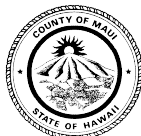


Council Chair
Alice L. Lee

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Presiding Officer Pro Tempore
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Director of Council Services
David M. Raatz, Jr., Esq.

Deputy Director of Council Services
Richelle K. Kawasaki, Esq.

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.MauiCounty.us

April 1, 2025

Ms. Rogerene "Kali" Arce, Director
Department of Agriculture
County of Maui
Wailuku, Hawaii 96793

Dear Ms. Acre:

SUBJECT: **FISCAL YEAR 2026 BUDGET** (BFED-1) (AG-02)

May I please request you be prepared to answer the following questions at the BFED Committee meeting on **April 7, 2025**.^{*} This will enable the Committee to comprehensively review the FY 2026 Budget.

May I further request that, after approval by the Office of the Mayor, you transmit your answer to bfed.committee@mauicounty.us by the end of the day on **April 7, 2025**. **Date subject to change without notice.*

Overall

1. Relating to the Agriculture Program, Goal #1, item 1: (Page 106, Program Budget)
 - a. The Department's FY 2025 Estimate for the number of grant workshops conducted during the fiscal year is three. Please confirm how many workshops have been held to date. (TK)
 - b. Why is the Department estimating it will conduct only two grant workshops in FY 2026? (TK)
 - c. How does the Department plan to measure the effectiveness of its grant workshops in the future? What metrics will the Department use to assess participant success, including attendees who submit grant applications? (NUH)

2. Relating to the Agriculture Program, Goal #1, item 2:
 - a. The Department is proposing a \$1,000,000 increase in FY 2026 to the total amount of department grants for agricultural producers. How does the Department plan to measure the success of grant awardees? Please explain whether benchmarks or performance metrics will be used to assess the funding’s impact on agricultural production or infrastructure development.
 - b. How will the Department ensure the continued operation of the projects these grants support? (Page 107, Program Budget) (NUH)
3. Why did the Office of Economic Development’s four Feral Animal Control grants not get transferred to the Department? (Pages 558-559, Program Budget) (GJ) (YLS)
 - a. Would managing these grants assist with the Agriculture Program, Goal #1, item 5: “to protect agricultural activities by assisting with agricultural pest, disease, and feral ungulate mitigation.” (Page 107, Program Budget) (GJ)
 - b. If the Department managed these grants, could the scope be expanded to include mitigation for birds and rodents? (GJ)
 - c. Would it be appropriate for these grants to be transferred from OED to the Department given that these funds assist ranchers and farmers? (YLS)
4. Relating to Agriculture Program, Goal #4, item 1:
 - a. The Department plans to survey and map 500 acres of agricultural lands in FY 2026. Please explain how the Department will prioritize the land and whether the community will be involved in identifying key agricultural areas. (Page 109, Program Budget) (NUH)
5. In FY 2025, per the Department’s correspondence dated March 28, 2024 (AG-1), the Department indicated a “Dashboard” as a top priority. The “Dashboard” would be accessible by the public and contain food security data compiled by the Food Access Coordinator. What is the status of the Dashboard? Please clarify whether the

“Maui County Agricultural Resource Directory” found on the Department’s website is the Dashboard. (TP)

6. Relating to the Department of Agriculture’s Strategic Plan for 2024-2028: (Page 1-5, Mayor’s Proposed Budget Details, FY 2025 Budget) (TP)
 - a. Please confirm if the second draft of the Strategic Plan is the final draft. If not, when can we expect the final draft?
 - b. Did the Department work with farmers to develop a standard for organic compost when creating the Strategic Plan?
 - c. In the FY 2024 Budget, \$240,000 was budgeted under Professional Services for the development of a Strategic Plan. Have these funds been fully encumbered?
7. Would the Department support a \$2,000,000 grant to be awarded to grantees to promote the purchasing of local food to bring Maui-grown crops to residents’ tables? If yes, how much funding would the Department recommend be allocated per grantee? (GJ)
8. Has the Department established its administrative rules? If yes, please provide a copy. If no, please state why not. (TP)
9. Please explain why the Department is not seeking any grant funding for its Agriculture Program. (YLS)
10. Please confirm whether the Department received a \$200,000 State Department of Agriculture grant to fund a pilot program that would transform green waste at the Central Maui Landfill into compost with the assistance of coconut rhinoceros beetles. If so, please explain how the pilot project was conducted and its outcomes. (TP)

Salaries and Wages (Category “A”)

1. For the Agriculture Program, Index Code 918223A, have the following positions already been described by the Department of Personnel Services? Or is a reorganization required to maintain pay equity among staff? If already described, will the positions be ready for recruitment by July 1, 2025:
 - a. P-00674, Secretary III;

- b. P-00675, Information and Education Specialist;
 - c. P-00676, Value Chain Coordinator; and
 - d. P-00705, Park Project Coordinator. (Page 1-3, Budget Details) (TP)
- 2. For P-00674 Secretary III, Agriculture Program, Index Code 918223A:
 - a. The Department is requesting additional funding to provide assistance with Boards and Commissions. Which Boards and Commissions does the Department staff?
 - b. Does the Department believe the work of the Boards and Commissions the Department oversees is worth continuing, or should they be combined or dissolved? (Page 1-3, Budget Details) (TP)
- 3. For P-00604 ISA Certified Arborist, Index Code 918223A: (Page 1-3, Budget Details)
 - a. Please provide a status update, including why the Department of Personnel Services did not establish the position in Fiscal Year 2025. (GJ) (TP)

Operations and Equipment (Category “B”)

- 1. For the Agriculture Program, Contractual Service, Index Code 918223B: (Page 1-6, Budget Details)
 - a. Which entities will the outsourced grant writer be applying to? Will the funding sources be county, state, federal, or philanthropic? (TP)
 - b. The outsourced grant writer services are intended for Agriculture Producers. What criteria will be used to select producers for assistance from the grant writer? (TP)
 - c. Please clarify how the requested \$162,600 will be allocated, including how the contractors will be selected. (NUH) (GJ)

