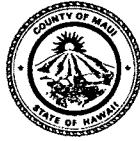


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Michael J. Molina
Tamara Paltin
Shane M. Sinenci
Yuki Lei K. Sugimura



Director of Council Services
Traci N. T. Fujita, Esq.

COUNTY COUNCIL
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April 2, 2020

Mr. Jeffrey T. Pearson, P.E., Director
Department of Water Supply
County of Maui
Wailuku, Hawaii 96793

Dear Mr. Pearson:

SUBJECT: FISCAL YEAR (“FY”) 2021 BUDGET (WS-1)(EDB-1)

May I please request that you be prepared to answer the following questions at the EDB Committee meeting held via BlueJeans on **April 15, 2020**.* This will enable the Committee to comprehensively review the FY 2021 Budget. **Date subject to change without notice.*

Overall

1. If Council finds that due to the current COVID-19 crisis, a 5% reduction of the entire departmental budget is required, how would the Department propose to implement the needed cuts? (TK) (TP) (RH)
 - a. Are there specific programs that the Department would discontinue? (TK) (TP) (RH)
 - b. Would the Department delay or cancel planned “external” costs (e.g. professional services)? (TK) (TP) (RH)
 - c. Would the Department seek to increase user fees? (TK) (TP) (RH)

Category “A” – Salaries & Wages

(Page numbers are from the Budget Proposal FY 2021, unless otherwise noted.)

2. Please provide vacancy and overtime reports for the entire Department. Please include the SR rating, step and dollar amount allotted for all position titles within the Department of Water Supply as well as which positions are currently vacant. This information is missing from Mayor Proposed Budget Details. (RH) (TP)
3. Are all Department employee evaluations up to date? What is the reason for less than 100% of employee evaluations completed on time? (Page 591) (TP)
4. Please provide a sample of an employee satisfaction survey and an update of how many have been completed to date. (Page 592) (TP)
5. What amount from the General Fund was used to offset federal grants program personnel and benefits? Please provide details of position types, amounts, and grant names. (RH)
6. Was premium pay in 2020 sufficient to cover other costs it replaced such as overtime and night differential? (Page 19-35 in the Mayor Proposed Budget Details, Index Code 953604A - 5215 \$275,000.) (YLS)
7. Given the current worldwide pandemic and the shutdown of out of state travel, please explain travel costs increasing from FY20 and provide an update of funds used for FY20 to date. (Page 590) (TP)
8. Water Operations Program, DWS Field Operations, Page 19-29 of Mayor Proposed Budget Details, 953307A, Expansion Positions. On your expansion request for 4 new positions to assist with repair, installation and maintenance of water meter service, will these positions be temporary or permanent? (MM)
9. For the Water Operations Program, the Department proposes to add 10 EP positions. Given the Mayor's commitment to maintain current utility rates for ratepayers, how will these new positions be funded? (Page 604) (TK)
10. For the Water Administration Program:
 - a. Regarding the number of staff obtaining new certifications, are these mandated certifications to maintain employment or can these certifications and their subsequent costs be postponed for cost saving this year? (Page 591) (TP)

- b. Regarding annual evaluations, please advise as to why the Department does not complete employee evaluations on time. (Page 591) (TP)

Category "B" - Operations

(Page numbers are from the Budget Proposal FY 2021, unless otherwise noted.)

11. Please provide an update on the average days for single family residential permit review for FY20 and explain why the FY21 average estimate is increasing. (Page 592) (TP)
12. Please explain how Maui's Automated Permitting and Planning System change orders require an additional \$31,000 in Professional Services. (Page 19-10, Mayor Proposed Budget Details, 953000B-6132: Water Administration Program) (TP)
13. Please explain the decrease to the Countywide Watershed Protection Grant. Is this due to the miconia management being placed in a different grant or the increases in other grant areas? (Page 597) (TP)
14. Please provide the current dollar amount disbursed to each grantee/program for FY 2020. The approved amount is supplied, but not the actual amount that has been awarded so far. (Page 597) (TP)
15. Does The Nature Conservancy grant also fund the West Maui Mountain Watershed Partnership? (Page 598) (TP)
16. Was the pilot project to develop water conservation measures implemented? If yes, what were the results? If no, why not? (Page 595) (TP)
17. Relating to the Wailuku Water Company (Page 19-37, Mayor Proposed Budget Details, and pages 591 and 606 of Budget Proposal FY 2021) (TP) (AL) (YLS) (MM):
 - a. Please explain the additional \$2.5 million in funding for Wailuku Water Company Maintenance.

- b. Does Maui County own the system or is it purchasing water from them and paying to fix the system or is this part of a payment plan?
 - c. What are the major repairs anticipated?
 - d. Please provide details on this expansion request. Please outline all related costs associated with the Wailuku Water Company, including the 5 new E/Ps being added for maintenance of the Wailuku Water Company Property. Please detail the intended use for the additional funds. (Page 19-37, Mayor Proposed Budget Details) (KRF)
18. When will the County's Iao Water Treatment Facility be able to use the additional 1 million gallons/day? (AL)
19. When will Mike Atherton's Waikapu Country Town wells be operational? (AL)
20. Please provide details of the multi-year processes with timeline and implementation, that is covered by Contractual Service. (Page 19-39, Mayor Proposed Budget Details) (KRF)

Capital Improvement Program

(Page numbers are from the Budget Proposal FY 2021, unless otherwise noted.)

