIZED PURPOSES OF THE COUNTY OF MAUI" ("Lapsed Bond bill").

The purpose of the proposed bill is to reauthorize the use of \$382,411 in lapsed bond proceeds for the Department of Management, Wailuku-Kahului Community Plan Area, Government Facilities, New County Service Center project.

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

Page 5

Committee
Report No. 19-49
As Amended

- e. A proposed bill entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT FOR A LOAN FROM THE STATE OF HAWAII'S WATER POLLUTION CONTROL REVOLVING FUND FOR THE WEST MAUI RECYCLED WATER SYSTEM EXPANSION, FISCAL YEAR 2020 BUDGET ORDINANCE" ("Water Pollution Control Loan bill").

The purpose of the proposed bill is to authorize the Mayor to enter into an intergovernmental agreement to finance the West Maui Recycled Water System Expansion project, with funds not to exceed \$9,578,290.

- f. Booklet entitled "Synopsis BUDGET PROPOSAL FY 2020";
- g. Booklet entitled "MAYOR'S BUDGET PROPOSED FY2020," including the Mayor's Budget Message ("Program Budget");
- h. A proposed resolution entitled "ADOPTING THE FUEL TAX RATES FOR THE COUNTY OF MAUI, EFFECTIVE JULY 1, 2019."

The purpose of the proposed resolution is to adopt the fuel tax rates for the County of Maui, effective July 1, 2019, pursuant to Section 243-5, Hawaii Revised Statutes ("HRS"), and Section 3.20.010, Maui County Code ("MCC"), for the following:

- (1) Gasoline & Diesel Oil, \$0.230 per gallon;

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

Page 6

Committee
Report No. 19-49
As Amended

- (2) Biodiesel, \$0.120 per gallon;
- (3) Ethanol, \$0.115 per gallon;
- (4) Methanol, \$0.115 per gallon; and
- (5) Liquefied Petroleum Gas, \$0.115 per gallon.

Your Committee is in receipt of the following:

1. Correspondence dated March 5, 2019, from the Department of the Corporation Counsel, transmitting a proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING SECTION 2.44.015, MAUI COUNTY CODE, RELATING TO SALARIES OF DEPUTIES CORPORATION COUNSEL AND DEPUTIES PROSECUTING ATTORNEY." The purpose of the proposed bill is to amend the salaries of the Deputies Corporation Counsel and Deputies Prosecuting Attorney, effective retroactive to January 1, 2019.
2. Correspondence dated April 4, 2019, from Council Chair Kelly T. King, transmitting the following:
 - a. A proposed resolution entitled "APPROVING THE PAY RANGES AND PAY LEVELS FOR OFFICE OF COUNCIL SERVICES STAFF." The purpose of the proposed resolution is to approve the pay ranges and pay levels for Office of Council Services staff.
 - b. A proposed bill entitled "A BILL FOR AN ORDINANCE RELATING TO SALARIES OF EMPLOYEES OF THE LEGISLATIVE BRANCH." The purpose of the proposed bill is to amend Section 2.08.060, MCC, to adjust the pay ranges for employees of the Legislative Branch, effective July 1, 2019.

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

Page 7

Committee
Report No. 19-49
As Amended

3. Correspondence dated April 16, 2019, from the Chair of your Committee, transmitting a proposed resolution entitled "URGING PUBLIC-EMPLOYEE UNIONS AND PUBLIC EMPLOYERS THROUGHOUT THE STATE OF HAWAII TO IMPLEMENT THE PRINCIPLE OF PAY EQUITY." The purpose of the proposed resolution is to urge public-employee unions and public employers throughout the State of Hawai'i to execute collective bargaining agreements that reflect the principle of pay equity.
4. Correspondence dated April 16, 2019, from the Chair of your Committee, transmitting a proposed resolution entitled "AUTHORIZING THE COUNCIL CHAIR TO CONTRACT FOR A PERFORMANCE AUDIT OF THE COUNTY'S OVERTIME CONTROLS." The purpose of the proposed resolution is to authorize the Council Chair to contract for a performance audit of the County's overtime controls.
5. Correspondence dated April 16, 2019, from Councilmember Shane M. Sinenci, transmitting a proposed bill entitled "ESTABLISHING A COST-RECOVERY POLICY FOR THE DEPARTMENT OF PLANNING." The purpose of the proposed bill is to establish a cost-recovery policy for the Department of Planning.
6. Correspondence dated April 16, 2019, from Mayor Michael P. Victorino, transmitting a proposed resolution entitled "APPROVING COST ITEMS FOR BARGAINING UNIT 11, INCLUDED EMPLOYEES." The purpose of the proposed resolution is to approve the cost items for Fire Fighters included within Bargaining Unit 11, for FY 2020 and FY 2021.
7. Correspondence dated April 16, 2019, from the Chair of your Committee, transmitting a proposed bill entitled "A BILL FOR AN ORDINANCE TO ESTABLISH THE EXPERIMENTAL AND

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

Page 8

Committee
Report No. 19-49
As Amended

DEMONSTRATION HOUSING PROJECTS FUND.” The purpose of the proposed bill is to establish a revolving fund to support the development of experimental and demonstration housing projects.

8. Correspondence dated April 18, 2019, from the Chair of your Committee, transmitting a proposed resolution entitled “AUTHORIZING THE COUNCIL CHAIR TO CONTRACT FOR A FISCAL AND PERFORMANCE AUDIT OF THE MAUI REDEVELOPMENT AGENCY.” The purpose of the proposed resolution is to authorize the Council Chair to contract for a fiscal and performance audit of the Maui Redevelopment Agency.

By correspondence dated April 18, 2019, the Department of the Corporation Counsel transmitted a revised proposed bill to establish the Experimental and Demonstration Housing Projects Fund, approved as to form and legality. The revised proposed bill further defines the income requirement for projects and incorporates examples of models of affordability in perpetuity and nonsubstantive revisions.

By correspondence dated April 23, 2019, the Department of the Corporation Counsel transmitted a revised proposed bill, entitled “A BILL FOR AN ORDINANCE AMENDING TITLE 3, MAUI COUNTY CODE, TO ESTABLISH A COST-RECOVERY POLICY FOR THE DEPARTMENT OF PLANNING,” incorporating the appropriate MCC reference in the title of the bill.

