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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 4, 2024

Mr. Shayne Agawa, Director
Department of Environmental Management
County of Maui
Wailuku, Hawaii 96793

Dear Mr. Agawa:

SUBJECT: FISCAL YEAR ("FY") 2025 BUDGET (BFED-1) (EM-4)

Thank you for participating in the Committee's discussions on April 2, 2024. The Committee respectfully submits the follow-up questions listed below. May I further request that, after approval by the Office of the Mayor, you transmit a written response to bfed.committee@mauicounty.us by **April 9, 2024**.

1. Does the Wastewater Reclamation Division contract out its permit reviews? Is there a third party that conducts those reviews?
2. The Environmental Protection and Sustainability Division noted contamination issues and concerns from the State Department of Health on food composting. How involved is the Division as it relates to food composting? What challenges has the Division experienced when dealing with food compost? Has food composting been included in the Department's update to the Integrated Solid Waste Management Plan? Why or why not?
3. The following relates to the Department's vacant positions:
 - a. Are all of the Department's vacancies fully funded for FY 2025?
 - b. Is the Department on track to filling vacant positions by the anticipated fill dates?

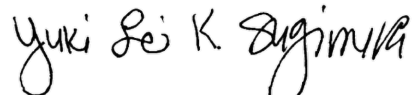
- c. There is a proposed Civil Engineer V expansion position in the Wastewater Reclamation Division. Please provide a justification for the Civil Engineer V position that has been vacant for 306 days.
4. Is the Department responsible for all waste in the County? Consequently, is the Department obligated to receive trash from non-County customers?
5. More than 400,000 tons of wildfire debris will have to be transported to the Central Maui Landfill, requiring an estimated 40,000 truckloads to transport it.
 - a. What is the estimated cost to landfill the debris?
 - b. The Department is requesting a supplemental transfer of \$11,078,251 from the General Fund to the Solid Waste Fund to support its solid waste operations. Considering both the increased cost of operations because of wildfire recovery efforts and the need for a supplemental transfer, is an increase to the Department's landfill disposal fees warranted? If so, please provide the Department's recommendations for fees to be increased, the amount the fees should be increased by, and how the increases would impact revenue.
6. Please confirm whether the following capital improvement project ("CIP") titles are discrepancies that need to be revised: (in bold for emphasis)
 - a. Bill 60 (2024) notes a CIP listed as the "**Honowai** R-1 Water Distribution System."
 - b. Appendix C – Capital Improvement Projects notes a CIP listed as the "Honokowai R-1 **Eater** Distribution System."
7. Explain the impact to the Department if there were no new CIPs added for FY 2025. Without new CIPs, would the Department be able to focus on current CIPs, especially FY 2024 CIPs that have appropriations set to lapse at the end of 2024?

Mr. Shayne Agawa
April 4, 2024
Page 3

8. Does the Department support having the Office of Economic Development grants transferred to the Environmental Protection and Sustainability Division? If so, please describe the additional support that the Department would need.

Should you have any questions, please contact me or the Committee staff (James Krueger at ext. 7761, Kasie Apo Takayama at ext. 7665, or Yvette Bouthillier at ext. 7758).

Sincerely,



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

bfed:2025bgt:240403aem01:jpp

cc: Mayor Richard T. Bissen, Jr.
Acting Budget Director

BFED Committee

From: BFED Committee
Sent: Thursday, April 4, 2024 8:57 AM
To: Shayne Agawa
Cc: BFED Committee; Robert Schmidt; Nadine Orikasa; Michelle Santos; Zeke Kalua; Lesley Milner; Kristina Cabbat
Subject: PLEASE READ attached letter re: FISCAL YEAR ("FY") 2025 BUDGET (BFED-1); (EM-1); reply by 04/09/2024
Attachments: 240403aem01.pdf

Mr. Agawa: Please refer to the attached letter from the Budget, Finance, and Economic Development (BFED) Committee Chair, dated April 4, 2024. Please respond by **April 9, 2024**.

