

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

December 15, 2023

**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 November 28, 2023, makes reference to Bill 122 (2023), entitled “A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2024 BUDGET FOR THE COUNTY OF MAUI, REVENUES; DEPARTMENT OF ENVIRONMENTAL MANAGEMENT, SOLID WASTE OPERATIONS PROGRAM; DEPARTMENT OF FINANCE, COUNTYWIDE COSTS, SUPPLEMENTAL TRANSFER TO THE SOLID WASTE FUND; CAPITAL IMPROVEMENT PROJECTS, DEPARTMENT OF ENVIRONMENTAL MANAGEMENT, WEST MAUI COMMUNITY PLAN AREA, SANITATION; AND APPENDIX C, DEPARTMENT OF ENVIRONMENTAL MANAGEMENT, WEST MAUI COMMUNITY PLAN AREA.”

Bill 122’s purpose is to amend the Fiscal Year (“FY”) 2024 Budget by: 1) amending Section 2, Estimated Revenues, by increasing Carryover/Savings from the General Fund and Interfund Transfers, each by \$5,200,000; 2) amending Section 3.B.4.e, Department of Environmental Management, Solid Waste Operations Program – Solid Waste Management Fund, by increasing Category B (Operations & Equipment) and Total appropriations by \$4,000,000; 3) amending Section 3.B.5.g.(6), Department of Finance, Countywide Costs, Supplemental Transfer to the Solid Waste Fund, by increasing Category B (Operations & Equipment) and Total appropriations by \$5,200,000; 4) amending Section 4.A.7., Department of Environmental Management, West Maui Community Plan Area, to add a new appropriation for Sanitation, Solid Waste Management Fund, entitled “Lāhainā Wildfire Final Disposition Site,” in the amount of \$1,200,000; 5) adjusting the totals accordingly; and 6) amending Appendix C - Capital Improvement Projects, Department of Environmental Management, West Maui Community Plan Area, to add a

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

Page 2

**Committee
Report No. _____**

new project and project description entitled “Lāhainā Wildfire Final Disposition Site,” in the amount of \$1,200,000.

By correspondence dated November 15, 2023, the Budget Director transmitted a Certification of Additional Revenues for FY 2024, dated November 15, 2023, for \$5,200,000 in Carryover/Savings from the General Fund.

By that same correspondence, the Budget Director explained that the Board of Land and Natural Resources approved a 19-acre property in Olowalu to be used as a new landfill, or final disposition site, for an estimated 400,000 tons of ash and debris resulting from the August 2023 Maui wildfires.

By correspondence dated November 24, 2023, the Director of Environmental Management confirmed that the requested \$4,000,000 in operational costs for the disposition site would be used as follows:

- \$500,000 for operational planning;
- \$250,000 for commercial testing;
- \$1,250,000 for environmental monitoring; and
- \$2,000,000 for disposal operations.

By correspondence dated November 27, 2023, the Director of Finance noted that the requested Carryover/Savings amount is derived from the unreserved General Fund balance based on financial statements from FY 2023. Although the Annual Comprehensive Financial Report for FY 2023 has not yet been finalized, a representative from the Department of Finance confirmed the availability of funds.

The Director of Environmental Management explained that additional equivalent personnel would be needed to operate the disposition site as management of wildfire debris is in excess of the Solid Waste Division’s normal municipal solid waste management activities and

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

Page 3

Committee
Report No. _____

available resources. Instead of requesting the additional personnel, the Division anticipates contracting out the operation of the debris disposal facility.

Your Committee notes the \$1,200,000 capital improvement project appropriation for the Lāhainā Wildfire Final Disposition Site may only be used for the design and permitting of the site. The Director of Environmental Management said the total construction cost is estimated to be approximately \$28 million, while the total cost of the project, including monitoring, management, and operational costs for the site, is estimated to be approximately \$65 million.

Your Committee notes the extenuating circumstances related to wildfire recovery, the need to expedite this project, and the lack of additional funding available make the transfer appropriate.