21. Is the amount of mainline replacements planned in CIP for 2020 realistic, given that it is 5 times larger than that installed in 2019? (Pages 602 and 778) (YLS)
22. What does "development of source for the Central Maui Water System" mean for CBS-1073? Drilling Wells? (Page 774) (TP)
23. Please provide a breakdown of costs for the 15 items listed in the Project Description for CBS-1075. (Page 776) (TP)
24. For CBS-1075, the majority of the project's items appear as repair, replace, refurbish tasks – would that still be considered new construction? (Page 776) (TP)

25. In light of projections of less available water in the future, how has the department determined the estimated amount of water they can provide for future demands (CBS-2299)? (Page 778) (TP)
26. Why was the funding for Countywide Water System Modifications (CBS-4615) increased from \$150,000 to \$500,000 between FY20 and FY21? (Page 780) (TP)
 - a. Why is each year between FY21 and FY26 now planned to expend \$500,000 for this project, when total funds expended for prior years totals only \$67,970? (Page 780) (TP)
27. CBS-4622 is a project with a shared cost. Please provide a breakdown of shared costs between Maui Lani and the County for the Kahului Tank II. (Page 782) (TP)
28. For CBS-1092, the project description includes expansion for the West Maui Water System. Is there a difference between capacity and sustainable yield as it relates to Launiupoko Wells 1 and 2? (Page 783) (TP)
29. For the West Maui Reliable Capacity Project, why will only \$7.25 million be expended during FY21 and FY22, but over \$32 million will be expended between FY23 and FY26? (Page 784) (TP)

Program Goals and Objectives

(Page numbers are from the Budget Proposal FY 2021, unless otherwise noted.)

30. For the Water Operations Program:
 - a. Please provide an update of number of system outages or water restrictions due to facility shutdown or deficient water quality for FY20 to date. (Page 601, Goal #1.1) (TP)
 - i. Please also provide updates for FY20 to date. (Page 601, Program Budget, Goals #1.2 and #1.3) (TP)
 - b. FY21's estimate is reported in "LF" – is this linear feet? Why change reporting? And, if so, this is substantially less than previous years. Please explain. (Page 602) (TK) (TP)

- c. Please provide an update on the number of miles of mainline repaired to date for FY20. (Page 602) (TP)
 - d. FY20's reported estimate is grossly higher than FY19 and FY21. Please explain the extreme difference and if you foresee this possibility in FY21. (Page 602) (TP)
31. For the Water Administration Program:
- a. Is the upcountry list requests the only way the Department measures customer satisfaction? (Page 592) (TP)
 - b. Please provide an update on whether the Department is actually averaging 20 days to process single family residential water permits for FY20 to date? (Page 592) (TP)
 - c. What watershed management plan are we losing in 2021 that brings it down to 10? (Page 592) (TP)
 - d. Computer Services, Page 19-12 of Mayor Proposed Budget Details, 953083B, 6110. On your request for an expansion of \$75,000 for cellular fees for meter readings, is the cellular fee something new that the company implemented or has this been incurred every year? (MM) (TP)
 - e. Professional Services, Page 19-12 of Mayor Proposed Budget Details, 953083B, 6132. Please clarify the deletion of funding for the Meter Replacement Program Phase 1 and then increasing the funding for Phase 2. Has Phase 1 been completed, and at \$2 million under budget (Page 595)? (MM) (TP)
 - f. Please provide the status of the Meter Replacement Program and provide details for the \$3,000,000 expansion request. (Page 19-12, Mayor Proposed Budget Details) (KRF)
 - g. Miscellaneous Other Cost, Page 19-15 of Mayor Proposed Budget Details, 953117B, 6221. Please provide an explanation for the one-time deletion of the appropriation of \$200,000 for Engineering Feasibility study to use storm water for drought resiliency for Upcountry. Was the study completed? If so, what were the results, and if not, why not? (Page 595) (MM) (TP)
 - h. Miscellaneous Other Cost, Page 19-15 of Mayor Proposed Budget Details, 953119B, 6221. Please provide an explanation for the

Mr. Jeffrey T. Pearson
April 2, 2020
Page 7

one-time deletion of the appropriation of \$100,000 for the pilot project to develop water conservation measures. (MM)

32. Please provide details for the seed distribution program. (Page 19-18, Mayor Proposed Budget Details) (KRF)
33. Please provide details for the additional deliverables and other items listed in this request. (Page 19-19, Mayor Proposed Budget Details) (KRF)
34. How are priorities set for installation of smart meters? (Page 19-12 of the Mayor Proposed Budget Details, Index Code 954084B-6132, and Page 596 in the Budget Proposal FY 2021) (YLS)

Sincerely,



KEANI RAWLINS-FERNANDEZ, Chair
Economic Development and Budget
Committee

edb:2021budget:200401aws01:cdc

cc: Mayor Michael P. Victorino
Budget Director

Council Chair
Alice L. Lee

Vice-Chair
Keani N.W. Rawlins-Fernandez

Presiding Officer Pro Tempore
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COUNTY COUNCIL
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April 6, 2020

Mr. Jeffrey T. Pearson, P.E., Director
Department of Water Supply
County of Maui
Wailuku, Hawaii 96793

Dear Mr. Pearson:

SUBJECT: FISCAL YEAR ("FY") 2021 BUDGET (WS-2)(EDB-1)

In addition to the information requested in the letter transmitted on April 2, 2020, may I please request you also be prepared to answer the following questions, from Councilmember Sinenci, at the EDB Committee meeting held via BlueJeans on **April 15, 2020**.^{*} This will enable the Committee to comprehensively review the FY 2021 Budget. **Date subject to change without notice.*

Category "A" – Salaries & Wages

(Page numbers are from the Budget Proposal FY 2021, unless otherwise noted.)

1. Please provide job descriptions and justifications for the 10 expansion positions and two transfers in Department. (Page 590)

Category "B" – Operations

(Page numbers are from the Budget Proposal FY 2021, unless otherwise noted.)

