

Michael P. Victorino  
Mayor

Sananda K. Baz  
Managing Director



**OFFICE OF THE MAYOR**  
COUNTY OF MAUI  
200 S. HIGH STREET  
WAILUKU, MAUI, HAWAII 96793  
[www.mauicounty.gov](http://www.mauicounty.gov)

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COUNTY CLERK

REFERENCE NO. BD-BA 20-36

January 16, 2020

Honorable Michael P. Victorino  
Mayor, County of Maui  
200 South High Street  
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL

For Transmittal to:

Honorable Alice L. Lee, Chair  
and Members of the Maui County Council  
200 South High Street  
Wailuku, Hawaii 96793

  
\_\_\_\_\_  
Mayor  
1/17/20  
\_\_\_\_\_  
Date

Dear Chair Lee and Members:

**SUBJECT: AMENDMENT TO THE FISCAL YEAR 2020 BUDGET:  
DEPARTMENT OF WATER SUPPLY, WEST MAUI  
COMMUNITY PLAN AREA, WEST MAUI RELIABLE  
CAPACITY**

On behalf of the Department of Water Supply, I am transmitting the attached proposed bills to amend the Fiscal Year 2020 Budget, Appendix C, Bond Authorization, and State Revolving Loan Fund for the purpose of increasing the appropriation for the West Maui Reliable Capacity.

The project was appropriated in FY 2019 for \$5,525,759 from the Water Fund - Restricted and \$4,250,000 from State Revolving Loan Funds; both appropriations lapsed on December 31, 2019. Bids for the project were opened on December 4, 2019 however; because of a bid protest, the contract could not be awarded.

The West Maui Reliable Capacity project provides for additional source to meet the demands for additional housing and issuance of residential and commercial building permits.

Alice L. Lee, Chair  
January 16, 2020  
Page 2

Also, attached is a Certification of Additional Revenues for Fiscal Year 2020 certifying the availability of Special Assessments from the Water Fund – Restricted, in the amount of \$5,525,759 to fund this request.

I respectfully request that this matter be referred to the appropriate Council committee for review and action. Thank you for your attention in this matter. Should you have any questions, please feel free to contact me at ext. 7212.

Sincerely,



MICHELE M. YOSHIMURA  
Budget Director

Attachments

cc: Jeffrey Pearson, Director of Water Supply

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

BILL NO. \_\_\_\_\_ (2020)

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 DRINKING WATER TREATMENT REVOLVING LOAN FUND FOR WEST MAUI RELIABLE CAPACITY, FISCAL YEAR 2020 BUDGET ORDINANCE

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

SECTION 1. Request for Loan. The County of Maui, pursuant to Chapter 340E, Hawaii Revised Statutes, has submitted an application for a loan from the Drinking Water Treatment Revolving Loan Fund ("DWTRLF") to the Director of the Department of Health, State of Hawaii, to finance the following project:

West Maui Reliable Capacity.....\$4,250,000

Under the terms and conditions anticipated with regard to such DWTRLF loan, the County shall repay, over a term of twenty years, the principal amount, which shall not exceed the amounts stated above, at a fixed rate of interest that shall not exceed the annual rate of the weekly Bond Buyer's 20-year general obligation index bond interest rate.

SECTION 2. Council Authorization. Pursuant to Section 2.20.020, Maui County Code, the Council of the County of Maui hereby authorizes the Mayor to enter into an intergovernmental agreement, which would include the execution of all necessary documents, including any amendments thereto, between the State of Hawaii and the County of Maui relating to the DWTRLF loan, to finance the construction of the Project, including a pledge of the County's full faith and credit, including but not limited to the County's general taxing power, as security for repayment of the loan and payment of interest and loan fees, and a covenant to exercise the County's authority as needed. The repayment of principal,

interest, and any loan fees shall be a first charge on the General Fund of the County.

SECTION 3. Effective Date. This ordinance shall take effect upon its approval.

APPROVED AS TO FORM  
AND LEGALITY:



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JENNIFER M.P.E. OANA  
Deputy Corporation Counsel  
County of Maui  
2019-0483  
2020-01-13 SRF Loan for DWS

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

BILL NO. \_\_\_\_\_ (2020)

A BILL FOR AN ORDINANCE AMENDING  
THE FISCAL YEAR 2020 BUDGET FOR THE COUNTY OF MAUI  
AS IT PERTAINS TO ESTIMATED REVENUES;  
DEPARTMENT OF WATER SUPPLY, WEST MAUI COMMUNITY PLAN AREA,  
WATER SUPPLY, WATER FUND - RESTRICTED, WEST MAUI RELIABLE CAPACITY; STATE  
REVOLVING LOAN FUNDS, WEST MAUI RELIABLE CAPACITY;  
TOTAL CAPITAL IMPROVEMENT PROJECT APPROPRIATIONS; AND  
TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)

