

BUDGET, FINANCE, AND ECONOMIC DEVELOPMENT COMMITTEE

Council of the County of Maui

MINUTES

February 5, 2024

Online Only via Teams

CONVENE: 9:15 a.m.

PRESENT: Councilmember Yuki Lei K. Sugimura, Chair
Councilmember Tasha Kama, Vice-Chair (out 10:46 a.m.)
Councilmember Tom Cook, Member
Councilmember Gabe Johnson, Member
Councilmember Alice L. Lee, Member (out 11:16 a.m.)
Councilmember Tamara Paltin, Member
Councilmember Keani N.W. Rawlins-Fernandez, Member
Councilmember Shane M. Sinenci, Member (out 10:46 a.m.)
Councilmember Nohelani U'u-Hodgins, Member

STAFF: James Krueger, Senior Committee Analyst
Kasie Apo Takayama, Senior Committee Analyst
Carla Nakata, Legislative Attorney
Yvette Bouthillier, Senior Committee Secretary
Jennifer Yamashita, Committee Secretary
Lenora Dineen, Council Services Assistant Clerk

Additional staff

Executive Assistants for Councilmember Tom Cook:

Jared Agtunong
Stacy Takahashi

Executive Assistants for Councilmember Gabe Johnson:

Kate Griffiths
Axel Beers

Executive Assistants for Councilmember Tasha Kama:

Davideane Kama-Sickels
Evan Dust
Nayleen Kamai

Executive Assistant for Councilmember Tamara Paltin:

Angela Lucero

Executive Assistants for Councilmember Keani N.W. Rawlins-Fernandez:

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Sarah Sexton
Haunani Madela

Executive Assistants for Councilmember Shane M. Sinenci:
Dawn Lono
Gina Young

Executive Assistants for Councilmember Yuki Lei K. Sugimura:
Jordan Helle
Michele Yoshimura

Executive Assistant for Councilmember Nohelani U'u-Hodgins:
Laura McDowell

Residency Area Office (RAO):
Mavis Oliveira-Medeiros, Council Aide, East Maui Residency Area Office
Roxanne Morita, Council Aide, Lanai Residency Area Office
Zhantell Lindo, Council Aide, Moloka'i Residency Area Office
Jade Rojas-Letisi, Council Aide, Makawao-Ha'ikū-Pā'ia Residency Area Office

ADMIN.: Lesley Milner, Budget Specialist, Office of the Mayor
(BFED-66, -21(15), -73, -76, -77, and -75)
Luana Mahi, Economic Development Director, Office of the Mayor
(BFED-21(15))
Saumalu Mataafa, Deputy Director, Department of Housing and Human
Concerns (BFED-66)
Patrick McCall, Director, Department of Parks and Recreation (BFED-73, -76,
and -77)
Samual Marvel, Chief of Planning and Development, Department of Parks
and Recreation (BFED-73, -76, and -77)
Kristina Toshikiyo, Deputy Corporation Counsel, Department of the
Corporation Counsel

OTHERS: Blair Beekman
Benjamin Ostrander (BFED-76)
Diane Preza (BFED-76)
Valerie Janikowski (BFED-76)
Jaycee Law
Others (13)

Resource Personnel
Howard Kihune, Jr., Aina Lani Pacific LLC (BFED-66)
Sandra Duvauchelle, Lehua Builders (BFED-66)
Bill Caldwell, Hono Heke Corporation (dba Expeditions) (BFED-21(15))

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PRESS: *Akaku:* Maui Community Television, Inc.

CHAIR SUGIMURA: . . .*(gavel)*. . . Good morning, everybody. Welcome to the Budget, Finance, Economic Development Committee. It's now 9:15, February 5th, 2024. We apologize for the delay. As you may know, those in online virtual land, we're using a new platform which is Teams and...and for...forever we've been on BlueJeans, so...since COVID. So, sorry for this delay. My name is Yuki Lei Sugimura. I'm the Chair of this Committee. And I'd like to welcome all of you. We...this meeting is being conducted in accordance with the Sunshine Law, and as a reminder, when your name is...when your name is called and if you're not in the Chamber, please identify by name who, if anyone, is in the room, vehicle, or workspace with you today. Minors do not need to be identified. So, I would like to welcome Vice-Chair Tasha Kama. Good morning.

VICE-CHAIR KAMA: . . .*(inaudible)*. . .

CHAIR SUGIMURA: Can't hear you. You're muted.

