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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 3, 2021

Mr. Eric Nakagawa, Director
Department of Environmental Management
County of Maui
Wailuku, Hawaii 96793

Dear Mr. Nakagawa:

SUBJECT: **FISCAL YEAR ("FY") 2022 BUDGET** (EM-1) (BFED-1)

May I please request you be prepared to answer the following questions at the BFED Committee meeting held via BlueJeans on **April 7, 2021**.^{*} This will enable the Committee to comprehensively review the FY 2022 Budget. Please also submit your answers to bfed.committee@mauicounty.us by the end of the day on **April 7, 2021**. **Date subject to change without notice.*

Overall

1. If Council were to ask for an 11 percent cut in programs and activities funded by the General Fund to fully fund the recommendations proposed in the Comprehensive Affordable Housing Plan at \$57,000,000, without increasing real property tax revenue:
 - a. What programs or activities would you cut? (TK)
 - b. What impact would the cuts have on residents? (TK)
2. What is the estimated lost revenue in refuse disposal fees at the Lanai Landfill due to Memorandum of Understanding 8.04.060? (Page 7, Appendix B) (GJ)
3. What is the County currently doing to address the State-mandated conversion of cesspools, particularly for Upcountry which has over 7,400 cesspools? (YS)

- a. When does the Administration anticipate receiving a final report from the Cesspool Conversion Working Group? (YS)
4. What can be done to transition users off of cesspool systems? (KK)
 - a. Has the Department considered a microgrants program to help residents transition from cesspool systems? (KK)
 - b. What would be the estimated cost of such a program? What amount would the Department support in the FY 2022 Budget? Where would the funding be housed? (KK)
 - c. What should be the maximum amount granted to individuals to transition from cesspools? (KK)
5. What are the plans to expand South Maui's R-1 water use and infrastructure in FY 2022? (KK)

Salaries and Wages (Category "A")

1. Does the decrease in Other Premium Pay mean the anticipated Collective Bargaining increase was higher than what was actually awarded? Please explain. (Pages 140, 148, 149, 154, 156, 161, 166, 171, and 176 of the Program Budget, 919005A, 919007A, 919029A, 919033A, 919035A, 919037A, 919044A, 919500A, 919509A, 919513A, 919521A, 919523A, 919524A, 919725A, 919730A, 5250) (TP)
2. Explain the difference in salary and position description for GIS Analyst I and GIS Tech I. (Page 5-12, Budget Details 919005A) (TP)
3. Explain the salary difference and need for the Wastewater Pretreatment Coordinator position to be reallocated to Supervising Environmental Technician. (Page 5-12, Budget Details, 919007A) (TP)
4. Relating to the position reallocation from Sewer Maintenance Helper to Repairer I, is it a natural progression for those who complete a certain amount of hours and demonstrate a certain level of knowledge? This position was previously reallocated from Repairer I to Sewer Maintenance Helper in FY 2021, and is now being

requested as a Repairer I in FY 2022. (Page 5-20, Budget Details, 919029A) (TP)

5. Relating to the position reallocation from Wastewater Treatment Plant Trainee to Assistant Wastewater Treatment Plant Operator, is it a natural progression for those who complete a certain amount of hours and demonstrate a certain level of knowledge? (Pages 5-21 and 5-23, Budget Details, 919033A, 919035A, 919037A) (TP)
6. Explain the need to reallocate a Laborer II to Landfill Attendant (CML). (Page 5-63, Budget Details, 919509A) (TP)
7. Is the Maintenance Coordinator position still vacant? And if so, why? (Page 5-63, Budget Details, 919509A) (TP)
8. Were the two Recycling Program Assistant positions authorized to be filled? (Page 5-105, Budget Details, 101120A) (TP)
9. In the Solid Waste Administration Program, Premium Pay is listed at \$52,500. What differentiates premium pay from overtime pay? (Page 5-57, Budget Details, Index Code 919500A, Sub-Object code 5215, Premium Pay) (MM)

Operations and Equipment (Categories “B” and “C”)

1. The Green Grants Program/West Maui Green Cycle Pilot program supports innovative sustainability projects on Maui, Molokai, and Lanai. What is the process to initiate an innovative sustainability project on Lanai? (Page 172, Program Budget, Green Grants program/West Maui Green Cycle Pilot) (GJ)
2. Are transmission lines monitored for capacity to meet demands? (TP)
 - a. Are planning or building permits denied due to lack of transmission line capacity? (Page 147, Program Budget) (TP)
3. Explain why \$1,483,047 in County Funds (FY 2020 Actual) were expended for the CW Sewer Cap Imp Reserve FD, when in FY 2021, it was approved out of Special Revenue Funds (7511). (Page 5-14, Budget Details, 919002B, 7541) (TP)

4. Explain the purpose of the two R&M Services/Contracts for the Wastewater Administration Program. (TP)
 - a. Are one of the two contracts listed in error? (Pages 5-14 and 5-15, Budget Details, 919005B, 6138) (TP)
5. Were CARES Act funds used to travel to and from Lanai by ferry during FY 2021? For example, Airfare, Transportation was \$198 (FY 2020 Actual), but \$1,500 is being requested for FY 2022. (Page 5-16, Budget Details, 919007B, 6201) (TP)
6. Explain discrepancies in Budget Details from FY 2021 to FY 2022 relating to Sludge Disposal Interfund. Why is the Sludge Disposal Interfund now coming out of the Solid Waste Fund instead of the Environmental Protection & Sustainability Fund? (TP)
 - a. Why is the amount for FY 2022 Proposed so much more than FY 2020 Actual? (Page 5-32, Budget Details, 919019B, 7543/7545) (TP)
 - b. There is a proposed \$1.8 million transfer out reduction. Can you confirm if this is a debt service reduction? If so, can you identify what projects will not be completed as a result of these savings? (Page 5-32, Budget Details, Index Code 919019B) (MM)
7. How are supplies inventoried? (TP)
 - a. What system is used to verify that these supplies were used for legitimate Wastewater Mechanical/Electrical systems? (TP)
 - b. What system is used to track the inventory of tires, tubes, auto parts, agricultural supplies, etc.? (Page 5-46, Budget Details, 919044B) (TP)
8. Explain why the Vertical Lope Pump & Accessories has not met its estimated use life by two years. (Page 5-49, Budget Details, 919029C, 7044) (TP)
9. Explain why the 8" lathe has not met its estimated use life by four years. (Page 5-52, Budget Details, 919044C, 7039) (TP)

