ALAN M. ARAKAWA
Mayor

KYLE K. GINOZA, P.E.
Director

MICHAEL M. MIYAMOTO
Deputy Director

MICHAEL P. RATTE
Solid Waste Division

ERIC NAKAGAWA, P.E.
Wastewater Reclamation Division

RECEIVED
NOV 20 AM 9:03
OFFICE OF THE MAYOR

COUNTY OF MAUI
DEPARTMENT OF
ENVIRONMENTAL MANAGEMENT
2050 MAIN STREET, SUITE 1C
WAILUKU, MAUI, HAWAII 96793

RECEIVED
2014 NOV 20 PM 3:05
OFFICE OF THE
COUNTY COUNCIL

November 20, 2014

Honorable Alan M. Arakawa
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

For Transmittal to:

Honorable G. Riki Hokama, Chair
Policy and Intergovernmental Affairs Committee
Maui County Council
200 South High Street
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL

11/20/14

Mayor **Date**

Dear Chair Hokama:

SUBJECT: PERFORMANCE AUDIT OF THE SOLID WASTE DIVISION, DEPARTMENT OF ENVIRONMENTAL MANAGEMENT (PIA-82)

Pursuant to your letter dated November 12, 2014, we are transmitting the response from the Department of Environmental Management as related to the November 6, 2014 Policy and Intergovernmental Affairs Committee Question #6 as follows.

#6. "The Committee requested your Department provide the amount of time billed by the consultants used by your Department for construction management work. Please also provide the cost of such work..."

As discussed with Council during Budget deliberations and recent Council Committee meetings, the Solid Waste Division has redefined our Goals and Measures, with emphasis on building compliance, safety and long term sustainability. We are in agreement with the 2009 Division Audit as it pertained to the need for increased resources and staffing to address regulatory compliance and sustainability. Additional staffing in our engineering and operations sections is needed to meet our goals. Current limited staffing levels have unfortunately forced outsourcing increases.

Outside engineering and consulting services will always be necessary, due to specialized expertise not available elsewhere, with costs approximately three times greater than County Engineers. A minimum amount of staff engineers are also necessary to manage duties better suited for Division staff.

Refer to the general list below (also detailed on the attached Engineering Section Task List).

- Continuous engineering planning, budgeting, design work, bid specifications, construction activities, field engineering, and coordination of efforts at over 12 baseyards and/or work sites on 3 islands, including remote Hana, Maui.
- Over 15 CIP projects and contracts in process, with over $ 7,400,000 in current total value.
- Over 100 identified Operations related projects, plans, improvements, reports, tests and related needs.
- Responsible for the administration, oversight and compliance of Over 40 State of Hawaii Department of Health regulatory permits.
- Engineering inspections, field studies, site requirements, etc. at 4 active and 5 closed landfills

Our in-house engineering needs that are presently identified far exceed the available man-hours of our current staff. Without expansion, the quality, efficiency, effectiveness, compliance risk and community service will continue to suffer. The Council's requested information regarding the amount of time and costs billed by consultants and engineers used by the Division is estimated and projected as follows for FY 15:

- **Outsourced engineering avg. estimated hours for FY 15: 9,260 hours**
- **Outsourced engineering estimated costs for FY 15: $ 1,750,000**

In the FY 15 supplemental budget we are requesting one additional engineer, (and three operations positions) and the needed outsourcing funding being expended to meet end of FY 15 needs. The addition of one engineer's salary to the Division would save over three (3) times that amount when compared to outsourcing that positions work. As previously stated, the Division has historically been under staffed and under resourced since its inception. The 2009 audit findings support this, and also warned of increased regulatory compliance repercussions and the difficulty of sustaining community services if a lack of staffing resources continued. This has unfortunately come to fruition, and has not been acceptable nor fiscally responsible to our taxpayers.

The Division's FY 15 positions requested reflect just one component to address these needs to begin to build a more compliant and sustainable Division. Additional audits or studies will certainly corroborate these findings. To move forward, we will need to commit to addressing these identified needs and provide the necessary staffing and resources to the Solid Waste Division. Approval of the Solid Waste Division's submitted FY 15 Supplemental budget will move us in that direction. Thank you.

