

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

October 24, 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 30, 2025, makes reference to the following:

1. Bill 127 (2025), entitled “A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2026 BUDGET, INCREASING ESTIMATED REVENUES, BOND/LAPSED BOND BY \$5,862,123, CAPITAL IMPROVEMENT PROJECTS, DEPARTMENT OF AGRICULTURE, MAKAWAO-PUKALANI-KULA COMMUNITY PLAN AREA, AND APPENDIX C, DEPARTMENT OF AGRICULTURE, MAKAWAO-PUKALANI-KULA COMMUNITY PLAN AREA, NEW APPROPRIATION FOR KULA AGRICULTURAL PARK OF \$5,862,123.”

Bill 127’s purpose is to amend the Fiscal Year 2026 Budget, by: 1) increasing Estimated Revenues for Bond/Lapsed Bond by \$5,862,123; 2) adding a new Capital Improvement Project appropriation, entitled “Kula Agricultural Park Phase 1 Expansion – Upcountry Maui Ag Park,” for \$5,862,123; 3) adding the project and description to Appendix C; and 4) adjusting the totals accordingly.

2. Bill 128 (2025), entitled “A BILL FOR AN ORDINANCE AMENDING ORDINANCE 5818 (2025), RELATING TO THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI ISSUANCE, SALE AND DELIVERY OF SAID BONDS (DEPARTMENT OF AGRICULTURE).”

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

Page 2

Committee
Report No. _____

Bill 128's purpose is to amend the Fiscal Year 2026 general obligation bond authorization ordinance by adding the Department of Agriculture and a new appropriation under Makawao-Pukalani-Kula Community Plan Area, Other Projects, entitled "Kula Agricultural Park Phase 1 Expansion – Upcountry Ag Park," in the amount of \$5,862,123.

Your Committee notes that Bills 127 and 128 represent the remaining balance of a \$10 million County match to secure a \$10 million State appropriation to support the expansion of the Upcountry Maui Agricultural Park.

Your Committee further notes the County previously encumbered \$4,137,877 of the matching funds primarily used for design fees and the construction contract for the booster pump station.

The Department of Management representative shared the project schedule and issues related to bid timing, project design, and environmental review. The following milestones were discussed:

- A target bid opening in Fall 2025;
- A draft environmental assessment publication in December 2025; and
- Substantial completion of the project by the end of 2028, subject to funding and bid results.

He said that the \$10 million in State funds must be expended or encumbered by the June 30, 2026, lapse date.

The representative further explained that the total estimated project cost is \$44.3 million. He said the County was able to secure \$24.3 million, including the funding proposed in Bill 127 and the State appropriation.

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

Page 3

**Committee
Report No. _____**

Your Committee discussed that the Upcountry Maui Agricultural Park is being developed in phases. Your Committee further discussed that the current phase focuses on critical water infrastructure and includes:

- Construction of a booster pump station;
- Installation of a 2.5-million-gallon reservoir;
- Offsite water transmission lines; and
- Additional infrastructure improvements.

Your Committee noted that approximately \$20 million in additional funding will be required to complete future phases.

The Director of Agriculture said that the Administration is evaluating grant opportunities and other funding options to address this need.

Your Committee finds that the proposed bills support the timely use of leveraged State funds, fulfill the required County match, and advance the phased development of agricultural infrastructure in Upcountry Maui.

Your Committee voted 6-0 to recommend passage of Bills 127 (2025) and 128 (2025), on first reading. Committee Chair Sugimura, Vice-Chair Kama, and members Cook, Johnson, Lee, and Sinenci voted “aye.” Committee members Paltin, Rawlins-Fernandez, and U‘u-Hodgins were excused.

Your Committee is in receipt of Bill 127, CD1 (2025) and Bill 128, CD1 (2025), approved as to form and legality by the Department of the Corporation Counsel, incorporating nonsubstantive revisions, including adjustments to reflect the expected passage of other pending legislation.

