

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

November 21, 2025

**Committee**  
**Report No. \_\_\_\_\_**

Honorable Chair and Members  
of the County Council  
County of Maui  
Wailuku, Maui, Hawaii

Chair and Members:

Your Budget, Finance, and Economic Development Committee,  
having met on November 4, 2025, makes reference to the following:

1. Bill 150 (2025), entitled “A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2026 BUDGET, INCREASING ESTIMATED REVENUES, OTHER INTERGOVERNMENTAL BY \$64,469,830, CAPITAL IMPROVEMENT PROJECTS, DEPARTMENT OF WATER SUPPLY, COUNTYWIDE, AND APPENDIX C, DEPARTMENT OF WATER SUPPLY, COUNTYWIDE, NEW APPROPRIATION FOR \$64,469,830 FOR COUNTYWIDE WILDFIRE DISASTER RELIEF PROJECTS.”

Bill 150’s purpose is to amend the Fiscal Year 2026 Budget, by: 1) increasing Estimated Revenues for Other Intergovernmental by \$64,469,830; 2) adding a new Capital Improvement Project appropriation, entitled “Countywide Wildfire Disaster Relief Projects,” in the amount of \$64,469,830; 3) adding the project and description to Appendix C; and 4) adjusting the totals accordingly.

2. Bill 151 (2025), entitled “A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT FOR A LOAN FROM THE STATE OF HAWAII’S DRINKING WATER STATE REVOLVING FUND FOR COUNTYWIDE WILDFIRE DISASTER RELIEF PROJECTS, FISCAL YEAR 2026 BUDGET ORDINANCE.”

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Bill 151's purpose is to authorize the Mayor to enter into an intergovernmental agreement for a loan from the State of Hawai'i's Drinking Water State Revolving Fund, not to exceed \$64,469,830, to finance Countywide Wildfire Disaster Relief Projects.

Your Committee notes that the Drinking Water State Revolving Fund (DWSRF) is a joint Federal and State loan program under the Safe Drinking Water Act that finances drinking-water infrastructure to protect health and ensure compliance. In December 2024, Congress enacted the American Relief Act, 2025 (Public Law 118-158), with the Environmental Protection Agency allotted a \$68.3 million supplemental appropriation for Hawai'i wildfires. The State proposes up to \$64.5 million for Maui County wildfire-recovery projects.

The Deputy Director of Water Supply and a representative from Stantec, a water-funding consultant, said the projects selected for funding are designed or near final design, with several already bid on or ready to award. These projects include:

- Waipuka and Kanahā Wells motor-control-center and electrical upgrades with an emergency generator;
- Lahaina Waterline Improvement Project;
- Launiupoko L1 and L2 exploratory and development well phases;
- Māhinahina backup well development; and
- Honolua H1 and H2 exploratory and development well phases.

The Deputy Director also said the Waipuka and Kanahā Wells sites lack a permanent generator, which underscores the need for resiliency upgrades.

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Your Committee further notes that the State's supplemental framework offers 60-percent principal forgiveness, plus an additional 30 percent for meeting the following requirements:

- Submittal of Federal environmental documents for the Lahaina wildfire area to the State Department of Health;
- Submittal of a final sub-project list; and
- Enactment of an ordinance for the DWSRF loan.

A representative from Stantec confirmed that the enactment of an ordinance is the only requirement yet pending. The Council's passage of Bills 150 and 151 by December 31, 2025, is needed to ensure eligibility for the 90-percent forgiveness.

The Deputy Director said that the Department needs and expects to encumber all funds by December 31, 2026.

Your Committee noted that the estimated financial need for water recovery is about \$250 million, leaving a funding gap. The Deputy Director said that the Department intends to pursue additional State and Federal sources, including Community Development Block Grant Disaster Recovery funds.

Your Committee further noted that approving this agreement will accelerate water-system upgrades, support Lahaina recovery efforts, improve public safety, and allow the County to receive up to \$58 million in loan forgiveness.