2. How did debt service for the Department decrease by 29.2% from \$7,057,048 in FY 2020 adopted to \$4,993,210 in FY 2021 proposed? (Page 600)
3. Relating to the Wailuku Water Company (Page 606):

Mr. Jeffrey T. Pearson

April 6, 2020

Page 2

- a. Will the maintenance costs be \$2.5 million per year in future years? More? Less?
- b. Is there an engineering report for the project and schedule of maintenance needed?

Sincerely,



KEANI RAWLINS-FERNANDEZ, Chair
Economic Development and Budget
Committee

edb:2021budget:200406aws02:cdc

cc: Mayor Michael P. Victorino
Budget Director

Council Chair
Alice L. Lee

Vice-Chair
Keani N.W. Rawlins-Fernandez

Presiding Officer Pro Tempore
Tasha Kama

Councilmembers
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Director of Council Services
Traci N. T. Fujita, Esq.

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.MauiCounty.us

April 9, 2020

Ms. Michele Yoshimura, Budget Director
Office of the Mayor
County of Maui
Wailuku, Hawaii 96793

Dear Ms. Yoshimura:

SUBJECT: FISCAL YEAR ("FY") 2021 BUDGET (BD-2) (EDB-1)

May I please request copies of all notes used by department directors and other Administration officials to respond to Councilmembers' questions during Economic Development and Budget Committee meetings on EDB-1. This will enable the Committee to comprehensively review the FY 2021 Budget.

May I further request that you transmit your responses no later than five calendar days after the Department's review before the Committee.

To ensure efficient processing, please duplicate the coding in the subject line above for easy reference. Should you have any questions, please contact me or the Committee staff (Shelly Espeleta at ext. 7134, Chester Carson at ext. 7659, Richard Mitchell at ext. 7662, or Yvette Bouthillier at ext. 7758).

Sincerely,

A handwritten signature in black ink that reads "Keani Rawlins-Fernandez".

KEANI RAWLINS-FERNANDEZ, Chair
Economic Development and Budget
Committee

edb:2021budget:200409abd01:ske

cc: Mayor Michael P. Victorino

Michael P. Victorino
Mayor

Sananda K. Baz
Managing Director



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

April 14, 2020

Honorable Michael P. Victorino
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL

Michael P. Victorino 4/24/20

Mayor Date

For Transmittal to:

Honorable Keani N.W. Rawlins-Fernandez, Chair
Economic Development and Budget Committee
200 South High Street
Wailuku, Hawaii 96793

Dear Chair Rawlins-Fernandez:

SUBJECT: **FISCAL YEAR ("FY") 2021 BUDGET** (BD-2) (EDB-1)

Please see attached responses from Director Jeffrey Pearson, Department of Water Supply.

Should you have any questions, please contact me at ext. 7212.

Sincerely,

Handwritten signature of Michele M. Yoshimura in blue ink.

MICHELE M. YOSHIMURA
Budget Director

Attachments

MICHAEL P. VICTORINO
Mayor

JEFFREY T. PEARSON, P.E.
Director

HELENE KAU
Deputy Director



DEPARTMENT OF WATER SUPPLY
COUNTY OF MAUI
200 SOUTH HIGH STREET
WAILUKU, MAUI, HAWAII 96793

April 14, 2020

Ms. Michele M. Yoshimura
Budget Director, County of Maui
200 South High Street
Wailuku, Hawaii 96793

Honorable Michael P. Victorino
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

For Transmittal to:

Honorable Keani Rawlins-Fernandez
Chair, Economic Development & Budget Committee
Maui County Council
200 South High Street
Wailuku, Hawaii 96793

Dear Chair Rawlins-Fernandez:

SUBJECT: FISCAL YEAR ("FY") 2021 BUDGET (WS-1 and WS-2) (EDB-1)

In response to your letter dated April 2, 2020, and to Councilmember Shane M. Sinenci's letter dated April 6, 2020, please find Department of Water Supply's written response, which will be also provided to committee on April 15, 2020, via BlueJeans videoconference.

Overall

1. If Council finds that due to the current COVID-19 crisis, a 5% reduction of the entire departmental budget is required, how would the Department propose to implement the needed cuts? (TK) (TP) (RH)
 - a. Are there specific programs that the Department would discontinue? (TK) (TP) (RH)

"By Water All Things Find Life"

Answer:

To minimize disruption of our daily operational work, it makes sense for DWS to defer proposed expansion positions, reduce watershed grants, delay equipment purchases, defer some professional service costs, and defer capital improvements.

Expansion Positions: \$306,176; Defer 9 positions
Prof. Services: \$2.0M; Defer WWC repairs
Equipment: \$232,000; Defer dump truck & cylinder rebuilder
CIP: \$1,950,000 WTP (Structures--Mahinahina WTP \$1.25M,
Partial Olinda Roof CW \$700K)
Grants: \$500,000; no increase FY 20 to 21, cut programs 10%

- b. Would the Department delay or cancel planned "external" costs (e.g. professional services)? (TK) (TP) (RH)

Answer:

Many of the budgeted professional services are necessary to support operations and to continue planned projects (such as meter replacement). However, DWS may be able to defer most of the proposed Wailuku Water Company Maintenance. This is contingent upon the terms of the purchase agreement.

- c. Would the Department seek to increase user fees? (TK) (TP) (RH)

Answer:

No. Many customers will be challenged with paying COVID-19 related, deferred water/sewer bills.

Category "A" – Salaries & Wages

2. Please provide vacancy and overtime reports for the entire Department. Please include the SR rating, step and dollar amount allotted for all position titles within the Department of Water Supply as well as which positions are currently vacant. This information is missing from Mayor Proposed Budget Details. (RH) (TP)

Answer:

Budget Director Yoshimura is responding on behalf of all departments. Ninety-day vacancy list is attached for your information.

