

RICHARD T. BISSEN, JR.
Mayor

JOSIAH NISHITA
Managing Director



OFFICE OF THE MAYOR
COUNTY OF MAUI
200 SOUTH HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.mauicounty.gov

April 26, 2024

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

APPROVED FOR TRANSMITTAL

Richard Bissen 4/26/24
Mayor Date

For Transmittal to:

Honorable Alice L. Lee, Chair
and Members of the Maui County Council
200 South High Street
Wailuku, Hawaii 96793

Dear Chair Lee and Members:

SUBJECT: FISCAL YEAR 2025 BUDGET (BFED-1)

In light of the recent decisions by the State Legislature regarding funding for the County of Maui for response to the August 2023 Wildfires, please see the attached markup up portions of Bill 60 (2024) for the Budget, Finance, and Economic Development Committee's consideration.

This proposal includes the following:

- An increase to the Maui Emergency Management Agency Operating and Equipment category of \$14,000,000 for security related costs.
- A decrease to Department of Management, Office of Recovery Program Operating and Equipment category. This decrease reflects the following: removal of the bridge loan funding of \$54,550,000, removal of \$500,000 in costs that were transferred to the Office of the Mayor, removal of \$700,000 in costs that were transferred to Office of the Mayor, Community Development Block Grant Program, and removal of \$7,000,000 in costs to free up general fund.

Submitted by Managing Director
Received at BFED meeting on 04-26-2024

- The addition of a line item under Office of the Mayor for Community Development Block Grant Program. These funds will be used for preparation for the Community Development Block Grant Program Disaster Relief funding that is anticipated from the Federal Government.
- Deletion of the Maui Wildfire Disaster Recovery CIP under the Department of Management.
- Addition of the following Bond Fund CIPs under the Department of Management:
 - Pump Station Temporary Repairs, \$4,000,000
 - Road and Sidewalk repairs related to the August 2023 Wildfires, \$5,000,000
 - Roadway Connectivity for evacuations, \$5,000,000
 - Roadway Connectivity for evacuations – land acquisition, \$8,000,000
 - Storm Drainage, Flood Control, and Water Quality Improvements, \$8,000,000
 - Fire flow improvements to water system, \$8,000,000
- Removal of all wildfire related State funds from Appendix A, Part I
- Addition of anticipated revenues for the General Excise Tax (GET) funds in Appendix A, Part II.
- Deletion of the conditional language under the GET fund for Waste Water Pump Stations 5 and 6.
- Addition of the following conditional language under the GET fund:
 - \$33,400,000 for construction, permitting, operations, and maintenance of the wildfire permanent disposal site.
 - \$2,000,000 for wildfire debris removal.
 - \$16,668,000 for water infrastructure repairs and replacement and wastewater repairs related to the August 2023 Wildfires.
 - \$2,000,000 for the Kahului Wastewater Treatment Plant 4th Aeration Basin.
- Deletion of the project and project description for “Maui Wildfire Disaster Recovery” and insertion new projects and project descriptions for the CIPs listed above.

The Department of Management has also spoke to Ikaika Ohana about the Kaiāulu o Kupuohi project in West Maui. The developer has stated that they would be willing to have the County purchase the land with an agreement to lease it back to them for the duration of the affordability period of 65 years. A markup of the proposed language for the Affordable Housing Fund is also attached.

Alice L. Lee, Chair
April 26, 2024
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Thank you for your attention in this matter. Should you have any questions, please contact me at ext. 8239.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lesley Milner", with a long horizontal flourish extending to the right.