10. How old is the current mail folding and stuffing machine? (Page 5-61, Budget Details, 919500C, 7044) (TP)
11. Explain the \$192,000 transferred from the EP&S Program to the Solid Waste Operations Program.
 - a. Was EP&S previously contracting Greenwaste Operations for \$892,000, but now paying Solid Waste \$192,000? (Pages 5-76 to 5-78, 5-93, Budget Details, 919513B, 6023, 6030, 6057, 6138, 6139, 6233) (TP)
12. Relating to the contributions from Hyatt and Starwood resorts for recycled wastewater expansions:
 - a. Can you clarify specifically what wastewater recycling expansions these contributions achieved? (MM)
 - b. Have the Resorts fulfilled their condition of development with these two contributions? (Page 151, Program Budget, Index Code Wastewater Administration, Grant Awards) (MM)
13. The Department is requesting a high pressure Jetter Truck to replace an 18-year old vehicle with 90,000 miles on it.
 - a. The Department has listed this item as #22 on the priority list. Based on this, would the Department be able to replace the vehicle in a future FY? How many more years could this vehicle last? (Page 5-49, Budget Details, Index Code 919029C, Collection System, Sub-Object Code 7040, Motor Vehicle) (MM)
14. Please provide a breakdown of what areas within the County the \$200,000 appropriation for the EP&S Abandoned Vehicles and Metals Program will address? (Page 5-95, Budget Details, Index Code 919735B) (MM)
15. Have the three West Maui expansion projects - Intrawest/West Maui Recycled Water System, Hyatt/West Maui Recycled Water System, and Starwood/West Maui Recycled Water System - been completed? Is this the reason why there are no grant awards for these projects? (Page 151, Program Budget) (SS)

16. Four half-ton truck replacements are requested at three different price points and two three-quarter ton trucks are requested at two different price points. Please explain the reason for difference in cost for the same sized vehicles. (Page 5-49, 5-50, Budget Details, 919029C-7040) (KRF)
17. \$90,000 requested for a backhoe rental. Is this the cost to rent for one year? What would be the cost to purchase a backhoe? Is there a reason that renting is preferred? (Page 5-78, Budget Details, 919513B-6233) (KRF)

Capital Improvement Projects

1. Please provide additional details regarding the Countywide and regional EPA-compliance WWRf renovation projects, compliance projects, and compliance sewer rehabilitation planned for FY 2022 and FYs 2023 through 2027. (Pages 629-631, Program Budget, CIP) (TK)
2. Please provide the scope for the Makawao Master Sewer Plan, including the anticipated start date for this project. (YS)
 - a. What is the reason for not including this in FY 2022? Does this plan encompass all of Upcountry? (YS)
 - b. If not, does the Department plan to form a separate plan for the Pukalani-Kula-Ulupalakua district, and when does it anticipate doing so? (Page 630, Program Budget, CBS-5038) (YS)
3. What is the planned scope of the Central Maui WWRf? (Page 631, Program Budget, CBS-3206) (YS)
 - a. What is the full area of anticipated service? (YS)
 - b. What is the anticipated growth capacity? (YS)
4. Relating to the COM Greenwaste and Biosolids Management project, this is a six-year study for \$100,000. (Page 660, Program Budget, Index Code CBS 6637, COM Greenwaste and Biosolids Management)
 - a. Will the project's evaluations for recycling options be conducted in-house? (MM)

Mr. Eric Nakagawa
April 3, 2021
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- b. Do you anticipate needing additional funds for the study in the next three to four years? (MM)
- 5. The Department is proposing \$100,000 for the design of the Central Maui Landfill stormwater management improvements project.
 - a. What is currently being done to mitigate storm run-off at the Central Maui Landfill? (Page 662, Program Budget, Index Code CBS 5020, Central Maui landfill stormwater management improvements) (MM)
- 6. Could additional funding this year expedite any of the planned expansions of the South Maui water reuse system within the 6-year plan? (Page 629, Program Budget, CBS-1166) (KK)

Key Activity Goals & Measures

- 1. Wastewater Administration Program Goal 2.4, please explain how the number of public information requests correlate with the successful minimization of adverse impacts to wastewater systems from non-County activities. (Page 147, Program Budget) (KRF)

Thank you for your attention to this request. Should you have any questions, please contact me or the Committee staff (Lesley Milner at ext. 7886, Kasie Apo Takayama at ext. 7665, or Yvette Bouthillier at ext. 7758).

Sincerely,



KEANI N.W. RAWLINS-FERNANDEZ, Chair
Budget, Finance, and Economic
Development Committee

bfed:2022bgt:210402aem01:wal

cc: Mayor Michael P. Victorino
Budget Director

BFED Committee

From: BFED Committee
Sent: Saturday, April 3, 2021 7:14 PM
To: Eric Nakagawa
Cc: BFED Committee; Michelle Santos; Zeke Kalua; michele.yoshimura@co.maui.hi.us
Subject: PLEASE READ attached letter re: FISCAL YEAR ("FY") 2022 BUDGET (EM-1) (BFED 1)
Attachments: 210402aem01 (EM-1) signed.pdf

Mr. Nakagawa: Please refer to the attached letter from the Budget, Finance, and Economic Development (BFED) Committee Chair, dated April 3, 2021.