Your Committee notes seven public meetings were held throughout the County to receive public testimony on the Mayor’s proposed FY 2020 Budget. The public meetings were held as follows:

- (1) April 1, 2019, Lanai;
- (2) April 4, 2019, Upcountry;

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

Page 9

Committee
Report No. 19-49
As Amended

- (3) April 5, 2019, East Maui;
- (4) April 9, 2019, South Maui;
- (5) April 10, 2019, West Maui;
- (6) April 11, 2019, Makawao-Haiku-Paia; and
- (7) April 15, 2019, Molokai.

Your Committee further notes the Council held a public hearing in Wailuku on the Mayor's proposed FY 2020 Budget, pursuant to Section 9-4, Revised Charter of the County of Maui (1983), as amended ("Charter"), on April 17, 2019.

Your Committee further notes the Council held a public hearing on real property tax rates, pursuant to Section 3.48.565, MCC, on April 24, 2019, and reconvened on May 10, 2019, to adopt a resolution fixing the real property tax rates for FY 2020.

Your Committee notes the Council held a public hearing on motor vehicle weight tax rates, pursuant to Section 249-13, HRS, and Section 3.24.030, MCC, on May 10, 2019.

Your Committee further notes the Council held a public hearing on fuel tax rates, pursuant to Section 243-5, HRS, and Section 3.20.010, MCC, on May 10, 2019.

Your Committee extensively reviewed the proposed FY 2020 Budget from April 1, 2019 to April 18, 2019. Decision-making on the proposed FY 2020 Budget began on April 22, 2019, and was completed on April 29, 2019.

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

Page 10

Committee

Report No. 19-49

As Amended

GENERAL

Your Committee approached the FY 2020 Budget session with a spirit of collaboration. "Wisdom and balance in decision making" is a core principle of Maui County, as stated in the Countywide Policy Plan. Your Committee strove to reach this ideal by considering the top priorities and concerns of your Committee's members while working in good faith to address them in the budget.

Your Committee considered fixed costs proposed by the Mayor for which no objections were voiced as being worthy of inclusion in the FY 2020 Budget. Those fixed costs largely address the County's core services that recur from year to year. Your Committee focused much of its energy on discretionary costs and how best to address pressing community needs by prioritizing appropriations.

The Mayor's proposed budget estimated revenues of \$780,769,839 for FY 2020. Of that amount, \$648,073,663 was appropriated for operations, and \$132,696,176 was appropriated for capital improvement projects.

Your Committee's recommendation for the FY 2020 Budget increased the Mayor's proposed budget by \$42,820,696, or approximately 5.5 percent, to \$823,590,535. Your Committee increased operating appropriations by \$22,677,046, to \$670,750,709, and increased capital improvement project appropriations by \$20,143,650, to \$152,839,826.

Your Committee notes the Countywide Policy Plan, in a policy statement, directs the County to "invest in infrastructure, facilities, and programs that foster economic diversification." In addition, your Committee makes reference to Maui County's vision, as also stated in the Countywide Policy Plan, which includes the following statement:

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

Page 11

Committee
Report No. 19-49
As Amended

The needs of each individual, the needs of the whole community, and the needs of our natural and cultural assets will be brought into balance to reflect the high value we place on both our natural environment and our people.

Your Committee notes the General Budget Provisions contained in the Budget bill provide binding policy statements and principles to implement the FY 2020 Budget. The Mayor proposed amendments to Section 18 of the General Budget Provisions that, according to the Department of the Corporation Counsel, were recommended by the County's bond counsel for consistency with the County's current practices. The Mayor also proposed removing the requirement of a quarterly report of Countywide capital improvement projects for FY 2020 only, that includes a breakdown of all expenditures made the preceding quarter and a brief description of each expenditure. The Budget Director said the information contained in the quarterly report would be made more meaningful and a status update on projects would be included. Your Committee concurred with the Mayor's revisions to Section 18.

The following is a summary of your Committee's recommendations as they relate to revenues and expenditures.

REVENUES

On April 18, 2019, the County Clerk received the certification by the Director of Finance of the net taxable real property within the County of Maui, pursuant to Sections 3.48.135 and 3.48.580, MCC. The certification was distributed to your Committee on April 18, 2019. The Director of Finance certified that for FY 2020, the net taxable real property valuation is \$51,168,455,375, and is expected to generate revenues of \$340,446,483. The certification takes into account the circuit breaker tax credit and the Mayor's proposed minimum tax, and assumes the tax rates proposed by the Mayor are adopted by the Council. The certified net real

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

Page 12

Committee
Report No. 19-49
As Amended

property tax revenues exceeded the Mayor's proposed FY 2020 Budget estimates by \$3,253,930.

Your Committee notes the Mayor proposed increases to four of the real property tax rates, as follows:

- Commercial, from \$7.25 to \$7.39;
- Industrial, from \$7.45 to \$7.48;
- Hotel and Resort, from \$9.37 to \$9.60; and
- Short Term Rental, from \$9.28 to \$9.55.

The Mayor also proposed that the Time Share real property tax rate be decreased from \$15.41 to \$13.93, and that rates for the remaining classifications of Residential, Apartment, Agricultural, Conservation, Homeowner, and Commercialized Residential remain the same.

Your Committee recommended the FY 2020 real property tax rates, expressed as rates per \$1,000 of net taxable valuation, be adjusted for all classifications except Apartment, which remained the same, at \$6.31. Your Committee recommended a rate reduction for Agricultural from \$6.00 to \$5.94, and for Time Share from \$15.41 to \$14.40. Your Committee also recommended modest increases in the rates for Residential, Commercial, Industrial, Conservation, Homeowner, and Commercialized Residential. Finally, your Committee recommended the Short Term Rental and the Hotel and Resort classifications be increased to \$10.75 and \$11.00, respectively.

Your Committee considered a proposed bill to increase the real property tax home exemption from \$200,000 to \$400,000. However, your Committee noted that the proposed change to the home exemption could not be implemented effective July 1, 2019, because real property tax bills

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

Page 13

Committee
Report No. 19-49
As Amended

have already been issued. Your Committee recommended the matter of the home exemption, pursuant to Section 3.48.450, MCC, be referred to the appropriate standing committee.

Your Committee notes the Mayor's proposed budget anticipated receipt of \$23,484,000 in transient accommodations taxes ("TAT"). That amount is equal to 22.8 percent, or Maui County's share, of \$103,000,000 in TAT allocated to the counties, and is the same amount received in TAT revenues for FY 2019.