- d. How will the Department track and monitor the effectiveness of the grant writing services and the clerical services to support the Arborist? (NUH)
2. For Professional Services, Index Code 918223B:
 - a. Please explain how the \$473,000 was used in FY 2025 and how the same allocation will be used in FY 2026. (Page 1-6, Program Budget) (GJ)
3. For the Agriculture Operations/Infrastructure/Education, Index Code 923018B:
 - a. Please provide a breakdown of the FY 2025 grant allocations, including which entities applied, for what amounts, and how much was granted.
 - b. How does the Department plan to allocate the funds in FY 2026? Please clarify how the Department will be scoring or prioritizing applications. (Pages 1-8 and 1-9, Budget Details and Page 113, Program Budget) (GJ)
4. For Agriculture Recovery, Index Code 923024B:
 - a. Please explain the difference between OED’s Feral Animal Control grant and the Department’s Feral Animal Recovery grant. Are applicants eligible to receive funding from both grants? (Page 1-9, Budget Details and Page 113, Program Budget) (GJ)
5. For the Maui County Farm Bureau, Index Code 923032B:
 - a. Please explain why there are no funds for the Maui County Farm Bureau in FY 2026. (Page 1-9, Budget Details) (YLS)
6. For the Agricultural Micro Grants Program, Index Code 923033B: (Page 1-9, Budget Details and Page 113, Program Budget)
 - a. In FY 2025, how much grant funding was awarded to: 1) women farmers; and 2) Native Hawaiian farmers? (TK)
 - b. Please provide a program report and status update, including number of participants, use and purpose, grant amounts, and

if funding was denied, the primary reason for denial. For each grantee, please include the number of years they have been in operation and whether repeat funding was received. (GJ) (TP)

- c. What was the total amount of grant funding requested in FY 2025 compared to the amount appropriated? (GJ)
- d. How does the Department monitor the program and ensure compliance of the program’s conditional language:

“The micro grants must be dispersed with efforts to ensure equitable distribution among applicants in Maui, Molokai, and Lāna’i, with preference given to socially disadvantaged farming applicants, such as women and native Hawaiians, and to farmers who did not receive funding in prior fiscal years from the micro grant funding. The micro grants will be exclusively to food-producing farm businesses that operate on less than an aggregate of 12 acres, or up to an aggregate of 40 usable acres for livestock producers within Maui County and possess a County business or State general excise license for the farming or ranching business as of July 1, 2025. Low revenue from sales will not disqualify applicants. Farm business owners and any partners must be Maui County residents for a minimum of one year prior to the date of the applicant's grant request. Applicants will not be disqualified based upon receipt of COVID-related grant funding from supplementary sources.” (YLS)

- e. How does the Department plan to select grantees for the FY 2026 appropriation? (YLS)
7. Please explain why these grants, previously managed by the Department of Human Concerns, are now administered by the Department:
- a. Animal Enforcement Program, Index Code 923037B;
 - b. Maui Humane Society for Animal Sheltering Program, Index Code 923035B;

- c. Maui Humane Society Molokai, Index Code 923036B; and
 - d. Spay Neuter Program, Index Code 923038B. (Pages 1-9 and 1-10, Budget Details) (YLS)
8. For the Maui Humane Society for Animal Sheltering Program, Index Code 923035B: (Page 1-9, Budget Details)
- a. Please clarify whether the funds will be used towards the Maui Humane Society’s Pu‘unene location to reduce the need to fly animals off-island. (SS)
 - b. Will the grant funding be used to hire additional staff at the Maui Humane Society? And if so, what types of positions are needed? (SS)
 - c. In FY 2025, \$150,000 was appropriated for the Hawaii Animal Rescue Foundation. Now that Maui Humane Society has taken over HARF’s work, why was the \$150,000 not reappropriated to the Maui Humane Society for Animal Sheltering Program? (Page 469, Program Budget) (TP)
9. Relating to the State of Hawai‘i, Department of Agriculture Grant Award, formerly CBS-7898, Kula Agricultural Park Phase 1 Expansion – Upcountry Maui Ag Park (FY 2024):
- a. Formerly listed as a CIP project in the FY 2024 Budget, the State of Hawai‘i Department of Agriculture provided a \$10,160,000 grant award. What is the status of the project and grant funds? (YLS)
 - b. As FY 2026 funding was not requested, what is the status of the environmental assessment, water delivery system, lot design, placement, roads, electricity, and location of the fire hydrants that was part of the CIP? (TP)

Budget bill

1. Please confirm whether (4)(iii) Maui Humane Society for Molokai should instead be entitled, “Maui Humane Society for Molokai

Ms. Rogerene "Kali" Arce
April 1, 2025
Page 8

Animal Services," as described on page 114 in the Program Budget.
(Page 4)

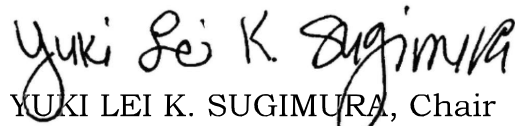
Appendix B-1

1. Are Kula Agricultural Park Lots #30 (Tax Map Key 2-3-002-119) and #31 (Tax Map Key 2-3-002-120) available for lease by the Department? Please describe the lease application process. (Page 2) (TP)

To ensure efficient processing, please duplicate the coding in the subject line above for easy reference.

Thank you for your attention to this request. Should you have any questions, please contact me or the Committee staff (Kirsten Szabo at ext. 7662, James Krueger at ext. 7761, Jarret Pascual at ext. 7141, Clarissa MacDonald at ext. 7135, or Pauline Martins at ext. 8039).

Sincerely,



YUKI LEI K. SUGIMURA, Chair
Budget, Finance, and Economic
Development Committee

bfed:2026bgt:250331aag01:clm

cc: Mayor Richard T. Bissen, Jr.
Budget Director
Deputy Director of Agriculture

BFED Committee

From: BFED Committee
Sent: Tuesday, April 1, 2025 2:37 PM
To: Rogerene Arce
Cc: BFED Committee; 'Michelle Santos'; 'Zeke Kalua'; Lesley Milner;
kristina.cabbat@co.maui.hi.us; tiare.p.horner@co.maui.hi.us; Janina Agapay;
koa.hewahewa@mauicounty.us; Kahea Ueshiro
Subject: FISCAL YEAR 2026 BUDGET (BFED-1) (AG-2); reply by 4/7/25
Attachments: (AG-02) Correspondence to Agriculture 04-01-2025.pdf