Mayor's Office (attention: Michelle Santos and Zeke Kalua): Please forward the attached letter to Mayor Victorino.

Ms. Yoshimura: FYI

Thank you,
Yvette Bouthillier, Secretary
BFED Committee

MICHAEL P. VICTORINO
Mayor

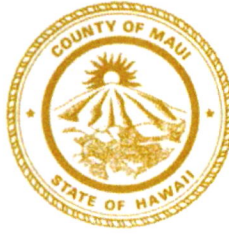
ERIC A. NAKAGAWA, P.E.
Director

SHAYNE R. AGAWA, P.E.
Deputy Director

MICHAEL P. RATTE
Solid Waste Division

SCOTT R. ROLLINS, P.E.
Wastewater Reclamation Division

TAMARA L. FARNSWORTH
Environmental Protection &
Sustainability Division



**COUNTY OF MAUI
DEPARTMENT OF
ENVIRONMENTAL MANAGEMENT**

2050 MAIN STREET, SUITE 2B
WAILUKU, MAUI, HAWAII 96793

April 8, 2021

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

APPROVED FOR TRANSMITTAL

Michael P. Victorino 4/12/21
Mayor Date

For Transmittal to:

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

Dear Chair Rawlins-Fernandez:

**SUBJECT: FISCAL YEAR 2022 BUDGET INQUIRES (EM-1) (BFED-1)
DEPARTMENT OF ENVIRONMENTAL MANAGEMENT**

This is in response to your April 3, 2021 request regarding information specific to the Proposed FY2022 Budget. Below are answers to your inquiries:

Overall

- 1. If Council were to ask for an 11 percent cut in programs and activities funded by the General Fund to fully fund the recommendations proposed in the Comprehensive Affordable Housing Plan at \$57,000,000, without increasing real property tax revenue:**

a. What programs or activities would you cut? (TK)

The Solid Waste Division (SWD) held a very tight FY 21 budget with various reductions in CIP and Operations. In the FY 22 budget, we did not reinstate those reductions. The SWD reduced our CIP submittal by 60% from FY 21 to FY 22. The Budget office made an additional 49% reduction in CIP in the Mayor's submittal. The SWD FY 22 replacement and expansion equipment was reduced by 40% as compared to what SWD had proposed. Cutting further would provide additional risk and potentially compromise compliance, safety, and sustainability. Should Council choose to reduce the DEM budget further, it is requested that DEM be allowed to review any proposed reductions and have the opportunity to provide the resulting impacts.

b. What impact would the cuts have on residents? (TK)

Please refer to the above.

This would not affect the Wastewater Reclamation Division (WWRD) as it is self-funded.

2. What is the estimated lost revenue in refuse disposal fees at the Lanai Landfill due to Memorandum of Understanding 8.04.060? (Page 7, Appendix B) (GJ)

Per the MOU, Pulama Lanai provides cover soil for the landfill in exchange for no-cost landfill tipping fees. In FY20, Pulama Lanai disposed of 1,298.5 tons of trash. At \$113 per ton, there could have been \$146,730 (\$12,985 of that amount as a recycling surcharge) received as revenue. FY20 cover soil provided and used according to the landfill Annual Operating Report was 3,800 tons. Using the potential revenue divided by the tons of cover soil, calculates a cover soil "cost" of \$38.96/ton. (For reference, cover soil cost to Hana averages \$53/ton)

Without this agreement, the only source of cover soil would be Pulama Lanai, who could set the cost at their discretion. The MOU with Pulama Lanai has and is working well. The SWD recommends the continuation of the current agreement.

This does not affect WWRD.

3. What is the County currently doing to address the State-mandated conversion of cesspools, particularly for Upcountry which has over 7,400 cesspools? (YS)

Wastewater Reclamation Division has not yet addressed this issue. We have not conducted a review of reports developed by the State appointed task force, nor has DOH released its plans to assist homeowners.

a. When does the Administration anticipate receiving a final report from the Cesspool Conversion Working Group? (YS)

In January 2021, DOH released two reports: Cesspool Conversions Finance Research Summary Report and the Cesspool Conversion Technologies Research Summary Report. DOH is using these reports to develop a path forward that could help Hawaii create a financially flexible program in order to achieve Cesspool Conversion Working Group goals and obtain compliance with Act 125. This program is currently anticipated to be developed sometime this year.

4. What can be done to transition users off of cesspool systems? (KK)

Users of cesspools need to (a) convert to either a new individual wastewater system (septic system or aerobic treatment unit) that is approved by the Department of Health (DOH), or (b) connect to a centralized wastewater treatment facility, or (c) obtain a variance from (DOH) to come into compliance.

Act 132 of SLH 2018 authorized the Department of Health to establish a cesspool conversion working group to develop a long-range, comprehensive plan for cesspool conversion statewide for

all cesspools by 2050. As a result of this working group, in October 2019, DOH released a report titled *Investigation of Cesspool Upgrade Alternatives in Upcountry Maui - Final Report*. As mentioned above, in January 2021, DOH released two more reports: *Cesspool Conversions Finance Research Summary Report* and the *Cesspool Conversion Technologies Research Summary Report*.