Your Committee supported the Mayor's proposed increases to sewer rates to promote the self-sufficiency of the Sewer Fund. Your Committee also agreed with all of the Mayor's proposed rate increases for refuse collection, except the proposed increase from \$3 to \$5 for residential refuse hauling at the Central Maui Landfill. Your Committee struck a compromise in recommending that rate be set at \$4, while noting the reduction would result in a shortfall of \$117,000 in the Solid Waste Fund.

Your Committee recommended the duplicate driver's license fee be increased from \$10 to \$15. Your Committee discussed the additional revenue that would be generated by the fee and its ability to help to offset additional Limited Term Appointment positions requested by the Department of Finance. The Department said it anticipates increased demand in duplicate licenses because of the requirement that, beginning October 1, 2020, the United States Department of Homeland Security will only accept REAL ID-compliant credentials for air travel.

Your Committee noted numerous complaints are received throughout the year from constituents concerned with the condition of County roads. Your Committee discussed the need for additional resources to be devoted to roadway improvements throughout the County and the limitations of Highway Fund revenues. Your Committee recommended the motor vehicle weight tax be increased by two-tenths of a cent per pound for all motor vehicles. Your Committee also

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

Page 14

Committee

Report No. 19-49

As Amended

recommended penalties for delinquent motor vehicle tax payments be doubled.

Your Committee notes the FY 2020 Budget no longer recognizes a golf course special fund because the fund was repealed by Ordinance 4952 (2018), effective July 1, 2019, with all encumbrances and any remaining balance to be transferred to the General Fund. Your Committee also notes the Council and the Department of Parks and Recreation have worked collaboratively on mechanisms to improve the quality and operations of Waiehu Municipal Golf Course, Maui County's only public course.

Your Committee supported increases to playing fees for non-Maui County residents to assist with the cost of continued improvements to and maintenance of the course. Your Committee recommended playing fees for non-Maui County Hawaii residents be increased from \$23 to \$35 for weekdays, and from \$28 to \$40 for weekends and holidays. For non-residents, your Committee recommended playing fees be increased from \$58 to \$63 for weekdays, and from \$63 to \$75 for weekends and holidays. Your Committee declined to increase playing fees for Maui County residents.

Your Committee supported a 25-percent increase to Department of Planning fees. Upon receipt of responses from the Department, which referenced a 2009 Fee Study and Cost Recovery Plan prepared by Matrix Consulting Group, your Committee reasoned the resource cost of various application reviews and processing far exceeds the current charges imposed. According to the Department, the 2009 Study determined 19 percent of the cost to process permits was recovered by fees. The Department further stated that, since then, processing costs have increased, and the percentage recovery has decreased. Your Committee recommended the increase in fees as a step toward recovering a larger portion of the Department's costs. Your Committee also supported the revised proposed bill to establish a cost-recovery policy for the Department, with the goal of avoiding overreliance on General Fund revenue for Department operations.

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

Page 15

Committee
Report No. 19-49
As Amended

Your Committee notes the Mayor proposed a biodiesel tax of 12 cents per gallon, where currently there is none, to offset the increasing costs of road maintenance and improvements. Your Committee debated whether to impose a tax on biodiesel. Your Committee emphasized the need to continue its support of renewable energy, and reasoned that such support should be paramount to a desire to have all drivers share the cost of road use. By way of compromise, your Committee recommended biodiesel (B100) remain untaxed, while blended biodiesel (other than B100) be taxed at the same rate as ethanol, methanol, and liquefied petroleum gas, at 11.5 cents per gallon. No other changes to fuel taxes were proposed.

Your Committee deferred a recommendation on the proposed fuel tax resolution, pending the public hearing scheduled for May 10, 2019.

Your Committee also discussed the highway improvement fees previously authorized for electric vehicles and hybrid vehicles, and whether the fees are counter to the policy of supporting renewable energy. Your Committee recommended the matter be referred to the appropriate standing committee for consideration.

Your Committee agreed with the Mayor's proposed establishment of a \$1 one-way fare for all fixed routes for passengers who are at least 55 years old, passengers with disabilities, or passengers who are Medicare cardholders. Currently, the lowest Maui Bus fare is \$2.

Your Committee also supported increasing the fee for advertising inside County transit buses from \$25 to \$50 per card per month and recommended the matter be referred to the appropriate standing committee for consideration.

The Mayor proposed modest increases to all water rates and water meter service charges for general water consumers and agricultural

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

Page 16

Committee
Report No. 19-49
As Amended

consumers, except for the agricultural rates for usage exceeding 15,000 gallons per month. Your Committee concurred.

Your Committee also recommended the penalty for violations of water use restrictions during periods of water shortage be increased from \$500 to \$750 per violation.

The Mayor's proposed budget anticipated receiving \$68,728,319 in grant revenue from Federal, State, and private sources.

Your Committee supported the revised proposed bill to establish a new revolving fund for the development of experimental and demonstration housing projects. The fund will be used for the provision, protection, and expansion of experimental and demonstration housing projects, including the rehabilitation of existing structures, land purchase, or other acquisition of land or property entitlements, planning, design, and construction. According to the revised proposed bill, the projects must provide housing for households with a gross family income of 80 percent or less of the area median income. Your Committee further revised the proposed bill to remove the appropriation of a minimum of one-half of 1 percent of certified real property tax revenues to the fund for FY 2020 through FY 2025. Your Committee recommended \$1,000,000 be appropriated to the fund for FY 2020, and incorporated the fund into Appendix A, Part II. Your Committee also referred the matter to the appropriate standing committee for further discussion.

Your Committee notes two special funds previously established by the Council, the County Parks Special Revolving Fund and the Special Management Area Revolving Fund, were not reflected in the Mayor's proposed budget.

By Ordinance 4437 (2017), the Council established a County Parks Special Revolving Fund. The Budget Director said the balance of the fund is zero to date, with no revenues anticipated for FY 2020. She said the Department of Parks and Recreation is drafting administrative rules

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

Page 17

Committee
Report No. 19-49
As Amended

relating to concessions, sponsorships, and donations, and once rules are adopted, a request for proposals for revenue-generating opportunities will be issued. Your Committee incorporated the fund into Appendix A, Part II, with a zero balance.

In addition, your Committee added the Special Management Area Revolving Fund set forth in Chapter 3.49, MCC, to Appendix A, Part II. The Planning Director estimated approximately \$165,000 per year in fees and \$250,000 in fines, for a total of \$415,000 for FY 2020. The anticipated FY 2020 revenue and total balances are reflected in the appendix.

Your Committee recommended that Appendix A, Part II, the Schedule of Revolving and Special Funds for FY 2020, and Appendix B, the Schedule of Revenues - Fees, Rates, Assessments, and Taxes, be revised to incorporate your Committee's suggested changes.