Your Committee voted 7-0 to recommend passage of Bills 150 (2025) and 151 (2025), on first reading. Committee Chair Sugimura and members Cook, Johnson, Paltin, Rawlins-Fernandez, Sinenci, and U'u-Hodgins voted "aye." Committee member Lee was excused.

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Your Committee is in receipt of Bill 150, CD1 (2025), approved as to form and legality by the Department of the Corporation Counsel, incorporating nonsubstantive revisions, including adjustments to reflect the expected passage of other pending legislation.

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

1. BILL 150, CD1 (2025), attached, entitled “A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2026 BUDGET, INCREASING ESTIMATED REVENUES, OTHER INTERGOVERNMENTAL BY \$64,469,830, CAPITAL IMPROVEMENT PROJECTS, DEPARTMENT OF WATER SUPPLY, COUNTYWIDE, AND APPENDIX C, DEPARTMENT OF WATER SUPPLY, COUNTYWIDE, NEW APPROPRIATION FOR \$64,469,830 FOR COUNTYWIDE WILDFIRE DISASTER RELIEF PROJECTS,” be PASSED ON FIRST READING and be ORDERED TO PRINT; and
2. BILL 151 (2025), attached, entitled “A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT FOR A LOAN FROM THE STATE OF HAWAII’S DRINKING WATER STATE REVOLVING FUND FOR COUNTYWIDE WILDFIRE DISASTER RELIEF PROJECTS, FISCAL YEAR 2026 BUDGET ORDINANCE,” be PASSED ON FIRST READING and be ORDERED TO PRINT.

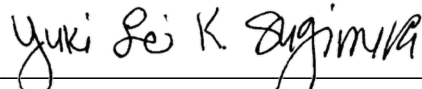
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This report is submitted in accordance with Rule 3 of the Rules of the Council.



\_\_\_\_\_  
YUKI LEI K. SUGIMURA, Chair

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ORDINANCE NO. \_\_\_\_\_

BILL NO. 150, CD1 (2025)

A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2026 BUDGET, INCREASING ESTIMATED REVENUES, OTHER INTERGOVERNMENTAL BY \$64,469,830, CAPITAL IMPROVEMENT PROJECTS, DEPARTMENT OF WATER SUPPLY, COUNTYWIDE, AND APPENDIX C, DEPARTMENT OF WATER SUPPLY, COUNTYWIDE, NEW APPROPRIATION FOR \$64,469,830 FOR COUNTYWIDE WILDFIRE DISASTER RELIEF PROJECTS

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

SECTION 1. Ordinance 5816, as amended, "Fiscal Year 2026 Budget," Section 2, Estimated Revenues, is amended to increase Other Intergovernmental in the amount of \$64,469,830, and increase the total accordingly, to read as follows:

"ESTIMATED REVENUES"

FROM TAXES, FEES AND ASSESSMENTS:

|                              |                                |
|------------------------------|--------------------------------|
| Real Property Taxes          | 660,572,668                    |
| Circuit Breaker Adjustment   | (385,718)                      |
| Transient Accommodations Tax | 65,000,000                     |
| General Excise Tax           | 70,000,000                     |
| Charges for Current Services | 187,942,380                    |
| Public Service Company Tax   | 8,000,000                      |
| Licenses/Permits/Others      | 75,388,402                     |
| Fuel and Franchise Taxes     | 25,500,000                     |
| Special Assessments          | 17,300,000                     |
| Other Intergovernmental      | [15,700,000] <u>80,169,830</u> |

FROM OTHER SOURCES:

|                                                  |                   |
|--------------------------------------------------|-------------------|
| Interfund Transfers                              | 110,107,913       |
| Bond/Lapsed Bond                                 | 179,226,268       |
| Carryover/Savings:                               |                   |
| General Fund                                     | 137,640,156       |
| Sewer Fund                                       | 10,239,592        |
| Highway Fund                                     | 11,217,761        |
| Solid Waste Management Fund                      | 3,867,796         |
| Environmental Protection and Sustainability Fund | 984,524           |
| Liquor Fund                                      | 816,172           |
| Water Fund                                       | <u>17,480,318</u> |

|                          |                 |                       |
|--------------------------|-----------------|-----------------------|
| TOTAL ESTIMATED REVENUES | [1,596,598,232] | <u>1,661,068,062"</u> |
|--------------------------|-----------------|-----------------------|