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

SECTION 1. Ordinance No. 4988, Bill No. 36 (2019), Draft 1, as amended, "Fiscal Year 2020 Budget", is hereby amended as it pertains to Section 2, Estimated Revenues, by increasing Special Assessments by \$5,525,759; by increasing Other Intergovernmental by \$4,250,000; and by increasing Total Estimated Revenues in the amount of \$9,775,759, to read as follows:

"ESTIMATED REVENUES"

FROM TAXES, FEES AND ASSESSMENTS:

Real Property Taxes		358,462,076
Circuit Breaker Adjustment		(425,836)
Charges for Current Services		159,250,372
Transient Accommodations Tax		23,484,000
Public Service Company Tax		7,000,000
Licenses/Permits/Others		42,245,689
Fuel and Franchise Taxes		24,300,000
Special Assessments	[21,068,650]	<u>26,594,409</u>
Other Intergovernmental	[9,653,290]	<u>13,903,290</u>

FROM OTHER SOURCES:

Interfund Transfers		45,599,651
Bond/Lapsed Bond		86,780,111
Carryover/Savings:		
General Fund		23,708,458
Sewer Fund		7,878,180
Highway Fund		7,261,014
Solid Waste Management Fund		569,871
Environmental and Sustainability Fund		2,587,724
Liquor Fund		687,103
Bikeway Fund		387,208
Water Fund		4,362,357

TOTAL ESTIMATED REVENUES [824,859,918] 834,635,677"

SECTION 2. Fiscal Year 2020 Budget is hereby amended as it pertains to Section 4.J.4.a., Department of Water Supply, West Maui Community Plan Area, Water Supply, by adding an appropriation for 1) Water Fund - Restricted, West Maui Reliable Capacity, in the amount of \$5,525,759; and 2) State Revolving Loan Fund, West Maui Reliable Capacity, in the amount of \$4,250,000, to read as follows:

"J. Department of Water Supply

1. Countywide

a. Water Supply

(1) Water Fund – Unrestricted

(i) Countywide Facility Improvements	3,320,000
(ii) Countywide Upgrades and Replacements	7,180,000
(iii) Countywide Water System Modification	150,000

2. Makawao-Pukalani-Kula Community Plan Area

a. Water Supply

(1) Water Fund – Unrestricted

(i) Pookela Well B (Development Phase)	500,000
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3. Wailuku-Kahului Community Plan Area

a. Water Supply

(1) Water Fund - Unrestricted

(i) Replacement Well for Waiehu Heights Well 1 (Development Phase)	3,000,000
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(2) Bond Fund

(i) Acquisition of Real Property from Wailuku Water Company, LLC	9,500,000
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4. West Maui Community Plan Area

a. Water Supply

(1) Water Fund - Unrestricted

(i) West Maui Reliable Capacity	5,650,000
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(2) Water Fund – Restricted

<u>(i) West Maui Reliable Capacity</u>	<u>5,525,759</u>
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(3) State Revolving Loan Fund

<u>(i) West Maui Reliable Capacity</u>	<u>4,250,000"</u>
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SECTION 3. Fiscal Year 2020 Budget is hereby amended as it pertains to the Total Capital Improvement Project Appropriations to reflect an increase of \$9,775,759, to read as follows:

"TOTAL CAPITAL IMPROVEMENT PROJECT APPROPRIATIONS [153,723,526] 163,499,285"

SECTION 4. Fiscal Year 2020 Budget is hereby amended as it pertains to the Total Appropriations (Operating and Capital Improvement Projects) to reflect an increase of \$9,775,759, to read as follows:

"TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS) [824,859,918] 834,635,677"

SECTION 5. Material to be repealed is bracketed. New material is underscored.

SECTION 6. This Ordinance shall take effect upon its approval.

APPROVED AS TO FORM AND LEGALITY:

  
\_\_\_\_\_  
DAVID A. GALAZIN  
Deputy Corporation Counsel

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

BILL NO. \_\_\_\_\_ (2020)

A BILL FOR AN ORDINANCE AMENDING  
 THE FISCAL YEAR 2020 BUDGET FOR THE COUNTY OF MAUI  
 AS IT PERTAINS TO APPENDIX C - CAPITAL IMPROVEMENT PROJECTS,  
 DEPARTMENT OF WATER SUPPLY, WEST MAUI COMMUNITY PLAN AREA (WEST MAUI  
 RELIABLE CAPACITY)