Mayor's Office (attention: Michelle Santos and Zeke Kalua): Please forward the attached letter to Mayor Bissen for his information.

Ms. Milner: FYI

Thank you,
BFED Committee

RICHARD T. BISSEN, JR.
Mayor

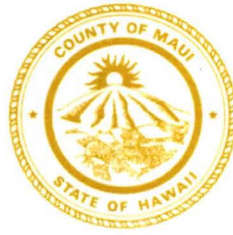
SHAYNE R. AGAWA, P.E.
Director

ROBERT SCHMIDT
Deputy Director

MICHAEL KEHANO, P.E.
Solid Waste Division

ERIC A. NAKAGAWA, P.E.
Wastewater Reclamation Division

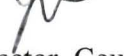
Environmental Protection &
Sustainability Division



COUNTY OF MAUI
DEPARTMENT OF
ENVIRONMENTAL MANAGEMENT

2145 KAOHU STREET, SUITE 102
WAILUKU, MAUI, HAWAII 96793

April 9, 2024

Ms. Lesley Milner 
Acting Budget Director, County of Maui
200 South High Street
Wailuku, HI 96793

Honorable Josiah K. Nishita
Acting Mayor, County of Maui
200 South High Street
Wailuku, HI 96793

APPROVED FOR TRANSMITTAL


Acting Mayor **4/10/24**
Date

For Transmittal to:

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

Dear Chair Sugimura,

SUBJECT: FISCAL YEAR (“FY”) 2025 BUDGET (BFED-1) (EM-4)

In response to your request for information dated April 4, 2024, your request and the corresponding answers are provided below by the Department of Environmental Management (DEM).

1. Does the Wastewater Reclamation Division contract out its permit reviews? Is there a third party that conducts those reviews?

No. However, the Wastewater Reclamation Division (WWRD) has contacted other Departments to get an understanding of what the process is in securing contractual services for permit reviews and anticipates that third party permit reviews will be necessary in the near future due to manpower shortages. Yes, other Departments in the County of Maui, as well as, other Counties in the State have third party permit reviews.

2. **The Environmental Protection and Sustainability Division noted contamination issues and concerns from the State Department of Health on food composting. How involved is the Division as it relates to food composting? What challenges has the Division experienced when dealing with food compost? Has food composting been included in the Department's update to the Integrated Solid Waste Management Plan? Why or why not?**

EP&S's Recycling Section continues to prioritize developments of food waste composting as well as food waste recycling via pig farm feed. The latest draft of the Integrated Solid Waste Management Plan does address Food Waste. It recognized food waste as representing significant tonnage in our waste stream and to focus diversion efforts on waste streams, such as food waste, to increase our diversion rate. It also recommends that we continue to conduct waste composition studies, reinstate green waste composting, and evaluate implementation of curbside recycling services for recyclable materials, green waste, and food waste. There is also a section that addresses food waste prevention.

3. **The following relates to the Department's vacant positions:**

- a. **Are all of the Department's vacancies fully funded for FY 2025?**

All vacant positions for FY2025 are fully funded.

- b. **Is the Department on track to filling vacant positions by the anticipated fill dates?**

The Department has been making an active effort to fill all vacant positions. We are committed to staying on track and filling these positions effectively. However, it's important to note that we cannot control the number of applicants who apply for these jobs, which may result in delays and setbacks that could negatively impact our ability to fill vacancies.

- c. **There is a proposed Civil Engineer V expansion position in the Wastewater Reclamation Division. Please provide a justification for the Civil Engineer V position that has been vacant for 306 days.**

The proposed Civil Engineer V expansion position in WWRD is due to the complexity and increase in the amount of permit reviews required per fiscal year. There has been a man-power shortage in the permitting section of WWRD for the past couple of years making it difficult for WWRD to perform timely reviews even with staff overtime, reducing the amount of permit based on submittals, cross training, etc. None of these efforts were sustainable or successful. WWRD simply needs more manpower. The existing Civil Engineer V position is in the Design and Construction Section and is necessary to carry out and complete all of the CIP projects necessary to provide a reliable wastewater service and an expansion of recycled water service for the community.