LESLEY MILNER
Acting Budget Director

Attachments

cc: Josiah Nishita, Management Director

| <u>FUNCTION AND PROGRAMS</u> | <u>A - Salaries</u> | <u>B – Operations & Equipment</u> | <u>Total</u> |
|--|---------------------|---|----------------------------------|
| (vi) Livestock | 0 | 100,000 | 100,000 |
| (vii) Maui Nui Bontanical Gardens, Inc. | 0 | 150,000 | 150,000 |
| (viii) MEO Agricultural Micro Grants Program | 0 | 3,000,000 | 3,000,000 |
| (ix) Molokai Agriculture | 0 | 100,000 | 100,000 |
| (x) Molokai Livestock Cooperative | 0 | 20,000 | 20,000 |
| (xi) Non-Food Agriculture | 0 | 100,000 | 100,000 |
| (xii) University of Hawaii Tropical Agriculture/Human Resources | 0 | 150,000 | 150,000 |
| 2. Department of the Corporation Counsel | | | |
| a. Legal Services Program | 4,832,357 | 613,211 | 5,445,568 |
| (1) Disbursement for salaries and premium pay is limited to 48.6 equivalent personnel. | | | |
| 3. East Maui Water Authority | 295,160 | 108,000 | 403,160 |
| a. Administration Program | | | |
| (1) Disbursement for salaries and premium pay is limited to 3.0 equivalent personnel. | | | |
| 4. Emergency Management Agency | | | |
| a. Emergency Management Program | | | |
| (1) Disbursement for salaries and premium pay is limited to 15.0 equivalent personnel. | 1,007,902 | 1961426 15,961,426 | 2969328 16,969,328 |
| (2) Grant to American Red Cross | 0 | 55,000 | 55,000 |
| (3) Grant to Volunteer Organization Active in Disaster | 0 | 10,000 | 10,000 |
| (4) Grant to Maui Search and Rescue | 0 | 10,000 | 10,000 |
| (5) Grant to Civil Air Patrol Kahului Squadron | 0 | 10,000 | 10,000 |

| <u>FUNCTION AND PROGRAMS</u> | <u>A - Salaries</u> | <u>B – Operations & Equipment</u> | <u>Total</u> |
|---|---------------------|---|--------------|
| (2) Animal Enforcement Program | 0 | 1,061,000 | 1,061,000 |
| (i) County funds may not be expended to operate pet cremation services, direct release quarantine services, or any other earned-income activities not related to contractual obligations. | | | |
| (3) Maui Humane Society for Molokai | 0 | 140,000 | 140,000 |
| (4) Spay/Neuter Programs | 0 | 165,000 | 165,000 |
| 10. Department of Liquor Control - Liquor Fund | | | |
| a. Liquor Control Program | 1,800,929 | 640,888 | 2,441,817 |
| (1) Disbursement for salaries and premium pay is limited to 25.0 equivalent personnel. | | | |
| b. Administrative Overhead Charge | 0 | 1,260,651 | 1,260,651 |
| 11. Department of Management | | | |
| a. Management Program | | | |
| (1) Disbursement for salaries and premium pay is limited to 19.0 equivalent personnel. | 1,915,108 | 2,616,310 | 4,531,418 |
| (2) Grant to Maui County Veterans Council | 0 | 20,000 | 20,000 |
| (3) Grant to Molokai Veterans Caring for Veterans | 0 | 15,000 | 15,000 |
| (4) Grant to West Maui Veterans Club | 0 | 5,000 | 5,000 |
| b. Information Technology Services (ITS) Program | 5,858,800 | 19,460,122 | 25,318,922 |
| (1) Disbursement for salaries and premium pay is limited to 64.0 equivalent personnel. | | | |
| c. Office of Recovery Program | 805,332 | 90,273,650 | 91,078,982 |
| (1) Disbursement for salaries and premium pay is limited to 8.0 equivalent personnel. | | 30,223,650 | 31,028,982 |