UNIDENTIFIED SPEAKER: Oh, now, she can. . . .*(inaudible)*. . .

CHAIR SUGIMURA: Can't hear you.

VICE-CHAIR KAMA: Okay. Here I am.

CHAIR SUGIMURA: Can you help her?

VICE-CHAIR KAMA: Can you hear me, Chair?

CHAIR SUGIMURA: Oh, try. Okay. Go ahead.

VICE-CHAIR KAMA: Okay. Well, good morning. Happy Monday, to everyone.

CHAIR SUGIMURA: Can't hear you.

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

CHAIR SUGIMURA: You're on mute...you are unmuted on our side.

UNIDENTIFIED SPEAKER: On her side . . .*(inaudible)*. . .

COUNCILMEMBER LEE: I can hear her.

VICE-CHAIR KAMA: Okay.

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CHAIR SUGIMURA: Both sides? Okay.

VICE-CHAIR KAMA: Can...can...can we...

CHAIR SUGIMURA: Let's go to another one. They're...going to see if somebody can help you.

UNIDENTIFIED SPEAKER: Chair?

CHAIR SUGIMURA: Next, let's go to Chair Lee.

COUNCILMEMBER LEE: Good morning, everyone. Halla from Sweden. Halla.

CHAIR SUGIMURA: Can't hear you too.

COUNCILMEMBER LEE: I believe that's the pronunciation. And no one's here in my workspace.

CHAIR SUGIMURA: James, we can't hear. Let's try Gabe Johnson.

COUNCILMEMBER JOHNSON: Madam Chair, can you guys hear me? Mic check. Can't hear me?

CHAIR SUGIMURA: Oh, can't hear you. Member Sinenci, you can't hear us.

UNIDENTIFIED SPEAKER: He said he can hear us.

COUNCILMEMBER RAWLINS-FERNANDEZ: . . .*(inaudible)*. . .

CHAIR SUGIMURA: Oh, okay. Got to learn sign language. You want us to take...you want us to take a short recess?

UNIDENTIFIED SPEAKER: Yeah.

CHAIR SUGIMURA: Okay. So, I'm going to take a short recess. It is 9:17. We'll come back at...

UNIDENTIFIED SPEAKER: Oh, maybe he . . .*(inaudible)*. . .he can hear you.

CHAIR SUGIMURA: Okay. 9:20. . . .*(gavel)*. . .

RECESS: 9:18 a.m.
RECONVENE: 9:20 a.m.

CHAIR SUGIMURA: . . .*(gavel)*. . . Welcome back, everyone. It is now 9:20. And thank

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you for letting us fix our Teams online connections. I think we're good, right? Okay. So, at this time then, I'd like to continue. I'll start all over. We couldn't hear you from the beginning. So, Vice-Chair Kama, good morning.

VICE-CHAIR KAMA: Good morning, Chair. And good morning to everyone else in the Chambers. I'm in my office. I have couple of back-to-back meetings this morning I will be doing virtually so it is easier if I take it from my office. So, I'm in my office and my Staff is in the outdoor office. But good morning, everyone.

CHAIR SUGIMURA: Okay. Good morning. Next we'll have Chair Lee. Do you have a greeting for us?

COUNCILMEMBER LEE: Yes, I do. Can you hear me?

CHAIR SUGIMURA: Yes.

COUNCILMEMBER LEE: Hallua [sic]. Hallua [sic]. And that's from Sweden. And by the way, everybody, I'm not...I'm here home alone because I have to fix my phone. My phone is broken. And so, please don't call me today because you're not going to get an answer. So, email me if you want to reach me. Okay. And nobody is here in my workspace. Thank you. Bye.

CHAIR SUGIMURA: Okay. Hallua [sic] to you. Next, we have Member Sinenci.

COUNCILMEMBER SINENCI: Aloha and hallua [sic] kākou. I'm here at my cabin office today. I'm here by myself. Happy to see everybody.

CHAIR SUGIMURA: You do look like you're in a cabin office. It looks pretty cold by your background. Next, we have online Member Johnson. Hallua [sic].

COUNCILMEMBER JOHNSON: Aloha, Chair, Councilmembers, community members. I am in my office on Lāna'i and I am here and ready to work. Mahalo, Chair.

CHAIR SUGIMURA: Okay, good morning. Now, we'll go to everybody in the Chambers. Member Paltin.

COUNCILMEMBER PALTIN: Aloha kakahiaka kākou and halla.