Sincerely,

Kyle K. Ginoza,
Director of Environmental Management

cc.: Michael Ratte, Solid Waste Division Chief

Att.: Engineering Section Task List

SOLID WASTE DIVISION ENGINEERING SECTION TASK LIST

SUPPLEMENTAL INFORMATION FOR POLICY AND INTERGOVERNMENTAL AFFAIRS COMMITTEE (PIA-82)

RESPONSIBILITY	DESCRIPTION
ADMINISTRATIVE	
Engineering Section Management	Supervise and manage engineering team and responsibilities. Provide administrative and technical direction, guidance, expectations and oversight for all Solid Waste engineering staff and related activities.
CIP, Design, Construction & Planning coordination	Oversee, manage, prioritize, plan, review and approve the CIP, Design, Construction & Planning activities of SWD
Training/Staff Development	Train & educate staff to meet expectations with both in house as well as outsourced resources for staff development and consistent work parameters to meet Division goals.
Procurement, Reviews & Approvals	Review and approve Section output, requisitions and contract's, submittals, etc
Procedures and Guidelines	Develop, implement, and maintain Standard Operating Procedures for Designs, Specifications, County procurement, project/contract management, and other related engineering tasks.
Reporting	Review, approve and coordinate various regulatory reporting requirements to County, State, or Federal agencies
Engineering Status Coordination	Prepare, administer and deliver monthly Engineering Status Reports to Division and Department leaders.
Engineering Team Liaison	Hold Engineering meetings, & participate in Division, DEM, and inter-Departmental meetings and correspondence
Correspondence	Prepare letters, memos, emails for correspondence with regulatory agencies, various departments, contractors, consultants, members of the public/private sector, etc., regarding engineering projects or regulatory compliance.
PLANNING	
Planning Oversight	Coordinate and develop long range planning for the Division's capital improvement program and landfill maintenance projects (e.g., stormwater facility, cover maintenance, etc.) Plan, delegate and oversee short and long range projects for the Division or Section.
CIP and Maintenance Coordination	Manage the Division's CIP and maintenance projects, including staffing requirements, staffing assignments, and scheduling.
New Technology	Reviews the feasibility of adopting new technologies and processes through benefit to cost analysis, operational studies, etc.
Master Plan	Reviews existing infrastructure to determine future long term projects to streamline operations and prevent future non-compliance events.
Future Land Acquisition	Coordinates the purchase, lease, easement, right of entries, etc. for development or expansion of the Division's existing or new facilities. This includes title searches, surveys, subdivision, maps and descriptions for land transactions, and land appraisals.
Preliminary Engineering	Propose, initiate, and review complex engineering investigations or studies for CIP projects.

SOLID WASTE DIVISION ENGINEERING SECTION TASK LIST

SUPPLEMENTAL INFORMATION FOR POLICY AND INTERGOVERNMENTAL AFFAIRS COMMITTEE (PIA-82)

RESPONSIBILITY	DESCRIPTION
BUDGET AND FISCAL	
Fiscal Year Budget	Work with Division to create FY Section Budget Request, following Budget Office protocols, timelines and guidelines. Provide support to Department Director & Deputy Director through Budget process up to and including County Council Adoption of FY Budget.
Budget Liaison	Work closely with Fiscal Section Staff to coordinate timelines, submissions, forms and protocols.
CIP/Maintenance Project Budget	Provides administrative and technical guidance and approvals for budgets, construction and project cost estimates.
Construction/Project Budget Tracking	Monitor, track, and reconcile budget and actual account balances; prepare monthly progress reports of actual expenses and balances.
Project Modifications & Change Orders	Recommend and execute modifications as needed throughout construction/implementation phase (i.e. change orders, supplemental funding requests, etc.).
DESIGN AND CONSTRUCTION	
CIP/Maintenance Projects	Coordinate the survey, design, and construction of CIP or maintenance projects, which include developing RFPs and project specs, project scope of work, scheduling, procurement, and review of consultant's work for consistency with regulatory and operational requirements
Design Review	Provide administrative and technical guidance and review of plans and design specifications, ensuring projects meet County procurement and operational and regulatory compliance.
Public Meetings/Hearings	Assist or provide technical expertise to the Public on behalf of the Department of Environmental Management.
Procedures and Guidelines	Develop, implement, and maintain procedures for engineering services including, bid docs, contract generation, services monitoring and documentation, compliance infractions and resolutions, invoicing verification and processing, and creation of design and implement forms for documenting and reporting of services provided.
Consultant Management	Manages project designs and payments of architects, engineers, and consultants ensuring project meets operational requirements and regulatory compliance.
Project Management	Manages projects through planning, scheduling, directing pre-bid and pre-construction meetings, construction meetings, submittal review, RFIs, change orders, etc.
Quality Control	Supervises the construction or installation of new facilities and equipment for conformance to plans and specs, ensuring that operational requirements are met.
Regulatory Engineering Documentation	Prepares, reviews, and manages the preparation of regulatory required design and construction quality control reports and correspondence.
Project Design	Prepare and review project specifications, drawings and reports in compliance with County, State and Federal, codes and purchasing procedures.
Project Records	Maintain records of work completed, as-builts, and construction quality assurance.
Contractor Billing/Administration	The review and approval of progress payment requests, insurance (e.g., construction bond, liability, unemployment, etc.), Certified Payroll, and Final Payment documentation (i.e. tax clearance, vendor compliance, etc.).