COUNCIL OF THE COUNTY OF MAUI

BUDGET, FINANCE, AND ECONOMIC DEVELOPMENT COMMITTEE

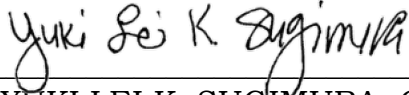
Page 4

**Committee
Report No. _____**

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

1. That Bill 127, CD1 (2025), attached, entitled “A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2026 BUDGET, INCREASING ESTIMATED REVENUES, BOND/LAPSED BOND BY \$5,862,123, CAPITAL IMPROVEMENT PROJECTS, DEPARTMENT OF AGRICULTURE, MAKAWAO-PUKALANI-KULA COMMUNITY PLAN AREA, AND APPENDIX C, DEPARTMENT OF AGRICULTURE, MAKAWAO-PUKALANI-KULA COMMUNITY PLAN AREA, NEW APPROPRIATION FOR KULA AGRICULTURAL PARK OF \$5,862,123; and
2. That Bill 128, CD1 (2025), attached, entitled “A BILL FOR AN ORDINANCE AMENDING ORDINANCE 5818 (2025), RELATING TO THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI ISSUANCE, SALE AND DELIVERY OF SAID BONDS (DEPARTMENT OF AGRICULTURE),” be PASSED ON FIRST READING and be ORDERED TO PRINT.

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



YUKI LEI K. SUGIMURA, Chair

ORDINANCE NO. _____

BILL NO. 127, CD1 (2025)

A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2026 BUDGET, INCREASING ESTIMATED REVENUES, BOND/LAPSED BOND BY \$5,862,123, CAPITAL IMPROVEMENT PROJECTS, DEPARTMENT OF AGRICULTURE, MAKAWAO-PUKALANI-KULA COMMUNITY PLAN AREA, AND APPENDIX C, DEPARTMENT OF AGRICULTURE, MAKAWAO-PUKALANI-KULA COMMUNITY PLAN AREA, NEW APPROPRIATION FOR KULA AGRICULTURAL PARK OF \$5,862,123

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

SECTION 1. Ordinance 5816, as amended, "Fiscal Year 2026 Budget," Section 2, Estimated Revenues, is amended to increase Bond/Lapsed Bond in the amount of \$5,862,123, 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	15,700,000

FROM OTHER SOURCES:

Interfund Transfers		110,107,913
Bond/Lapsed Bond	[152,114,145]	<u>157,976,268</u>
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	[1,569,136,109]	<u>1,574,998,232"</u>
--------------------------	-----------------	-----------------------

SECTION 2. Fiscal Year 2026 Budget, Section 4, is amended by adding J. Department of Agriculture, Makawao-Pukalani-Kula Community Plan Area, Other Projects, Bond Fund, Kula Agricultural Park Phase 1 Expansion – Upcountry Maui Ag Park in the amount of \$5,862,123, to read as follows:

<u>“PROJECT TITLE</u>	<u>APPROPRIATION</u>
<u>J. Department of Agriculture</u>	
<u>1. Makawao-Pukalani-Kula Community Plan Area</u>	
<u>a. Other Projects</u>	
<u>(1) Bond Fund</u>	
<u>(i) Kula Agricultural Park Phase 1 Expansion – Upcountry Maui Ag Park</u>	<u>5,862,123”</u>

SECTION 3. Fiscal Year 2026 Budget, Total Capital Improvement Project Appropriations, is amended to reflect an increase of \$5,862,123, to read as follows:

“TOTAL CAPITAL IMPROVEMENT PROJECT APPROPRIATIONS [307,299,114] 313,161,237”

SECTION 4. Fiscal Year 2026 Budget, Total Appropriations (Operating and Capital Improvement Projects), is amended to reflect an increase of \$5,862,123, to read as follows:

“TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS) [1,569,136,109] 1,574,998,232”

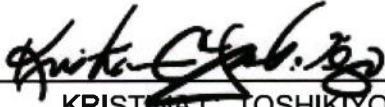
SECTION 5. Fiscal Year 2026 Budget, as amended, Appendix C – Capital Improvement Projects, is amended by adding Department of Agriculture, Makawao-Pukalani-Kula Community Plan Area, project and project description for the Kula Agricultural Park Phase 1 Expansion – Upcountry Maui Ag Park in the amount of \$5,862,123, to read as follows:

“APPENDIX C – Capital Improvement Projects		
CBS NO.	PROJECT TITLE/DESCRIPTION	APPROPRIATION
	<u>Department of Agriculture</u>	
	<u>1. Makawao-Pukalani-Kula Community Plan Area</u>	
<u>CBS-4621</u>	<u>a. Kula Agricultural Park Phase 1 Expansion – Upcountry Maui Ag Park</u>	<u>5,862,123”</u>
	<u>Design, planning & permitting, and construction of onsite & offsite improvements (including construction management services and special inspections) for the Kula Agricultural Park expansion.</u>	

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:



KRISTINA C. TOSHIKIYO
Deputy Corporation Counsel

INTRODUCED BY:

A handwritten signature in cursive script, appearing to read "Alice L. Lee".

ALICE L. LEE

Upon the request of the Mayor.

ORDINANCE NO. _____

BILL NO. 128, CD1 (2025)

A BILL FOR AN ORDINANCE AMENDING
ORDINANCE 5818 (2025), RELATING TO THE ISSUANCE
OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI
ISSUANCE, SALE AND DELIVERY OF SAID BONDS
(DEPARTMENT OF AGRICULTURE)

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

SECTION 1. Ordinance 5818 (2025), is amended by amending Section 1 to read as follows:

“SECTION 1. Authorization of General Obligation Bonds. Pursuant to Chapter 47, Hawaii Revised Statutes, as amended, and particularly Part I thereof, there are hereby authorized to be issued and sold from time to time general obligation bonds of the County of Maui, State of Hawaii (the "County") in an aggregate principal amount not to exceed [~~\$148,187,284~~] \$154,049,407 (the "Bonds"), the proceeds derived from the sale of which shall be used to pay all or part of the cost of appropriations for the public improvements of the County described in Section 2 hereof.”

SECTION 2. Ordinance 5818 (2025), is amended by amending Section 2 to read as follows:

“SECTION 2. Disposition of Bond Proceeds. All or any portion of the proceeds derived from the sale of the Bonds or any notes issued in anticipation of the Bonds shall be used to pay all or part of the cost of any of the public improvements listed below in accordance with appropriations contained in the Fiscal Year 2026 Budget, including amendments and supplements thereto, duly approved by the Council of the County (the "Council") for the fiscal year ending June 30, 2026 (the "Fiscal Year 2026 Budget"); provided, however, that pursuant to Section 47-5, Hawaii Revised Statutes, the part of such proceeds which is in excess of the amounts required for the purposes for which the Bonds are initially issued from time to time, or which may not be applied to such purposes, or which the Council deems should not be applied to such purposes, may be applied to finance such other public improvements of the County as the Council shall, by ordinance approved by an affirmative vote of two-thirds of all of its members, determine; and provided further that the actual use and application of the proceeds of Bonds issued pursuant to this ordinance shall not in any way affect the validity or legality of such Bonds. No proceeds of the Bonds shall be applied

to any public improvement listed in this section unless and until there shall be a valid appropriation of general obligation bond proceeds in effect for such public improvement. The public improvements provided for or to be provided for in the Fiscal Year 2026 Budget, to be financed with proceeds from the sale of the Bonds, are as follows:

Public Improvements:

Estimated Project Cost

<u>PROJECT TITLE</u>	<u>APPROPRIATION</u>
A. Department of Environmental Management	
1. Countywide	
a. Sewer	
(1) Countywide Environmental Protection Agency (EPA) Compliance Wastewater Reclamation Facility Renovation Projects	2,000,000
(2) Countywide Wastewater System Modifications	2,500,000
2. Kīhei-Makena Community Plan Area	
a. Sewer	
(1) Kaiola Place Sewer Extension	1,000,000
(2) Kīhei Wastewater Pump Station No. 4 Modification/Upgrade	2,000,000
3. Lānaʻi Community Plan Area	
a. Sewer	
(1) Lānaʻi Wastewater Treatment Pond Renovations	1,500,000
4. Wailuku-Kahului Community Plan Area	
a. Sanitation	
(1) Central Maui Landfill Gas System Expansion	1,000,000
(2) Central Maui Landfill Phase II/III Interface Development	1,500,000
b. Sewer	
(1) Waiehu Kou Wastewater Pump Station Modifications	3,500,000
5. West Maui Community Plan Area	
a. Sewer	
(1) Lahaina Wastewater Reclamation Facility Returned Activated Sludge (RAS)/Dewatering Upgrades	6,593,103
(2) Nāpili No. 1 Force Main Replacement	4,500,000
(3) Nāpili No. 2 Force Main Replacement	1,500,000