RICHARD T. BISSEN, JR.
Mayor

ROGERENE K.M. ARCE
Director

KOA HEWAHEWA
Deputy Director



DEPARTMENT OF AGRICULTURE
COUNTY OF MAUI
200 SOUTH HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.mauicounty.gov

April 7, 2025

Lesley Milner
Budget Director, County of Maui
200 South High Street
Wailuku, Hawaii 96793

Honorable Richard T. Bissen, Jr.
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL

Richard T. Bissen, Jr. 4-9-25
Mayor Date

For Transmittal to:

Yuki Lei K. Sugimura, Chair
Budget, Finance, and Economic Development Committee
Maui County Council
200 South High Street
Wailuku, Hawaii 96793

Dear Ms. Sugimura:

SUBJECT: FISCAL YEAR 2026 BUDGET (BFED-1) (AG-02)

Thank you for your letter dated April 1, 2025. Please see our responses below:

Overall

1. Relating to the Agriculture Program, Goal #1, item 1: (Page 106, Program Budget)
 - a. The Department's FY 2025 Estimate for the number of grant workshops conducted during the fiscal year is three. Please confirm how many workshops have been held to date. (TK)

There was a total of three workshops conducted this year: one on Maui, one on Molokai, and one on Lanai.

APPROVED FOR TRANSMITTAL

Mayor Date

- b. Why is the Department estimating it will conduct only two grant workshops in FY 2026? (TK)

We plan to conduct four workshops next fiscal year. Our new Grants Coordinator just started in April 2025 and was given time to plan how workshops will be conducted. This year the grants team will be fully staffed and have plans to develop comprehensive hands-on workshops based off our previous years' collected data.

There is a significant amount of time in the grant process that it takes to review, score, rank proposals, once the application deadline closes. The grant process also includes a lot of follow ups with applicants for required documents that are needed for their application packet, and more time in creating contracts for awardees. Concurrently, previous year's awardees contracts need managing, ensuring their documents are being submitted. The Grants Management Specialists also perform site visits to grantees' projects to make visual observations and interviewing grantees to check if the project goals and objectives are being met. In between the whole grant process, the Grant Management Program Specialists are providing one on one technical assistance to producers. This leaves a small window to conduct workshops for three islands.

- c. How does the Department plan to measure the effectiveness of its grant workshops in the future? What metrics will the Department use to assess participant success, including attendees who submit grant applications? (NUH)

Effectiveness will be measured by doing pre surveys of their knowledge of the grant process before the workshop then, give a post survey of the participants that get awarded with the same questions

2. Relating to the Agriculture Program, Goal #1, item 2:

- a. The Department is proposing a \$1,000,000 increase in FY 2026 to the total amount of department grants for agricultural producers. How does the Department plan to measure the success of grant awardees? Please explain whether benchmarks or performance metrics will be used to assess the funding's impact on agricultural production or infrastructure development.

Each project will have specific evaluations and will be on a case-by-case basis. Examples of benchmarks the Department may use to assess funding impact on Ag production are requesting from producer their prior year's crop production yield or livestock increases (such as head of cattle, number of eggs increased over a year, etc.) prior to receiving grant then, comparing to crop

yield or livestock increases over the next year from when the grant funding

was received. An example of benchmarks the Department may use to assess funding impact on infrastructure development can be a comparison of crop yield before fencing was installed or before a new irrigation system was installed or before growing covercrop followed by mowing and blowing of mulch to improve soil health.

- b. How will the Department ensure the continued operation of the projects these grants support? (Page 107, Program Budget) (NUH)

After project period has ended, a review will be made on agriculture income and yield comparing it to starting amounts; conducting follow up site visits over the next year to see if projects are still moving forward, and if equipment or machinery was purchased for the project is still in operation. We are currently developing pre-post surveys that will help the Department understand the impact of these grants that supported agricultural operations.

- 3. Why did the Office of Economic Development's four Feral Animal Control grants not get transferred to the Department? (Pages 558-559, Program Budget) (GJ) (YLS)

The Department is limited to how much it can take on from other department's animal and plant grant programs not only due to the small number of staff (2 GMPS II and 1 Grant Coordinator), but the need to develop processes to be able to transition into managing an increased number of additional grant programs while developing its own grant processes and management system, making adjustments along the way to ensure it is successful. The work may require contracting out the grants management to reduce the load on the Department and give time for the Department to grow incrementally at a reasonable pace.

- a. Would managing these grants assist with the Agriculture Program, Goal #1, item 5: "to protect agricultural activities by assisting with agricultural pest, disease, and feral ungulate mitigation." (Page 107, Program Budget) (GJ)

Yes, these types of grants would address that purpose but, the Department needs to develop program capacity to manage additional grant programs. Next FY, the Department is expecting to manage four Maui Humane Society grant programs that total \$3,399,000. This will require some transition time to integrate the work needed to oversee these programs while effectively managing the current contracts in place as well as managing new contracts from current FY awards.

- b. If the Department managed these grants, could the scope be expanded to include mitigation for birds and rodents? (GJ)

Our Agriculture Recovery grant subsidy bucket already awards project for

mitigation and recovery damage from animals, birds, and pests.

- c. Would it be appropriate for these grants to be transferred from OED to the Department given that these funds assist ranchers and farmers? (YLS)

Department needs to develop program capacity to manage additional grant programs. Next FY, the Department is expecting to manage four Maui Humane Society grant programs that total \$3,399,000. This will require some transition time to integrate the work needed to oversee these programs while effectively managing the current contracts in place as well as managing new contracts from current FY awards.

4. Relating to Agriculture Program, Goal #4, item 1:

- a. The Department plans to survey and map 500 acres of agricultural lands in FY 2026. Please explain how the Department will prioritize the land and whether the community will be involved in identifying key agricultural areas. (Page 109, Program Budget) (NUH)

The Department of Agriculture does not yet have a staff to identify key agricultural lands for agricultural development and does plan to have an agricultural planner on staff in the future. What the Department has started is identifying agriculture infrastructure, like slaughterhouses, including commercial kitchen space, food processing, and aggregation facilities that are pinpointed on a digital map.