EXPENDITURES

Over the course of its meetings, your Committee heard testimony from hundreds of Lanai, Maui, and Molokai residents providing well-informed and passionate suggestions on priorities for spending taxpayer dollars.

As a basis for the formation of local government, your Committee recognizes the need to "confirm the equal worth and dignity of every individual" of Maui County, as stated in Charter Section 1-1.

Your Committee further recognizes a core theme of the Countywide Policy Plan is to "Expand Housing Opportunities for Residents."

In accordance with public testimony, the County Charter, and the Countywide Policy Plan, your Committee prioritized the reduction of homelessness and the expansion of housing opportunities for residents.

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

Page 18

Committee
Report No. 19-49
As Amended

The Charter mandates a minimum of 2 percent of real property tax revenues be appropriated to the Affordable Housing Fund. Your Committee doubled the appropriation to 4 percent, for a total of \$14,321,450 for FY 2020. Your Committee supported a \$2,000,000 appropriation to the First-Time Homebuyers Program, and noted it would be more appropriate for the funding to be moved from the Affordable Housing Fund to the Department of Housing and Human Concerns' Housing Program. As noted previously, your Committee also established and appropriated \$1,000,000 for an Experimental and Demonstration Housing Projects Fund.

Your Committee recommended appropriating \$2,184,417 for programs serving residents of Maui County who are homeless, including specific appropriations for the following:

- \$250,000 for homeless programs that collaborate with the community;
- \$200,000 for acquisition of a mobile hygiene unit for Central Maui; and
- \$50,000 for homeless programs on Molokai.

Your Committee also recommended appropriating:

- \$1,400,000 for affordable rental housing programs;
- \$450,000 for professional services for a parcel study to identify potential affordable housing sites; and
- \$150,000 to Hale Mahaolu for a homeowners and housing counseling program.

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

Page 19

Committee
Report No. 19-49
As Amended

Your Committee supported new appropriations from the Affordable Housing Fund as follows:

- \$850,000 for Hale Mahaolu Ewalu Phase II for the construction of 22 rental units to be rented at 60 percent or below the area median income;
- \$442,040 for Ka Hale A Ke Ola Westside staircase project;
- \$199,213 for Ka Hale A Ke Ola Renewal Project Phase III to rehabilitate a building at its facility to support residents at 50 percent or below the area median income; and
- \$250,000 for pre-construction costs, including planning and design, for the County-owned lots at the Fairways at Maui Lani to serve as affordable housing.

Your Committee declined to support the Mayor's proposed Kai Mauka Ike Nui Apartments project in West Maui for acquisition and pre-development site costs to produce 84 total rental units. Your Committee expressed a desire to more fully vet the project and recommended the matter be referred to the appropriate standing committee.

Your Committee also referred several matters for consideration to your Affordable Housing Committee, including the possible creation of a housing authority, affordable housing-related ordinance reviews, and the establishment of an Individual Development Account program to promote housing opportunities and homeownership throughout the County.

Maui County continues to lead other Hawaii counties in funding for social services programs, and for FY 2020 your Committee recommended the following:

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

Page 20

Committee
Report No. 19-49
As Amended

- \$1,739,993 to the Boys & Girls Clubs of Maui, which includes \$500,000 for the Paukukalo Clubhouse;
- \$959,711 for food, shelter, and safety grants;
- \$1,475,126 for substance abuse prevention and treatment programs;
- \$861,739 for services to the frail and elderly;
- \$400,000 to Maui Food Bank;
- \$358,440 to Maui Adult Day Care;
- \$192,337 to Mental Health Kokua;
- \$300,000 to Hale Makua, which includes \$200,000 for master planning of the Kahului facility and surrounding area; and
- \$103,000 to Hale Mahaolu for personal care grants.

Your Committee provided \$8,767,655 in funding for cultural and economic development programs, including:

- \$100,000 for Festivals of Aloha;
- \$250,000 for technology in business promotion to develop additional economic drivers in the County;
- \$1,342,360 to Maui Arts and Cultural Center to promote culture and arts programs in the community and schools, and continue its capital improvement program;

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

Page 21

Committee
Report No. 19-49
As Amended

- \$3,000,000 to the Maui County Visitors Association, doing business as Maui Visitors and Convention Bureau, which includes promoting visitor management and education;
- \$1,170,000 to Maui Economic Development Board; and
- \$1,260,000 for the promotion of culture and economic development across the County.

Your Committee increased funding for agricultural promotion from \$840,000 in the FY 2019 Budget to \$1,205,000 in the FY 2020 Budget, noting the importance of preserving agriculture as a lead industry in the County. This funding includes:

- \$270,000 for all four Maui County chapters of Hawaii Farmers Union United's Farm Apprentice Mentoring program;
- \$100,000 for University of Hawaii College of Tropical Agriculture and Human Resources; and
- \$350,000 for Maui County Farm Bureau.

Your Committee supported environmental protection through:

- \$2,550,000 in appropriations for coqui frog eradication;
- \$2,400,000 for watershed protection and management;
- \$660,000 for miconia and other invasive plants containment; and
- \$1,663,000 for other environmental protection grants.

COUNCIL OF THE COUNTY OF MAUI

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE

Page 22

Committee

Report No. 19-49

As Amended

Your Committee also appropriated \$600,000 for visitor-related costs, to include educating visitors on the impacts of illegal transient vacation rentals, Hana Highway safety, and coral reef protection.

Your Committee again confirmed the worth and dignity of every person by applying that value to County employees. Noting the Council had adopted Resolution 14-36 over five years ago, which recognized April 8, 2014 as Equal Pay Day in Maui County, your Committee supported the adoption of a proposed resolution encouraging public-employee unions and public employers throughout the State to implement pay equity principles.

Your Committee weighed concerns with increasing costs associated with the County workforce against demands for fairness and service improvements.

Your Committee recommended 32 positions be added to and 3 positions be defunded from the Mayor's proposed budget. Your Committee received testimony stating the last time Ocean Safety Officer expansion positions were added at Hookipa Beach Park was over 15 years ago. Your Committee added the equivalent of 11 Ocean Safety Officer positions to expand coverage at beach parks and coastal areas, thereby investing in resident and visitor safety.