DOH is using these reports to develop a path forward that could help Hawaii create a financially flexible program in order to achieve Cesspool Conversion Working Group goals and obtain compliance with Act 125. To date, the Department has been involved in the working group and is awaiting all of the results of the working group tasks before moving forward.

a. *Has the Department considered a microgrants program to help residents transition from cesspool systems? (KK)*

WWRD is responsible for the maintenance and operation of its Wastewater Reclamation Facilities, pump stations, and collection lines. The State Department of Health is the agency responsible for individual wastewater systems. As such, the Department is currently waiting to see what plans the State develops so we can best support, and if needed, supplement the implemented plan.

b. *What would be the estimated cost of such a program? What amount would the Department support in the FY 2022 Budget? Where would the funding be housed? (KK)*

Until the State has developed its program, it would be premature for the department to implement its own program. Preliminary planning would estimate that one to two additional positions would be required to promote the program, review submittals, verify approved plans, coordinate with the state, monitor/verify/inspect construction and distribute funds. This would require annual funding of somewhere between \$100,000 and \$250,000.

c. *What should be the maximum amount granted to individuals to transition from cesspools? (KK)*

The state previously had a tax credit program that would reimburse up to \$10,000 per property, which expired 12/31/2020. Evaluation of any new state programs should occur before an amount is determined.

5. *What are the plans to expand South Maui's R-1 water use and infrastructure in FY 2022? (KK)*

WWRD is currently working on system reliability for its South Maui R-1 system. During FY2022, we have ongoing FY2021 projects:

(CBS-6046) Replacing the existing pond liner and cover for our in-plant storage, completing the validation of the third UV Channel, and constructing a line replacement between the Kihei WWRF and the Research and Technology Park;

(CBS-2019) Renovation of its Effluent Pump Station; and

(CBS-5520) Designing a land application project near the Kihei Police Station.

We have begun discussions with landowners for the placement of new offsite lines to expand the distribution system and hope to put together a design project for the FY2023 budget.

Salaries and Wages (Category "A")

- 1. Does the decrease in Other Premium Pay mean the anticipated Collective Bargaining increase was higher than what was actually awarded? Please explain. (Pages 140, 148, 149, 154, 156, 161, 166, 171, and 176 of the Program Budget, 919005A, 919007A, 919029A, 919033A, 919035A, 919037A, 919044A, 919500A, 919509A, 919513A, 919521A, 919523A, 919524A, 919725A, 919730A, 5250) (TP)**

Budget office calculates salary adjustments. This salary adjustment for FY21 was an anticipated increase in personnel's salary due to the bargaining unit agreement. It was deleted from FY22 premium pay because Personnel salaries were adjusted/corrected based on the last bargaining agreement.

- 2. Explain the difference in salary and position description for GIS Analyst I and GIS Tech I. (Page 5-12, Budget Details 919005A) (TP)**

GIS Tech I BU03-SR15 (\$42,792- 63,288) Is an entry-level technical position that does significant data entry, collection, and maintenance produces simple/routine maps or data consolidations.

GIS Analyst I BU13-SR16 (\$43,620- 64,620) Is a trainee in a planned training program to learn and apply basic principles, methods, and techniques in preparing thematic maps and applications, computer programing, and application development.

Overall the GIS tech has a salary that is slightly less than an analyst at the same step level. The applicant that was chosen transferred from another County position and was required to maintain their step level resulting in the higher salary.

- 3. Explain the salary difference and need for the Wastewater Pretreatment Coordinator position to be reallocated to Supervising Environmental Technician. (Page 5-12, Budget Details, 919007A) (TP)**

The Pretreatment Coordinator Position was created in 1999 as a result of the Consent Decree without any in-house experience in what the job would actually entail in Maui County. During the last 20 years, we have made great strides in implementing and enforcing a pre-treatment ordinance centered only on the food-establishment sector and grease traps. Over the years workload and responsibilities have increased for this position with little compensation: inspections of food facilities have grown from 500 to 750 per year (50% increase), plan reviews volumes are also substantially higher, a new sub-industry of food trucks has sprung up, and we are at the point of expanding into more industrial permitting for automotive and machine shops,

industrial laundries, medical facilities, etc. in order to control/prevent what goes down the drain and into our collection and treatment facilities. This change will also take into account the

management of inspector(s) rather than merely the administration aspects and parallels what has occurred on Oahu with their pretreatment program.

- 4. Relating to the position reallocation from Sewer Maintenance Helper to Repairer I, is it a natural progression for those who complete a certain amount of hours and demonstrate a certain level of knowledge? This position was previously reallocated from Repairer I to Sewer Maintenance Helper in FY 2021, and is now being requested as a Repairer I in FY 2022. (Page 5-20, Budget Details, 919029A) (TP)**

Yes, this is the natural progression once an employee has met the minimum requirements as listed in the Class Specifications. We have found that applicants from outside are unable to meet with minimum requirements for the position. The alternative is to hire as an entry-level position and train in-house until qualifications are met. (Time, knowledge of position, etc.) then a request is submitted to reallocate the position.

- 5. Relating to the position reallocation from Wastewater Treatment Plant Trainee to Assistant Wastewater Treatment Plant Operator, is it a natural progression for those who complete a certain amount of hours and demonstrate a certain level of knowledge? (Pages 5-21 and 5-23, Budget Details, 919033A, 919035A, 919037A) (TP)**

Yes, this is the natural progression once an employee has met the minimum requirements as listed in the Class Specifications. We have found that applicants from outside are unable to meet with minimum requirements for the position. The alternative is to hire as an entry-level position and train in-house until qualifications are met. (Time, knowledge of position, etc.) then a request is submitted to reallocate the position.