5. In FY 2025, per the Department's correspondence dated March 28, 2024 (AG-1), the Department indicated a "Dashboard" as a top priority. The "Dashboard" would be accessible by the public and contain food security data compiled by the Food Access Coordinator. What is the status of the Dashboard? Please clarify whether the "Maui County Agricultural Resource Directory" found on the Department's website is the Dashboard. (TP)

The Dashboard will enhance the delivery of information the Department is mandated to collect as stated in *MCC Title 22, Section 22.02.030 – Reporting requirements*. The Department has begun data collection of some of the items listed in the Code's Section that will be used to begin the development of the Dashboard. The Dashboard is still a concept of the Department. It aims to contract the project in FY26 using the Professional Services budget. In addition to reporting US Agriculture Census Data and important statistics from the Hawai'i Department of Agriculture, the dashboard will report the indicators shared in the Maui County Food and Nutrition Security Plan, which will be updated annually by the Food Access Coordinator.

The Agricultural Resource Directory, started by the Director, is a digital phonebook

of agricultural resources. The Department also has hard copies available.

This project is also expanding as more agricultural resources, agencies, and key infrastructures are added that the farming and ranching community can access to support their production and agricultural business and operations. The expanding of the Directory was turned over to Americorp interns beginning in FY 23 and now the project is continued by MEDB Stemworks interns who are high school students which will produce Version 2 by end of FY25.

A secondary part of the Directory is the development of a digital map of food access points across Maui, Molokai, and Lana'i with pinpoints of these agricultural resources, agencies, and key infrastructures. The Map will get onto the Dashboard.

6. Relating to the Department of Agriculture's Strategic Plan for 2024- 2028: (Page 1-5, Mayor's Proposed Budget Details, FY 2025 Budget) (TP)

- a. Please confirm if the second draft of the Strategic Plan is the final draft. If not, when can we expect the final draft?

The Strategic Plan was completed in April 2024 and can be found here: <https://www.mauicounty.gov/DocumentCenter/View/150316/MDOA-2024-28-Strategic-Plan-incl-Appendices>

Did the Department work with farmers to develop a standard for organic compost when creating the Strategic Plan?

Discussion with a local farmer, occurred about the use of deer carcasses for compost making but no effort was made toward developing a standard for organic compost because compost making is under DEM EP&S.

- b. In the FY 2024 Budget, \$240,000 was budgeted under Professional Services for the development of a Strategic Plan. Have these funds been fully encumbered?

The funding is encumbered and paid out in FY24. The funding was removed from FY25 budget.

7. Would the Department support a \$2,000,000 grant to be awarded to grantees to promote the purchasing of local food to bring Maui- grown crops to residents' tables? If yes, how much funding would the Department recommend be allocated per grantee? (GJ)

Yes, the increase in grant funding for locally grown products would be welcomed as it aligns with our Department's goals and our recently developed Food and Nutrition Security Plan within our Food Security Division.

A Farm to Food Bank local food purchasing program will expand the Maui Food Bank and other emergency food providers' ability to purchase local produce. Funding should be based on the total population served per month, and funds should be divided to ensure benefit to all geographic regions in Maui County.

A ProduceRx program could include our 6 federally qualified community health centers and Native Hawaiian health centers (Malama I Ke Ola Health Center, Hāna Health, Lāna'i Community Health Center, Molokai Community Health Center, Hui No Ke Ola Pono, and Nā Pu'uwai) with funds distributed to all to source local produce boxes for patients.

A local food subsidy program will benefit all Maui County residents, especially our ALICE population who does not qualify for federal assistance. The subsidy could focus on lowering the cost of specific foods, such as poi, or it could focus broadly on discounting the cost of local produce and farm products at participating stores for all residents who show ID.

8. Has the Department established its administrative rules? If yes, please provide a copy. If no, please state why not. (TP)

The Department did not establish its Administrative Rules. It has drafted its House Rules, which was sent in August 26, 2024 to HGEA Union Agent, Todd Watkins for review. February 27, 2025, a follow up email from the Department was sent to Todd who responded on February 28, 2025 with instructions to send to HGEA Executive Director, Randy Pereira. On March 5, 2025 the Department received a request from HGEA Union Agent, Jaycee-Rae Almeida to provide a cover letter to Randy on Department letterhead, with the purpose of the department's consultation request, and a deadline for HGEA's response. Since then, there has been no response received if the Rules were approved by HGEA.

9. Please explain why the Department is not seeking any grant funding for its Agriculture Program. (YLS)

The Department is not staffed with a grant writer. However, we amended our Grants Management Program Specialist iii position to include 30% of grant writing duties for our Department.

10. Please confirm whether the Department received a \$200,000 State Department of Agriculture grant to fund a pilot program that would transform green waste at the Central Maui Landfill into compost with the assistance of coconut rhinoceros beetles. If so, please explain how the pilot project was conducted and its outcomes. (TP)

The grant was co-written by Director and EP&S Recycling Section Manager on behalf of the CRB Working Group which both County Departments and other agencies make up to fund a CRB Compost related project led by DEM EP&S

Recycling for \$200,000. The grant was fully executed in July 2024. DEM EP&S Recycling received monies in the amount of \$160,000 for FY25 and \$40,000 for FY26. The contract has been posted to provide services, which will be awarded to the lowest bidder on April 29, 2025. EP&S designed the greenwaste project and manages the funding. The project goal is to mitigate CRB by removing greenwaste that is sitting. No compost is made.

The project scope is as follows:

Decomposing piles of green waste is a desirable breeding ground for CRB. There are stockpiles of decomposing green waste on residential properties. To mitigate potential breeding grounds for CRB, this project provides green waste container and hauling services on a first come first serve basis while funding lasts. Residents schedule a 10 or 30 yard roll off bin for up to 7 days. Multiple households can share a bin. There must be a designated area large enough to drop off the bin, and wide enough access for the trucks to enter the property with a sufficient turning radius. Residents are provided instructions on how to screen for CRB and what to do if CRB is detected. The Hauler confirms that there has been no detection of CRB prior to moving the bin. If CRB is detected, the green waste will stay on site and MISC will be notified to come and treat the area. Green waste is hauled to the Organics Processing Facility at the Central Maui Landfill where it will be unloaded and undergo another screening for signs of CRB.

The quantity of households that will benefit from the program will depend on the lowest bid price per haul. Service areas include parts of Waihee-Waiehu, Wailuku, Kahului, Paia, Parts of Haiku, Pukalani, Haliimale, parts of Makawao, parts of Kula, and Kihei. The project will be promoted by DEM EP&S Recycling.