The County has been searching for a suitable candidate for the Engineering V position for 306 days. Unfortunately, the recruitment rate for all engineering positions has been low, making it challenging to fill this crucial role.

4. Is the Department responsible for all waste in the County? Consequently, is the Department obligated to receive trash from non-County customers?

Based on our preliminary research, we offer the following response, which we may supplement in the future. The Hawaii Integrated Solid Waste Management Act, codified as Hawaii Revised Statutes Chapter ("HRS") 342G, requires the counties to develop county integrated solid waste management plans and provides for State review of such plans, including the ability of the State to approve, conditionally approve, partially approve, or deny such plans. *See* HRS §§ 342G-21-23. The County of Maui Integrated Solid Waste Management Plan ("ISWMP") serves as the framework in which the Department manages solid waste in the County. The Department, consistent with the ISWMP, currently accepts non-hazardous solid waste that is not otherwise recycled or diverted from any person, public, or private entity.

HRS Chapter 342H and Hawaii Administrative Rules ("HAR") Chapter 11-58.1, which regulate solid waste landfills and pollution, both provide that municipal solid waste landfills may be publicly or privately owned. *See* HRS § 342H-51; HAR § 11-58.1-03. The Maui County Code ("MCC") does not expressly allow for a privately-operated landfill or refuse disposal site, but does allow for the operation of a refuse disposal site on private land by the Solid Waste Division of the Department of Environmental Management, subject to Maui County Council approval. *See* MCC § 8.04.020 (please note that (1) this provision is not applicable to Lanai; and (2) we have not had an opportunity to research the legislative history of this provision, which may provide additional information regarding the private operation of a refuse disposal site). Although the Department currently operates the only municipal solid waste landfills on Maui, Molokai, and Lanai islands, it does not appear to be the only entity that is able to do so, at least pursuant to State law.

5. More than 400,000 tons of wildfire debris will have to be transported to the Central Maui Landfill, requiring an estimated 40,000 truckloads to transport it.

a. What is the estimated cost to landfill the debris?

To add clarification, an estimated 400,000 tons of wildfire debris will be received at the Temporary Disposal Site (TDS) and requires daily cover (i.e., soil) to prevent the mobilization of the debris. We anticipate an additional 30%-40% tons more of cover material that will be in the final transport from the TDS to the Permanent Disposal Site (PDS).

Below is a breakdown of the estimated cost to landfill the wildfire debris:

- Design/construction of the County TDS for Opt Out wildfire debris, \$4,700,000
- Operation of the County TDS, \$3,600,000
- Design/construction of the County PDS, \$21,325,000 (Does not include estimated \$4.3M in future Landfill Closure Construction costs as this area will also be utilized for MSW)

Operation of the County PDS, \$50,400,000

The Department is evaluating potential ways to reduce costs by combining processes without slowing the cleanup process.

- b. **The Department is requesting a supplemental transfer of \$11,078,251 from the General Fund to the Solid Waste Fund to support its solid waste operations. Considering both the increased cost of operations because of wildfire recovery efforts and the need for a supplemental transfer, is an increase to the Department's landfill disposal fees warranted? If so, please provide the Department's recommendations for fees to be increased, the amount the fees should be increased by, and how the increases would impact revenue.**

The actual increased cost of operations because of wildfire recovery efforts continues to develop. Future costs are largely unknown and based on estimates. An increase to the landfill disposal fees may be warranted but the amount of the increase is not yet fully understood.

The Solid Waste Division anticipates that the PDS will be constructed at the Central Maui Landfill (CML) in the proposed Phase VI area. In addition to the design and construction cost (conservatively estimated) of the PDS the Solid Waste Division needs to procure a contractor to manage the wildfire debris received at the PDS, while existing staff handle normal day-to-day incoming solid waste to the landfill.