B. Department of Fire and Public Safety	
1. Makawao-Pukalani-Kula Community Plan Area	
a. Government Facilities	
(1) Kula Fire Station Apparatus Bay	3,080,000
2. Pā‘ia-Ha‘ikū Community Plan Area	
a. Government Facilities	
(1) Ha‘ikū Fire Station	3,400,000
C. Department of Management	
1. Wailuku-Kahului Community Plan Area	
a. Government Facilities	
(1) New County Service Center, Phase II	5,000,000
(2) 24 North Church Street Building Acquisition and Renovations	10,000,000
b. Sanitation	
(1) Central Maui Landfill Phase VII Part 1 Closure	800,000
D. Department of Parks and Recreation	
1. Pā‘ia-Ha‘ikū Community Plan Area	
a. Parks and Recreation	
(1) Alfred “Flako” Boteilho Sr. Gym Improvements	1,000,000
2. Wailuku-Kahului Community Plan Area	
a. Parks and Recreation	
(2) Kanahā Beach Park Restroom Replacement	1,000,000
E. Department of Police	
1. Countywide	
a. Government Facilities	
(1) Radiosystem Facility Upgrades	3,600,000
F. Department of Public Works	
1. Countywide	
a. Drainage	
(1) Countywide Bridge and Drainage Program	3,500,000
(2) Countywide Drainline Replacement Program	13,300,000
b. Other Projects	
(1) Countywide Rockfall and Embankment Repairs	20,450,000
c. Road Improvements (and related improvements, beautification,	

sidewalks, bike paths, drainage, bridge repairs, and maintenance, safety and utilities, accessibility for persons with disabilities) including:

- | | |
|---|------------|
| (1) Countywide Federal Aid Program | 18,604,461 |
| (2) Countywide Road Resurfacing and Pavement Preservation | 3,000,000 |

2. Wailuku-Kahului Community Plan Area

- a. Road Improvements (and related improvements, beautification, sidewalks, bike paths, drainage, bridge repairs, and maintenance, safety and utilities, accessibility for persons with disabilities) including:

- | | |
|---------------------------|------------|
| (1) Waiale Road Extension | 33,259,720 |
|---------------------------|------------|

G. Department of Transportation

1. Countywide

- a. Other Projects

- | | |
|----------------------------|---------|
| (1) Bus Stops and Shelters | 600,000 |
|----------------------------|---------|

H. Department of Agriculture

1. Makawao-Pukalani-Kula Community Plan Area

- a. Other Projects

- | | |
|--|------------------|
| <u>(1) Kula Agricultural Park Phase 1 Expansion - Upcountry Maui Ag Park</u> | <u>5,862,123</u> |
|--|------------------|

TOTAL	[148,187,284] <u>154,049,407</u>
-------	----------------------------------

The cost of issuance of the Bonds or any series thereof, including without limitation, the initial fee of paying agents and registrars, the fees of financial consultants and bond counsel, the cost of preparation of any Official Statement relating to the Bonds, any notices of sale and forms of bid and the definitive Bonds, and the costs of publication of any notices of sale, may be paid from the proceeds of the Bonds or any series thereof and such costs shall be allocated pro rata to each of the foregoing projects financed from such proceeds.”

SECTION 3. Material to be repealed is bracketed. New material is underscored.

SECTION 4. This ordinance takes effect on approval.

APPROVED AS TO FORM
AND LEGALITY:



KRISTINA C. TOSHIKIYO
Deputy Corporation Counsel
County of Maui

LF 2025-0167
2025-10-14 Bond Authorization Kula Ag Park Phase I Expansion

INTRODUCED BY:

A handwritten signature in cursive script, appearing to read "Alice L. Lee".

ALICE L. LEE

Upon the request of the Mayor.