Salaries and Wages (Category "A")

1. For the Agriculture Program, Index Code 918223A, have the following positions already been described by the Department of Personnel Services? Or is a reorganization required to maintain pay equity among staff? If already described, will the positions be ready for recruitment by July 1, 2025:

The Department is not reorganizing to maintain pay equity among staff. It is a new Department with 13 functions it must do per the MCC Title 22 Sections 22.02.020 and must do the reporting of statistics per the Section 22.02.030. It is necessary to add key positions to have capacity that allows the Department to provide more services to the agriculture stakeholder, and by increasing the clerical personnel will greatly assist facilitating the work of the Department. Areas of need are to make the grants process more efficient and quicker, to provide more educational, informational, programs and services the Department has to offer, and to conduct outreach and technical assistance to agriculture producers.

a. P-00674, Secretary III;

This class is already established in DPS. The Department still needs to develop a PD and follow DPS procedures to get the position advertised for recruitment.

b. P-00675, Information and Education Specialist;

This class is already established in DPS. The Department still needs to develop a PD and follow DPS procedures to get the position advertised for recruitment.

c. P-00676, Value Chain Coordinator; and

The Department most likely needs to establish this position because it does not exist in any jurisdictions. The Department still needs to develop a PD for each and follow DPS procedures to get the position advertised for recruitment.

If the Council approves these EP's, the Department will complete the DPS process required to establish these positions by starting on it this FY in order to hire by the first quarter of FY26. The Department has already drafted the PD for the Value Chain Coordinator and discussed tasks and responsibilities of the Park Project Coordinator.

d. P-00705, Park Project Coordinator. (Page 1-3, Budget Details) (TP)

The Department most likely needs to establish this ag park specific position because it does not exist in any jurisdictions. The Department still needs to develop a PD for each and follow DPS procedures to get the position advertised for recruitment.

If the Council approves these EP's, the Department will complete the DPS process required to establish these positions by starting on it this FY in order to hire by the first quarter of FY26. The Department has already drafted the PD for the Value Chain Coordinator and discussed tasks and responsibilities of the Park Project Coordinator.

2. For P-00674 Secretary III. Agriculture Program, Index Code 918223A:

- a. The Department is requesting additional funding to provide assistance with Boards and Commissions. Which Boards and Commissions does the Department staff?

Currently, the Department has the Kula Ag. Park Committee. In FY26, the Department will have the Animal Control Board as a result of the transfer of the Animal Program to the Department. The Department might have the Arborist Committee since one position from Planning Department was moved to the Ag. Department but no word from Boards and Commissions or Managing Department on this.

- b. Does the Department believe the work of the Boards and Commissions the Department oversees is worth continuing, or should they be combined or dissolved? (Page 1-3, Budget Details) (TP)

The Department cannot make suggestions about continuing or dissolving the Animal Control Board and the Arborist Committee because FY26 will be the first time for the Department to oversee these groups and cannot provide a valid opinion.

If the Kula Ag. Park Committee is to remain, there are a number of items in the MCC Ch. 22.04A that needs to be amended due to the ambiguity in the chapter that is unclear if it pertains to KAP or the Kula agricultural park phase I expansion area (UMAP). Although the Council's intent in drafting the chapter to pertain to UMAP, it intended the KAP Committee to have its authority extend to UMAP. Corp Counsel suggests that MCC Ch. 22.04A should be stripped down and instead of having so many specifics for the KAP and UMAP, it should require the Department to adopt administrative rules governing ag. parks in general and allowing for other specific requirements unique to each ag. park since it is likely that the Department of Ag. will develop more ag. parks in other areas of the county of Maui. Corp Counsel points out just a few items below that need clarification:

- Among the issues are that although the Director of the Department of Ag. is authorized to administer the chapter, OED still has a number of responsibilities.
- It also is not clear whether the KAP Committee has any authority over the UMAP. Ch. 22.04A is unclear and contradictory on that point. For example it states that the KAP Committee's authority relates to the review of applications and recommendations for the selection of tenants and award of leases applies not only to the KAP but also to the expansion.

- Although the term "agricultural park" is defined as the KAP and does not include UMAP, which has a separate definition as the "Kula agricultural park phase I expansion area", provisions related to the expansion are included in the sections related to the members of the KAP Committee, the application form, and the conditions required to be placed on leases. *See* MCC §§ 22.04A.070.A.11, 22.04A.82.6.f., and 22.04A.100.S. and T.

There is not a need for the KAP Committee to exist for several reasons. Having an Ag. Park Maintenance Specialist/Ag. Park Manager at the KAP daily during the week, the tenants communicate their concerns to him and the Department take action if needed. Managing the KAP Committee requires a significant number of staff and time to prepare for a meeting and the Director must attend all the committee meetings as well. If the KAP Committee remains, it may be better to transition to the KAP Committee to an Ag. Park Committee to have authority over all ag parks since in the future, there will be more County of Maui Ag parks built.

There are other challenges that prevent having meetings. Sometimes, we are not able to have quorum, it is also difficult to get members together for a long period of time, and it is hard to fill all the seats. Currently, the KAP Committee has nine seats with two that were recently vacated. With the recent amendment to the Ch. 22.04A, it adds three more seats to the KAP Committee, for a total of 11 seats. In FY26, the Department will have the Animal Control Board administratively attached. The Animal Control Board requires five members and has one vacancy. Another barrier is not having enough meeting spaces, and we often experience IT challenges in the Planning Conference Room and the Liquor Room

3. For P-00604 ISA Certified Arborist, Index Code 918223A: (Page 1-3, Budget Details)

- a. Please provide a status update, including why the Department of Personnel Services did not establish the position in Fiscal Year 2025. (GJ) (TP)

There is a process in establishing a position that involves the efforts of the Department working closely with DPS. There is an arborist employed in the County so we can assume that the position is established with a class. The Department is currently drafting the PD for the Ag. Arborist position whose duties will focus on agroforestry, trees in restoration and revegetation, and assisting in tree inspections for Planning and Parks Departments. Other efforts required more of the Department's time and energy. These include getting a handle of and focusing on the CIP's for the Kula Ag. Park whose oversight was transferred from OED to the Department; fixing policy language for Bill 160 and MCC Title 22 which take time; mitigating and

preventing the spread of CRB throughout the County; and developing the Food Security and Nutrition Plan. FY25 is not over and the Department will strive to get the positions to recruitment status.