Your Committee also added five positions in the Department of Public Works, Highway Fund, to enhance pavement preservation work by providing for dedicated crews. Your Committee added eight Limited Term Appointment positions at the Division of Motor Vehicles and Licensing to address the anticipated increase in demands for government-issued identification cards, enhance service times, and decrease overtime costs. Your Committee added a position and funding for a new County archaeologist in the Department of Management to address perceived deficiencies in archaeological reviews and recommendations throughout the County.

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

Page 23

Committee
Report No. 19-49
As Amended

Your Committee added three positions in the Department of Environmental Management, Solid Waste Division, for trash pickup and green waste services on Molokai that are currently being handled by the Department of Public Works and a private contractor, respectively. Your Committee also added a Limited Term Appointment position for the Wastewater Division at the wastewater reclamation facility on Molokai to allow for training opportunities in anticipation of a staff retirement. Your Committee noted succession planning is particularly vital in smaller rural communities. Finally, your Committee defunded three Liquor Control Officer positions based on audit recommendations for the Department.

Your Committee notes the Mayor transmitted a proposed resolution to approve cost items for Bargaining Unit 11 Included Employees for FY 2020 and FY 2021. By the arbitration decision, cost items for Firefighters covered by the Bargaining Unit for FY 2020 total \$1,491,030. Your Committee discussed the proposed cost items and incorporated them into the FY 2020 Budget bill. During its deliberations, your Committee was also informed of cost items totaling \$230,000 for Bargaining Unit 1 for FY 2020, and incorporated those costs into the proposed Budget bill.

Your Committee expressed concern that the rising cost of overtime compensation, also known as premium pay, appears to be exceeding the overall budget's growth. Your Committee recommended the adoption of a proposed resolution to contract for a performance audit of the County's overtime controls, and recommended the matter relating to overtime controls for premium pay be referred to the appropriate standing committee.

In considering capital improvement appropriations, your Committee concurred with the Mayor's proposed projects to be funded by State Revolving Loan funds and Lapsed Bond proceeds. Your Committee recommended passage of the proposed Water Pollution Control Loan bill to authorize \$9,578,290 in State Revolving Loan funds for the West Maui Recycled Water System Expansion project (CBS-1124) and the proposed

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

Page 24

Committee
Report No. 19-49
As Amended

Lapsed Bond bill for \$382,411 for the New County Service Center (CBS-2324).

Your Committee agreed addressing issues of shoreline retreat and sea level rise have become more critical with each passing year. Your Committee supported a proposed \$700,000 study under the Department of Public Works, in conjunction with the University of Hawaii, for an assessment of County of Maui coastal roads for effects of climate change, sea level rise, and shoreline erosion. Your Committee also included a \$500,000 appropriation in the Office of Council Services budget for Phase I of a Countywide Master Plan for Shoreline Retreat, starting with Molokai.

Your Committee further acknowledged a continuing need to explore alternative sites for the Kahului Wastewater Reclamation Facility, which is vulnerable because of its coastal location in the tsunami inundation zone and anticipated sea level rise. Your Committee appropriated \$400,000 for a Wailuku/Kahului Wastewater Reclamation Facility Expansion Plan Study and \$200,000 for a Central Maui Regional Wastewater Reclamation Facility Study.

With a further nod to climate change, your Committee recommended a \$9,500,000 appropriation for the Acquisition of Real Property from Wailuku Water Company, LLC, but withheld the bond authorization for the project. Your Committee supported protecting the watershed and significant cultural and historical lands.

The anticipated FY 2020 balance in the Open Space, Natural Resources, Cultural Resources, and Scenic Views Preservation Fund is \$8,853,809. In addition to appropriations previously authorized, your Committee supported appropriations for land acquisition, planning, and stewardship projects throughout the County, consistent with the purposes set forth in Charter Section 9-19, as follows:

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

Page 25

Committee
Report No. 19-49
As Amended

- \$750,000 for a grant to Ke Ao Hali'i for land and acquisition costs at Mokae, Maui, identified for real property tax purposes as tax map key (2) 1-4-010:004;
- \$1,500,000 for land and acquisition costs at Makaalae, Maui, identified for real property tax purposes as tax map keys (2) 1-4-012:002, and (2) 1-4-010:030, 032, 034, and 014;
- \$50,000 for land appraisal and related costs for the Kulanihakoi Greenway Park at Kenolio Road, Kihei, identified as tax map keys (2) 3-9-001:162, (2) 3-9-001:164, and (2) 3-9-062:019 (por.);
- \$50,000 for a 50-acre park site in the West Maui Community Plan Area;
- \$140,000 for a Hamakualoa coastal open space preserve master plan study; and
- \$150,000 for pre-acquisition costs of a portion of Maliko Gulch near the shoreline.

Your Committee recommended \$1,882,411 be appropriated for the New County Service Center project (CBS-2324) to prepare for occupancy in Summer 2020. This appropriation includes funding for utility connections and fees, equipment and installation costs, and office space buildout costs. Your Committee discussed identifying an appropriate tenant mix and utilizing the 1¾ acres of County-owned available land at the site for further development. The potential opportunities identified by your Committee included:

- a 21st Century emergency operations center;
- the Department of Water Supply, to be closer to its baseyard;

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

Page 26

Committee
Report No. 19-49
As Amended

- community meeting space;
- Federal service and grant programs, such as the Community Development Block Grant program, and Housing Choice Voucher Section 8 Program; and
- sod farming (where the County is required to do ground stabilization), to provide sod for the County's athletic fields and parks.

Your Committee discussed delays in performance of the contract entered into with Anaergia Services LLC's subsidiary, Maui Resource Recovery Facility, LLC. Your Committee debated the extent to which those delays may be contributing to the need for the County to bear the cost of expanding the Central Maui Landfill ("CML") at this time. Your Committee expressed a desire to explore those possible impacts prior to authorizing bond funding totaling \$13,850,000 for four CML capital improvement projects proposed by the Mayor. Your Committee did, however, recommend the appropriations remain in the FY 2020 budget, while lowering from \$1,000,000 to \$200,000 the appropriation for the CML Land Purchase project (CBS-3567). Your Committee recommended the project be referred to the appropriate standing committee for consideration to allow further discussion on the proposed land purchase to continue.

Your Committee appropriated \$5,405,000 for countywide equipment, which includes:

- \$1,850,000 to the Department of Environmental Management for dozers and trucks;
- \$2,005,000 to the Department of Fire and Public Safety for pumper trucks and wildland fire apparatus; and

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

Page 27

Committee
Report No. 19-49
As Amended

- \$1,550,000 to the Department of Public Works for a dozer and pavement preservation equipment.

