

PROPOSED AMENDMENT TO BILL 108 (2026)
SOUTH MAUI COMMUNITY PLAN • DRIP-25

SOUTH MAUI INTEGRATION LIVING 'ĀINA
STABILIZATION TRUST (SMILAST)

SECTION 1. Amendment to Exhibit “1.” Add the following policies after Policy 2.3.26 in Section 2.3, Ready and resilient systems:

“2.3.27 | Disinfection first. Prioritize funding and accelerated delivery of CBS-5031, Kīhei Wastewater Reclamation Facility Ultraviolet System Upgrade, to provide reliable disinfection of final municipal effluent before delivery to reuse customers, injection wells, or other disposal. Use the \$500,000 design and \$4,000,000 construction estimates in the FY2027 Mayor’s Proposed Budget as the initial planning baseline, subject to updated engineering estimates and separately enacted appropriations. Do not defer required disinfection while pursuing additional reuse.

2.3.28 | Maui Meadows first implementation area. Initiate proceedings under Chapter 3.75, Maui County Code, for a Maui Meadows Community Facilities District integrating sewer collection, connection to the Kīhei facility, cesspool retirement, and R-1 recycled-water irrigation of a maintained perimeter greenbelt and firebreak. Confirm treatment capacity, parcel boundaries, rights-of-way, lifecycle costs, and an equitable financing plan through the district proceedings.

2.3.29 | South Maui regional network. Make Maui Meadows the first element of an interconnected South Maui irrigation-reuse, greenbelt, and firebreak network. Plan phased connections serving Kīhei, Wailea, Mākena, and other suitable areas within the Plan boundary, with regional coordination toward Ma‘alaea and Upcountry where feasible and separately authorized. Integrate wildfire fuel management, safe responder access, agricultural reuse, watershed restoration, and reef protection.”

SMILAST • PLAN POLICIES AND IMPLEMENTATION

SECTION 2. Additional policies. Add after Policy 2.3.29:

“2.3.30 | Living ‘āina stabilization. Pursue a segregated, contribution-supported SMILAST program and fund through separate implementing legislation. Coordinate public investment, grants, philanthropy, and lawful district financing to protect South Maui’s food, water, housing, health, sanitation, reefs, education, families, kūpuna, and cultural continuity. Prioritize disinfection and the Maui Meadows first phase while preserving lawful donor restrictions.

2.3.31 | Durable protection. Design reuse and fuel-management corridors using site-specific fire behavior, terrain, soils, seasonal water supply, water quality, and cultural-resource assessments. Provide maintained low-fuel vegetation, appropriate native species, dependable storage, backup power, and enforceable operating responsibilities. Integrate defensible space, building ignition resistance, warning systems, evacuation routes, and emergency response. Greenbelts supplement these protections and are not a guarantee against wind-driven fire or embers.

2.3.32 | Water and cultural safeguards. Meet applicable recycled-water treatment and end-use requirements; disinfection alone does not establish R-1 quality or remove nutrients. Prevent irrigation runoff, ponding, overspray, excess nutrient loading, and potable-system cross-connections. Protect wetlands, drainageways, wahi kūpuna, customary practices, and Native Hawaiian rights through early participation by the Department of ‘Ōiwi Resources and affected communities.”

SECTION 3. Implementation schedule. Add Actions 3.30 through 3.33 to Section 4.4. These actions coordinate with Actions 3.06, 3.10-3.14, 3.23, 3.27, and 4.01a-b. Existing cost estimates must be reconciled to avoid double counting. Timing is measured from Plan adoption; funding and construction remain subject to lawful approvals.

SMILAST • HIGH-PRIORITY ACTIONS

3.30 | Fund and accelerate CBS-5031. Type: CIP. Priority: High. Timing: Short; begin funding review within 90 days. Lead: Environmental Management; partners: Finance and Mayor. Confirm existing appropriations, encumbrances, design status, and remaining need. Submit an accelerated delivery schedule and any necessary budget and financing measures. Planning cost: \$4.5 million, comprising \$0.5 million design and \$4 million construction. Sources: Sewer Fund, State Revolving Loan Fund subject to authorization, grants, and accepted contributions. No duplicate appropriation.