| <u>FUNCTION AND PROGRAMS</u> | <u>A - Salaries</u> | <u>B – Operations & Equipment</u> | <u>Total</u> |
|---|---------------------|---|--------------|
| (ix) Maui County Wetlands | 0 | 800,000 | 800,000 |
| (x) Maui Invasive Species Committee (MISC) | 0 | 2,800,000 | 2,800,000 |
| (xi) Maui Nui Marine Resource Council | 0 | 225,000 | 225,000 |
| (xii) Maui Nui Seabird Recovery Project | 0 | 82,500 | 82,500 |
| (xiii) Maui Soil/Water Conservation District | 0 | 321,000 | 321,000 |
| (xiv) Renewable Energy Programs | 0 | 100,000 | 100,000 |
| (xv) Soil/Water Conservation - Molokai and Lānaʻi | 0 | 30,000 | 30,000 |
| d. Community Development Block Grant Program | 285,000 | 415,000 | 700,000 |
| 13. Department of 'Ōiwi Resources | | | |
| a. 'Ōiwi Resources Program | | | |
| (1) General | 467,214 | 961,145 | 1,428,359 |
| (i) Disbursement for salaries and premium pay is limited to 7.0 equivalent personnel. | | | |
| 14. Department of Parks and Recreation | | | |
| a. Administration Program | | | |
| (1) General | 2,715,048 | 562,021 | 3,277,069 |
| (i) Disbursement for salaries and premium pay is limited to 45.0 equivalent personnel. | | | |
| (2) Grant to The Lāhainā Restoration Foundation | 0 | 191,000 | 191,000 |
| b. Parks Program | 5,364,560 | 3,412,774 | 8,777,334 |
| (1) Disbursement for salaries and premium pay is limited to 82.9 equivalent personnel. | | | |
| c. Recreation and Support Services Program | 17,974,980 | 13,613,472 | 31,588,452 |
| (1) Disbursement for salaries and premium pay is limited to 350.5 equivalent personnel. | | | |

| <u>PROJECT TITLE</u> | <u>APPROPRIATION</u> |
|---|-----------------------|
| B. Department of Fire and Public Safety | |
| 1. Countywide | |
| a. Government Facilities | |
| (1) General Fund | |
| (i) Countywide Fire Facilities | 870,000 |
| 2. Paia-Haiku Community Plan Area | |
| a. Government Facilities | |
| (1) General Fund | |
| (i) Haiku Fire Station | 150,000 |
| (2) Bond Fund | |
| (i) Haiku Fire Station | 14,500,000 |
| C. Department of Management | |
| 1. Countywide | |
| a. Other Projects | |
| (1) General Fund | 14,550,000 |
| (i) Maui Wildfire Disaster Recovery | |
| (1) Bond Fund | |
| (i) Pump Station Temporary Repairs | 4,000,000 |
| (ii) Road and Sidewalk repairs related to the August 2023 Wildfires | 5,000,000 |
| (iii) Roadway Connectivity for evacuations | 5,000,000 |
| (iv) Roadway Connectivity for evacuations - land acquisition | 8,000,000 |
| (v) Storm Drainage, Flood Control, and Water Quality Improvements | 8,000,000 |
| (vi) Fire flow improvements to water system | 8,000,000 |
| 2. Wailuku-Kahului Community Plan Area | |
| a. Government Facilities | |
| (1) General Fund | |
| (i) 60 South Church Street Building Renovations | 1,000,000 |
| D. Department of Parks and Recreation | |
| 1. Countywide | |
| a. Parks and Recreation | |
| (1) General Fund | |
| (i) Countywide Construction Project Management | 2,000,000 |
| (ii) Countywide Park Playground Improvements | 1,500,000 |
| (iii) Countywide Parks Americans with Disabilities Act (ADA) Improvements | 500,000 |
| (iii) Countywide Parks Facilities | 1,000,000 |

APPENDIX A

I. GRANTS AND RESTRICTED USE REVENUES- SCHEDULE OF GRANTS AND RESTRICTED USE REVENUES BY DEPARTMENTS AND PROGRAMS FOR FISCAL YEAR 2025