The Department is currently vetting with FEMA if these additional costs for operations, monitoring and management of the PDS will be FEMA reimbursable. As the answer to this question is yet unknown the below rates assume that these costs are not reimbursable and would be borne by the rate payers. With this understanding should Council decide to pursue a rate and fee increase, the Department would recommend increasing the tip fee by \$ 3.40/ton applied to **all** billable tons received at all County Operated Landfills for the next 10-years. This would bring an estimated increase in revenue in FY25, based on receiving ½ of the TDS debris, of approximately 1.38 million dollars.

This increase, over the ten-year period, would cover the cost to design and construct the PDS including the costs to properly receive and manage the wildfire debris. Department will continue to develop real costs associated with Permanent Disposal Site and continue to clarify and negotiate potential reimbursement opportunities with FEMA PA.

6. Please confirm whether the following capital improvement project (“CIP”) titles are discrepancies that need to be revised: (in bold for emphasis)

- a. **Bill 60 (2024) notes a CIP listed as the “Honowai R-1 Water Distribution System.”**

Yes. This is a typo and should read “Honokowai”.

- b. **Appendix C – Capital Improvement Projects notes a CIP listed as the “Honokowai R-1 Eater Distribution System.”**

Yes. This is a typo and should read “Water”.

7. Explain the impact to the Department if there were no new CIPs added for FY 2025. Without new CIPs, would the Department be able to focus on current CIPs, especially FY 2024 CIPs that have appropriations set to lapse at the end of 2024?

While it would help with certain projects, delaying FY25 CIPs may have some negative consequences. Several CIP projects that the Solid Waste Division are requesting require subsequent funding to continue work done for projects in prior years. Removal of funding for those projects will delay the project timeline and could result in some projects needing to redo work or regulatory non-compliance penalties.

All of the WWRD CIP projects for FY2025 address the Department’s goals to comply with regulatory compliance, addressing safety issues, replacing infrastructure that has reached its end useful life, being proactive with Sea Level Rise, and expanding the recycled water system. If no new CIP projects are added for FY2025, the Department may have State and Federal permit violations with associated fines, an increase in wastewater spills which impacts the environment and public health and safety, significantly increase the operational budget to address equipment failures, and delay the expansion of reuse, as well as, all other future CIP project that relies on this year’s funding.

8. Does the Department support having the Office of Economic Development grants transferred to the Environmental Protection and Sustainability Division? If so, please describe the additional support that the Department would need.

EP&S supports the idea of transferring the Office of Economic Development grants to the Environmental Programming Section (EP) of the Division. EP possesses specific expertise in environmental issues and grant management, making the section well- suited to oversee these grants. Additionally, EP&S and the EP Section have a strong track record in community partnerships and engagement, which is another reason we would be well-suited to the transfer. Finally, our office can provide stability as we consist of permanent civil servants.

Grant management demands considerable* time and resources, involving personalized guidance for grantees and extensive administrative tasks. To ensure the effective management of these grants, one additional fulltime staff with a background in environmental matters would be essential.

Thank you for the opportunity to provide you with information on this matter. Should you have any questions or concerns, please feel free to transmit them to the Department of Environmental Management via transmittal through the Office of the Mayor.

Sincerely,



Digitally signed by Shayne R. Agawa, P.E.
DN: cn=Shayne R. Agawa, P.E.,
o=County of Maui, ou=Director of
Environmental Management,
email=shayne.agawa@co.maui.hi.us,
c=US
Date: 2024.04.09 16:37:16 -10'00'

SHAYNE R. AGAWA, P.E.
Director of Environmental Management

BFED Committee

From: Janina Agapay <Janina.E.Agapay@co.maui.hi.us>
Sent: Thursday, April 11, 2024 8:43 AM
To: BFED Committee
Cc: Lesley Milner
Subject: (BFED-1)(EM-4)
Attachments: (BFED-1)(EM-4).pdf

Hello,

Please see attached correspondence from Department of Environmental Management.

Thank you,

Janina Agapay

County of Maui

Budget Office

(808) 270-7836

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