3.31 | Initiate Maui Meadows CFD. Type: Project/CIP. Priority: High. Timing: Short; present a formation and feasibility package within 12 months. Lead: Finance; partners: Environmental Management, Planning, Public Works, Fire and Public Safety, Corporation Counsel, and residents. Include mapped parcels, facilities, capacity, costs, proposed special-tax method, grants and donations, affordability assistance, and maintenance. Cost: to be determined. Sources: authorized district revenues, grants, contributions, and separately appropriated public funds.

3.32 | Plan and build the regional network. Type: Project/CIP. Priority: High. Timing: Master plan within 24 months; first segments in years 1-5, expansion in years 6-10, and continued delivery and maintenance through year 20. Lead: Environmental Management; partners: Fire and Public Safety, Public Works, Planning, Water Supply, 'Ōiwi Resources, emergency management, landowners, and State agencies. Map candidate corridors, seasonal supply and demand, storage, treatment, easements, habitat, evacuation interfaces, and phased costs. Cost: to be determined; reconcile with Action 3.23's existing estimate.

3.33 | Establish and report on SMILAST. Type: Program. Priority: High. Timing: Implementing legislation within 12 months; ongoing reporting. Lead: Mayor; partners: Finance and implementing departments. Seek contributions and matching funds; report funds, milestones, disinfection reliability, reuse and injection volumes, cesspools retired, maintained corridor acreage, water-quality results, and household costs. Cost: to be determined through the budget process.

Construction. This amendment establishes Plan policy and actions. It does not itself appropriate money, form a district, levy a tax, authorize debt, change parcel designations, grant an easement, or establish a County fund. Conform final numbering and cross-references to the version adopted by the Council.

ORDINANCE NO. _____

BILL NO. _____ (2026)

A BILL FOR AN ORDINANCE ESTABLISHING A NEW
CHAPTER OF TITLE 3, MAUI COUNTY CODE, RELATING
TO THE SOUTH MAUI INTEGRATION LIVING 'ĀINA
STABILIZATION TRUST FUND

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

SECTION 1. Council findings. Reliable wastewater disinfection, beneficial water reuse, maintained wildfire fuel reduction, healthy watersheds, and community continuity are interdependent public needs. CBS-5031 and a proposed Maui Meadows Community Facilities District provide an initial implementation sequence for a regional South Maui program. Accepted contributions can supplement separately authorized public investment while preserving fiscal accountability and cultural stewardship.

SECTION 2. Title 3, Maui County Code, is amended by adding a new chapter, to be appropriately designated, to read as follows:

“Chapter 3.XX
SOUTH MAUI INTEGRATION LIVING 'ĀINA
STABILIZATION TRUST FUND

3.XX.010 Purpose and scope. This chapter establishes SMILAST as a County administrative program and special fund supporting integrated stabilization within the South Maui Community Plan area. A project outside that area is eligible only to the extent it provides a documented South Maui public benefit and receives all required approvals. The program is not a separate legal entity and has no independent taxing, borrowing, permitting, or governmental authority. The word “trust” does not create a separate trust or beneficial ownership interest.

SMILAST • FUND AND AUTHORIZED USES

3.XX.020 Fund and administration. The South Maui Integration Living 'Āina Stabilization Trust Fund is established as a segregated County special fund. The Mayor or designee administers the program through departments acting within their authority. Finance must account separately for each source, restriction, project, implementing entity, and expenditure. No new County position is authorized by this chapter.

3.XX.030 Contributions and coordinated financing. The Fund may receive lawfully accepted gifts, donations, grants, bequests, settlement proceeds, intergovernmental transfers, investment earnings, and other contributions. Gifts and donations require acceptance under Charter section 13-8 and Chapter 3.56. Only received cash or cash equivalents may support expenditure availability; in-kind resources must be separately accepted, valued, inventoried, and reported. Investments must comply with County law and policy.

County appropriations, district taxes, and loan or bond proceeds may support coordinated projects only under separate lawful authority and accounting. This chapter neither levies special taxes nor authorizes borrowing. District revenue must remain subject to Chapter 3.75 and its governing proceedings. Donated capital must not be represented as secured until received.