| <u>REQUEST DEPARTMENT/PROGRAM</u> | <u>APPROPRIATION</u> |
|---|-----------------------|
| 1. Emergency Management Agency | |
| a. Emergency Management Performance Grant (EMPG) | 5,000,000 |
| b. Federal Emergency Management Agency (FEMA) Public Assistance Grant | 96,000,000 |
| c. State Homeland Security Grant (SHSG) Program | 20,000,000 |
| d. State of Hawai'i—Security Checkpoint | 20,000,000 |
| 2. Department of Environmental Management | |
| a. Electronics Program | 200,000 |
| b. Glass Recovery Program | 180,000 |
| c. Recycling Program - Landfill Diversion | 300,000 |
| d. State of Hawaii, Department of Health (Deposit Beverage Container Program) (1) Disbursement of salaries and premium pay is limited to 2.0 LTA equivalent personnel. | 292,396 |
| 3. Department of Finance | |
| a. Commercial Driver's License (CDL) Program (1) Disbursement for salaries and premium pay is limited to 6.0 LTA equivalent personnel. | 636,007 |
| b. Periodic Motor Vehicle Inspection Program (1) Disbursement for salaries and premium pay is limited to 5.0 LTA equivalent personnel. | 571,051 |
| c. State Disability and Communications Access Board (DCAB) Program (1) Disbursement for salaries and premium pay is limited to 0.3 equivalent personnel | 22,083 |
| d. State Identification (SID) Program (1) Disbursement for salaries and premium pay is limited to 2.0 LTA equivalent personnel. | 254,409 |

| | |
|--|------------------------|
| n. Title III Programs | 1,500,000 |
| (1) Disbursement for salaries and premium pay is limited to 5.0 LTA equivalent personnel. | |
| o. Volunteer Center Program | 10,000 |
| p. Voluntary Contributions | 25,000 |
| 7. Department of Management | |
| a. State of Hawai'i – Maui Wildfire Disaster Recovery Funds | 130,950,000 |
| 8. Office of the Mayor | |
| a. Community Development Block Grant (CDBG) Program | 1,829,334 |
| (1) Disbursement for salaries and premium pay is not restricted by Section 5. | |
| b. Workforce Innovation and Opportunity Act (WIOA) | 1,039,013 |
| (1) Disbursement for salaries and premium pay is not restricted by Section 5. | |
| 9. Department of Parks and Recreation | |
| a. Play and Learn Sessions (PALS) Food Service Program | 150,000 |
| b. Urban Forest Management Plan | 300,000 |
| 10. Department of Planning | |
| a. Certified Local Government (CLG) Program | 25,000 |
| b. Coastal Zone Management Program | 483,912 |
| (1) Disbursement for salaries and premium pay is limited to 4.0 LTA equivalent personnel. | |
| 11. Department of Police | |
| a. Bulletproof Vest Partnership (BVP) Program | 15,000 |
| b. Department of Health (DOH) Grants | 522,782 |
| c. Department of Transportation Highway Safety Grants | 1,335,000 |
| d. Edward Byrne Memorial Justice Assistance Grants | 275,000 |
| e. Edward Byrne Memorial Justice Assistance Grants American Recovery and Reinvestment Act (ARRA) | 107,000 |

**II. SPECIAL PURPOSE REVENUES - SCHEDULE OF REVOLVING/SPECIAL FUNDS
FOR FISCAL YEAR 2025**

| | <u>ESTIMATED BALANCE AS OF 6/30/2024</u> | <u>ANTICIPATED REVENUES FOR FY 2025</u> | <u>TOTAL FOR FY 2025</u> |
|--|--|---|-----------------------------------|
| AA. Molokai Farming Cost Reimbursement Program Fund (Chapter 3.76, Maui County Code) | 146,725 | 0 | 146,725 |
| <p>(1) Must be for disbursement of grants, up to \$5,000 each, for qualified farmers on Molokai for the cost of complying with the United States Food and Drug Administration Food Safety Act and State of Hawaii Food Safety Law.</p> | | | |
| BB. Managed Retreat Revolving Fund (Chapter 3.97, Maui County Code) | 12,000,000 | 12,000,000 | 24,000,000 |
| CC. General Excise Tax Fund (Chapter 3.100, Maui County Code) | 0 11,068,593 | 36000000 48,000,000 | 36000000 59,068,593 |
| <p>(1) Up to \$5,000,000 must be for the Kamole Weir Water Treatment Facility in Makawao, Maui, Hawai'i.</p> | | | |
| <p>(2) Up to \$5,500,000 must be for Waste Water Pump Station #5 in Lāhainā, Maui, Hawai'i.</p> | | | |
| <p>(3) Up to \$5,500,000 must be for Waste Water Pump Station #6 in Lāhainā, Maui, Hawai'i.</p> | | | |
| <p>(2) Up to \$33,400,000 must be for construction, permitting, operations, and maintenance of the wildfire permanent disposal site.</p> | | | |
| <p>(3) Up to \$2,000,000 must be for wildfire debris removal</p> | | | |
| <p>(4) Up to \$16,668,000 must be for water infrastructure repairs and replacement and wastewater repairs related to the August 2023 Wildfires.</p> | | | |