3. Are all Department employee evaluations up to date? What is the reason for less than 100% of employee evaluations completed on time? (TP) P 591

Answer:

No, all employee evaluations are not up to date. Like many departments, DWS has challenges in emphasizing the importance of annual employee evaluations to supervisory staff. WorkDay, and the ability to create and process annual evaluations electronically, has been a great help.

4. Please provide a sample of an employee satisfaction survey and an update of how many have been completed to date.

Answer:

To date, there has not been any additional employee satisfaction survey. The distribution of the survey was a one-time survey during the prior administration and not on-going

5. What amount from the General Fund was used to offset federal grants program personnel and benefits? Please provide details of position types, amounts, and grant names. (RH)

Answer:

N/A No federal grants

6. Was premium pay in 2020 sufficient to cover other costs it replaced such as overtime and night differential? (YLS) Page 19-35

Answer:

Account 953604A-5215 has a budget of \$275,000. The sub-object, if annualized, will be short \$20,000. "A" account should be sufficient due to unfilled positions

7. Given the current worldwide pandemic and the shutdown of out of state travel, please explain travel costs increasing from FY20 and provide an update of funds used for FY20 to date. Page 590

Answer:

The request to increase Plant Operations travel is for \$1,000. This is due to the increase of Maui staff traveling to Molokai for water quality testing (necessary for compliance) and operation/maintenance issues. Funds used to date for all divisions total \$36,914. All travel is scrutinized by upper management. In the category in question, \$2,862 has been spent already for same day per diem. The FY20 budget for sub object 6226 is \$2,000.

8. Water Operations Programs, DWS Field Operations, page 19-29 of Mayor Proposed Budget Details, 953307A, Expansion Positions. On your expansion request for 4 new positions to assist with repair, installation

and maintenance of water meter service, will these positions be temporary or permanent? (MM)

Answer:

We will be deferring our request for these four (4) positions for our Field Operations Division in light of the potential impact of COVID-19.
(This is part of the 5% reduction in item 1 above)

9. For the Water Operations Program, the Department proposes to add 10 EP positions. Given the Mayor's commitment to maintain current utility rates for ratepayers, how will these new positions be funded? (TK) Page 604

Answer:

These positions will be deferred to meet the 5% reduction. They would have been funded through water revenues.

10. For the Water Administration Program:

- a. Regarding the number of staff obtaining new certifications, are these mandated certifications to maintain employment or can these certifications and their subsequent costs be postponed for cost saving this year? (TP) Page 591

Answer:

The certifications maintained by the Department of Water Supply are vital and mandatory to safely operate a utility. As a utility, we are mandated by the state DOH under EPA to provide skilled, licensed certified staff to maintain all aspects of our intake, treatment and distribution systems. Such certifications are necessary to meet safe drinking water standards.

Our annual budget provides for many employees in our Operations divisions, including water treatment plant operations, plant and water system maintenance, our laboratory, and field operations, continued training, learning, skill advancement and enhanced knowledge. Wherever possible, we provide opportunities for promotion through testing and certification.

- b. Regarding annual evaluations, please advise as to why the Department does not complete employee evaluations on time. (TP) Page 591

Answer:

See No. 3 for answer.

Category "B" – Operations

11. Please provide an update on the average days for single family residential permit review for FY20 and explain why the FY21 average estimate is increasing. (TP) Page 592

Answer:

For FY20, since March 2020 as a direct result of the COVID-19 situation, the Engineering Division staff is doing their best to review single family residential permits within 30 days. For FY21, the average estimate for single family residential permit review increased due to Engineering Division's starting to review plumbing permit applications and any Declaration of Compliance (HRS Section 46-88 relating to Agricultural Structures) where water fixtures are proposed to be installed.

12. Please explain how Maui's Automated Permitting and Planning System change orders require an additional \$31,000 in Professional Services. (TP) Page 19-10

Answer:

The \$31,000 request is for anticipated change orders. Change orders will cover work by the software vendor to modify the new permitting system. Modifications are necessary to correct or enhance some of the software processes. Our department will be testing the new system up to the go live date of February 2021. Testing will reveal needed modifications. During the initial few months of use by the public, we anticipate additional modifications will be required to tweak the new permitting system. Other change orders will pay for the configuration of documentation, letters, and reports for the new permitting system.

13. Please explain the decrease to the Countywide Watershed Protection Grant. Is this due to the miconia management being placed in a different grant or the increases in other grants areas? (TP) Page 597

Answer:

In FY 2020 Countywide Watershed Protection of \$305,000 included \$95,186 for the project Bio-Economic Models for Protection Against Miconia Invasion. The Bio-Economic Model project did not submit a grant application for FY 2021. For FY 2021, the Department requests \$200,000 for Countywide Watershed Protection to include a new grant application of \$75,000 to address Rapid Ohia Death, and other conservation projects that may come up and are not funded through the watershed grants.

14. Please provide the current dollar amount disbursed to each grantee/program for FY 2020. The approved amount is supplied, but not the actual amount that has been awarded so far. (TP) Page 597

Answer:

Six grant agreements were fully executed for FY 2020 to date, totaling \$1,061,500. Pending execution are grants administered by University of Hawaii Office of Research Center totaling \$1,450,186. No FY 2020 funds have been disbursed as grantees are still spending down FY 2019 grant appropriations.

15. Does The Nature Conservancy grant also fund the West Maui Mountain Watershed Partnership? (TP) Page 598

Answer:

The grant for the Honokowai/Wahikuli Watershed is awarded to the Nature Conservancy (TNC), who holds the conservation easement for Kapunakea Preserve. TNC subcontracts ungulate and weed removal for this project to the West Maui Mountains Watershed Partnership (WMMWP) due to small TNC staff size and the WMMWP's area expertise.