Operations and Equipment (Category “B”)

1. For the Agriculture Program, Contractual Service, Index Code 918223B: (Page 1-6, Budget Details)

- a. Which entities will the outsourced grant writer be applying to? Will the funding sources be county, state, federal, or philanthropic? (TP)

The outsourced grant writer will most likely apply for state and/or federal funding, and less of County available grant funds. The Department does not know if it is ethical to pursue philanthropic funding by collecting charitable funds.

- b. The outsourced grant writer services are intended for Agriculture Producers. What criteria will be used to select producers for assistance from the grant writer? (TP)

This action/program is still yet to be developed with our new Grants Coordinator, with the information and data collected from previous years of our grants program.

- c. Please clarify how the requested \$162,600 will be allocated, including how the contractors will be selected. (NUH) (GJ)

The \$162,000 Expansion funds are to cover the cost of grant writing services for the Department to write proposals to secure funding needed to implement grant programs for specific and special reasons, such as, developing animal feed subsidies, covering cost of a program manager and boxes of a Produce Prescription the Department will develop and implement. Also, this funding is to cover support services for the arborist, such as, contracting out large tree cutting jobs that the arborist is not able to do alone as well as renting equipment for short term tree pruning type jobs as examples

- d. How will the Department track and monitor the effectiveness of the grant writing services and the clerical services to support the Arborist? (NUH)

The programs and projects that the Department develops for what is needed to be funded will be communicated to the contracted grant writer. This will provide information on the types of grants to write proposals for. Funds could be used to purchase supplies, create subsidy type programs, or cover salary for a contracted manager to run a program. For example, for a Produce

Prescription Program, funding could be secured for the purpose of covering the first year of the contracted manager's salary, and to purchase supplies like the boxes needed to make the Produce Prescription food boxes. Another example would be for the Department to offer mini grants to farmers to offset the cost of organic certification and the farmer would pay the balance of the fee.

2. For Professional Services, Index Code 918223B:

- a. Please explain how the \$473,000 was used in FY 2025 and how the same allocation will be used in FY 2026. (Page 1-6, Program Budget) (GJ)

This was allocated to Maui's Hawaii Farm Bureau in FY25 to conduct the following events:

- Ag in the Classroom Grown on Maui
- Maui Ag-Fest
- Maui 4H Livestock Fair

To support the following Education, Advertisement, Marketing programs and events:

- Maui Association of Landscape Professionals
- Maui Cattleman's Association
- Maui Coffee Association

For FY26, it was transferred to our Ag Operations/Infrastructure/Education bucket.

3. For the Agriculture Operations/Infrastructure/Education, Index Code 923018B:

- a. Please provide a breakdown of the FY 2025 grant allocations, including which entities applied, for what amounts, and how much was granted.

The applicants did not apply for any specific index code allocation. The Department determined which index code best fit the applicant's proposed project.

C = Compost (3) 4.47%
L = Livestock (3) 4.47%
K = Kalo Farming (5) 7.46%
F = Fencing (5) 7.46%

I = Infrastructure (27) 40.29%
CK = Commercial Kitchen/ Processing (1) 1.49%
FL = Florist (1) 1.49%
A = Apiary (3) 4.47%
FP = Food Production/Food Security (16) 23.88%
E = Education (14) 20.89%
M = Market (1) 1.49%
N = Nursery (4) 5.97%
R = Recovery/ Fire Survivors/ Damaged Crops (3) 4.47%
NR = Native Restoration (2) 2.98%
EQ = Equipment (7) 10.44%

- b. How does the Department plan to allocate the funds in FY 2026? Please clarify how the Department will be scoring or prioritizing applications. (Pages 1-8 and 1-9, Budget Details and Page 113, Program Budget) (GJ)

The Department utilized a scoring matrix that was created for the FY25 grant applications. It is yet to be determined if any adjustments will be made to the scoring and selection process.

4. For Agriculture Recovery, Index Code 923024B:

- a. Please explain the difference between OED's Feral Animal Control grant and the Department's Feral Animal Recovery grant. Are applicants eligible to receive funding from both grants? (Page 1-9, Budget Details and Page 113, Program Budget) (GJ)

Our Department's Agriculture Recovery is aligned with Ag Producers' operations that were affected/impacted by natural disasters, invasive species, and/or are addressing preventative actions.

We are not entirely apprised of the specifics regarding OED's Feral Animal Control grant, however it may support with trapping or controlling of invasive species or other related threats.

5. For the Maui County Farm Bureau, Index Code 923032B:

- a. Please explain why there are no funds for the Maui County Farm Bureau in FY 2026. (Page 1-9, Budget Details) (YLS)

As our Department's funding is competitive, all interested agencies and organizations were to apply to our programs as to remain equitable in our distribution of funds.

6. For the Agricultural Micro Grants Program, Index Code 923033B: (Page 1-9,

Budget Details and Page 113, Program Budget)

- a. In FY 2025, how much grant funding was awarded to: 1) women farmers; and 2) Native Hawaiian farmers? (TK)
 - FY25 were not awarded yet but here are the statistics for FY24
 - FY24 Micro Grant awards to **women-owned farms**: \$2,057,128.00 (88 Farms)
 - FY24 Grant awards to **Native Hawaiian-owned farms** \$902,773.15 (39 Farms)
 - FY24 Grant awards combined farms, **Native Hawaiian/Women owned**: \$694,328.95 (29 Farms)
- b. Please provide a program report and status update, including number of participants, use and purpose, grant amounts, and if funding was denied, the primary reason for denial. For each grantee, please include the number of years they have been in operation and whether repeat funding was received. (GJ) (TP)

For FY25 please refer to the response under letter d on page 16.

Below is a chart reflecting FY24.