**II. SPECIAL PURPOSE REVENUES - SCHEDULE OF REVOLVING/SPECIAL FUNDS
FOR FISCAL YEAR 2025**

(5) Up to \$2,000,000 must be for the
Kahului Wastewater Treatment Plant 4th
Aeration Basin

| | | | |
|---|---------------------------|----------------------------------|----------------------------------|
| DD. General Excise Tax Fund - Department of Hawaiian Home Lands (Chapter 3.100, Maui County Code) | 0 2,767,148 | 9000000 12,000,000 | 9000000 14,767,148 |
| EE. Parking Revenue Fund (Chapter 3.31, Maui County Code) | 0 | 0 | 0 |

| CBS NO. | PROJECT TITLE/DESCRIPTION | APPROPRIATION |
|----------|---|---------------|
| | 2. Paia-Haiku Community Plan Area | |
| CBS-1002 | a. Haiku Fire Station | 14,650,000 |
| | Planning, design and construction of a new fire station in Haiku. Work may also include, but not be limited to, grading, grubbing, and demolition of existing structures. | |
| | Department of Management | |
| | 1. Countywide | |
| CBS-8403 | a. Maui Wildfire Disaster Recovery | 145,500,000 |
| | Project includes: 1) Traffic Signal Replacement, 2) Front Street Repairs, 3) Roadway and Sidewalk Repairs and Verification of Survey Monuments, 4) Debris Removal, 5) Roadway Connectivity for Disaster Evacuation, 6) Land Acquisition for Roadway Connectivity, 7) Road Resurfacing and Reconstruction, 8) Storm Drainage, Flood Control, and Water Quality Improvements, 9) Expedited Permitting, 10) Water Supply Infrastructure Repairs and Replacements, 11) Fire Flow Improvements to Water System, 12) Honokowai to Wahikuli Water Line Extension, 13) Permanent Disposal Site, 14) Pump Station Temporary Repairs, 15) Wastewater Collection System repairs, 16) Wastewater Collection System Laterals and Cleanouts, 17) Pump Station Replacement, 18) Wahikuli Sewer Installation, 19) Kahului WWTP 4th Aeration Basin, 20) Lahaina WWTP Upgrade, and 21) West Maui Recycled Water System. | |
| CBS-xxxx | b. Pump Station Temporary Repairs | 4,000,000 |
| | Temporary repairs of existing sewer pumps stations that were damaged in the fire impacted areas to maintain continuity of operations. | |
| CBS-xxxx | c. Road and Sidewalk repairs related to the August 2023 wildfires | 5,000,000 |
| | Repair and replace the existing roads (minor repairs) and sidewalks that were damaged. | |
| CBS-xxxx | d. Roadway Connectivity for evacuations | 5,000,000 |
| | Enhance the existing roadways to provide for integrated connectivity for fire and disaster evacuation. | |
| CBS-xxxx | e. Roadway Connectivity for evacuations - land acquisition | 8,000,000 |
| | Land acquisition necessary for roadway connectivity, road widening, and evacuation routes in the fire impacted areas. | |
| CBS-xxxx | f. Storm Drainage, Flood Control, and Water Quality Improvements | 8,000,000 |
| | Repair existing storm drainage in the fire impacted areas and implement green infrastructure and flood control improvements to current standards | |
| CBS-xxxx | g. Fire flow improvements to Water System | 8,000,000 |
| | Provide improvements and additional fire hydrants to the existing water supply system to meet current fire flow standards. | |
| | 2. Wailuku-Kahului Community Plan Area | |
| CBS-6651 | a. 60 South Church Street Building Renovations | 1,000,000 |
| | Design and construction of interior renovations and engineering systems in the recently acquired Hawaiian Telcom Building in Wailuku. Additional funding requested in FY 2025 for contingency to cover known construction cost overruns and anticipated change orders. | |
| | Department of Parks and Recreation | |
| | 1. Countywide | |
| CBS-3232 | a. Countywide Park Playground Improvements | 1,500,000 |