CHAIR SUGIMURA: Next, we have Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aloha kakahiaka, Chair. Aloha kakahiaka kākou. I believe there are testifiers at the Moloka'i District Office.

CHAIR SUGIMURA: Okay.

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COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair.

CHAIR SUGIMURA: Next, we have Member Cook.

COUNCILMEMBER COOK: Aloha and hallua, Chair. There's no testifiers at the Kihei District Office. We're having technical difficulties today down there.

CHAIR SUGIMURA: Oh. Okay. We have to fix...you got...you guys got that, Bruce? All right. Next, we have Member U'u-Hodgins.

COUNCILMEMBER U'U-HODGINS: Good morning, Chair. Good morning, everyone.

CHAIR SUGIMURA: Good morning. You have no testifiers in your...okay. From the Office of the Mayor we do not have Maria Zielinski, she is in another meeting, but we do have all day Lesley Milner and...our Budget Specialist. Luana Mahi, Economic Development Director. Cynthia Lallo, Executive Assistance [sic]. Jolie Jenkins, Secretary. And from the Department of Housing and Human Concerns, Saumalu Mataafa, Deputy Director is here. Lori Tsuhako, I think had another meeting and said that Saumalu would be present for the first item. Department of Parks and Recreation Patrick McCall, Director; Sam...Sam Marvel, Chief of Planning and Development. Department of Transportation Marc Takamori; Kauanoe...Kauanoe Batangan, Deputy Director. Department of Corporation Counsel Kristina Toshikiyo. And Committee Staff Yvette Bouthillier. Thank you very much for being here. And we also have James Krueger and Kasie Apo Takayama, Carla who...our Senior Legislative Analyst. Carla Nakata which is our Legislative Attorney. Lei Dineen, Council Services Assistance [sic]. And we have our new Secretary also present. Thank you. Welcome. Thank you for the pastries the other day. Thank you, Members, for attending today's meeting. And we have nine items on the agenda. And in order to achieve this, thank you, Member Sinenci, for allowing us to take your time this morning. And we hope to whip through this nine items and not have to use the meeting tomorrow. But if we do, we have a recessed tomorrow 9:00 a.m. Tuesday to continue what we are not able to finish today. So, I'm going to read the nine items so that as we go through each item, we don't have to read it again. So, it's BFED-66, Bill 4 (2024), Amending the Fiscal Year '24 Budget: Appendix A, Part II, Affordable Housing Fund, and this is the Kilohana Makai project which is first on our agenda. BFED-21(15) Discussion of Bill 11 (2024), Amending Fiscal Year '24 Budget: Office of the Mayor, Economic Development Program (Sports and Events Promotion; Technology in Business Promotion; Grant to Hone Heke Corporation), and this is the Expedition project, parent company. BFED-73, Bill 9 (2024), Amending the Fiscal Year '24 Budget: Capital Improvement Projects, Department of Parks and Recreation (Kihei Community Center Improvements). Bill...BFED-76, Bill 17 (2024) and Bill 18, Amending the Fiscal Year '24 Budget: Capital Improvement Projects, Department of Parks and Recreation (Lāna'i Community Park [sic] Area, Lāna'i Youth Center and Skate Park) project. BFED-