Your Committee prioritized infrastructure improvements to address pedestrian safety and Americans with Disabilities Act (“ADA”) compliance issues. To promote pedestrian safety, your Committee supported:

- \$420,000 for a Countywide Traffic Calming Program;
- \$1,135,000 for Countywide Safety Improvements; and
- \$2,500,000 for sidewalk improvements along South Kihei Road and Ohukai Road, and \$745,000 for Countywide Sidewalk Improvements.

To support ADA compliance, your Committee recommended appropriations of:

- \$500,000 for Countywide Parks Improvements; and
- \$50,000 for ADA access to Hana Ball Park.

Your Committee supported the following major capital improvement projects:

- \$3,500,000 for the Lanai Youth Center and Skate Park;
- \$1,820,000 for a new Molokai Police Station to be located outside the flood and tsunami evacuation zone (bond authorization withheld);
- \$455,000 for the Pukoo Fire Station Relocation (bond authorization withheld);

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

Page 28

Committee
Report No. 19-49
As Amended

- \$2,500,000 for the Lower Main Street sewer upgrade in Wailuku;
- \$500,000 for the Kahului Fire Station Apparatus Shelter (bond authorization withheld);
- \$1,000,000 for Upcountry sewer system upgrades (bond authorization withheld);
- \$13,500,000 for the West Maui Recycled Water System Expansion project;
- \$5,650,000 for the West Maui Reliable Capacity project;
- \$7,500,000 for the Kihei-Makena Sewer Expansion project (bond authorization withheld);
- \$1,000,000 for the North South Collector Road;
- \$7,781,000 for Kaupakalua Road pavement reconstruction;
- \$4,050,000 for bridge replacements in East Maui; and
- \$1,770,000 for Hana parks projects.

Your Committee saw a need for reinvesting in County infrastructure to promote economic development throughout the County. Your Committee focused on fiscal responsibility by withholding the bond authorization for certain capital improvement projects to allow the various departments to further develop their project plans before being funded.

Your Committee recommended referral of various matters to your standing committees as noted in this report's recommendations paragraph, without objection.

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

Page 29

Committee
Report No. 19-49
As Amended

Your Committee voted 9-0 to recommend passage on first reading of the revised proposed bill to establish the Experimental and Demonstration Housing Projects Fund, the proposed bill relating to salaries of Deputies Corporation Counsel and Deputies Prosecuting Attorney, and the revised proposed bill establishing a cost-recovery policy for the Department of Planning. Your Committee also voted 9-0 to recommend adoption of the proposed resolution urging public-employee unions and public employers throughout the State to implement the principle of pay equity, and the proposed resolution relating to a performance audit of the County's overtime controls. Committee Chair Rawlins-Fernandez, Vice-Chair King, and members Hokama, Kama, Lee, Molina, Paltin, Sinenci, and Sugimura voted "aye."

Your Committee voted 8-1 to recommend passage on first reading of the proposed bill relating to salaries of employees of the Legislative Branch, and adoption of the proposed resolution approving the pay ranges and pay levels for Office of Council Services staff. Committee Chair Rawlins-Fernandez, Vice-Chair King, and members Kama, Lee, Molina, Paltin, Sinenci, and Sugimura voted "aye." Committee member Hokama voted "no."

Your Committee voted 7-1 to recommend passage on first reading of the proposed Water Pollution Control Loan bill, the revised proposed Bond Authorization bill, the proposed Lapsed Bond bill, the revised proposed Capital Program bill, and the revised proposed Budget bill; and filing of County Communications 19-61 and 19-158. Committee Chair Rawlins-Fernandez, Vice-Chair King, and members Kama, Lee, Molina, Paltin, and Sugimura voted "aye." Committee member Hokama voted "no." Committee member Sinenci was excused.

Your Committee is in receipt of a revised proposed Budget bill, a revised proposed Capital Program bill, and a revised proposed Bond Authorization bill, approved as to form and legality by the Department of the Corporation Counsel, incorporating your Committee's recommended revisions as well as nonsubstantive revisions.

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

Page 30

Committee
Report No. 19-49
As Amended

Your Committee notes that, pursuant to Section 47-5, HRS, an affirmative vote of two-thirds of the Council's membership is required to approve the alternate uses of the lapsed bond proceeds set forth in the Lapsed Bond bill.

Your Economic Development and Budget Committee
RECOMMENDS the following:

1. That Bill 28 (2019), attached hereto, entitled "A BILL FOR AN ORDINANCE TO ESTABLISH THE EXPERIMENTAL AND DEMONSTRATION HOUSING PROJECTS FUND," be PASSED ON FIRST READING and be ORDERED TO PRINT;
2. That Bill 29 (2019), attached hereto, entitled "A BILL FOR AN ORDINANCE AMENDING TITLE 3, MAUI COUNTY CODE, TO ESTABLISH A COST-RECOVERY POLICY FOR THE DEPARTMENT OF PLANNING," be PASSED ON FIRST READING and be ORDERED TO PRINT;
3. That Bill 30 (2019), attached hereto, entitled "A BILL FOR AN ORDINANCE AMENDING SECTION 2.44.015, MAUI COUNTY CODE, RELATING TO SALARIES OF DEPUTIES CORPORATION COUNSEL AND DEPUTIES PROSECUTING ATTORNEY," be PASSED ON FIRST READING and be ORDERED TO PRINT;
4. That Bill 31 (2019), attached hereto, entitled "A BILL FOR AN ORDINANCE RELATING TO SALARIES OF EMPLOYEES OF THE LEGISLATIVE BRANCH," be PASSED ON FIRST READING and be ORDERED TO PRINT;
5. That Bill 32 (2019), attached hereto, entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

Page 31

Committee
Report No. 19-49
As Amended

INTERGOVERNMENTAL AGREEMENT FOR A LOAN FROM THE STATE OF HAWAII'S WATER POLLUTION CONTROL REVOLVING FUND FOR THE WEST MAUI RECYCLED WATER SYSTEM EXPANSION, FISCAL YEAR 2020 BUDGET ORDINANCE," be PASSED ON FIRST READING and be ORDERED TO PRINT;