SOLID WASTE DIVISION ENGINEERING SECTION TASK LIST

SUPPLEMENTAL INFORMATION FOR POLICY AND INTERGOVERNMENTAL AFFAIRS COMMITTEE (PIA-82)

RESPONSIBILITY	DESCRIPTION
ENGINEERING SUPPORT SERVICES	
Consultant Management	Coordinate and manage engineering consultant services related to regulatory compliance and operations, including preparing scopes of work and negotiating fees for services.
Respond to Engineering Inquiries	Maintain communication with County agencies, consultants, engineers, community, etc. Support Division's operations regarding engineering related modifications.
Phone calls/emails	Fields all incoming calls/inquiries & complaints regarding technical Division issues, professionally and informatively.
Survey	Operates survey equipment and prepares data for Engineering Section
Engineering review	Review plans, specs, EIS's EA's, projects, etc. from County and non-county agencies.
Software Applications	Coordinate the updating of Section software programs and licensing (e.g., AutoCAD, HELP, etc.).
Evaluations	Reviews landfill operations during field inspections and recommends operational and organizational changes for regulatory compliance and operational efficiency.
Troubleshooting	Assist operations with technical engineering support to resolve operational and maintenance problems.
Contracting	Provides guidance and review of RFP and Bid specifications for Operation's goods and services procurement.
Maintenance	Provides technical expertise for maintenance and repair work. Suggests improved and/or cost-effective alternatives.
REGULATORY COMPLIANCE AND PERMITTING	
Monitoring	Coordinates environmental testing, and develops standard operating procedures, scheduling, and training.
Permitting	Schedule and delegate permit (renewal) applications and other required documents for regulatory compliance. Implement protocols to maintain regulatory compliance and draft, notify, and implement any required modification to operational procedures. Coordination of environmental documents and regulatory permits (SMA, NPDES, etc.)
Permit Tracking	Prepare and maintain Section register and calendar for time-sensitive processes (e.g. permits, easements, testing, reporting, etc.).
Section Records	Maintain copies of permits, environmental studies, and property documents, and plans and specifications for the Division, including construction as-builts, quality control reports, environmental monitoring reports, feasibility studies, and regulatory correspondence, etc.
Amendments to Legislation	Monitors changes in State/Federal legislation that impact the Division's permits, operations, and related activities.
Environmental Sampling/Testing	Manage or perform groundwater, stormwater, leachate and gas sampling and analysis for regulatory reporting.

SOLID WASTE DIVISION ENGINEERING SECTION TASK LIST

SUPPLEMENTAL INFORMATION FOR POLICY AND INTERGOVERNMENTAL AFFAIRS COMMITTEE (PIA-82)

RESPONSIBILITY	DESCRIPTION
Environmental Reporting	Analyses testing reports and generates narrative tabular statistical reports for submittal to DOH (e.g. groundwater, landfill gas, leachate, air quality, etc.)
Environmental Control Systems O&M	Operates and maintains systems to meet regulatory requirements (i.e. landfill gas and leachate collection and control systems, landfill flares, etc.). Conducts routine system maintenance, reports, and coordinates requisite projects to assure systems' design intent.
Environmental Studies	Determines requisite study, developing scope of work, RFP, and commissions and manages environmental consultant.
Regulatory Reporting	Record and compile data for each Landfill for State DOH required Annual Operations Report, Airspace and Capacity reports to meet permit requirements.
Incident Reporting	Manages non-compliance incidents including documentation, regulatory reporting & correspondence, design and implementation of corrective actions and operational changes to prevent similar future non-compliance events.
Maintenance	Directs or contracts repair work for regulatory compliance.
Closed Landfill Compliance	Determines and coordinates the repair and maintenance of closed landfill design features (i.e. vegetation, vegetation control, erosion repair, drainage repair, etc.)
Operational Quality Control	Ensures compliance with permit requirements (e.g. cover verification, litter control, etc.)