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77, Bill 19, Amending the Fiscal Year '24 Budget: Capital Improvement Projects, Department of Parks and Recreation (Pā'ia-Ha'ikū Community Plan Area, Lower Pā'ia Park Parking Lot). BFED-75, Bill 13 (2024) and Bill 14, Amending the Fiscal Year '24 Budget: Capital Improvement Projects, Department of Transportation (Wailuku-Kahului Community Plan Area, Transportation Baseyard Facility). BFED-63, Bill 136 (2023), Amending the Fiscal Year '24 Budget: Office of the Mayor (Administration Program); and East Maui Water Authority. BFED-72, Bill 8 (2024), Amending Fiscal Year '24 Budget: Office of the Mayor (Administration Program). And the last item, the ninth item is BFED-70, Bill...Bill 6 (2024), Authorizing the Mayor of the County of Maui to Enter into an Intergovernmental Agreement with the University of Hawai'i and [sic] the Hawai'i Broadband Equity, Access, and Deployment (BEAD) Program Initial Planning Funds, and this is for the \$100,000. So, those are the nine items we have on the agenda today. And as I said, Members, because our agenda is so full, thank you again, Member Sinenci, for allowing us to have your time this morning, and if need be, we have a recessed time scheduled for tomorrow morning at 9:00. I see we have testifiers, so I will read this instruction. Testifiers wanting to provide testimony should sign up in the lobby, join the online meeting via the Teams link, and call into the phone number noted on today's agenda. Written testimony is encouraged and can be submitted via the eComment link at mauicounty.us/agendas as well. Under the Sunshine Law, the Chair will receive oral testimony for agenda items at the beginning of the meeting and as the meeting...as the item is called up. For individuals wishing to testify via Teams, please identify your hand by raising on...raising on the raise-your-hand button. Before those...for those calling in, please follow prompts via phone. Staff will call names of the testifiers' list on the...as the order that the testifiers have signed up or raised their hands. For those on Teams, Staff will lower your hand--oh, this is so different--once your hand is added. Staff will then call the name you are logged in or under the last four digits of your phone number when it is your time to testify. At this time, Staff will also enable your microphone and video. If you wish to testify anonymously, please notify us; otherwise, please state your name at the...at the...for the...for the...for the record at the beginning of your testimony. Oral testimony is limited to three minutes per item, and if you are not done you will be given an extra 30 seconds to finish your testimony. And once you are done testifying...if you do not wish to testify, you can also view the meeting on Akakū Channel 53, Facebook Live, or mauicounty.us/agendas. So, at this time we do not need to take up...we do...I'm sorry. We do...we'll do our best to take up persons in an orderly fashion. The raising-your-hand part is kind of challenging, I think, but we will do our best. We'll now call on testifiers wishing to testify at the beginning of the meeting. James, do we have any testifiers? Or Kasie.

MS. APO TAKAYAMA: Chair, the first testifier is Blair Beekman, to be followed by Benjamin Ostrander.

CHAIR SUGIMURA: Thank you. Testifier?

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. . .BEGIN PUBLIC TESTIMONY. . .

MR. BEEKMAN: Hi. Blair...hi. Can you hear me?

CHAIR SUGIMURA: Yes.

MR. BEEKMAN: Thank you. Hi. Blair Beekman here. I got my mic working and good. We're off to a good start here. Yeah, my name is Blair Beekman. I originally come from San Diego, California where I'm currently living and calling from at this time. I've been visiting Maui...the County of Maui...

CHAIR SUGIMURA: Please tell us what item you're testifying on. I'm sorry.

MR. BEEKMAN: Oh. Oh, I'm sorry. Is this non-agenda public comment or am I supposed to testify on a specific item?

CHAIR SUGIMURA: Specific item.

MR. BEEKMAN: Oh, okay.

CHAIR SUGIMURA: *(audio interference)* you're testifying on.

MR. BEEKMAN: Okay. So, I'll testify I guess on the item about sports and technology issues. Yeah. So, with that, I think it's the second or third item you're going to be talking about today.

CHAIR SUGIMURA: Thank you.

MR. BEEKMAN: Yes. I...the reason why I'm calling, I...I...I'm...you know, I've been visiting the County of Maui for...the West Side for, like, two or three years now to listen to the whales and whale watch during the wintertime. And so I've been surprised by the events of the fire and I figured it's time I start to add my voice to the process, so hello. I work on tech accountability here in California. It's a really interesting, important future that invites the community process, how we can be more open and transparent in our community practices with surveillance and data-collection technology. So, I figured, I'm...I'm not the best at it but I figured it's time I...I help add its work and my part to that...to the process in all the work you're going to be doing now in...in Maui. I...I've listened to your recent meeting --

CHAIR SUGIMURA: Excuse me?

MR. BEEKMAN: -- and then the need to...

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CHAIR SUGIMURA: Excuse me?

MR. BEEKMAN: Yes?

CHAIR SUGIMURA: Excuse me, sir. The item that you're testifying, if...if you are talking about sports is the second item, which is about the parent company receiving money for the Expedition project. I think that's what you're referencing.

MR. BEEKMAN: Is that...

CHAIR SUGIMURA: I'm not sure what you're testifying on.

MR. BEEKMAN: Yes. Okay. That...that...that is the expedition process to where?

UNIDENTIFIED SPEAKER: What?

MR. BEEKMAN: Is that the expedition process to Kihei to get...to get funding...

COUNCILMEMBER PALTIN: That's the name of the boat that's asking --

UNIDENTIFIED SPEAKER: It's the ferry.