6. That Bill 34 (2019), as revised herein and attached hereto, entitled "A BILL FOR AN ORDINANCE AUTHORIZING THE ISSUANCE OF FIFTY MILLION, NINE HUNDRED THIRTY-NINE THOUSAND DOLLARS (\$50,939,000) AGGREGATE PRINCIPAL AMOUNT OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI FOR THE PURPOSE OF PROVIDING FUNDS TO PAY ALL OR A PART OF THE COST OF APPROPRIATIONS FOR PUBLIC IMPROVEMENTS OF AND FOR THE COUNTY OF MAUI; FIXING THE FORM, DENOMINATIONS AND CERTAIN OTHER FEATURES OF SUCH BONDS AND PROVIDING FOR THEIR SALE; AUTHORIZING THE DIRECTOR OF FINANCE TO DETERMINE CERTAIN DETAILS OF THE BONDS; AUTHORIZING THE ISSUANCE AND SALE OF A LIKE PRINCIPAL AMOUNT OF GENERAL OBLIGATION BOND ANTICIPATION NOTES IN ANTICIPATION OF THE ISSUANCE AND SALE OF SUCH BONDS; AUTHORIZING THE ISSUANCE OF REFUNDING GENERAL OBLIGATION BONDS OF THE COUNTY; AND PROVIDING FOR OTHER ACTIONS RELATED TO THE ISSUANCE, SALE AND DELIVERY OF SAID BONDS," be PASSED ON FIRST READING and be ORDERED TO PRINT;
7. That Bill 33 (2019), attached hereto, entitled "A BILL FOR AN ORDINANCE DETERMINING THAT PART OF THE PROCEEDS OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI HERETOFORE ISSUED IS IN EXCESS OF THE AMOUNTS REQUIRED FOR THE PURPOSES FOR WHICH SUCH BONDS WERE INITIALLY ISSUED, OR MAY OR

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

Page 32

Committee
Report No. 19-49
As Amended

SHOULD NOT BE APPLIED TO THOSE PURPOSES, AND DIRECTING SUCH PROCEEDS TO OTHER PUBLIC IMPROVEMENTS OR AUTHORIZED PURPOSES OF THE COUNTY OF MAUI," be PASSED ON FIRST READING and be ORDERED TO PRINT;

8. That Bill 35 (2019), as revised herein and attached hereto, entitled "A BILL FOR AN ORDINANCE RELATING TO THE CAPITAL PROGRAM FOR THE FISCAL YEAR ENDING JUNE 30, 2020," be PASSED ON FIRST READING and be ORDERED TO PRINT;
9. That Bill 36 (2019), as revised herein and attached hereto, entitled "A BILL FOR AN ORDINANCE RELATING TO THE OPERATING BUDGET FOR THE COUNTY OF MAUI FOR THE FISCAL YEAR JULY 1, 2019 TO JUNE 30, 2020," be PASSED ON FIRST READING and be ORDERED TO PRINT;
10. That Resolution 19-101, attached hereto, entitled "URGING PUBLIC-EMPLOYEE UNIONS AND PUBLIC EMPLOYERS THROUGHOUT THE STATE OF HAWAII TO IMPLEMENT THE PRINCIPLE OF PAY EQUITY," be ADOPTED;
11. That Resolution 19-102, attached hereto, entitled "AUTHORIZING THE COUNCIL CHAIR TO CONTRACT FOR A PERFORMANCE AUDIT OF THE COUNTY'S OVERTIME CONTROLS," be ADOPTED;
12. That Resolution 19-103, attached hereto, entitled "APPROVING THE PAY RANGES AND PAY LEVELS FOR OFFICE OF COUNCIL SERVICES STAFF," be ADOPTED;
13. That the matter relating to experimental and demonstration housing projects be REFERRED to your Affordable Housing Committee;

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

Page 33

Committee
Report No. 19-49
As Amended

14. That the matter relating to swapping outstanding real property taxes in arrears and penalties owed by State Department of Hawaiian Home Lands beneficiaries on existing homestead lands for a lease of Hawaiian home lands for the creation of an affordable housing subdivision, be REFERRED to your Affordable Housing Committee;
15. That the matter relating to the creation of a County housing authority, including a feasibility study, be REFERRED to your Affordable Housing Committee;
16. That the matter relating to conflicts between Chapter 2.96, MCC, relating to the Residential Workforce Housing Policy, and Chapter 3.35, MCC, relating to the Affordable Housing Fund, be REFERRED to your Affordable Housing Committee;
17. That the matter relating to the proposed Kai Mauka Ike Nui Apartments project in West Maui (for acquisition and predevelopment site costs to produce 84 total rental units, 59 units rented at or below 60 percent of the area median income, 24 rental units rented at market rate, and one unit reserved for an onsite property manager), be REFERRED to your Affordable Housing Committee;
18. That the matter relating to the establishment and operation of an Individual Development Account home ownership program be REFERRED to your Affordable Housing Committee;
19. That the matter relating to highway improvement fees for electric vehicles and hybrid vehicles be REFERRED to your Economic Development and Budget Committee;

COUNCIL OF THE COUNTY OF MAUI
**ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE**

Page 34

Committee
Report No. 19-49
As Amended

20. That the matter relating to tax reform, including the possibility of forming a temporary investigative group to investigate the matter pursuant to Section 92-2.5(b), HRS, be REFERRED to your Economic Development and Budget Committee;
21. That the matter relating to an increase in the home exemption for real property tax be REFERRED to your Economic Development and Budget Committee;
22. That the matter relating to overtime controls for premium pay be REFERRED to your Economic Development and Budget Committee;
23. That the matter relating to countywide cultural and education grant funding, including the selection process for grantees, be referred to your Economic Development and Budget Committee;
24. That the matter relating to a cultural designation for Hanakao`o Beach Park be REFERRED to your Environmental, Agricultural, and Cultural Preservation Committee;
25. That the matter of assigning and affixing Hawaiian place names to bus stops and shelters be REFERRED to your [Environmental, Agricultural, and Cultural Preservation Committee] Multimodal Transportation Committee;
26. That the matter relating to the Department of Management's coordination of affordable housing developments among the Department of Housing and Human Concerns, Department of Planning, and Department of Parks and Recreation, be

COUNCIL OF THE COUNTY OF MAUI
**ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE**

Page 35

Committee
Report No. 19-49
As Amended

REFERRED to your [Governance, Ethics, and Transparency Committee] Affordable Housing Committee;