3.XX.040 Authorized uses and priorities. Subject to appropriation and lawful source restrictions, uses include: (1) food security and local production; (2) water security and watershed restoration; (3) housing, shelter, and resident retention; (4) healthcare and public health; (5) wastewater disinfection, sewer connections, cesspool conversion, water reuse, and maintained greenbelt firebreaks; (6) reef and coastal restoration; (7) education, research, and workforce training; (8) child care and family stabilization; (9) kūpuna dignity and accessibility; and (10) Native Hawaiian cultural stewardship and continuity.

First-phase priorities are CBS-5031 and Maui Meadows sewer and reuse infrastructure as the first element of a South Maui regional network. Restricted gifts for other eligible purposes remain permissible. No category or recipient is guaranteed funding.

3.XX.050 Project conditions. Before obligation or release, contributions must be lawfully accepted, deposited, appropriated, and certified available by Finance. Each project must have an approved scope, budget, schedule, lawful selection process, measurable outcomes, and a written agreement or County project authorization. Applicable procurement, grant, ethics, environmental, historic-preservation, accessibility, labor, and permitting requirements remain in force.

Agreements must identify ownership, land access, operation, maintenance, replacement, insurance, appropriate risk allocation, reporting, audit access, milestone payments, and recovery of misused or unspent funds. Corporation Counsel review and Finance certification are required to the extent provided by law. No release for construction may precede the approvals required for that construction. Disbursements must follow verified milestones and documented invoices.

3.XX.060 Reuse and wildfire performance. Projects must meet applicable State treatment and end-use requirements and protect potable supplies, public health, soils, groundwater, and coastal waters. Regional designs must establish water and nutrient budgets, seasonal demand, storage and power reliability, and contingencies for outages and drought. Fire and Public Safety must review fuel management and responder access. Each operating segment must have a funded maintenance plan, an identified responsible operator, and periodic inspections. Reuse corridors do not replace building protection, evacuation, warning systems, or emergency response.

3.XX.070 Cultural stewardship and public purpose. The Mayor must designate the Department of 'Ōiwi Resources or a qualified cultural stewardship team to review cultural allocations and projects affecting cultural resources before release. Written review must address participation by affected practitioners and communities, customary practices, and protection of cultural knowledge and data. Required legal consultations remain separate. Nothing in this chapter diminishes Native Hawaiian rights, claims, or trust responsibilities. Nongovernmental awards require a documented public purpose, objective selection criteria, and protection against improper private benefit.

SMILAST • FISCAL CONTROL AND ACCOUNTABILITY

3.XX.080 Ethics and fiscal safeguards. Contributions may not purchase governmental action, donor control, or procurement preference. Public disclosure of donors, amounts, restrictions, awards, and expenditures is required, subject to legally protected information. Material changes in purpose or funding must comply with the appropriation and source restrictions; this chapter authorizes no executive transfer contrary to the budget.

This chapter appropriates no money and creates no tax, debt, guarantee, entitlement, or obligation on a future Council. Obligations under this chapter are limited to money received, appropriated, and legally available. Multiyear commitments require non-appropriation clauses. Aggregate administrative and indirect costs may not exceed five percent of expenditures under each appropriation unless the Council expressly approves otherwise. Fund balances remain separately accounted for, subject to lawful restrictions and appropriation-lapse requirements.

3.XX.090 Reporting and enforcement. The Mayor must provide a public annual report within 45 days after each fiscal year and quarterly project updates. Reports must identify receipts, restrictions, balances, expenditures, overhead, awards, milestones, lifecycle obligations, audit findings, and the performance measures in Plan Action 3.33. Authorized auditors must have access to records. Material misuse or nonperformance requires suspension of affected payments and appropriate corrective action, termination, or recovery consistent with law and agreement.

3.XX.100 Review and construction. The Mayor must submit a program review by the end of FY2031. The program expires at the end of FY2036 unless extended by ordinance. Before expiration, the Mayor must propose lawful disposition of remaining resources and continued responsibility for operating assets. Expiration does not terminate existing lawful maintenance, audit, reporting, or recovery obligations. This chapter must be construed to advance integrated public benefits without waiving applicable law.”

SECTION 3. The provisions of this ordinance are severable.

SECTION 4. This ordinance takes effect upon approval.

INTRODUCED BY: _____

Proposed companion legislation; Chapter 3.XX is a drafting designation.