COUNCILMEMBER PALTIN: -- for money.

UNIDENTIFIED SPEAKER: It's the ferry.

COUNCILMEMBER PALTIN: Yeah.

MR. BEEKMAN: Okay. Yeah. So, I...I...I...I'm not...I'm sorry if I'm not sure, but I thought technology would possibly be involved with this subject, so I'm just giving a polite overview of the work I do. I'll...I'll sum up just right now and just offer a thank you and good luck to your meeting process. And what...the work that I do with accountability, tech accountability can help the future of your organizing process, you know, with accountability, openness, and community participation and involvement. Thanks a lot.

CHAIR SUGIMURA: Anybody have questions for the testifier? Seeing none. Thank you for spending your time with us. Okay. Next testifier?

MS. APO TAKAYAMA: Chair, the next testifier is Benjamin Ostrander, to be followed by Diane Preza.

MR. OSTRANDER: Aloha, Council. This is Ben Ostrander. I'm calling from Lāna'i and I'm calling to support the Bill 17 as it relates to the Lāna'i Skate Park. I just want to, you know, be back again and kind of keep emphasizing the need for the skate

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park here on Lāna'i. I...I submitted written testimony also, but there's a couple things that I'll just kind of highlight from that written testimony. You know I...I talked about how long I was...I've been skateboarding. It's been something in my life that really has been fairly a constant thing. I think it's...it's kind of given me a little bit of grit. And you know, the...the character built from falling down constantly and...and having to get yourself up is something that I think is...is good for a lot of people. You know one of the things...the need will not go away. The price tag will only get bigger. I...I...I wrote this in here and I'm not sure who the quote is from and I...and I think I butchered it a little bit, but it basically goes that whenever we enjoy the shade of a tree, remember that someone long ago had the foresight to plant the tree and water it. The only better time than now was yesterday. Yesterday is gone. Please do whatever you can to...to get this moving. Again, the need will not go away, the price tag only gets bigger, and I just want to thank you guys for the support. Mahalo.

CHAIR SUGIMURA: Thank you. Anybody have any questions for Mr. Ostrander? I see none. Thank you very much. Next testifier, please.

MS. APO TAKAYAMA: Chair, the next testifier is Diane Preza, to be followed by...oh, I'm sorry. That's currently the last individual signed up to testify.

CHAIR SUGIMURA: Ms. Preza?

MS. PREZA: Can you hear me now? Sorry.

CHAIR SUGIMURA: Yes.

MS. PREZA: Okay. Thank you so much. I'm Diane Preza. Thank you so much for giving me a little bit of time. I'm...I...I'm in support of Bill 17 for the skate park for Lāna'i. I'm born and raised on Lāna'i and even when I was a little girl we used to ride skateboard but kind of just on sidewalks. We don't really have a place to ride. And I can just tell you what I see on Lāna'i living here. Kids really don't have a place to go. I've seen kids...children riding on the road, on...on the sidewalk, and there's so much more traffic now, and with regard to driveways and people coming and going. And I think that like Ben was saying, you know, it's only going to get more expensive. And I feel like the kids just need a place to go. Every year or the past couple years, they've had a pop-up in the County parking lot and I've been to it and I've seen so many children participate. And with their families too, so it's a really good thing. And I think they just need a place to ride and it's not like we have options here on Lāna'i. So, I know it's expensive and the price is going to keep going up. So, I just...that's...I just wanted to chime in and say that. So...and...and thank you so much for your time and all that you folks do. Thank you.

CHAIR SUGIMURA: Thank you. Anybody have questions for Ms. Preza? Seeing none.

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Thank you very much. Appreciate your spending time with us. Next testifier?

MS. APO TAKAYAMA: Chair, the next testifier is Valerie Janikowski.