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

SECTION 1. Ordinance No. 4988, Bill No. 36 (2019), Draft 1, as amended, "Fiscal Year 2020 Budget", Appendix C – Capital Improvement Projects, is hereby amended as it pertains to the Department of Water Supply, West Maui Community Plan Area, by increasing the appropriation for the West Maui Reliable Capacity project by \$9,775,759, to read as follows:

	<b><u>“Department of Water Supply</u></b>	
	<b><i>1. Countywide</i></b>	
CBS-2299	<b>a. Countywide Upgrades and Replacements</b>	7,180,000
	Upgrade and replace the following: infrastructure of water treatment facilities; well motors and pumps; booster pump stations, motors and pumps, and motor control centers; electrical systems; and SCADA systems. Install emergency generators at facilities. Proceed with design and construction of projects funded in prior fiscal year budgets.	
CBS-1075	<b>b. Countywide Facility Improvements</b>	3,320,000
	Construct the following: 1) Improvements at booster pump station sites, 2) Improvements at water treatment plant sites, 3) Improvements at water tank sites, and 4) Improvements needed to address sanitary survey deficiencies issued by the State Department of Health, Safe Drinking Water Branch. Proceed with design and construction of projects funded in prior fiscal year budgets.	
CBS-4615	<b>c. Countywide Water System Modification</b>	150,000
	The Countywide Water System Modification supports all CIP projects, including prior fiscal year, ensuing fiscal year, and emergency projects to efficiently provide clean and safe drinking water to customers. An effective CIP program demands an ability to respond to unanticipated planning, design, and construction issues in a timely manner.	
	<b><i>2. Makawao-Pukalani-Kula Community Plan Area</i></b>	
CBS-1106	<b>a. Pookela Well B (Development Phase)</b>	500,000
	Expand source, transmission, and storage for the Upcountry water system through the development phase of Pookela Well B.	
	<b><i>3. Wailuku-Kahului Community Plan Area</i></b>	
CBS-1102	<b>a. Replacement Well for Waiehu Heights Well 1 (Development Phase)</b>	3,000,000
	Expand source, transmission, and storage for Central Maui water system through the development phase of the replacement well for Waiehu Heights Well 1.	

CBS-XXXX	<b>b. Acquisition of Real Property from Wailuku Water Company, LLC</b>	9,500,000
	Land acquisition and related costs for parcels and easements located in Wailuku, Maui from Wailuku Water Company, LLC.	
	<b>4. West Maui Community Plan Area</b>	
CBS-1092	<b>a. West Maui Reliable Capacity</b> [5,650,000]	<u>15,425,759</u>
	Expand source, transmission, and storage for West Maui water system through the exploratory phase for Launiupoko Well Nos. 1 and 2 and the development, <u>design, and construction</u> phase for West Maui Well No. 2."	

SECTION 2. Material to be repealed is bracketed. New material is underscored.

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

APPROVED AS TO FORM AND LEGALITY:

  
 \_\_\_\_\_  
 DAVID A. GALAZIN  
 Deputy Corporation Counsel

CERTIFICATION OF ADDITIONAL REVENUES FOR FISCAL YEAR 2020

I, MICHAEL P. VICTORINO, Mayor of the County of Maui, State of Hawaii, pursuant to Section 9-9.1 of the Revised Charter of the County of Maui (1983), as amended, do hereby certify that there is available for appropriation revenue received from anticipated sources but in excess of the budget estimates for Fiscal Year 2020. The amount available for appropriation is:

From Special Assessments:

Water Fund - Restricted \$5,525,759

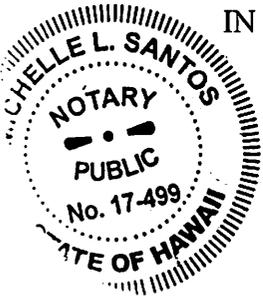
*Michael P Victorino*

MICHAEL P. VICTORINO Mayor, County of Maui

STATE OF HAWAII ) ) SS. COUNTY OF MAUI )

On this 17th day of January, 2020, before me appeared Michael P. Victorino, to me personally known, who being by me duly sworn did say that he is the Mayor of the County of Maui, a political subdivision of the State of Hawaii, and that the seal affixed to the foregoing instrument is the lawful seal of the said County of Maui, and that the said instrument was signed and sealed on behalf of said County of Maui pursuant to Section 9-18 of the Charter of the County of Maui; and the said MICHAEL P. VICTORINO acknowledged the said instrument to be the free act and deed of said County of Maui.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.



*Michelle L. Santos*

Michelle L. Santos Notary Public, State of Hawaii My commission expires: December 3, 2021

Doc. Date: 1-17-2020 # Pages: 10 Notary Name: MICHELLE L SANTOS 2nd Circuit Doc. Description: Addition of funds (Stamp or Seal) Michelle L Santos 1-17-2020 Notary Signature Date

