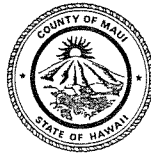


DANNY A. MATEO  
County Clerk



RECEIVED JOSIAH K. NISHITA  
Deputy County Clerk

2015 JAN 16 PM 3:06

**OFFICE OF THE COUNTY CLERK**

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

OFFICE OF THE  
COUNTY COUNCIL

January 16, 2015

Honorable Riki Hokama, Chair  
Budget and Finance Committee  
Council of the County of Maui  
Wailuku, Hawaii 96793

Dear Chair Hokama:

County Communication No. 15-14, references matters that were referred to the Council Chair for the 2015-2017 term at the Council meetings of December 5, 2014, and December 19, 2014.

At its meeting of January 16, 2015, the Council approved the recommended referrals as read by the County Clerk and filed County Communication No. 15-14.

Respectfully transmitted are copies of the following communications that were referred to your Committee:

COUNTY COMMUNICATIONS:

- No. 14-291 - Danilo F. Agsalog, Director of Finance
- No. 14-304 - Sananda K. Baz, Budget Director
- No. 14-305 - Sananda K. Baz, Budget Director
- No. 14-306 - Sananda K. Baz, Budget Director *BF-23*

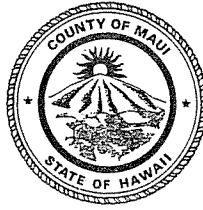
Respectfully,

A handwritten signature in black ink, appearing to read "J. Nishita".

JOSIAH K. NISHITA  
Deputy County Clerk

/jym  
Enclosures  
cc: Director of Council Services

ALAN M. ARAKAWA  
MAYOR



200 South High Street  
Wailuku, Hawai'i 96793-2155  
Telephone (808) 270-7855  
Fax (808) 270-7870  
e-mail: mayors.office@mauicounty.gov

RECEIVED

2014 DEC -8 PM 2:52

OFFICE OF THE  
COUNTY CLERK

**OFFICE OF THE MAYOR**

Ke'ena O Ka Meia  
COUNTY OF MAUI – Kalana O Maui

REFERENCE NO. BD-BA 15-21

December 8, 2014

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

**APPROVED FOR TRANSMITTAL**

*Alan Arakawa* 12/8/14  
\_\_\_\_\_  
Mayor Date

For Transmittal to:

Honorable Gladys C. Baisa, Chair  
and Members of Maui County Council  
200 South High Street  
Wailuku, Hawaii 96793

Dear Chair Baisa and Members:

**SUBJECT: A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2015 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES; DEPARTMENT OF ENVIRONMENTAL MANAGEMENT, SOLID WASTE ADMINISTRATION PROGRAM – SOLID WASTE MANAGEMENT FUND, SOLID WASTE OPERATIONS PROGRAM – SOLID WASTE MANAGEMENT FUND; DEPARTMENT OF FINANCE, COUNTYWIDE COSTS; TOTAL OPERATING APPROPRIATIONS; AND TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)**

I am transmitting a proposed bill entitled, "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2015 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES; DEPARTMENT OF ENVIRONMENTAL MANAGEMENT, SOLID WASTE ADMINISTRATION PROGRAM – SOLID WASTE MANAGEMENT FUND, SOLID WASTE OPERATIONS PROGRAM – SOLID WASTE MANAGEMENT FUND; DEPARTMENT OF FINANCE, COUNTYWIDE COSTS; TOTAL OPERATING APPROPRIATIONS; AND TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)".

The purpose of this bill is to increase the appropriations under the Department of Environmental Management's Solid Waste Administration Program – Solid Waste

COUNTY COMMUNICATION NO. 14-306

Honorable Gladys C. Baisa, Chair  
and Members of Maui County Council  
December 8, 2014  
Page 2

Management Fund by \$100,340 and equivalent personnel (EP) count by 1.0, and increase the appropriation for the Solid Waste Operations Program – Solid Waste Management Fund by \$599,689 and EP count by 3.0. Please refer to the attached summary detailing the proposed increases which was provided by the department.

The proposed increases will be funded by increasing Carryover/Savings Solid Waste Management Fund in the amount of \$700,029 and Estimated Revenues in the amount of \$700,029. Attached for your information is a "Certification of Additional Revenues for Fiscal Year 2015" to certify the availability of Solid Waste Management Fund Carryover/Savings in the amount of \$700,029.

The Department of Environmental Management is requesting that this proposed bill be considered as soon as possible. Therefore, I respectfully request that this matter be referred to the appropriate Council committee for expeditious review, discussion and appropriate action.