MS. JANIKOWSKI: Hi. Good morning. I am not certain why it's disabled. I can't turn on my...my video. But...and I did want to mention, I don't know if this is important or not, but there's a question here it's saying that the meeting was going to be recorded but it's not being recorded. So, I don't know if that's important to you all, if it needs to be turned back on since your recess. But I am on the call not just to monitor the recording but to testify on behalf of Bill 17. I am closely related to a strong youth advocate for the skate park, but I would like to say he's in college class this morning. So, one of the things that I would like to say as a parent and observer because I am not a skateboarder is that the importance of the skate park goes way beyond money. It goes way beyond the, yeah, Lāna'i wants the skate park. It is a...it truly is a mental health, a stress, a athletic effort. It's just...it...it encompasses so many things. These, not only kids, I've seen 5-year-olds and 50-year-olds out there skating together. They're teaching each other different things. And they're...they're...they are a unique community in and of themselves in a certain way. You know just like football players--same with football players, these skateboarders are together. There's no legal place for them to skate on the island at all. So, the skate park will...will include them being able to do it legally. But...and I know it is expensive and I don't minimize that in any way, shape or form. But I think the importance of this project goes so...so far beyond what...just kids getting a skate park. It is a place to...for them to get physical activity, for them to get their stressors out. I mean my son, he...he would be just fired up about something and this is...this was really during COVID time when he was having to do schoolwork on...on the computer. He'd get out and go skateboarding and sweating and doing his stuff and he'd come home and he would have a better attitude. And you know, I just think that the value of the skate park is going to be far beyond what we simply think it might be. And I really appreciate your consideration and your time. And thank you for allowing me to speak.

CHAIR SUGIMURA: Thank you very much. Anybody have questions for Mrs. Janikowski? None. Good points. All right. Next testifier?

MS. APO TAKAYAMA: Chair, I believe there's an individual in the Chamber who would like to testify.

MR. LAW: Jaycee Law. Aloha kakahiaka. Aloha kākou. Aloha Monday to your Staff. Thank you for being here and keeping the government running. I don't have any cow jokes, Chair --

UNIDENTIFIED SPEAKER: Cow jokes.

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MR. LAW: -- Kashiwa Sugimura. But I have the Hawaiian word of the day is kani with no grammatical pronunciation. K-A-N-I means a sound of any kind, pitch in music, to sound, cry out, ring, peel, or crow. And kani ka moa means the rooster crows. And that doesn't have anything to do with anything on the agenda, but thank you for letting me speak, County Council.

CHAIR SUGIMURA: Anybody have questions? Seeing none. Okay. Thank you very much. Next?

MS. APO TAKAYAMA: Chair, Staff has not received any further request for testimony at this time. I'll do a last call for individuals wishing to testify at the beginning of the meeting. If you'd like to testify, please raise your hand by clicking on the raise-your-hand button or following the prompts via phone. Last call for testimony. Three...two...one. Chair, seeing no individuals wishing to testify at this time.

CHAIR SUGIMURA: All right. So, with your permission, I'm going to close public testimony for beginning of this meeting and take written testimony. Thank you.

COUNCILMEMBER LEE: No objections.

COUNCILMEMBERS: No objections.

. . .CLOSE PUBLIC TESTIMONY AT BEGINNING OF THE MEETING. . .

CHAIR SUGIMURA: Thank you.

**ITEM 66: BILL 4 (2024), AMENDING THE FISCAL YEAR 2024
BUDGET: APPENDIX A, PART II, AFFORDABLE
HOUSING FUND (BILL 4 (2024))**

CHAIR SUGIMURA: So, our first item is Bill 4 (2024). Would you like to come here, Sandy Duvauchelle and Howard Kihune, on this side? Is Bill 4 (2024), which amends Appendix A, Part II of Fiscal Year '24 Budget by adding a new condition to the Affordable Housing Fund that sets aside up to \$4,929,088 for Aina Lani Pacific, LLC for on-site infrastructure for the...for the Kulahana [sic] Makai Project in Kihei. Assisting us with this item today with the Administration we have our Housing and Human Concerns Deputy Director Saumalu Mataafa. Saumalu, you're online? Yeah. Okay. He's not in the Chambers. Saumalu for Director Lori Tsuhako. And Budget Director is not here also so we have Budget Specialist Ms. Milner. You want to come down here also? You can stay down here. I think you're going to be with us all day. I think. We have...also with us today we have Aina Lani Pacific, LLC Howard Kihune Jr., the company President,

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and Sandy Duvauchelle. And if there are no objections, I'd like to designate Mr. Kihune and Ms. Duvauchelle as resource persons under Rule 18(A) of the Rules of the Council because of their expertise, and they are the experts, development for this project.

VICE-CHAIR KAMA: No objections, Chair.

COUNCILMEMBERS: No objections.

CHAIR SUGIMURA: Thank you. Thank you, Members. So, at this time, Mr. Kihune and Ms. Duvauchelle, you have a presentation for us?

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

CHAIR SUGIMURA: Your mic is on? Maybe not.

MR. KIHUNE: I think it's on.