SECTION 2. Fiscal Year 2026 Budget, Section 4.I.1.a.(2), Department of Water Supply, Countywide, Water Supply, State Revolving Loan Fund, is amended to add an appropriation for Countywide Wildfire Disaster Relief Projects, in the amount of \$64,469,830, to read as follows:

| <u>PROJECT TITLE</u>                                     | <u>APPROPRIATION</u> |
|----------------------------------------------------------|----------------------|
| I. Department of Water Supply                            |                      |
| 1. Countywide                                            |                      |
| (a). Water Supply                                        |                      |
| (2) State Revolving Loan Fund                            |                      |
| (i) Countywide Upgrades and Replacements                 | 3,750,000            |
| (ii) <u>Countywide Wildfire Disaster Relief Projects</u> | <u>64,469,830</u>    |

SECTION 3. Fiscal Year 2026 Budget, Total Capital Improvement Project Appropriations, is amended to reflect an increase of \$64,469,830, to read as follows:

“TOTAL CAPITAL IMPROVEMENT PROJECT APPROPRIATIONS [334,761,237] 399,231,067”

SECTION 4. Fiscal Year 2026 Budget, Total Appropriations (Operating and Capital Improvement Projects), is amended to reflect an increase of \$64,469,830 to read as follows:

“TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS) [1,596,598,232] 1,661,068,062”

SECTION 5. Fiscal Year 2026 Budget, Appendix C – Capital Improvement Projects, Department of Water Supply, Countywide, is amended to add a project and project description for Countywide Wildfire Disaster Relief Projects, in the amount of \$64,469,830, to read as follows:

| <b>“APPENDIX C - Capital Improvement Projects</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                   |
|---------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|
| <b>CBS NO.</b>                                    | <b>PROJECT TITLE/DESCRIPTION</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>APPROPRIATION</b>              |
|                                                   | <u>Department of Water Supply</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                   |
|                                                   | <u>1. Countywide</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                   |
| CBS-1075                                          | <b>a. Countywide Facility Improvements</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 4,140,000                         |
|                                                   | The Countywide Facility Improvements project supports improvements that address critical infrastructure and facility issues at water treatment plants, well sites, water tank sites, booster pump station sites, and other DWS facilities. FY 2026 anticipated projects include: 1) Iao WTP - Dissolved Air Floatation Modifications; 2) Olinda WTP - Sediment Basin Baffle Curtain; 3) Olinda WTP - System Control Upgrades; 4) Mahinahina WTP Filter Bay #4 Refurbishment and Repair; 5) Mahinahina WTP - Clearwell Refurbishment; 6) Lahaina WTP - System Control Upgrades; 7) Dam Safety Projects; 8) Sanitary Survey deficiencies issued by the State DOH; and 9) Funding for any unforeseen projects critical to maintaining system operations and reliability. |                                   |
| CBS-2299                                          | <b>b. Countywide Upgrades and Replacements</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | [22,060,000]<br><u>24,336,031</u> |
|                                                   | The Countywide Upgrades and Replacements project supports improvements that sustain the reliable operation of existing water infrastructure or mitigate inadequacies for existing and future demand with projects at WTPs, well sites, booster pump                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                   |