4th Qtr - Final FY24 G6009	Farming Micro Grant Measures of Success	10/1/23 - 9/30/24	#
Outcome:	Micro Ag Grant applications received in open application period (Oct 17 - Nov 30, 2023)	295	
Outcome:	Number of Farms receiving grant awards as of September 30, 2024	119	
Outcome:	Total Grant funds disbursed to vendors, for farm applicants as of Sept 30, 2024	\$2,803,157	
Outcome:	Funds used for Farming Equipment & Machinery	\$1,210,904	
Outcome:	Funds used for Farm Infrastructure & expansion	\$1,252,519	

Outcome:	<i>Funds used for Farm Inventory & Supplies</i>	<i>\$186,036</i>
Outcome:	<i>Funds used for Packing & packaging materials</i>	<i>\$16,082</i>
Outcome:	<i>Funds used for Health and Safety</i>	<i>\$3,000</i>
Outcome	<i>Funds used for Technology equipment</i>	<i>\$14,997</i>
Outcome	<i>Funds used for Supportive Services</i>	<i>\$29,782</i>
Outcome	<i>Funds used for Transportation</i>	<i>\$6,231</i>
Outcome:	<i>Funds used for Farm product processing and storage equipment</i>	<i>\$83,602</i>
Outcome:	<i>Number of Women owned farms awarded</i>	<i>88</i>
Outcome:	<i>Number of Native Hawaiian farms awarded</i>	<i>39</i>
Outcome:	<i>Number of Food producing farms under 12 acres awarded</i>	<i>111</i>
Outcome:	<i>Number of Livestock ranches under 40 acres awarded</i>	<i>8</i>
Outcome:	<i>Awarded Maui Island Farms</i>	<i>91</i>
Outcome:	<i>Awarded Molokai Farms</i>	<i>26</i>
Outcome:	<i>Awarded Lanai Farms</i>	<i>2</i>

- c. What was the total amount of grant funding requested in FY 2025 compared to the amount appropriated? (GJ)

The original amount for requested in FY25 was \$3,000,000. Post FY25 Council deliberations, funding was reduced to \$2,000,000.

- d. How does the Department monitor the program and ensure compliance of the program's conditional language:

"The micro grants must be dispersed with efforts to ensure equitable distribution among applicants in Maui, Molokai, and Lāna'i, with preference given to socially disadvantaged farming applicants, such as women and native Hawaiians, and to farmers who did not receive funding in prior fiscal years from the micro grant funding. The micro grants will be exclusively to food-producing farm businesses that operate on less than an aggregate of 12 acres, or up to an aggregate of 40 usable acres for livestock producers within Maui County and possess a County business or State general excise license for the farming or ranching business as of July 1, 2025. Low revenue from sales will not disqualify applicants. Farm business owners and any partners must be Maui County residents for a minimum of one year prior to the date of the applicant's grant request. Applicants will not be disqualified based upon receipt of COVID-related grant funding from supplementary sources." (YLS)

FY25 Micro Ag Grants has a total of 328 applications received in the open period from January 9, 2025 through February 25, 2025. There are 211 first-time applicants. To determine equitable distribution we took the total number of all applications and divided it by the total number of applicants from Molokai and Lanai. Then we determined the number of awards available based on total available grant funding less administrative expenses.

- Total applications: 328
- Total Molokai applications: 62
- Total Lanai applications: 4
- Available grant funding: $\$1,845,395.00 / \$25,000 = 74$
- Total awards available: 74
- Total Molokai awards: $19\% \text{ of } 74 = 14$
- Total Lanai awards: $0.01\% \text{ of } 74 = 1$
- Total Maui awards: $74 - 15 = 59$

To determine preferences for Native Hawaiians, we require proof of ancestry (birth certificate). To determine proof of 1-year Maui County residency we require a copy of previous years filed state tax return form N-11. To determine farm acreage under 12, or ranch under 40, we require the TMK for property (proof of ownership) and/or current lease if renting. Any application that has received funding from a previous grant year will only be reviewed and scored after all first-time applications are awarded, and only if award spots are available, not filled by first-time applicants. All applications are scored by BDC staff, and MEO COO on a 0 – 5 scale based on a required Farm needs and operating statement, or business plan for farm operations.

Score is based off:

- Current farm operations and level of distribution to the community donated or sold.
- Farm needs is based on current operations and, what grant funds are to be used for.
- How it will impact increasing farm output.
- We do not ask for years of operation other than proof of operation based on proviso language, requirement of GE license and date of issuance. Reporting of grant fund expenditures are per category, equipment, supplies, labor, and infrastructure.

One preference point is given to all applicants that are Native Hawaiian, women-owned, and farms under 12 acres, ranches under 40. Those points are cumulative. For example, an applicant is farming under 12 acres, is Native Hawaiian, and a woman, that applicant would receive 3 points to go on top of the farm / ranch score of 1 – 5 points. Maximum score would be 8 points. (3 preference points + farm score max 5) = 8 points.

- FY 24 Micro Grant awards to women owned farms: \$2,057,128.00 (88 Farms)
- FY 24 Grant awards to Native Hawaiian owned farms \$902,773.15 (39 Farms)
- FY 24 Grant awards combined farms, Native Hawaiian / Women owned: \$694,328.95 (29 Farms)

- e. How does the Department plan to select grantees for the FY 2026 appropriation? (YLS)

The Department will issue an RFP for an entity to oversee the micro grant process. That entity will conduct the competitive process for the awards.

7. Please explain why these grants, previously managed by the Department of Human Concerns, are now administered by the Department:
- a. Animal Enforcement Program, Index Code 923037B;
 - b. Maui Humane Society for Animal Sheltering Program, Index Code 923035B;
 - c. Maui Humane Society Molokai, Index Code 923036B; and
 - d. Spay Neuter Program, Index Code 923038B. (Pages 1-9 and 1- 10, Budget Details) (YLS)

The Department of Management determined that the animal management program was a better fit under the scope of the Department of Agriculture rather than under the Department of Human Concerns. The transition has been contemplated and planned for over the past year. In FY27, it is anticipated that the feral animal control grants (currently administered through the Office of Economic Development) will also be moved to the Department of Agriculture to consolidate all animal management programming under one department. The transition of feral animal management grants was delayed to allow the Department of Agriculture to become more familiar with administering the Animal Management Program in FY26 and determine if additional resources are needed.

8. For the Maui Humane Society for Animal Sheltering Program, Index Code 923035B: (Page 1-9, Budget Details)

- a. Please clarify whether the funds will be used towards the Maui Humane Society's Pu'unene location to reduce the need to fly animals off-island. (SS)

The sheltering grant will support programs at the facility in Pu'unene within its current kenneling capacity. The need to fly animals off island will likely continue as there are more animals in need of adoption than the current population on Maui can absorb. Flying animals off island reduces kenneling pressure and provides forever homes for animals that would otherwise go unadopted.