**II. SPECIAL PURPOSE REVENUES - SCHEDULE OF REVOLVING/SPECIAL FUNDS
FOR FISCAL YEAR 2025**

| | ESTIMATED BALANCE AS OF 6/30/2024 | ANTICIPATED REVENUES FOR FY 2025 | TOTAL FOR FY 2025 |
|--|--|---|-------------------------------------|
| L. Affordable Housing Fund (Section 9-20, Revised Charter of the County of Maui (1983), as amended; Chapter 3.35, Maui County Code) | 29,946,178 767,090 | 46,882,067 | 76,828,245 47,649,157 |

(1) Up to \$70,000 must be for
Administrative expenses.

~~(2) Up to \$6,000,000 must be for the
Kuikahi Village Workforce Housing Project
at TMK (2) 3-5-002:003 (por.) located in
Wailuku, Maui, Hawaii.~~

~~(3) Up to \$10,000,000 must be for a grant
to Catholic Charities Housing Development
Corporation for the Hale Pilina Project. The
Hale Pilina project will include 18 units at or
below 30 percent of the AMI, 18 units at or
below 50 percent of the AMI, 142 units at or
below 60 percent of the AMI, and one unit
for an onsite manager. The affordability
period is 61 years. TMK (2) 3-7-013:026
located at 150 South Pu'unene Avenue.
Kahului, Maui, Hawaii.~~

~~(4) Up to \$7,000,000 must be for a loan to
Pacific Development Group Inc., for the
Aikanaha Project Phase I. The Aikanaha
Project Phase I will include 11 units at or
below 30 percent of the AMI, 11 units at or
below 50 percent of the AMI, 83 units at or
below 60 percent of the AMI, and one unit
for an onsite manager. The affordability
period is a minimum of 62 years. TMK (2) 3-
6-002:003 (por.) located on 5.3 acres in
Waikapu Country Town east of the
Honeapiilani Highway, Wailuku, Maui,
Hawaii.~~

**II. SPECIAL PURPOSE REVENUES - SCHEDULE OF REVOLVING/SPECIAL FUNDS
FOR FISCAL YEAR 2025**

| | ESTIMATED BALANCE AS OF 6/30/2024 | ANTICIPATED REVENUES FOR FY 2025 | TOTAL FOR FY 2025 |
|--|--|---|------------------------------|
| (5) Up to \$7,000,000 must be for a loan to Pacific Development Group, Inc, for the Aikanaha Project Phase II. The Aikanaha Project Phase II will include 11 units at or below 30 percent of the AMI, 11 units at or below 50 percent of the AMI, 83 units at or below 60 percent of the AMI, and one unit for an onsite manager. The affordability period is a minimum of 62 years. TMK (2) 3-6-002:003 (por.) located on 4.6 acres in Waikapu Country Town east of the Honoapiilani Highway, Wailuku, Maui, Hawaii. | | | |
| (6) (2) Up to \$1,500,000 must be for a grant to Lāhainā Community Land Trust for the acquisition of property in Lāhainā, Maui, Hawaii. | | | |
| (3) Up to \$6,000,000 must be for a grant to Homestead Community Development Corporation (HCDC) for the Permanently Affordable Rental Unit Strategy. All acquired homes must be in West Maui. | | | |
| (4) Any remaining funds in the Affordable Housing Fund must be used for affordable housing projects in West Maui north of Paumana. | | | |
| (5) Up to \$36,000,000 must be for a loan to Ikaika Ohana for the Kaiāulu o Kupuohi project consisting of 89 units located at 258 Kupuohi Street in Lahaina, Maui, Hawaii. | | | |
| (6) Up to \$3,100,000 must be for the acquisition of 258 Kupuohi Street in Lahaina, Maui, Hawaii subject to a lease agreement with Ikaika Ohana. | | | |