Your Committee voted 8-0 to recommend passage of Bill 122 (2023) on first reading. Committee Chair Sugimura, Vice-Chair Kama, and members Cook, Johnson, Lee, Rawlins-Fernandez, Sinenci, and U‘u-Hodgins voted “aye.” Committee member Paltin was excused.

Your Committee is in receipt of Bill 122, CD1 (2023), 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.

Your Budget, Finance, and Economic Development Committee **RECOMMENDS** that Bill 122, CD1 (2023), entitled “A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2024 BUDGET FOR THE COUNTY OF MAUI, REVENUES; DEPARTMENT OF ENVIRONMENTAL MANAGEMENT, SOLID WASTE OPERATIONS PROGRAM; DEPARTMENT OF FINANCE, COUNTYWIDE COSTS, SUPPLEMENTAL TRANSFER TO THE SOLID WASTE FUND; CAPITAL IMPROVEMENT PROJECTS, DEPARTMENT OF ENVIRONMENTAL MANAGEMENT, WEST MAUI COMMUNITY PLAN AREA, SANITATION; AND APPENDIX C,

COUNCIL OF THE COUNTY OF MAUI

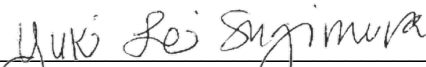
BUDGET, FINANCE, AND ECONOMIC DEVELOPMENT COMMITTEE

Page 4

**Committee
Report No.** _____

DEPARTMENT OF ENVIRONMENTAL MANAGEMENT, WEST MAUI
COMMUNITY PLAN AREA,” be PASSED ON FIRST READING and be
ORDERED TO PRINT.

This report is submitted in accordance with Rule 8 of the Rules of
the Council.



YUKI LEI K. SUGIMURA, Chair

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ORDINANCE NO. _____

BILL NO. 122, CD1 (2023)

A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2024
BUDGET FOR THE COUNTY OF MAUI, REVENUES;
DEPARTMENT OF ENVIRONMENTAL MANAGEMENT, SOLID WASTE
OPERATIONS PROGRAM; DEPARTMENT OF FINANCE, COUNTYWIDE COSTS,
SUPPLEMENTAL TRANSFER TO THE SOLID WASTE FUND; CAPITAL IMPROVEMENT
PROJECTS, DEPARTMENT OF ENVIRONMENTAL MANAGEMENT,
WEST MAUI COMMUNITY PLAN AREA, SANITATION; AND APPENDIX C,
DEPARTMENT OF ENVIRONMENTAL MANAGEMENT,
WEST MAUI COMMUNITY PLAN AREA

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

SECTION 1. Ordinance No. 5528, Bill No. 22, CD1, FD2 (2023), as amended, "Fiscal Year 2024 Budget", Section 2, Estimated Revenues, is amended to increase Carryover/Savings, General Fund in the amount of \$5,200,000, increase Interfund Transfers in the amount of \$5,200,000, and increase the total accordingly, to read as follows:

"ESTIMATED REVENUES"

FROM TAXES, FEES AND ASSESSMENTS:

Real Property Taxes		534,949,079
Circuit Breaker Adjustment		(325,398)
Transient Accommodations Tax		60,000,000
Charges for Current Services		172,264,662
Public Service Company Tax		7,000,000
Licenses/Permits/Others		45,268,317
Fuel and Franchise Taxes		23,500,000
Special Assessments		6,700,000
Other Intergovernmental		19,150,000

FROM OTHER SOURCES:

Interfund Transfers	[67,291,088]	<u>72,491,088</u>
Bond/Lapsed Bond		61,545,000
Carryover/Savings:		
General Fund	[49,391,201]	<u>54,591,201</u>
Sewer Fund		10,073,191
Highway Fund		8,000,039
Solid Waste Management Fund		4,945,233
Environmental Protection and Sustainability Fund		665,143
Liquor Fund		855,282
Bikeway Fund		199,760
Water Fund		<u>9,905,110</u>