16. Was the pilot project to develop water conversation measures implemented? If yes, what were the results? If no, why not? (TP) Page 595

Answer:

The COVID-19 crisis has delayed the implementation of the pilot project. It will now be included as a portion of the Small Meter Replacement Program and funds have been encumbered. The pilot project is scheduled to be completed in calendar year 2021.

17. Relating to the Wailuku Water Company: Page 19-37

- a. Please explain the additional \$2.5 million in funding for Wailuku Water Company Maintenance.

Answer:

These funds would be necessary should the WWC purchase take place. DWS is working with the State of Hawaii on specifics to the purchase of land, diversion, and ditch system.

In an effort to achieve the 5% reduction
Repair of ditch and tunnel system (\$1M) DEFER
Repair of diversions at 4 streams (\$1M) DEFER

Should the sale become final in FY 2021, \$500,000 would be used to evaluate, assess, and inspect existing diversions on the 4 streams, and determine the condition of the entire ditch system.

- b. Does Maui County own the system or is it purchasing water from them and paying to fix the system or is this part of a payment plan?

Answer:

DWS had an agreement to purchase the delivery of water from the diversion at Wailuku River, for treatment at the new Iao WTF. We purchase that water at \$0.48 per 1,000 gallons.

We also purchase water from a tunnel source at Iao Valley at \$0.60 per 1,000 gallons.

- c. What are the major repairs anticipated?

Answer:

We do not know. See No.17 a.

- d. Please provide details on this expansion request. Please outline all related costs associated with the Wailuku Water Company, including the 5 new E/Ps being added for maintenance of the Wailuku Water Company Property. Please detail the intended use for the additional funds. (KRF)

Answer:

Intended Use: *DEFER*

Water Service Supervisor II - \$44,152 (8 mos) - \$66,228 (12 mos)

Pipefitter I - \$39,584 (8 mos) - \$59,376 (12 mos)

(3) Laborer II - \$30,360 (8 mos) - \$45,540 (12 mos)

FY21 Budget (8 mos) - \$174,816

Annual thereafter - \$262,224

18. When will the County's Iao Water Treatment Facility be able to use the additional 1 million gallons/day? (AL)

Answer:

Our pending permit submitted to CWRM for existing use is 1.7 mgd. Our pending permit for new use is 3.2 mgd. A delta of 1.5 mgd. As of February 24, 2020, we increased the flows when available to 3.2 mgd per the mediated settlement of 2014. CWRM has not acted on the contested case for surface water use for Na Wai Eha', for existing and new uses.

19. When will Mike Atherton's Wailuku Country Town wells be operational? (AL)

Answer:

These wells are currently privately owned. The owner intends to utilize these wells to serve the Waikapu Town development project. The schedule to make these wells operational is currently at the discretion of the owner. The County has been in discussion with the owner regarding pursuit of a public-private partnership to develop these wells so they could also service the Waiale area development proposed by the Mayor in the FY21 budget.

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If such a public-private partnership is pursued, a schedule for such water source development would be included in the agreement.

20. Please provide details of the multi-year processes with timeline and implementation, that is covered by Contractual Service. (KRF) Page 19-39

Answer:

Arc-flash analysis and high tech testing for all of our pumping stations (43 wells and 67 booster pumps stations) will be a multi-year project and depends upon the number of sites that can be covered in a year. High tech testing would encompass ultra-sonic and infrared testing of high voltage apparatus. We have not yet sought procurement bids. We hope to complete 20 to 30 sites a year of 107 total sites. \$231,000

Other items covered in this are:

Laboratory annual maintenance contracts and fees totaling \$41,000.

Listed below is a brief description of Arc Flash requirements from OSHA and NFPA

An Arc Flash Assessment/Analysis is a study of the facility's power system to determine the incident energy available at specific electrical devices that employees would be exposed to while "interacting with" the electrical equipment at the facility. A short circuit current available analysis and the clearing times of the overcurrent devices involved is required to determine the incident energy at various points in the system.

Capital Improvement Program

21. Is the amount of mainline replacements planned in CIP for 2020 realistic, given that it is 5 times larger than that installed in 2019? (YLS) Pages 602 and 778- See CBS 2299

Answer:

Objective 2 of Goal #3 (Page 602) of the proposed FY2021 is a performance measure of our Field Operations Division, who are responsible for replacement of water mains when replacement is critical in maintaining water service to existing customers. Water mainline replacements under our Operations Program are not planned replacements. The 2020 estimate that is 5 times larger than 2019 appears to be an error. Our current estimated amount of mainline replacement to be completed by our Field Operations Division for FY2020 is 3,000 linear feet.

The Countywide Upgrades and Replacements Project (Page 778), listed 3 FY2021 waterline projects identified as 2) North Kihei Road Waterline Replacement, 3) Holowai Waterline Replacement, and 4) Hana Waterline

"By Water All Things Find Life"

Replacement. Water mainline replacements under our Capital Improvement Program are typically planned replacements that require preparation of plans and specifications for bidding.

22. What does “development of source for the Central Maui Water System” mean for CBS-1073? Drilling Wells? (TP) Page 774

Answer:

“Development of source for the Central Maui Water System” for CBS-1073 means the drilling of a new well for the Central Maui Water System to provide for future growth and increased reliability. The project proposed in FY2021 is the development of a new ground water source in the Waihee Aquifer (Pulehunui).