- b. Will the grant funding be used to hire additional staff at the Maui Humane Society? And if so, what types of positions are needed? (SS)

Funding from FY2025 to FY2026 will remain the same and thus no specific expansion positions are expected. The 4 grants address only a portion of salaries for 63 MHS positions. The MHS has been working towards more efficiency and process development to assist with the high demand for services.

- c. In FY 2025, \$150,000 was appropriated for the Hawaii Animal Rescue Foundation. Now that Maui Humane Society has taken over HARF's work, why was the \$150,000 not reappropriated to the Maui Humane Society for Animal Sheltering Program? (Page 469, Program Budget) (TP)

The reappropriation of the funds lapsed by the closure of Hawaii Animal Rescue Foundation did not happen because it needed to be held for a period of time to ensure there were no claims against the funds from HARF. Additionally, the Maui Humane Society did not request any additional funding as their funding was already worked out for the year. Given these circumstances, the Department of Human Concerns was comfortable lapsing

the funds for carryover savings.

When HARF closed their doors on December 31, 2024, Maui Humane Society took in the remaining animals in their care and hired several of their employees. HARF was the second largest animal welfare organization and adoption center in Maui County, and we have already experienced many impacts that we expect to be ongoing. Most notably, HARF took dozens of puppies a year from Molokai, and either adopted them out or transferred them to a partner agency in California. Because there is no permanent veterinarian on Molokai and only intermittent access to Spay/Neuter services, we expect many more puppies to be born and they will now be our responsibility. At the same time, our transfer program has been severely impacted by the LA fires because the organizations we partner with on the continent are now prioritizing animals displaced by the LA fires. All of this translates into more animals, and longer stays in our care due to housing shortages (especially pet-friendly units) since the fires. The \$150,000 previously earmarked for HARF could now be used to address these ongoing challenges.

9. Relating to the State of Hawai'i, Department of Agriculture Grant Award, formerly CBS-7898, Kula Agricultural Park Phase 1 Expansion – Upcountry Maui Ag Park (FY 2024):

- a. Formerly listed as a CIP project in the FY 2024 Budget, the State of Hawai'i Department of Agriculture provided a \$10,160,000 grant award. What is the status of the project and grant funds? (YLS)

The Department completed the required State Budget and Finance documents for the requesting of the release of the funds in November 2024. Kyle Maki of the State Budget and Finance office completed his review shortly after. His office transmitted signed documents to the Gov's office on December 12, 2024, for his final review/signature. As of January 25, 2025 Kyle had not heard if Governor or his office took action on this and B&F has not received

anything (signed or otherwise) back. As of February 20, 2025 he had still not received anything from the Governor's Office. On March 28, 2025, the Department got word from the Budget Director regarding the Senior Advisor in the Governor's Office. On April 3, 2025 the Department called the Senior Advisor and requested to look into the matter of the \$10,000,000.

The Upcountry Maui Ag Park (UMAP) project requires \$14,136,432.50 for construction and project management costs of \$3,000,000. Although the Department has an estimated balance of \$17,964,684.80 left from funds it acquired from various sources in past FYs, it will be applied to the cost to construct the new reservoir that is estimated at \$22,701,000 which leaves a

balance of \$4,736,325.20 still needed to cover rest of the cost. The Department's decision to construct the new reservoir and not build UMAP is because of the need for additional water storage for drought emergencies, and for fighting fires. Also, when UMAP is completed and leased to farmers, potentially more water will be needed to support this growth and, the ag. park irrigation system needs improvements to be made to efficiently deliver water to both KAP and UMAP.

To cover the (\$17,136,432.50) cost of the UMAP construction and the cost of the project management (\$3,000,000), the Department submitted a request for a FY26 congressional earmark. Congressional earmark awards are not flexible and must be used towards what was proposed. That is another reason the Department chose to move forward on building a second reservoir. If congressional funds are not awarded in FY26, the Department will be submitting a request for CIP funding in the FY27 budget.

Refer to 9b on the status of the project.

- b. As FY 2026 funding was not requested, what is the status of the environmental assessment, water delivery system, lot design, placement, roads, electricity, and location of the fire hydrants that was part of the CIP? (TP)

The designing of UMAP is being done by Unemori Engineering. It includes the 262 acres divided into 28 individual farm sites, off site improvements to the KAP water system that will enable it to provide irrigation water service and fire protection; electrical infrastructure improvements; and road infrastructure improvements. Surveying and staking of lot corner boundaries has been completed. The EA's are in progress.

Budget bill

1. Please confirm whether (4)(iii) Maui Humane Society for Molokai should instead be entitled, "Maui Humane Society for Molokai Animal Services," as described on page 114 in the Program Budget. (Page 4)

Either title is sufficient.

Appendix B-1

1. Are Kula Agricultural Park Lots #30 (Tax Map Key 2-3-002-119) and #31 (Tax Map Key 2-3-002-120) available for lease by the Department? Please describe the lease application process. (Page 2) (TP)

Chair Yuki Lei K. Sugimura
April 7, 2025
Page 21

Lot #30 and Lot #31 will be available for solicitation by the end of April 2025. The process and lease application are based on the requirements as stated in the Maui County Code Chapter 22.04A.082 and Chapter 22.04A.83.

Should you have any further questions, please do not hesitate to contact my office at extension 8278 or contact Deputy Director Hewahewa at extension 8277.

Sincerely,

A handwritten signature in black ink, appearing to read "Rogerene 'Kali' Arce".

Rogerene "Kali" Arce
Director

BFED Committee

From: Janina E. Agapay <Janina.E.Agapay@co.maui.hi.us>
Sent: Thursday, April 10, 2025 4:21 PM
To: BFED Committee
Cc: Lesley J. Milner; Rogerene Arce; Travis K. Hewahewa; Kayla K. Ueshiro
Subject: (BFED-1)(AG-02)
Attachments: (BFED-1)(AG-02).pdf

Hello,

Please see attached correspondence (BFED-1)(AG-02).

Thank you,

Janina Agapay

County of Maui | Budget Office

Phone: (808) 270-7836

Email: Janina.E.Agapay@co.maui.hi.us