TOTAL ESTIMATED REVENUES	[1,081,377,707]	<u>1,091,777,707"</u>
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SECTION 2. Fiscal Year 2024 Budget Section 3.B.4.e, Department of Environmental Management, Solid Waste Operations Program – Solid Waste Management Fund, is amended to increase the appropriation for Category B – Operations & Equipment in the amount of \$4,000,000, and adjust the total appropriation accordingly, to read as follows:

<u>"FUNCTION AND PROGRAMS</u>	<u>A - Salaries</u>	<u>B – Operations & Equipment</u>	<u>Total</u>
4. Department of Environmental Management			
e. Solid Waste Operations Program – Solid Waste Management Fund	6,641,980	[12,205,934] <u>16,205,934</u>	[18,847,914] <u>22,847,914"</u>
(1) Disbursement for salaries and premium pay is limited to 94.0 equivalent personnel.			

SECTION 3. Fiscal Year 2024 Budget Section 3.B.5.g.(6), Department of Finance, Countywide Costs, Supplemental Transfer to the Solid Waste Fund, is amended to reflect an increase of \$5,200,000 in Category B – Operations & Equipment, and to adjust the total accordingly, to read as follows:

<u>"FUNCTION AND PROGRAMS</u>	<u>A - Salaries</u>	<u>B – Operations & Equipment</u>	<u>Total</u>
5. Department of Finance			
g. Countywide Costs			
(6) Supplemental Transfer to the Solid Waste Fund	0	[8,929,310] <u>14,129,310</u>	[8,929,310] <u>14,129,310"</u>

SECTION 4. Fiscal Year 2024 Budget, Total Operating Appropriations, is amended to reflect an increase of \$9,200,000 in Category B – Operations & Equipment and to adjust the total accordingly, to read as follows:

<u>"FUNCTION AND PROGRAMS</u>	<u>A - Salaries</u>	<u>B – Operations & Equipment</u>	<u>Total</u>
TOTAL OPERATING APPROPRIATIONS	241,153,134	[687,821,239] <u>697,021,239</u>	[928,974,373] <u>938,174,373"</u>

SECTION 5. Fiscal Year 2024 Budget, Section 4.A.7, Department of Environmental Management, West Maui Community Plan Area, is amended to add a new appropriation for Sanitation, Solid Waste Management Fund, entitled "Lāhainā Wildfire Final Disposition Site" in the amount of \$1,200,000, to read as follows:

<u>"PROJECT TITLE</u>	<u>APPROPRIATION</u>
A. Department of Environmental Management	
7. West Maui Community Plan Area	
<u>a. Sanitation</u>	
<u>(1) Solid Waste Management Fund</u>	
<u>(i) Lāhainā Wildfire Final Disposition Site</u>	<u>1,200,000</u>

[a.] b. Sewer

(1) Sewer Fund

(i) Kā'anapali Resort R-1 Water Distribution System Expansion	150,000
(ii) Lāhainā Force Main No. 3 Replacement	300,000
(iii) Lāhainā Recycled Water Force Main Construction/Rehabilitation	850,000

(2) Bond Fund

(i) Lāhainā Wastewater Reclamation Facility R-1 Process Expansion	1,350,000
(ii) Nāpili No. 2 Force Main Replacement	1,500,000
(iii) West Maui Environmental Protection Agency (EPA) Compliance Sewer Rehabilitation	2,000,000
(iv) Nāpili Wastewater Pump Station No. 2 Modifications	1,000,000

(3) State Revolving Loan Fund

(i) Kā'anapali Resort R-1 Water Distribution System Expansion	8,500,000
(ii) Nāpili Wastewater Pump Station No. 3 Modifications	600,000"

SECTION 6. Fiscal Year 2024 Budget, Total Capital Improvement Project Appropriations, is amended to reflect an increase of \$1,200,000, to read as follows:

"TOTAL CAPITAL IMPROVEMENT PROJECT APPROPRIATIONS [152,403,334] 153,603,334"