23. Please provide a breakdown of costs for the 15 items listed in the Project Description for CBS-1075. (TP) Page 776

Answer:

The following is a breakdown of costs for the 15 items listed in the Project Description for CBS-1075:

PROJECT	AMOUNT
1) Kahakapao WTP - 50 Million Gallon (MG) Reservoirs (2) Re-lining	\$50,000
2) Mahinahina WTP - 2 MG Clearwell Refurbishment	\$100,000
3) Piiholo WTP - 1 MG Clearwell Refurbishment	\$300,000
4) Mahinahina WTP - Filter #4 Basin Repairs	\$300,000
5) Kamole WTP - Clearwell Structural Repairs	\$400,000
6) Piiholo WTP - Filter Refurbishment	\$500,000
7) Mahinahina WTP - Structural Repairs DEFER	\$1,250,000
8) Olinda WTP – 3 MG Clearwell Refurbishment DEFER \$700K	\$1,500,000
9) Mahinahina WTP - Controls Upgrade	\$1,500,000
10) Napili 'C' Water Tank Refurbishment	\$150,000
11) Naska Baseyard Electrical Upgrade	\$100,000
12) 5th Floor Renovations	\$50,000
13) Sanitary Survey Deficiencies	\$100,000
14) Funding for unforeseen projects critical to maintaining system operations and reliability	\$500,000

24. For CBS-1075, the majority of the project's items appear as repair, replace, refurbish tasks – would that still be considered new construction? (TP) Page 776

Answer:

The projects listed under CBS-1075 Countywide Facility Improvements that “appear as repair, replace, refurbish” tasks are included in the Capital Improvement Program primarily because they are considered major repairs, replacements, or refurbishments, which likely require the

preparation of plans and specifications for bidding. Capital improvements extend the useful lives of assets and are depreciable. Majority of the FY2021 projects are not considered "new construction".

25. In light of projections of less available water in the future, how has the department determined the estimated amount of water they can provide for future demands (CBS-2299)? (TP) Page 778

Answer:

The amount of water DWS can provide is determined based on factors such as:

1. Projected impacts to current source capacity, including backup supply, use and delivery agreements and well chloride levels.
2. Limits to available groundwater, including remaining sustainable yield, hydrology, water use permit allocations, land access, cost and legal constraints.
3. Limits to available surface water, including projected drought stream flows, Interim Instream Flow Standards, water use permit allocations and other factors.

Projects included in CBS-2299 Countywide Upgrades and Replacements are typically not related to the providing new water sources for future demands, but rather include infrastructure projects that require upgrade and/or replacement to provide continued water service for our existing and future customers.

26. Why was the funding for Countywide Water System Modifications increased from \$150,000 to \$500,000 between FY20 and FY21? (TP) Page 780

Answer:

For CBS-4615 Countywide Modifications, the increase from \$150,000 to \$500,000 between FY2020 and FY2021 is to provide a means for the department's design and construction projects to fund any unforeseen conditions. In FY2021 a number of projects will be actively in design and construction. The increase will provide the necessary funding to address any unforeseen circumstances and avoid any delays in project completion. Funds not used will carry-over to FY 22.

- a. Why is each year between FY21 and FY26 now planned to expend \$500,000 for this project, when total funds expended for prior years totals only \$67,970? (TP) Page 780

Answer:

The funding is used to provide for conditions or circumstances that the department was not able to foresee during the design. Further, if a solution that doesn't require funding is acceptable to the department, funding would not be required and the monies in this project would not be encumbered. The funding from this project is only used when a solution requires funding to allow the project to continue to completion in a timely manner.

27. CBS-4622 is a project with a shared cost. Please provide a breakdown of shared costs between Maui Lani and the County for the Kahului Tank II. Page 782

Answer:

For CBS-4622 Kahului Tank II, the Department of Water Supply is still reviewing the shared costs provided by Maui Lani. The FY2021 request for \$860,000 is based on the County's portion being 1/3 of the total estimate cost of design, construction, and other related costs. Total costs are estimated to be \$1,720,000.

28. For CBS-1092, the project description includes expansion for the West Maui Water System. Is there a difference between capacity and sustainable yield as it relates to Launiupoko Wells 1 and 2? (TP) Page 783

Answer:

For CBS-1092 West Maui Reliable Capacity, the difference is between "capacity" and "sustainable yield" as it relates to Launiupoko Wells 1 and 2. "Capacity" refers to the amount of water that a well or water treatment plant can produce. "Sustainable yield" refers to the amount the Commission on Water Resource Management has determined is available within an aquifer, that can be pumped and still provide a reliable and healthy aquifer on a long-term basis.

29. For the West Reliable Capacity Project, why will only \$7.25 million be expended during FY21 and FY22, but over \$32 million will be expended between FY23 and FY26? (TP) Page 784

Answer:

For CBS-1092 West Maui Reliable Capacity funding for FY21 is for the "exploratory drilling phase" of Launiupoko Well. Should the funding allocated in FY20 not be sufficient to provide for the drilling of 2 wells, the FY21 funding will be used to drill the second well. The funding between FY23 and FY26 is to provide for the "exploratory drilling phase" of additional wells beyond the first and second well and to provide funding for the "development phase", which includes the installation of well pumps, motor control center equipment, telemetry equipment, chlorination equipment, construction of buildings, tanks, water mains,

and electrical power to the site. The “development phase” is significantly higher in cost than the “exploratory drilling phase”.

Program Goals and Objectives

30. For the Water Operations Program:

- a. Please provide an update of number of system outages or water restrictions due to facility shutdown or deficient water quality for FY20 to date. (TP) Page 601, goal 1.1

Answer:

There were no system outages or water restrictions due to facility shutdown or deficient water quality for FY20 to date.