27. That the matter of relocating the Molokai Police Station, including land acquisition, planning, and design, be REFERRED to your [Governance, Ethics, and Transparency Committee] Economic Development and Budget Committee;
28. That the matter relating to security measures at the Kalana O Maui campus be REFERRED to your Governance, Ethics, and Transparency Committee;
29. That the matter relating to adding personnel in the Department of Management, Information and Technology Services Program, be REFERRED to your Governance, Ethics, and Transparency Committee;
30. That the matter relating to the progress of CBS-1209, War Memorial Complex Paving Improvements, be REFERRED to your Healthy Families and Communities Committee;
31. That the matter relating to a status update on the FY 2019 grants under the Department of Parks and Recreation, Administration Program, to Lo'iloa for the repair and construction of a traditional Hawaiian hale and to Bahay Kubo Heritage Foundation for the repair and construction of a traditional Filipino hut at the Kepaniwai Heritage Gardens, Wailuku, Maui, Hawaii, be REFERRED to your Healthy Families and Communities Committee;

COUNCIL OF THE COUNTY OF MAUI
**ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE**

Page 36

Committee
Report No. 19-49
As Amended

32. That the matter relating to camping permit fees and ordinances relating to camping permits and camping fees (including Sections 13.04A.210 and 13.04A.220, MCC) be REFERRED to your Healthy Families and Communities Committee;
33. That the matter relating to the motor vehicle weight tax, including the tax for (1) passenger vehicles, and trucks and noncommercial vehicles not exceeding 6,500 pounds; (2) per pound of net weight for all other motor vehicles; (3) minimum tax for any motor vehicle; and (4) penalties for delinquent tax for passenger and other vehicles, and funding for road repairs, be REFERRED to your Multimodal Transportation Committee;
34. That the matter relating to increasing the permit fee for advertising inside County transit buses be REFERRED to your Multimodal Transportation Committee;
35. That the matter relating to establishing a Kihei advisory committee to the Maui Planning Commission (similar to the Hana Advisory Committee authorized by Section 2.28.060, MCC) be REFERRED to your Planning and Sustainable Land Use Committee;
36. That the matter relating to a water conservation pilot project be REFERRED to your Water and Infrastructure Committee;
37. That the matter relating to the results of an engineering feasibility study to increase drought resiliency using storm water be REFERRED to your Water and Infrastructure Committee;

COUNCIL OF THE COUNTY OF MAUI
**ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE**

Page 37

Committee
Report No. 19-49
As Amended

38. That the matter relating to the Kihei-Makena Sewer Expansion project be REFERRED to your Water and Infrastructure Committee;
39. That the matter relating to the Central Maui Landfill Land Purchase project (CBS-3567) be REFERRED to your Water and Infrastructure Committee;
40. That the matter relating to a County facility maintenance manager to coordinate capital improvement projects on County facilities be REFERRED to your Water and Infrastructure Committee;
41. That County Communication 19-61 be FILED; and
42. That County Communication 19-158 be FILED.

COUNCIL OF THE COUNTY OF MAUI
**ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE**

Page 38

Committee

Report No. 19-49

As Amended

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



KEANI N.W. RAWLINS-FERNANDEZ, Chair

edb:cr:19001aa:ckc/ldm/ske/cmn

COUNCIL OF THE COUNTY OF MAUI

WAILUKU, HAWAII 96793

CERTIFICATION OF ADOPTION

It is HEREBY CERTIFIED that COMMITTEE REPORT NO. 19-49, As Amended, was adopted by the Council of the County of Maui, State of Hawaii, on the 17th day of May, 2019, by the following vote:

THE RECOMMENDATIONS CONTAINED IN THIS COMMITTEE REPORT WERE VOTED ON SEPARATELY AS FOLLOWS:

BILL NOS. 28 (2019), 29 (2019), 30 (2019), 31 (2019), 32 (2019), AND 33 (2019) PASS FIRST READING AND BE ORDERED TO PRINT:

MEMBERS	Kelly T KING Chair	Keani N. W. RAWLINS- FERNANDEZ Vice-Chair	G. Riki HOKAMA	Natalie A. KAMA	Alice L. LEE	Michael J. MOLINA	Tamara A. M. PALTIN	Shane M. SINENCI	Yuki Lei K. SUGIMURA
ROLL CALL	Aye	Aye	Excused	Aye	Aye	Aye	Aye	Aye	Aye

BILL NOS. 34 (2019), 35 (2019), AND 36 (2019) PASS FIRST READING AND BE ORDERED TO PRINT:

MEMBERS	Kelly T KING Chair	Keani N. W. RAWLINS- FERNANDEZ Vice-Chair	G. Riki HOKAMA	Natalie A. KAMA	Alice L. LEE	Michael J. MOLINA	Tamara A. M. PALTIN	Shane M. SINENCI	Yuki Lei K. SUGIMURA
ROLL CALL	Aye	Aye	Excused	Aye	Aye	Aye	Aye	Aye	Aye

Bill Nos. 34 (2019) and 36 (2019) were amended prior to passage on first reading.

RESOLUTION NOS. 19-101 AND 19-102 ADOPTED:

MEMBERS	Kelly T KING Chair	Keani N. W. RAWLINS- FERNANDEZ Vice-Chair	G. Riki HOKAMA	Natalie A. KAMA	Alice L. LEE	Michael J. MOLINA	Tamara A. M. PALTIN	Shane M. SINENCI	Yuki Lei K. SUGIMURA
ROLL CALL	Aye	Aye	Excused	Aye	Aye	Aye	Aye	Aye	Aye

RESOLUTION NO. 19-103 ADOPTED:


MEMBERS	Kelly T KING Chair	Keani N. W. RAWLINS- FERNANDEZ Vice-Chair	G. Riki HOKAMA	Natalie A. KAMA	Alice L. LEE	Michael J. MOLINA	Tamara A. M. PALTIN	Shane M. SINENCI	Yuki Lei K. SUGIMURA
ROLL CALL	Aye	Aye	Excused	Aye	Aye	Aye	Aye	Aye	Aye

Resolution No. 19-103 was amended prior to adoption.

**REFERRAL OF ITEMS 13 THROUGH 40 AND FILING OF COUNTY COMMUNICATIONS
19-61 AND 19-158:**

MEMBERS	Kelly T KING Chair	Keani N. W. RAWLINS- FERNANDEZ Vice-Chair	G. Riki HOKAMA	Natalie A. KAMA	Alice L. LEE	Michael J. MOLINA	Tamara A. M. PALTIN	Shane M. SINENCI	Yuki Lei K. SUGIMURA
ROLL CALL	Aye	Aye	Excused	Aye	Aye	Aye	Aye	Aye	Aye

Item 25 was referred to the Multimodal Transportation Committee; Item 26 was referred to the Affordable Housing Committee; and Item 27 was referred to the Economic Development and Budget Committee.



COUNTY CLERK