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# SENATE CONCURRENT RESOLUTION

REQUESTING THE AUDITOR TO CONDUCT A COMPREHENSIVE PERFORMANCE  
AND MANAGEMENT AUDIT OF THE CITY AND COUNTY OF HONOLULU  
DEPARTMENT OF ENVIRONMENTAL SERVICES.

1           WHEREAS, the City and County of Honolulu, Department of  
2 Environmental Services (ENV), is responsible for the operation  
3 and maintenance of the City and County of Honolulu's (County)  
4 wastewater infrastructure; and

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6           WHEREAS, ENV is tasked with overseeing the County's  
7 wastewater in a manner that meets State and Federal law  
8 governing the regulation of air, water, wastewater and solid  
9 waste to ensure the safety of both the environment and the  
10 public health; and

11  
12           WHEREAS, one of the main charters for ENV is to own and  
13 operate wastewater infrastructure for the communities it serves,  
14 and that construction of wastewater infrastructure, operations,  
15 and maintenance must meet standards established by the federal  
16 Environmental Protection Agency, all applicable State laws, and  
17 any applicable rules as promulgated by the State Department of  
18 Health; and

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20           WHEREAS, ENV collects monthly base unit fees of  
21 approximately \$80 per month from residents and commercial  
22 establishments and as a result has unrestricted access to  
23 approximately \$800 million in funds resulting from these monthly  
24 fees; and

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26           WHEREAS, these funds should be more than sufficient to  
27 ensure the operation and maintenance of the most advanced and  
28 cost-effective technologies for the prevention of wastewater  
29 spills; and



1           WHEREAS, sewer fee rates are determined in part by the  
2 means and methods of wastewater conveyance, treatment regimen,  
3 operations, maintenance, planning, and design, the role of ENV  
4 is critical to providing the greatest value for State and  
5 federal infrastructure funds; and

6  
7           WHEREAS, as mandated under the Consent Decree of 2010 ENV  
8 should be using the most advanced wastewater treatment systems  
9 that the American Society of Engineers, Hawaii Chapter,  
10 recognizes as "Best Available Technology" and using the most  
11 advanced, efficient, and cost-effective technologies as  
12 recognized by the American Society of Civil Engineers, Hawaii  
13 Chapter (ASCE); and

14  
15           WHEREAS, in order to protect the public health, ENV should  
16 also be maintaining the highest standards of prevention in  
17 accordance with "Zero Tolerance Standards," which means no  
18 violation of State or federal laws; and

19  
20           WHEREAS, the recent low grade by the ASCE in their  
21 inaugural report card of the State's infrastructure calls for a  
22 review of the means, methods, and practices of ENV's current  
23 wastewater collection and treatment systems in its current  
24 state; and

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26           WHEREAS, over the last 20 years, the State Auditor has not  
27 conducted management audits of ENV in spite of numerous spills  
28 and violations; and

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30           WHEREAS, the Legislature finds that it is in the public  
31 interest to evaluate the efficiency and effectiveness of ENV to  
32 ensure it is:

- 33  
34           (1) Appropriately balancing the needs of its stakeholders  
35 and residents with the ability of regulated companies  
36 to earn a reasonable rate of return;  
37  
38           (2) Strategically planning for desired results relating to  
39 utility services and investment;



- 1 (3) Managing the performance, professionalism, and conduct
- 2 of ENV's operations, employees, and financial
- 3 resources;
- 4
- 5 (4) Properly executing its statutory mandates; and
- 6
- 7 (5) Adjusting to and meeting the challenges of an evolving
- 8 economic, technological, environmental, and regulatory
- 9 landscape; now, therefore,

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 11 BE IT RESOLVED by the Senate of the Thirtieth Legislature  
 12 of the State of Hawaii, Regular Session of 2019, the House of  
 13 Representatives concurring, that the State Auditor is requested  
 14 to conduct a comprehensive management audit of ENV, including  
 15 but not limited to the:

- 16
- 17 (1) Appropriateness and applicability of current utility
- 18 legislation;
- 19
- 20 (2) Impact on the public health and the environment of
- 21 ENV's current plans and procedures with respect to
- 22 violations of State and Federal laws and regulations
- 23 versus a zero-tolerance policy towards violations;
- 24
- 25 (3) Best use of funds for wastewater treatment, including
- 26 the use of the most advanced and cost-effective
- 27 technologies as recognized by ASCE; and
- 28
- 29 (4) Best use of funds for ENV's day-to-day activities,
- 30 particularly in the prevention of wastewater spills
- 31 and the protection of public health and the
- 32 environment; and

33  
 34 BE IT FURTHER RESOLVED that the State Auditor is requested  
 35 to submit a report of findings and recommendations to the  
 36 Legislature, including any proposed legislation, no later than  
 37 twenty days prior to the convening of the Regular Session of  
 38 2020; and

1 BE IT FURTHER RESOLVED that certified copies of this  
2 Concurrent Resolution be transmitted to the Governor, Mayor of  
3 the City and County of Honolulu, Director of Health, Director of  
4 the Department of Environmental Services of the City and County  
5 of Honolulu, and Sierra Club of Hawaii.