- i. Please also provide updates for FY20 to date. (TP) (Page 601 Goals 1.2 and 1.3)

Answer:

Goal 1.2 – One (1) water quality violation has been received to date in FY2020 due to not sampling the correct amount of customers for the Lead and Copper Rule

Goal 1.3 – The department has analyzed 11,406 samples as of March 31, 2020

- b. FY21’s estimate is reported in “LF” – is this linear feet? Why change reporting? And, if so, this is substantially less than previous years. Please explain. (TK) (TP) Page 602

Answer:

There was an error in the reported measurement. Linear Feet is correct. We need to schedule (CIP) large pipe replacement projects.

- c. Please provide an update on the number of miles of mainline repaired to date for FY20. (TP) Page 602

Answer:

The goal of 150 miles of mainline repaired is erroneous. The Field Operations Division reports mainline repairs in linear feet (LF). Through March 31, 2020 they have repaired 3,716 LF of mainline.

- d. FY20’s reported estimate is grossly higher than FY19 and FY21. Please explain the extreme difference and if you foresee this possibility in FY21. (TP) Page 602

Answer:

The estimates are based on scheduled mainline replacement. Actual replacements are both scheduled and emergency. We do not anticipate a significant variance in FY2021.

31. For the Water Administration Program:

- a. Is the upcountry list requests the only way the Department measures customer satisfaction? (TP) Page 592

Answer:

No. We monitor consumer complaint phone calls and there was a customer survey performed in the prior administration.

- b. Please provide an update on whether the Department is actually averaging 20 days to process single family residential water permits for FY20 to date? (TP) Page 592

Answer:

Since March 2020, the department is unable to process permits with an average review time of 20 days as a direct result of the COVID-19 situation. At this time, the Engineering Division staff is doing their utmost to review single family residential permits within 30 days. Monthly permit review percentages are always above 90%.

- c. What watershed management plan are we losing in 2021 that brings it down to 10? (TP) Page 592

Answer:

There was no application for the project Bio-Economic Models for Protection Against Miconia Invasion in FY 2021.

- d. Computer Services, Page 19-12 of Mayor Proposed Budget Details, 953083B, 6110. On your request for an expansion of \$75,000 for cellular fees for meter readings, is the cellular fee something new that the company implemented or has this been incurred every year? (MM) (TP)

Answer:

This cellular fee is new and is related to the Small Meter Replacement Program. With the installation of new cellular transponders, meter usage data will be collected remotely using existing cellular tower infrastructure. This is the estimated cost for cellular service for a portion of Phase I.

- e. Professional Services, Page 19-12 of Mayor Proposed Budget Details, 953083B, 6132. Please clarify the deletion of funding for the Meter Replacement Program Phase 1 and then increasing the funding for Phase 2. Has Phase 1 been completed, and at \$2 million under budget? (MM) (TP)

Answer:

The bulk of the \$2.0 million for Phase I of the Water Meter Replacement Program has been encumbered. The majority of these funds were used to purchase new meters, transponders and other materials necessary for proper installation. Phase I was originally scheduled to begin in April/May 2020, however, the COVID-19 issue has delayed initial implementation. We hope to issue a "Notice to Proceed" in early FY2021 with the anticipation that Phase 1 would be completed before calendar year end 2021. We are planning on this meter replacement project being completed over a five (5) year period.

- f. Please provide the status of the Meter Replacement Program and provide details for the \$3,000,000 expansion request. (KRF) Page 19-12

Answer:

Please see previous response. Of the requested \$3.0 M for FY 2021, we are estimating that approximately \$1.0 million will be used for installation costs for Phase I & II. The balance will be earmarked for the purchase of additional meters, transponders and other materials needed for the project to replace meters.

- g. Miscellaneous Other Cost, Page 19-15 of Mayor Proposed Budget Details, 953117B, 6221. Please provide an explanation for the one-time deletion of the appropriation of \$200,000 for Engineering Feasibility study to use storm water for drought resiliency for Upcountry. Was the study completed? If so, what were the results, and if not, why not? (MM) (TP)

Answer:

There is an existing study, to be updated by the USDA, on storm water capture in the upcountry area. DWS along with member Yuki Lei Sugimura's office decided to work with USDA on the updated study and then determine where funding would be best spent on capturing storm water for agricultural needs based on information in the study.

- h. Miscellaneous Other Cost, Page 19-15 of Mayor Proposed Budget Details, 953119B, 6221. Please provide an explanation for the one-time deletion of the appropriation of \$100,000 for the pilot project to develop water conservation measures. (MM)

Answer:

The pilot project includes the purchase and installation of new Series E ultrasonic water meters for residential customers, with a more accurate meter reading ability, especially for low flows. Customers can view their meter use through their phone to obtain consumption data in real time. This project will be for a defined area, and compare past use with use using the new meters. We expect to see previously unmetered water now metered, to better show actual use, and not show losses due to unmetered water use.

32. Please provide details for the seed distribution program. (KRF) Page 19-18

Answer:

The Hawaii Agriculture Research Center proposes to distribute seed from locally adapted, wilt resistant *Acacia Koa* (koa) trees for use in watershed reforestation and restoration on Maui. Seed distribution from koa seed orchards are proposed for 3 days per month for 6 months. The measure of success for this grant deliverable is the amount of seed collected, processed and distributed over the contract period.

33. Please provide details for the additional deliverables and other items listed in this request. (KRF) Page 19-19

Answer:

There are no other items. Please see above. The Hawaii Agriculture Research Center proposes to distribute seed from locally adapted, wilt resistant *Acacia Koa* trees for use in watershed reforestation and restoration on Maui. Seed distribution from koa seed orchards are proposed for 3 days per month for 6 months. The measure of success for this grant deliverable is the amount of seed collected, processed and distributed over the contract period.

