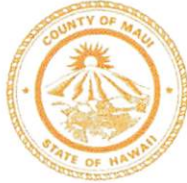


RICHARD T. BISSEN, JR.
Mayor

JOSIAH NISHITA
Managing Director



OFFICE OF THE MAYOR
COUNTY OF MAUI
200 SOUTH HIGH STREET
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REFERENCE NO. BD-BA 25-10

March 4, 2025

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

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: AMENDMENTS TO THE FISCAL YEAR 2025 BUDGET, (ESTIMATED REVENUES; CAPITAL IMPROVEMENT PROJECTS, DEPARTMENT OF WATER SUPPLY; APPENDIX A, PART II, GENERAL EXCISE TAX FUND; AND APPENDIX C, DEPARTMENT OF MANAGEMENT AND DEPARTMENT OF WATER SUPPLY) AND AMENDING CHAPTER 3.100, MAUI COUNTY CODE, RELATING TO GENERAL EXCISE AND USE TAX SURCHARGES

On behalf of the Department of Water Supply, I am transmitting the following:

1. A proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2025 BUDGET FOR THE COUNTY OF MAUI, ESTIMATED REVENUES; CAPITAL IMPROVEMENT PROJECTS, DEPARTMENT OF WATER SUPPLY; APPENDIX A, PART II, GENERAL EXCISE TAX FUND; AND APPENDIX C, DEPARTMENT OF MANAGEMENT AND DEPARTMENT OF WATER SUPPLY."

APPROVED FOR TRANSMITTAL

3-4-25
Mayor Date

The purpose of the proposed bill is to amend the Fiscal Year 2025 Budget to: 1) increase Licenses/Permits/Others and Total Estimated Revenues by \$25,000,000; 2) add new appropriations under Capital Improvement Projects, Department of Water Supply, Countywide, Water Supply, Water Fund – Restricted for Water Supply Infrastructure Repairs and Replacements (GET Fund) for \$10,000,000 and Integration of Public and Private Water Systems (GET Fund) for \$10,000,000; 3) add a new appropriation for Capital Improvement Projects, Department of Water Supply, Makawao-Pukalani-Kula Community Plan Area, Water Supply, Water Fund – Restricted for Kamole Water Treatment Plant Filter Replacement (GET Fund) for \$5,000,000; 4) increase both Total Capital Improvement Project Appropriations and Total Appropriations by \$25,000,000; 5) update Appendix A, Part II, General Excise Tax Fund, to add “Transfer to Department of Water Supply” on the first and last conditions, and to split the fifth condition between water for \$10,000,000 and wastewater for \$6,668,000; 6) update Appendix C, Department of Management, Countywide, Water Supply Infrastructure Repairs and Replacements and Wastewater Collection System Repairs to remove Water Supply Infrastructure Repairs and Replacements from the project and project description and reduce the amount by \$10,000,000; and 6) update Appendix C, Department of Water Supply, Countywide to add a new project and project description for Water Supply Infrastructure Repairs and Replacement in the amount of \$10,000,000.

2. A proposed bill entitled “A BILL FOR AN ORDINANCE AMENDING CHAPTER 3.100, MAUI COUNTY CODE, RELATING TO GENERAL EXCISE AND USE TAX SURCHARGE.”

The purpose of the proposed bill is to amend Chapter 3.100, Maui County Code, to delete language requiring the funds to be the sole depository, requiring all funds deriving from the imposition of the general excise and use tax surcharge must be deposited in the General excise tax fund and General excise tax fund – Department of Hawaiian Home Lands, and inserting a new subsection under use of funds stating “Any funding appropriated for water-related projects from either fund will be transferred to the Department of Water Supply for the duration of the project and will be tracked separately from other Department funding sources. Any remaining funds will be re-deposited in the in the general excise tax fund or the general excise tax fund – Department of Hawaiian Home Lands at the conclusion of the project.”

In discussions with the Department of Finance, it was determined that, for financial reporting purposes, funding allocated under the General Excise Tax Fund for Department of Water Supply Capital Improvement Projects should be

Alice L. Lee, Chair
March 4, 2025
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transferred to the Department as capital assets must be recorded in the Water Fund. These amendments would allow that transfer of funding to occur.

Due to the upcoming budget session, the Administration requests direct referral to the Budget, Finance, and Economic Development Committee.

Thank you for your expeditious attention to this matter. Should you have any questions, please contact me at ext. 8239.

Sincerely,

A handwritten signature in black ink, appearing to read 'Lesley Milner', with a stylized flourish at the end.

LESLEY MILNER
Budget Director

Attachments

cc: John Stufflebean, Director of Water Supply
Marcy Martin, Director of Finance