- 6. Explain the need to reallocate a Laborer II to Landfill Attendant (CML). (Page 5-63, Budget Details, 919509A) (TP)**

The approved FY20 budget for Central Maui Landfill eliminated (defunded) two Attendant positions that had been hired for green waste Sundays. As FY19 was coming to a close, there were two open positions that the two employees in the positions being cut were able to transfer into. One was an Attendant, and the other a Laborer II. Rather than downgrade one of the Attendants to Laborer, DEM, and DPS felt it best to reallocate the Laborer II position to Attendant, to be fair and equitable and allow the greater flexibility and responsibility as an Attendant.

- 7. Is the Maintenance Coordinator position still vacant? And if so, why? (Page 5-63, Budget Details, 919509A) (TP)**

Yes, the Department of Personnel Services is currently completing the new position classification as the standard required process. Once completed, the recruitment process will be finalized for this critical position for the Division.

8. *Were the two Recycling Program Assistant positions authorized to be filled? (Page 5-105, Budget Details, 101120A) (TP)*

No, the two positions were not authorized to be filled in FY 2021; however, the positions are still needed.

9. *In the Solid Waste Administration Program, Premium Pay is listed at \$52,500. What differentiates premium pay from overtime pay? (Page 5-57, Budget Details, Index Code 919500A, Sub-Object code 5215, Premium Pay) (MM)*

Premium pay includes Night Differential, Overtime, and Temporary Assignment. The Budget office combines all premium pay into one bucket, and divisions properly code the specific premium pay when entering time cards.

Operations and Equipment (Categories "B" and "C")

1. *The Green Grants Program/West Maui Green Cycle Pilot program supports innovative sustainability projects on Maui, Molokai, and Lanai. What is the process to initiate an innovative sustainability project on Lanai? (Page 172, Program Budget, Green Grants program/West Maui Green Cycle Pilot) (GJ)*

The Green Grants program is modeled after the Recycling Grants program and will be implemented via a proposal selection process. This entails a proposal solicitation and submittal period for potential grantees, evaluations and vetting process by a 4-6 person grant selection committee, recommendations to Director, contracting, and grant management throughout the fiscal year.

The West Maui Green Cycle Pilot was supported and appropriated by CM Paltin as a priority proposal. She worked directly with the grantee prior to the budget session in order to determine the budget needs for the project. EP&S Division then worked with the grantee in FY 2021 to fine-tune a suitable proposal for the scope of the project and has been working to administer the proviso grant.

The process to initiate an innovative sustainability project on Lanai would either be appropriated via proviso, as with the West Maui Green Cycle project or by the regular process of grant committee selection under one of the EP&S grant programs (currently Recycling Grants and Green Grants).

2. *Are transmission lines monitored for capacity to meet demands? (TP)*

Yes. WWRD has a computerized hydraulic model of its trunk line infrastructure (roughly, all lines greater than 8" in diameter) in order to estimate the effects of added development on the system. The model is currently being updated and will undergo validation later in the year. In addition, the division does an annual capacity assessment of its 42 pump stations to understand flow trends on a drainage area basis.

a. Are planning or building permits denied due to lack of transmission line capacity? (Page 147, Program Budget) (TP)

To date, we have not denied any building permits due to a lack of transmission line capacity. If development is proposed in an area that will cause lines to exceed capacity prior to the County scheduling an upgrade, the developer is given the opportunity to do the improvement to increase capacity in order to build their project.

3. Explain why \$1,483,047 in County Funds (FY 2020 Actual) were expended for the CW Sewer Cap Imp Reserve FD, when in FY 2021, it was approved out of Special Revenue Funds (7511). (Page 5-14, Budget Details, 919002B, 7541) (TP)

In FY 2021, there was not a request/expenditure to put money into the Sewer Reserve Fund. The subobject code 7541 is a transfer out to the Special Revenue Fund. (For CAFR purposes, Special Revenue Funds are called County Funds. Not to be confused with the General Fund.)

4. Explain the purpose of the two R&M Services/Contracts for the Wastewater Administration Program. (TP)

a. Are one of the two contracts listed in error? (Pages 5-14 and 5-15, Budget Details, 919005B, 6138) (TP)

Yes, this is a double listing. Page 5-14, Index 919005B/6138 (\$0.00) is a mistake.

5. Were CARES Act funds used to travel to and from Lanai by ferry during FY 2021? For example, Airfare, Transportation was \$198 (FY 2020 Actual), but \$1,500 is being requested for FY 2022. (Page 5-16, Budget Details, 919007B, 6201) (TP)

No CARES Act funds were used to travel to and from Lanai by Ferry during FY2021.

There were not any in-person annual inspections of facilities on the Island of Lanai conducted due to the COVID pandemic, nor were any construction inspections required during the year.

6. Explain discrepancies in Budget Details from FY 2021 to FY 2022 relating to Sludge Disposal Interfund. Why is the Sludge Disposal Interfund now coming out of the Solid Waste Fund instead of the Environmental Protection & Sustainability Fund? (TP)

In previous Fiscal Years, WWRD paid the full amount to EP&S, and then EP&S would pay SW for their part of the process. It is our understanding that we are streamlining the process and paying the appropriate division. The adjustments were made by the Budget Office.

SWD understanding is that the interfund is going into the Solid Waste Fund (not out of). In FY21, WWRD had an interfund to EP&S for the processing of sludge. Since SWD was required to landfill sludge since the end of FY20, EPS had an interfund with SWD for the landfilling of the sludge. EPS, in essence, was a "pass-through" for the landfilling of the sludge. In FY22, an interfund directly from WWRD to SWD was established.

a. *Why is the amount for FY 2022 Proposed so much more than FY 2020 Actual? (Page 5-32, Budget Details, 919019B, 7543/7545) (TP)*

In FY2020, we expended \$2.5M, and in FY22, we are asking for \$2M. In FY2020, we intended to dispose of more sludge, but the economy came to a halt due to COVID. So, therefore, we would have expended more than the \$2.5M. The requested decrease for FY22 is due to the decrease in rates.