SECTION 7. Fiscal Year 2024 Budget, Total Appropriations (Operating and Capital Improvement Projects), is amended to reflect an increase of \$10,400,000, to read as follows:

"TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)

[1,081,377,707] 1,091,777,707"

SECTION 8. Fiscal Year 2024 Budget, Appendix C – Capital Improvement Projects, Department of Environmental Management, West Maui Community Plan Area is amended to add a new project and project description entitled "Lāhainā Wildfire Final Disposition Site" in the amount of \$1,200,000, to read as follows:

"APPENDIX C – Capital Improvement Projects		
CBS NO.	PROJECT TITLE/DESCRIPTION	APPROPRIATION
	<u>Department of Environmental Management</u>	
	<u>7. West Maui Community Plan Area</u>	
CBS-1952	a. Kā'anapali Resort R-1 Water Distribution System Expansion	8,650,000
	Design, permitting, management and construction of recycled water improvements (pipelines, valves, meters and other appurtenances) within the Kā'anapali Resort Area. The project expands the distribution system, adds new customers and increases reuse volumes.	
CBS-5522	b. Lāhainā Force Main No. 3 Replacement	300,000
	Replacement of a 2,231 foot long segment of 20 inch diameter ductile iron pipe force main constructed in 1997. This line is	

	within Honoapiilani Highway (between Wahikuli Road and Malolo Place) and is nearing the end of its useful life. A portion of this line was replaced in 2013.	
CBS-6080	c. Lāhainā Recycled Water Force Main Construction/Rehabilitation	850,000
	Assessment, design, permitting for the rehabilitation/replacement of an existing 6,700 force main, construction of a second force main, pump station, access road and supporting utilities/improvements to enable distribution to the existing 700' reservoir.	
CBS-3576	d. Lāhainā Wastewater Reclamation Facility R-1 Process Expansion	1,350,000
	The design and construction of flow equalization basins, additional filters, pumps, ultraviolet disinfection equipment and new process channels/piping to handle peak flows at the facility.	
CBS-1168	e. Nāpili No. 2 Force Main Replacement	1,500,000
	Design, permitting, replacement of a 980 foot long, 16 inch diameter ductile iron pipe force main within Lower Honoapiilani Road (between Piina Place and Akahele St.). This facility was constructed in 1985 and is nearing the end of its useful life.	
CBS-1178	f. Nāpili Wastewater Pump Station No. 2 Modifications	1,000,000
	Design, permit and construct renovations/upgrades (pumps, motors, generators, etc.) and required modifications (building, piping, electrical) to the existing pump station originally constructed in 1985. This station needs to meet area capacity requirements and be standardized to be similar in design and operation as other West Maui pump station facilities.	
CBS-1179	g. Nāpili Wastewater Pump Station No. 3 Modifications	600,000
	Assessment, design, permitting, and [construct] <u>construction</u> of upgrades (pumps, motors, generators, etc.) and required modifications (building, piping, electrical) to the existing pump station originally constructed in 1985. This station needs to meet area capacity requirements and be standardized to be similar in design and operation as other West Maui pump station facilities.	
CBS-1146	h. West Maui Environmental Protection Agency (EPA) Compliance Sewer Rehabilitation	2,000,000
	Design, permitting, construction or rehabilitation of major gravity sewer lines that have reached the end of their useful life, or have been found to be damaged or in disrepair via video investigation or other means, or require relocation due to sea level rise concerns. Potential FY 2023-24 projects are still being investigated.	
CBS-xxxx	i. Lāhainā Wildfire Final Disposition Site	<u>1,200,000"</u>
	<u>Design and permitting of a Lāhainā Wildfire Final Disposition Site related to the August 2023 Maui Wildfires.</u>	

SECTION 9. Material to be repealed is bracketed. New material is underscored.

SECTION 10. 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 cursive script, appearing to read "Sheri Lee", is written over a horizontal line.

Upon the request of the Mayor.