34. How are priorities set for installation of smart meters? (YLS) Page 19-12 and Page 596

Answer:

Our goal is to replace older meters first. In this regard, we are scheduling the replacement of all meters that are at least 9 years old.

Additional questions from Councilmember Sinenci as follows:

Category "A" – Salaries & Wages

1. Please provide job descriptions and justifications for the 10 expansion positions and two transfers in Department. Page 590

Answer:

We will be deferring our request for the nine (9) positions for our Field Operations Division in light of the potential impact of COVID-19 upon operating revenue.

For the one (1) remaining position being requested for FY2021, this position was erroneously listed as a Water Treatment Plant Worker in our FY2021 budget submittal. The position should be a Waterworks Maintenance Helper. As recommended by the Department of Health, DWS has reduced its herbicide use around our 50+ pump sites. This has led to increased brush due to heavy rains and potential brush fire conditions with dry weather. We are requesting a position dedicated to site/grounds maintenance with minor building maintenance responsibilities.

The two (2) positions; Purchasing Technician (WW-0254) and the Storekeeper I (WW-0151), are being transferred from the Fiscal Division to the Field Operations Division to improve efficiency and accountability. These EP's operate the warehouse at the DWS Kahului Baseyard which services the Field Operations Division. Their former supervisor is located 5 miles away in the Fiscal Division. This has proved very inefficient over the years. This re-organization will resolve this situation.

Category "B" – Operations

2. How did debt service for the Department decrease by 29.2% from \$7,057,048 in FY 2020 adopted by \$4,93,210 in FY 2021 proposed? Page 600

Answer:

We refinanced SRF loans in 2018 so principal payments were decreased. There are less payments in 2020 than expected. We also did not incur as much debt as planned. We were intending to pay off additional debt but will hold off on that right now as we anticipate reduced revenue.

3. Relating to WWC Page 606:
 - a. Will maintenance costs be \$2.5 M per year in future years? More? Less?

Answer:

This estimate was based on very little knowledge of the current conditions of the diversions and the ditch system. Once we have access to the system, we can assess the conditions and better estimate future costs.


- b. Is there an engineering report and schedule of maintenance?

Answer:

No. Again, we have very little information on the condition of the diversions or the ditch and tunnel system.

If the Chair or the committee has any additional questions, please do not hesitate to contact me. In advance, thank you for your consideration.

Sincerely,



JEFFREY T. PEARSON, P.E.
Director

JTP:HK:kkk
Attachment

POSITION / LOCATION (Please indicate if expansion)	DATE OF VACANCY	REASONS FOR VACANCY	STATUS OF PERSONNEL ACTION	ANTICIPATED FILL DATE
Fiscal/Customer Service:				
P-27845 Meter Reader and Field Collection Supervisor/Wailuku	4/30/19	Retirement; Employees do not meet MQ's	Currently filled via TA	FY20
P-28007 Pre-Audit Clerk I/Wailuku	12/2/19	Transfer	Failed Recruitment	FY20
Planning & Water Resources:				
P-27795 Planner V/Wailuku	10/16/19	Appointment	Return Rights	unknown
Engineering:				
P-27909 Civil Engineer I/Wailuku	08/20/18	Continuous Recruitment	Continuous recruitment	FY20
Field Operations:				
P-27817 Water Svc Supervisor II/Lahaina	06/16/17	Employees do not meet MQ's	Currently filled via TA	FY20
P-27725 Pipefitter II/Molokai	07/18/18	Employees do not meet MQ's	Currently filled via TA	FY20
P-27630 Construction Equipment Mechanic I/Kahului	11/18/2019	Promotion	Physical pending	FY20
P-27847 Equipment Operator IV/Kahului	11/19/2019	Retirement	Currently filled via TA	FY20
P-28001 Pipefitter Helper/Kahului		Promtion	Interviewing	FY20
P-27842 Water Service Clerk-Dispatcher/Kahului	12/30/2019	Retirement	Waiting for List	FY20
P-27905 Carpenter I/Kahului	12/31/2019	Retirement	Physical pending	FY20
Plant Operations:				
P-28047 Water Microbiologist III/Kahului	12/03/18	Promotion	Currently filled via TA	FY20
P-27627 Water Plant Maintenance Mechanic I/Kahului	03/16/18	Employees do not meet MQ's	Pending DSO/WTPO license exam results	FY20
P-27729 Plant Electrician/Electronics Repairer Supervisor/Kahului	04/16/19	Retirement	Continuous recruitment	FY20
P-28086 Water Plant Maintenance Mechanic II/Kahului	06/01/19	Retirement	PWOE-reviewing apps	FY20
P-28088 Plant Electrician/Electronics Repairer II/Kahului		Retirement	PWOE-reviewing apps	FY20
P-27940 Electronic Technician I/Kahului	12/31/2019	Retirement	Continuous recruitment	
Water Treatment Plant Operations:				
P-29408 Water Treatment Plant Operator IV (Unfilled)	12/16/2019	Promotion	Reallocating to Trainee	FY20

EDB Committee

From: Shirley Blackburn <Shirley.Blackburn@co.maui.hi.us>
Sent: Tuesday, April 14, 2020 6:28 PM
To: EDB Committee
Cc: Shirley Blackburn; Wendy Nathan
Subject: FY 2021 Budget (EDB-1)
Attachments: Shirley Blackburn.vcf; BD-2 (WS-1 & WS-2)_EDB-1.pdf

Aloha Committee Chair Rawlins-Fernandez,

Attached please find response from Budget Director relating to Department of Water, Director Jeffrey Pearson, (WS-1 and WS-2)_EDB-1.

Mahalo,

Shirley L. Blackburn

Budget Specialist

County of Maui

Office of the Mayor

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