Thank you for your attention in this matter. Should you have any questions, please feel free to contact me at Ext. 7212.

Sincerely,



SANANDA K. BAZ  
Budget Director

Attachments (3)

cc: Keith Regan, Managing Director  
Danny Agsalog, Finance Director  
Kyle Ginoza, Environmental Management Director

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

BILL NO. \_\_\_\_\_ (2014)

A BILL FOR AN ORDINANCE AMENDING  
THE FISCAL YEAR 2015 BUDGET FOR THE COUNTY OF MAUI  
AS IT PERTAINS TO ESTIMATED REVENUES;  
DEPARTMENT OF ENVIRONMENTAL MANAGEMENT,  
SOLID WASTE ADMINISTRATION PROGRAM – SOLID WASTE MANAGEMENT FUND,  
SOLID WASTE OPERATIONS PROGRAM – SOLID WASTE MANAGEMENT FUND;  
DEPARTMENT OF FINANCE, COUNTYWIDE COSTS;  
TOTAL OPERATING APPROPRIATIONS; AND  
TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)

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

SECTION 1. Ordinance No. 4133, Bill No. 37 (2014), as amended, "Fiscal Year 2015 Budget", is hereby amended as it pertains to Section 2, Estimated Revenues by increasing Carryover/Savings from the Solid Waste Management Fund in the amount of \$700,029, and increasing Total Estimated Revenues in the amount of \$700,029, to read as follows:

"ESTIMATED REVENUES

FROM TAXES, FEES AND ASSESSMENTS:

Real Property Taxes	238,015,312
Circuit Breaker Adjustment	(297,122)
Charges for Current Services	121,285,248
Transient Accommodations Tax	23,280,000
Public Service Company Tax	9,000,000
Licenses/Permits/Others	29,043,396
Fuel and Franchise Taxes	21,100,000
Special Assessments	4,130,000
Other Intergovernmental	18,109,000

FROM OTHER SOURCES:

Interfund Transfers	45,078,912
Bond/Lapsed Bond	52,378,582
Carryover/Savings:	
General Fund	25,560,173
Sewer Fund	8,378,696
Highway Fund	3,856,976
Solid Waste Management Fund	[1,332,200] <u>2,032,229</u>
Golf Fund	128,226
Liquor Fund	719,109
Bikeway Fund	346,946
Water Fund	<u>9,484,652</u>

TOTAL ESTIMATED REVENUES [610,930,306] 611,630,335"

SECTION 2. Fiscal Year 2015 Budget is hereby amended as it pertains to Section 3.B.3.d., Department of Environmental Management, Solid Waste Administration Program – Solid Waste Management Fund, by increasing the appropriations under this section by \$100,340 and increasing the equivalent personnel by 1.0; and Section 3.B.3.e., Department of Environmental Management, Solid Waste Operations Program – Solid Waste Management Fund, by increasing the appropriation in the amount of \$599,689, and increasing the equivalent personnel by 3.0, to read as follows:

- “3. Department of Environmental Management
  - d. Solid Waste Administration Program – Solid Waste Management Fund
    - (1) General 1,070,538
      - (i) Provided, that disbursement for salaries and premium pay is limited to 14.0 [13.0] equivalent personnel.
    - (2) Contribution to General Fund – Employees' Retirement System (ERS) and Federal Insurance Contributions Act (FICA) [1,273,553] 1,290,842
    - (3) Contribution to General Fund – Hawaii Employer-Union Health Benefits Trust Fund (EUTF) [928,137] 940,737
    - (4) Contribution to General Fund – Other Post-Employment Benefits (OPEB) [873,821] 885,683
    - (5) Contribution to General Fund – Reimbursement for the Department of Environmental Management – Administration Program 301,275
    - (6) Debt Service 4,319,652
    - (7) Administrative Overhead Charge [4,293,086] 4,351,675
  - e. Solid Waste Operations Program - Solid Waste Management Fund [16,755,422] 17,355,111
    - (1) Provided, that disbursement for salaries and premium pay is limited to 85.0 [82.0] equivalent personnel.
      - (i) Provided, that \$200,000 shall be for a Convenience Center at the Central Maui Landfill.
      - (ii) Provided, that \$415,177 shall be for a Metals and Abandoned Vehicles Program.
      - (iii) Provided, that \$25,000 shall be for a Drop Box Facility in West Maui.
      - (iv) Provided, that \$3,413,838 shall be for Solid Waste Alternatives Programs, and that the Recycling Drop Box Program shall be maintained.
      - (v) Provided, that \$1,986,000 shall be for the purchase of one 20-cubic yard rear-loader refuse truck with lifters for the Hana area, two 28-cubic-yard automated refuse trucks for the Upcountry area, one 28-cubic-yard automated refuse truck for the Lahaina area, one 6- to 8-cubic-yard mini-refuse truck with lifters for the Makawao area, and one 20-cubic-yard rear-loader refuse truck with lifters for Molokai.”