In FY2020, the EPS interfund to SWD was only for SWD services provided to EPS. (Similar to how Public Works charges SWD for services, and Water Dept. charges WWRD for services). SWD did not receive any funds for sludge landfilling in FY20 because we did not know that we would be landfilling sludge until the end of FY20. In FY21, Budget Office added 2.5M to the FY20 \$627,217 for services. WWRD interfunDS sludge processing and/or disposal funds based on the actual tonnage of sludge. The Covid pandemic limited travel, and therefore, actual sludge tonnage decreased dramatically, leading to a less than normal interfund amount. WWRD is anticipating pre-Covid sludge tonnages in FY22, which is why the FY22 proposed is so much more than FY20 actual.

b. *There is a proposed \$1.8 million transfer out reduction. Can you confirm if this is a debt service reduction? If so, can you identify what projects will not be completed as a result of these savings? (Page 5-32, Budget Details, Index Code 919019B) (MM)*

919019B is the fund that pays for the Sludge Disposal. It is different from Debt Service. Our Debt Service is calculated by the budget office.

There is a \$1.8M decrease in sludge (919019B) request because the rates to dispose of our sludge for FY22 had decreased.

7. *How are supplies inventoried? (TP)*

Qualifying equipment is tracked through the County Inventory Program.

a. *What system is used to verify that these supplies were used for legitimate Wastewater Mechanical/Electrical systems? (TP)*

Our Maintenance Connection (Work Order) Program tracks materials and parts used on inspection, maintenance, and repair work orders.

b. *What system is used to track the inventory of tires, tubes, auto parts, agricultural supplies, etc.? (Page 5-46, Budget Details, 919044B) (TP)*

No inventory system is used; no inventory is normally kept. These items are ordered/purchased on an as-needed basis for each job. Supervisors and staff monitor usage and purchases through purchase orders and p-card submittals.

Tires, tubes, and auto parts are not stocked. Replacement/repairs of these items are contracted out, and parts are purchased on an as-needed basis.

8. Explain why the Vertical Lope Pump & Accessories has not met its estimated use life by two years. (Page 5-49, Budget Details, 919029C, 7044) (TP)

This equipment is used to remove grit and sludge from various sections of the treatment plants (aeration basins, clarifiers, etc.). This item that is being replaced was removed from a pump station that had undergone a renovation/upgrade. The existing pump has frequent downtime for repairs due to the excessive wear and tear from the coarse material that this pump is used to remove/clean.

9. Explain why the 8" lathe has not met its estimated use life by four years. (Page 5-52, Budget Details, 919044C, 7039) (TP)

The estimated use life should be stated as 10 years, not 15. This equipment is used to fabricate various parts as required to replace pump shafts, bearing sleeves, screw-on threads, bearing housing, etc. Replacement was recommended due to the equipment reaching the end of its useful life with frequent repairs. By being able to fabricate the replacement in-house, we are able to cut costly vendor prices and depend on their availability.

10. How old is the current mail folding and stuffing machine? (Page 5-61, Budget Details, 919500C, 7044) (TP)

The current folding machine is 7 years old and at the end of its useful life. The current machine no longer feeds properly, gets misaligned, leading to downtime, maintenance, delays in billing, and delay in correspondence to the community. The current capability is paper folding only. The new machine will fold and stuff envelopes, saving time and resources. Note that SWD has 27,000 refuse accounts + 1500 landfill accounts, with > 100,000 documents mailed out each year for landfills, refuse, correspondence, invoicing, and monthly statements.

11. Explain the \$192,000 transferred from the EP&S Program to the Solid Waste Operations Program.

EP&S previously managed a 9-year contract in the amount of \$192,000/year for green waste operations on Molokai, which terminated on November 30, 2020. Solid Waste Division now manages all operational aspects of green waste collection and processing at Molokai Landfill. For FY 2022, EPS would not be "paying Solid Waste," but rather the \$192,000 is a transfer of budget from EP&S to Solid Waste budget since SWD is now handling green waste on Molokai instead of EPS.

a. Was EP&S previously contracting Green waste Operations for \$892,000, but now paying Solid Waste \$192,000? (Pages 5-76 to 5-78, 5-93, Budget Details, 919513B, 6023, 6030, 6057, 6138, 6139, 6233) (TP)

The "\$700,000 Reduction to EKO contract" explanation of changes in 919730B-6112 refers to green waste operations on Maui rather than Molokai. Due to changes to the scope of

work, it is anticipated that the contract amount for EKO will be reduced by \$700,000 compared to previous years.

12. Relating to the contributions from Hyatt and Starwood resorts for recycled wastewater expansions:

- a. Can you clarify specifically what wastewater recycling expansions these contributions achieved? (MM)**

These contributions will help pay for the improvements required to utilize the recently purchased Honokowai Reservoir. This work to expand the distribution system will result in 24/7 access to R-1 water for all current and future customers.

- b. Have the Resorts fulfilled their condition of development with these two contributions? (Page 151, Program Budget, Index Code Wastewater Administration, Grant Awards) (MM)**

Yes, they have.

13. The Department is requesting a high pressure Jetter Truck to replace an 18-year old vehicle with 90,000 miles on it.

- a. The Department has listed this item as #22 on the priority list. Based on this, would the Department be able to replace the vehicle in a future FY? How many more years could this vehicle last? (Page 5-49, Budget Details, Index Code 919029C, Collection System, Sub-Object Code 7040, Motor Vehicle) (MM)**

The current equipment is essential for keeping sewer lines clean and clearing blockages in order to prevent/minimize sewer spills. It is 18 years old and has had frequent repairs. If we were to push the request back for another one to two years, the vehicle might actually take two, three, or more years to get the replacement due to the current COVID issues. For example, we are currently still waiting on vehicles from FY 21 budget that may not arrive until August (equipment build time and shipments are delayed due to the COVID pandemic).