|          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                    |
|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
|          | stations, tank sites, and waterlines. FY 2026 anticipated projects include: 1) Countywide Storage Tank Replacements; 2) Countywide Waterline Replacements - Waikapū Waterline Upgrades; 3) Countywide Lateral Replacements; 4) Countywide Well and Booster Pump Replacements; 5) Countywide Motor Control Center Upgrades; 6) Countywide Well and Booster Pump Sites - Emergency Generators; 7) Countywide granular activated carbon filter replacements; [and] 8) Funding for any unforeseen projects critical to maintaining system operations and reliability[.] ;and 9) <u>Ha'ikū-Kauhikoa Tank Replacement.</u> |                    |
| CBS-4615 | <b>c. Countywide Water System Modification</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 1,500,000          |
|          | The Countywide Water System Modification supports all projects, including prior fiscal year, ensuing fiscal year, and unforeseen or emergency projects to efficiently provide clean and safe drinking water to customers. An effective CIP program demands an ability to respond to unanticipated planning, design, and construction issues in a timely manner.                                                                                                                                                                                                                                                      |                    |
| CBS-XXXX | <b>d. Integration of Public and Private Water Systems</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 5,000,000          |
|          | Acquisition of private water systems and wells to integrate and consolidate public and private water systems within the County to promote water access equity and improve water reliability.                                                                                                                                                                                                                                                                                                                                                                                                                         |                    |
| CBS-XXXX | <b>e. Countywide Wildfire Disaster Relief Projects</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <u>64,469,830"</u> |
|          | <u>Design and construction for projects including: 1) Waipuka and Kanaha Wells MCC and Electrical Upgrades with Emergency Generator; 2) Lahaina Water Line Improvement Project; 3) Launiupoko L1 and L3 exploratory and development phase; 4) Mahinahina backup well development; and 5) Honolulu H1 and H2 exploratory and development phase.</u>                                                                                                                                                                                                                                                                   |                    |

SECTION 6. Material to be repealed is bracketed. New material is underscored.

SECTION 7. This Ordinance takes effect on approval.

APPROVED AS TO FORM AND LEGALITY:



KRISTIE M. WRIGGLESWORTH FOR  
KRISTINA C. TOSHIKIYO  
Deputy Corporation Counsel

INTRODUCED BY:

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

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ALICE L. LEE

Upon the request of the Mayor.

ORDINANCE NO. \_\_\_\_\_

BILL NO. 151 (2025)

A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR  
OF THE COUNTY OF MAUI TO ENTER INTO AN INTERGOVERNMENTAL  
AGREEMENT FOR A LOAN FROM THE STATE OF HAWAII'S DRINKING  
WATER STATE REVOLVING FUND FOR COUNTYWIDE WILDFIRE DISASTER  
RELIEF PROJECTS, FISCAL YEAR 2026 BUDGET ORDINANCE

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

SECTION 1. Request for Loan. The County of Maui, pursuant to Chapter 340E, Hawaii Revised Statutes, has submitted an application for a loan from the Drinking Water State Revolving Fund ("DWSRF") to the Director of the Department of Health, State of Hawaii, to finance the following project:

1. State Revolving Loan Fund

a. Countywide Wildfire Disaster Relief Projects \$64,469,830

("Project").

Under the terms and conditions anticipated with regard to such DWSRF loan, the County shall repay, over a term of twenty years, the principal amount, which shall not exceed the amounts stated above, at a fixed rate of interest that shall not exceed the annual rate of the weekly Bond Buyer's 20-year general obligation index bond interest rate.

SECTION 2. Council Authorization. Pursuant to Section 2.20.020, Maui County Code, the Council of the County of Maui hereby authorizes the Mayor to enter into an intergovernmental agreement, which would include the execution of all necessary documents, including any amendments thereto, between the State of Hawaii and the County of Maui relating to the DWSRF loan, to finance the construction of the Project, including a pledge of the County's full faith and

credit, including but not limited to the County's general taxing power, as security for repayment of the loan and payment of interest and loan fees, and a covenant to exercise the County's authority as needed. The repayment of principal, interest, and any loan fees shall be a first charge on the General Fund of the County.

SECTION 3. Effective Date. This ordinance takes effect on approval.

APPROVED AS TO FORM  
AND LEGALITY:

A handwritten signature in black ink, appearing to read "Kristina C. Toshiyko", is written over a horizontal line.

KRISTINA C. TOSHIKO  
Deputy Corporation Counsel  
County of Maui

LF2025-0167

2025-10-02 DOH DWSRF IGA FY26

INTRODUCED BY:

A handwritten signature in cursive script, appearing to read "J. Lee", is written above a horizontal line.

Upon the request of the Mayor.