

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

September 26, 2025

**Committee
Report No. _____**

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

Chair and Members:

Your Budget, Finance, and Economic Development Committee,
having met on September 5, 2025, makes reference to the following:

1. Bill 100 (2025), entitled “A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2026 BUDGET; INCREASE ESTIMATED REVENUES, OTHER INTERGOVERNMENTAL BY \$750,000; CAPITAL IMPROVEMENT PROJECTS, DEPARTMENT OF WATER SUPPLY, COUNTYWIDE, AND APPENDIX C, DEPARTMENT OF WATER SUPPLY, COUNTYWIDE, COUNTYWIDE UPGRADES AND REPLACEMENTS, INCREASE APPROPRIATION BY \$750,000.”

Bill 100’s purpose is to amend the Fiscal Year 2026 Budget, by: 1) increasing Other Intergovernmental estimated revenues by \$750,000; 2) increasing the Department of Water Supply’s appropriation for Countywide Upgrades and Replacements under the State Revolving Loan Fund by \$750,000; 3) amending Appendix C – Capital Improvement Projects, Department of Water Supply, Countywide Upgrades and Replacements by \$750,000; and 4) adjusting the totals accordingly.

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2. Bill 101 (2025), entitled “A BILL FOR AN ORDINANCE AMENDING ORDINANCE 5821, BILL NO. 46, FD1 (2025), RELATING TO AN INTERGOVERNMENTAL AGREEMENT FOR A LOAN FROM THE STATE OF HAWAII’S WATER POLLUTION CONTROL REVOLVING FUND FOR VARIOUS WATER SUPPLY PROJECTS, FISCAL YEAR 2026 BUDGET ORDINANCE.”

Bill 101’s purpose is to amend Ordinance 5821 (2025) by authorizing the Mayor to increase the State Revolving Fund loan for Countywide Upgrades and Replacements by \$750,000, to finance granular activated carbon filter replacements at the Napili and Honokahua Wellfield.

Your Committee notes that under Section 2.20.020, Maui County Code, the Mayor must not enter into an intergovernmental agreement that creates a financial obligation for the County unless authorized by ordinance.

The Director of Water Supply said that the filter-replacement project is in the FY 2026 Budget. He explained that bids came in higher than estimated, which requires additional funding. He said the project is necessary to protect water quality and maintain service reliability, while aiding in the system’s efficiency.

Your Committee notes that the State approved the funding increase through the Drinking Water State Revolving Fund, which provides a cost-effective way to finance the filter replacements.

Your Committee voted 8-0 to recommend passage of Bills 100 (2025) and 101 (2025), on first reading. Committee Chair Sugimura, Vice-Chair Kama, and members Cook, Johnson, Paltin, Rawlins-Fernandez, Sinenci, and U‘u-Hodgins voted “aye.” Committee member Lee was excused.

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Your Committee is in receipt of Bill 100, CD1 (2025), approved as to form and legality by the Department of the Corporation Counsel, incorporating nonsubstantive revisions.

Your Budget, Finance, and Economic Development Committee RECOMMENDS the following:

1. Bill 100, CD1 (2025), attached, entitled “A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2026 BUDGET; INCREASE ESTIMATED REVENUES, OTHER INTERGOVERNMENTAL BY \$750,000; CAPITAL IMPROVEMENT PROJECTS, DEPARTMENT OF WATER SUPPLY, COUNTYWIDE, AND APPENDIX C, DEPARTMENT OF WATER SUPPLY, COUNTYWIDE, COUNTYWIDE UPGRADES AND REPLACEMENTS, INCREASE APPROPRIATION BY \$750,000,” be PASSED ON FIRST READING and be ORDERED TO PRINT; and
2. Bill 101 (2025), attached, entitled “A BILL FOR AN ORDINANCE AMENDING ORDINANCE 5821, BILL NO. 46, FD1 (2025), RELATING TO AN INTERGOVERNMENTAL AGREEMENT FOR A LOAN FROM THE STATE OF HAWAII’S WATER POLLUTION CONTROL REVOLVING FUND FOR VARIOUS WATER SUPPLY PROJECTS, FISCAL YEAR 2026 BUDGET ORDINANCE,” be PASSED ON FIRST READING and be ORDERED TO PRINT.

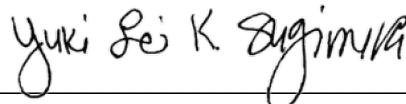
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**Committee
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This report is submitted in accordance with Rule 3 of the Rules of the Council.



YUKI LEI K. SUGIMURA, Chair

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ORDINANCE NO. _____

BILL NO. 100, CD1 (2025)

A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2026 BUDGET; INCREASE ESTIMATED REVENUES, OTHER INTERGOVERNMENTAL BY \$750,000; CAPITAL IMPROVEMENT PROJECTS, DEPARTMENT OF WATER SUPPLY, COUNTYWIDE, AND APPENDIX C, DEPARTMENT OF WATER SUPPLY, COUNTYWIDE, COUNTYWIDE UPGRADES AND REPLACEMENTS, INCREASE APPROPRIATION BY \$750,000

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

SECTION 1. Ordinance 5816, "Fiscal Year 2026 Budget," Section 2, Estimated Revenues, is amended to increase Other Intergovernmental in the amount of \$750,000 and increase the total accordingly, to read as follows:

"ESTIMATED REVENUES

FROM TAXES, FEES AND ASSESSMENTS:

Real Property Taxes	660,572,668
Circuit Breaker Adjustment	(385,718)
Transient Accommodations Tax	65,000,000
General Excise Tax	70,000,000
Charges for Current Services	187,942,380
Public Service Company Tax	8,000,000
Licenses/Permits/Others	75,038,402
Fuel and Franchise Taxes	25,500,000
Special Assessments	17,300,000

Other Intergovernmental	[14,950,000]	<u>15,700,000</u>
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FROM OTHER SOURCES:

Interfund Transfers	110,107,913
Bond/Lapsed Bond	142,114,145
Carryover/Savings:	
General Fund	137,640,156
Sewer Fund	10,239,592
Highway Fund	11,217,761
Solid Waste Management Fund	3,867,796
Environmental Protection and Sustainability Fund	984,524
Liquor Fund	816,172
Water Fund	<u>17,480,318</u>

TOTAL ESTIMATED REVENUES	[1,558,386,109]	<u>1,559,136,109"</u>
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SECTION 2. Fiscal Year 2026 Budget, Section 4.1.1.a.(2).(i), Department of Water Supply, Countywide, Water Supply, State Revolving Loan Fund, Countywide Upgrades and Replacements, is amended to increase the appropriation in the amount of \$750,000, to read as follows:

<u>"PROJECT TITLE</u>	<u>APPROPRIATION</u>
I. Department of Water Supply	
1. Countywide	
a. Water Supply	
(2) State Revolving Loan Fund	
(i) Countywide Upgrades and Replacements	[3,000,000] <u>3,750,000</u> "

SECTION 3. Fiscal Year 2026 Budget, Total Capital Improvement Project Appropriations, is amended to reflect an increase of \$750,000, to read as follows:

"TOTAL CAPITAL IMPROVEMENT PROJECT APPROPRIATIONS [296,549,114] 297,299,114"

SECTION 4. Fiscal Year 2026 Budget, Total Appropriations (Operating and Capital Improvement Projects), is amended to reflect an increase of \$750,000, to read as follows:

"TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS) [1,558,386,109] 1,559,136,109"

SECTION 5. Fiscal Year 2026 Budget, Appendix C – Capital Improvement Projects, Department of Water Supply, Countywide, Countywide Upgrades and Replacements, is amended to increase the appropriation in the amount of \$750,000, to read as follows:

"APPENDIX C – Capital Improvement Projects		
CBS NO.	PROJECT TITLE/DESCRIPTION	APPROPRIATION
	<u>Department of Water Supply</u>	
	1. Countywide	
		[22,060,000]
CBS-2299	b. Countywide Upgrades and Replacements	<u>22,810,000</u>
	The Countywide Upgrades and Replacements project supports improvements that sustain the reliable operation of existing water infrastructure or mitigate inadequacies for existing and future demand with projects at WTPs, well sites, booster pump stations, tank sites, and waterlines. FY 2026 anticipated projects include: 1) Countywide Storage Tank Replacements; 2) Countywide Waterline Replacements - Waikapū Waterline Upgrades; 3) Countywide Lateral Replacements; 4) Countywide Well and Booster Pump Replacements; 5) Countywide Motor Control Center Upgrades; 6) Countywide Well and Booster Pump Sites - Emergency Generators; 7) Countywide granular activated carbon filter replacements; and 8) Funding for any unforeseen projects critical to maintaining system operations and reliability.	

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

SECTION 7. This Ordinance takes effect on approval.

APPROVED AS TO FORM AND LEGALITY:

A handwritten signature in black ink, appearing to read "Kristina C. Toshikiyo", is written over a horizontal line.

KRISTINA C. TOSHIKIYO
Deputy Corporation Counsel

INTRODUCED BY:

A handwritten signature in black ink, appearing to read "Alice L. Lee", written in a cursive style.

ALICE L. LEE

Upon the request of the Mayor.

ORDINANCE NO. _____

BILL NO. 101 (2025)

A BILL FOR AN ORDINANCE AMENDING ORDINANCE 5821, BILL NO. 46, FD1 (2025), RELATING TO AN INTERGOVERNMENTAL AGREEMENT FOR A LOAN FROM THE STATE OF HAWAII'S WATER POLLUTION CONTROL REVOLVING FUND FOR VARIOUS WATER SUPPLY PROJECTS, FISCAL YEAR 2026 BUDGET ORDINANCE

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

SECTION 1. Ordinance 5821, Bill 46, CD1 (2025) is amended by amending Section 1 to read as follows:

“SECTION 1. Request for Loan. The County of Maui, under Section 342D-83 through Section 342D-87, Hawaii Revised Statutes, may submit applications for State Water Pollution Control Revolving Fund Loans (“SRF loans”) to the Director of the Department of Health, State of Hawaii, to finance the following project:

a.	Countywide Upgrades and Replacements	[\$3,000,000]	<u>3,750,000</u>
		Total	[\$3,000,000] <u>3,750,000</u>

(“Project”).

Under the terms and conditions anticipated for each SRF loan, the County must repay, over a term of twenty years, the principal amount, which must not exceed the amount of each loan stated above, at a fixed rate of interest that must not exceed the Bond Buyer's 20-year general obligation bond issue.”

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

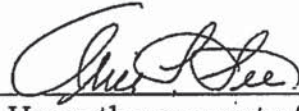
SECTION 3. This ordinance takes effect on approval.

APPROVED AS TO FORM
AND LEGALITY:



KRISTINA C. TOSHIKIYO
Deputy Corporation Counsel
County of Maui
LF 2025-0167
2025-08-04 Amd to Ord 5821 Water Supply IGA SRF Loans FY26

INTRODUCED BY:

A handwritten signature in cursive script, appearing to read "Chris Lee", is written above a horizontal line.

Upon the request of the Mayor.