14. Please provide a breakdown of what areas within the County the \$200,000 appropriation for the EP&S Abandoned Vehicles and Metals Program will address? (Page 5-95, Budget Details, Index Code 919735B) (MM)

The \$200,000 appropriation is due to the re-allocation of Recycling funds to Abandoned Vehicles and Metals funds to cover the reductions made to the FY 2021 919735B-6112 contractual services amount. The two contracts that utilize the full budgeted amount (\$455,090) are not new services but are instead ongoing contracts that were partially defunded in FY 2021.

The two AVM Metals contracts are:

C6268 to Hammerhead Metals/Schnitzer Steel for White Goods Processing (free residential drop off of large appliances at Hammerhead on Maui) and,

C6036 to Refrigerant Recycling, Inc. for operating the Molokai Metals Facility (drop-offs for white goods, scrap metals, propane tanks, microwaves, auto tires, and batteries at Molokai Landfill) and Hana and Lanai metals collection events.

15. Have the three West Maui expansion projects - Intrawest/West Maui Recycled Water System, Hyatt/West Maui Recycled Water System, and Starwood/West Maui Recycled Water System – been completed? Is this the reason why there are no grant awards for these projects? (Page 151, Program Budget) (SS)

These funds are currently on hand, and we are anticipating utilizing them prior to the end of CY2021 for the West Maui Recycled Water Expansion Project. We would agree that it would be wise to also include them in FY2022 in case any unforeseen delay occurs.

16. Four half-ton truck replacements are requested at three different price points and two three-quarter ton trucks are requested at two different price points. Please explain the reason for difference in cost for the same sized vehicles. (Page 5-49, 5-50, Budget Details, 919029C- 7040) (KRF)

Base prices on vehicles are quoted as the same. However, prices vary due to additional specifications requested per each vehicle, i.e., 4 x 4, safety lighting (strobe lights, directional lighting), lift gates, tool boxes, lumber racks, etc.).

17. \$90,000 requested for a backhoe rental. Is this the cost to rent for one year? What would be the cost to purchase a backhoe? Is there a reason that renting is preferred? (Page 5-78, Budget Details, 919513B-6233) (KRF)

The \$90,000 represents a portion of the monies transferred from EP&S into the Solid Waste budget as part of the \$192,000 to be transferred in the FY 22 Budget to handle SWD green waste processing on Molokai. (Refer to question #11). SWD does prefer owning vs. renting due to cheaper lifetime costs. However, we are required to rent in the meantime. The Mayor's budget does include an expansion wheel loader (\$410,000) for Molokai, however the onsite delivery takes est. one year from approval.

Capital Improvement Projects

1. Please provide additional details regarding the Countywide and regional EPA-compliance WWRF renovation projects, compliance projects, and compliance sewer rehabilitation planned for FY 2022 and FYs 2023 through 2027. (Pages 629-631, Program Budget, CIP) (TK)

CBS-1119 Countywide EPA Compliance WWRF Renovation Projects – This project is for improvements at the County's five treatment facilities or other major equipment that will

maintain or increase our treatment quality/quantities, help care for/rehabilitate or maintain equipment, site facilities (parking, buildings, etc.), or increase energy efficiencies, etc. FY2022 includes process improvement at the Lanai WWRF, rehab/replacement of injection wells at Kahului WWRF, electrical improvements at major pump stations, and funds for a warehouse facility in Kihei. Future projects beyond FY2022 have not yet been reviewed/determined.

CBS-1132 Countywide EPA Compliance Projects – these projects are generally for asset condition assessment/studies (CCTV, etc.), asset repairs/replacements, system inventory updates. FY2022 money is anticipated to be used for gathering flow data to help calibrate the division's hydraulic model and possibly CCTV work. Future projects will include additional CCTV investigations for condition assessment and others yet to be determined.

CBS-1131 Wailuku-Kahului EPA Compliance Sewer Rehabilitation – This project is for the rehabilitation/replacement of sewers within this district. Current projects in design include line replacements in Happy Valley, Liko Place, and manhole rehabilitation near Spreckelsville. Future projects include Liholiho Street and additional work in Happy Valley.

CBS-1146 West Maui EPA Compliance Sewer Rehabilitation - This project is for the rehabilitation/replacement of sewers within this district. The current project is for sewer replacement in Kaanapali. FY2024 is anticipated to be mitigation for groundwater infiltration in the Front Street Area (pending additional investigation)

CBS-1148 Kihei-Makena EPA Compliance Sewer Rehabilitation - This project is for the rehabilitation/replacement of sewers within this district. No work is included in the FY2022 budget. The analysis is still pending on the necessity for work slated for the FY2024 timeframe.

2. *Please provide the scope for the Makawao Master Sewer Plan, including the anticipated start date for this project. (YS)*

Study to determine the feasibility, potential project scope/alternatives, and preliminary cost estimates of constructing a sewer system infrastructure to service the more densely populated areas of Makawao and possibly Haillemale and/or unsewered Pukalani.

a. *What is the reason for not including this in FY 2022? Does this plan encompass all of Upcountry? (YS)*

WWRD has nearly completed an in-house Feasibility Abstract that puts the cost of sewerage only Makawao at approximately \$170M (about \$100,000/lot). Evaluation of State programs to assist in the replacement of cesspools with other individual wastewater systems is still required to determine if the next step of a Master Sewer Plan is necessary.