SECTION 3. Fiscal Year 2015 Budget is hereby amended as it pertains to Section 3.B.4.f., Department of Finance, Countywide Costs, by increasing the appropriation for Fringe Benefits by \$100,340, decreasing the appropriation for Fringe Benefit Reimbursements by \$41,751, and decreasing the appropriation for Overhead Reimbursement by \$58,589, to read as follows:

"4. Department of Finance  
f. Countywide Costs

(1) Fringe Benefits	[65,188,267]	<u>65,288,607</u>
(2) Fringe Benefit Reimbursements	[(17,105,491)]	<u>(17,147,242)</u>
(3) Bond Issuance and Debt Service		36,960,202
(4) Supplemental Transfer to the Golf Fund		2,544,644
(5) Supplemental Transfer to the Solid Waste Management Fund		15,060,234
(6) Insurance Programs and Self Insurance		8,000,000
(7) Transfer to the Open Space, Natural Resources, Cultural Resources, and Scenic Views Preservation Fund		2,377,182
(8) Transfer to the Affordable Housing Fund		4,754,364
(9) General Costs		980,126
(10) Overhead Reimbursement	[(18,112,535)]	<u>(18,171,124)</u>
(11) Transfer to the Post-Employment Obligations Fund		13,000,000
(12) Transfer to the Emergency Fund		3,405,866"

SECTION 4. Fiscal Year 2015 Budget is hereby amended as it pertains to the Total Operating Appropriations to reflect an increase of \$700,029, to read as follows:

"TOTAL OPERATING APPROPRIATIONS	[493,161,026]	<u>493,861,055"</u>
---------------------------------	---------------	---------------------

SECTION 5. Fiscal Year 2015 Budget is hereby amended as it pertains to the Total Appropriations (Operating and Capital Improvement Projects) to reflect an increase of \$700,029, to read as follows:

"TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)	[610,930,306]	<u>611,630,335"</u>
--	---------------	---------------------

SECTION 6. Material to be repealed is bracketed. New material is underscored.

SECTION 7. This Ordinance shall take effect upon its approval.

APPROVED AS TO FORM AND LEGALITY:

  
 \_\_\_\_\_  
 JEFFREY UEOKA  
 Deputy Corporation Counsel

# REQUEST FOR FISCAL YEAR 2015 BUDGET AMENDMENT

## SOLID WASTE DIVISION

### ITEM #5 JUSTIFICATION/REASON FOR BUDGET AMENDMENT REQUEST

As presented in the Fiscal Year 15 Budget deliberation meetings, as well as in committee meetings before Council since the FY 15 Budget, the Solid Waste Division has expressed the need for additional positions to maintain the Solid Waste Division in all its present functions, including addressing long standing compliance concerns. Ultimately, four (4) of the six (6) positions requested in FY 15 were not approved by Council.

It was stated to Council at that time that should the Division's budget be reduced, we would be required to make reductions in community services and/or various non-regulatory compliant, discretionary contracts and programs, or obtain funding for outsourcing (in lieu of getting positions). Council budget cuts did in fact force the Department to enact holiday reductions in refuse service. These services have since been temporarily re-instated after discussion and agreement between the Mayor and the Council Chair to allow for the Division to submit a supplemental budget request to re-request the needed Solid Waste Division positions. To allow for services to be re-instated, the Division has outsourced various engineering and operations activities, as well as in process of creating temporary Limited Term employee positions to help address compliance issues in the mean time. (These position #'s have been temporarily borrowed from other Departments and represent a short term solution only.) This supplemental budget request is to provide the needed four (4) full time permanent positions to the Division, as well as cover the required outsourcing that has been done since July 1, 2014.

A secondary component of the supplemental budget amount is for our Alternative Programs to cover unanticipated contractual recycling costs. These costs are always estimates at budget time, based upon anticipated recycling tonnages. Please note that the Operating Program budget for Recycling is combined with Refuse Collections, Landfilling Operations (state regulatory compliance items), this means recycling always competes when funding is insufficient to address both needs. To address this challenge, the Recycling component of the Division's Operations Program budget will be proposed to Council in FY 16 budget to be separated out of the Solid Waste Division Operations budget and combined with the new Sustainability Division to allow for the new Charter Amendment initiatives as well as recycling programs and community services. These would then be able to continue, unabated, within their own funding source and prioritization.