Sewering areas of the existing concentrated population are already challenging and expensive (construction in existing roads, around existing utilities, required easements, topography, homeowner connection expense, etc.). Extending the system to less dense areas that have larger lots with steep and undulating topography will exponentially increase costs and is not currently considered.

- b. If not, does the Department plan to form a separate plan for the Pukalani-Kula-Ulupalakua district, and when does it anticipate doing so? (Page 630, Program Budget, CBS-5038) (YS)**

The department does not currently plan to evaluate a sewer system for the Kula/Ulupalakua District.

- 3. What is the planned scope of the Central Maui WWRF? (Page 631, Program Budget, CBS-3206) (YS)**

As of today, the scope of the proposed Central Maui WWRF includes building a facility capable of initially treating approximately 3.5 mgd (Average Daily Flow.)

- a. What is the full area of anticipated service? (YS)**

The treatment facility would be able to treat wastewater from the proposed Waikapu Country Town, the DHHL Pulehunui project, and a flow diversion from the Wailuku Heights/Kehalani and Waikapu area.

- b. What is the anticipated growth capacity? (YS)**

It is anticipated that it could potentially expand to 5.0 mgd. The limiting factor of treatment capacity is the potential for disposal of treated effluent (including the required 100% backup requirement.)

- 4. Relating to the COM Greenwaste and Biosolids Management project, this is a six-year study for \$100,000. (Page 660, Program Budget, Index Code CBS 6637, COM Greenwaste and Biosolids Management)**

- a. Will the project's evaluations for recycling options be conducted in-house? (MM)**

The \$100,000 is a planning and design phase for one year. The project will evaluate options and provide conceptual design(s) for handling green waste and biosolids, either combined or separately, process requirements, end-use options, scheduling, permitting, and cost-effectiveness with ongoing in-house support from Solid Waste and EP&S Divisions. (The overall project has a 6-year implementation horizon on our CIP schedule).

- b. Do you anticipate needing additional funds for the study in the next three to four years? (MM)**

No additional funds are anticipated for further "study." The study would be completed within FY 22. Depending upon options, additional funding may be requested for actual recycling CIP projects and/or operations efforts.

5. The Department is proposing \$100,000 for the design of the Central Maui Landfill stormwater management improvements project.

- a. What is currently being done to mitigate storm run-off at the Central Maui Landfill? (Page 662, Program Budget, Index Code CBS 5020, Central Maui landfill stormwater management improvements) (MM)

Currently, we have various collection and control stormwater systems from both the active and inactive landfills at Central Maui Landfill, from 5 phases for a total of 239 acres. These include asphalt swales, concrete ditches, concrete culverts, both overland, and subsurface piping. The stormwater management system has developed incrementally with additions made to pre-existing structures as airspace increased. This project will analyze features, resize and provide planned relocations to maintain a regulatory compliant, environmentally conscious system for the entire landfill's drainage ways, low spots, collectors, basin, inlets, and outlets.

6. Could additional funding this year expedite any of the planned expansions of the South Maui water reuse system within the 6-year plan? (Page 629, Program Budget, CBS-1166) (KK)

The next expansion of recycled water distribution in Kihei is an approximate 9,000 l.f line between the Tech Park and the north side of the Kihei High School. The project is not yet scheduled as design and project entitlement costs have not yet been determined (but are anticipated to be in excess of \$1M), and talks with landowners have not yet progressed to a point where the scope of work can be completely defined.

In addition, our design and construction engineers already have substantial workloads (currently average about 13 projects a piece), as do most of our recycled water consultants. We would prefer to concentrate our efforts on getting the Lahaina Recycled Water System expansions underway this year.

Key Activity Goals & Measures

1. Wastewater Administration Program Goal 2.4, please explain how the number of public information requests correlate with the successful minimization of adverse impacts to wastewater systems from non-County activities. (Page 147, Program Budget) (KRF)

The majority of public information requests include the location of sewer laterals and mainlines, requirements for cleanouts and manholes, information on what can be flushed or put down the drain, and the capacity of existing lines. By being properly informed on proper system design and

discharge requirements, we reduce the number of wastewater spills from the County system into the environment that occurs due to negligence or inadequate system design.

Honorable Keani N.W. Rawlins-Fernandez
April 8, 2021
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Thank you for the opportunity to provide you with information on these matters. I would also like to clarify or correct our conversation we had regarding SRF loans for private entities that Members King and Sugimura brought up during our budget meeting. I called the State of Hawaii Department of Health (DOH) to verify that a private entity like Maalaea could qualify for an SRF loan and they said no because the loan requirements does not allow it. I apologize for misunderstanding a previous conversation I had with DOH regarding this matter and told you all otherwise. Should you have any questions or concerns, please feel free to transmit them to the Department of Environmental Management via transmittal through the Office of the Mayor.

Sincerely,



Digitally signed by Eric A.
Nakagawa, Director
Date: 2021.04.08
13:37:23 -10'00'

ERIC A. NAKAGAWA, Director
Department of Environmental Management

xc: EPS
Solid Waste Division
Wastewater Reclamation Division

FY2022 Proposed Fee Increases

	Current fee	Proposed Fee	Price per ton	Tons per year	Annual Revenue	Increase Amount
Commercial GW (includes all scaled and unscaled)	\$36	\$40		12906	\$516,240	\$51,624
Greasetrap	\$30	\$40		6249	\$249,960	\$62,490
				TOTAL	\$766,200	\$114,114

BFED Committee

From: Michele Yoshimura <Michele.Yoshimura@co.maui.hi.us>
Sent: Tuesday, April 13, 2021 8:51 AM
To: BFED Committee
Cc: Melissa Agtunong
Subject: EM-1, BFED-1
Attachments: (EM-1) Response.pdf

Please see attached responses from Department of Environmental Management