As the fiscal responsibilities for Solid Waste Operations and Maintenance have increased over the years, so has the need to focus on our core responsibilities and regulatory compliance as our main allocation of resources for the Division. This has become more paramount over the past years as additional Department of Health fines have been levied against the County with several additional regulatory non-compliance issues and potential fines yet to be resolved.

In summary, the enclosed budget amendment request is to allow for the Solid Waste Division to address long standing compliance concerns, and begin building sustainability within the Division. Upon approval, the current community service can continue as well. If denied, various non-regulatory community services will be reduced starting in February of 2015 to save funding needed to make it thru the remainder of the fiscal year. Please refer to the attached Supplemental Budget Summary outlining the components of the supplemental budget requested.

SOLID WASTE DIVISION FY 2015 SUPPLEMENTAL BUDGET SUMMARY

REPORT PRINTED:

11/19/2014 7:58

PROGRAM	INDEX CODE	SUB OBJ DESCRIPTION	INCREASE \$ REQUESTED	INCREASE EP REQUESTED	ITEM DESCRIPTION	JUSTIFICATION	
LANDFILLS	Central	919509	Salary	\$20,004	1.0	Central Maui Landfill attendant	6 months of salary for CML Landfill Attendant.
		919509	Professional Services	\$105,000		Engineering Services for Central Maui Landfill	Consultant services will assist the Division with developing bid specifications, bid services and construction management services for compliance related construction projects. Consultants will also provide engineering support for contract management/oversight, planning, and operations support.
		919509	Contract Services	\$150,000		Central Maui Landfill pump station rehabilitation and repair	Repair/replace tank and pumps in Phase IVA wet well to address identified DOH compliance concerns.
	Mokai	919513	Contract Services	\$25,099		Screen and remove C&D/greenwaste material	Complete C&D and greenwaste material screening on the Makai side of Phases I and II at Molokai Landfill. Material will be recycled and landfilled to meet regulatory compliance with DOH Solid Waste Permit, addressing historical areas of concern.
	Lanai	919515	Salary	\$25,793	1.0	Lanai Landfill Equipment Operator I	6 months of salary for Lanai Landfill Equipment Operator.
	Hana	919511	Salary	\$25,793	1.0	Hana Landfill Equipment Operator I	6 months of salary for Hana Landfill Equipment Operator.
		919511	Professional Services	\$120,000		Hana Makai Berm Compliance project, (Land Use and SMA Permitting)	Acquire Land Use/SMA permits and draft Environmental Assessment to proceed with Makai Berm remediation.
ALTERNATIVE		919570	Contract Services	\$128,000		Existing Contracts	Recycling tonnages are projected to exceed the original FY 15 estimated amounts, requiring additional processing funding.
OPERATIONS SUPPLEMENTAL BUDGET AMENDMENT			\$599,689	3.0			
ADMINISTRATION		919500	Equivalent Position		1.0	Civil Engineer III	CE III position will support the Division's extensive engineering needs. Salary for FY15 will be absorbed by savings from current vacant positions. Funding for position in FY16 will need to be added to current budget request. Refer to documentations previously provided to Council during FY 15 Budget deliberations outlining the Division Engineering responsibilities, justifying the need for this added position to address compliance, CIP and Operations engineering projects.
ADMINISTRATION SUPPLEMENTAL BUDGET AMENDMENT			\$0	1.0			



CERTIFICATION OF ADDITIONAL REVENUES FOR FISCAL YEAR 2015

I, ALAN M. ARAKAWA, 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 2015. The amount available for appropriation is:

From the Carryover/Savings:

Solid Waste Management Fund \$700,029.00

*Alan Arakawa*

ALAN M. ARAKAWA  
Mayor, County of Maui

STATE OF HAWAII )  
 ) SS.  
COUNTY OF MAUI )

On this 8th day of December, 2014, before me appeared Alan M. Arakawa, 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 ALAN M. ARAKAWA 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.

Doc. Date: Undated at time of notary # Pages: 1  
Jennifer Okamura Second Circuit  
Doc. Description Certification of  
Additional Revenue for Fiscal  
Year 2015

*Jennifer Okamura*  
Notary Signature Date 12/8/2014

*Jennifer Okamura*

Jennifer Okamura  
Notary Public, State of Hawaii  
My commission expires: June 29, 2016

NOTARY CERTIFICATION