CHAIR SUGIMURA: Okay.

MR. KIHUNE: We do, Chair. Thank you.

CHAIR SUGIMURA: Thank you. So, they submitted a PowerPoint. Does everybody have it in Granicus in case? But there it is online. Okay. So, we'll have opening comments from the project and then we'll hear from the Budget Office. Take it back to opening...testimony. Go ahead.

MR. KIHUNE: Okay. Thank you, Chair and fellow Members. I appreciate your time this morning. I'm Howard Kihune Jr. with Aina Lani Pacific, and Sandra Duvauchelle with Lehua Builders. We are partners. We've been partnered up for many years on workforce housing projects. So, we're here to ask for some grant money for the infrastructure work for Kilohana. Let me go through the presentation. Next slide, please. So, Kilohana Makai is a 31-lot subdivision with actual 28 residential lots. Just under seven acres right off of South Kihei Road and Wela Street. Next slide, please. Here is a quick view of the...the...the project itself, the parcel. Next slide. So, this...the project consists of 28...of a 28-lot subdivision. Kilohana Makai is a single-family detached workforce housing. And to note, 100 percent workforce housing development for Maui residents with 28 residential units. Along with streets and utilities to serve the new residents, and the pedestrian pathway connecting Wela Street and South Kihei Road. The project serves to provide much needed housing...workforce housing and economic opportunities in the Kihei area. As described in Chapter 2.96, residential workforce housing policy of the Code of the County of Maui, there is a critical shortage of affordable housing within the County, making home acquisition by the majority of County resident workers extremely difficult. The

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resident workforce is leaving in search of affordable housing and new employees are being deterred by the high cost of living. This development serves to further the...to further the purpose of Chapter 2.96 by providing 28 workforce home...housing units. Within the finished development, five home designs range in size from 2,239 to 2,841 square feet, with each containing 4 bedrooms, 2-and-a-half baths, and a covered lanai. Lot sizes within the district have a minimum area of 7...6,000 square feet, and this minimum will be maintained or has been maintained. The site is located again on the east side of South Kihei Road, north of Kilohana Drive and immediately south of Ala Koa Street. The existing TMK is approximately 6.9...6.94 acres in size and has State Urban land use zoning. Next slide. Thank you. So, this is just a quick overview of the subdivision plan. There are 28 lots. And the housing mix for this project, again mentioned we have five floor plans from one-story to two-story. Next slide. Here's a quick aerial of...of the location, give you an idea. I know most of you were here when we went through this about four years ago, so most of you...I think most of the Members other than two were part of the...the Council when we went through the Change in Zoning. Next slide, please. And here's another aerial of the location. Next slide. So, our landscaping...this is a quick landscaping plan. It's already been vetted, went through design...Urban Design Review. So, we have...will and maintain a very landscaped project. Both on Wela Street and South Kihei Road and Ala Koa with fencing and...and walls. Again, a lot of greenery, landscaping. Next slide, please. So, our building...these are our building elevations. Again, we have five floor plans ranging from 2,239 to 2,841. Each home includes a covered lani. Nine-foot ceilings which are standard for all of our builds in all of our projects. Again we're...some features, double pitched plantation style roofs, stainless steel appliances, vinyl plank flooring and double-pane low E windows. Exterior materials have been selected for quality and durability and the ease of maintenance including narrow lap horizontal siding and/or board and batten (Hardie or equal), asphalt shingles, and fully trimmed windows and doors. Colors are light neutral earth tones to provide energy efficiency by reflecting heat. Next slide, please. And these are just a couple...a few of the other models that we have. Again, we have a mixture of two-story and one-story units. Next slide. So, the project milestones. Change in Zoning happened December 5th, 2020 after much discussion and much meetings and with this...this Council and group. Wela Street improvement funding approved. We have a grant. As far as Wela Street was one of the conditions, we needed to extend Wela Street to Kilohana. There was a grant funding that was approved back in 2022. Preliminary subdivision approval was July 11, 2022. SMA permit issuance February 14, 2023. Subdivision construction plans submitted May 4, 2023. And building permit application October of 2023. Next slide. So, the project, Aina Lani Partners is asking for \$4,929,088 for grant for all infrastructure work. HECO underground utilities, grading, grubbing, mass excavation, curb and gutter, sidewalks, streetlights, drainage mitigation and storage, water improvements, sewer improvements, paving, finish lot grading, fencing, and walls. The project when we started...once

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we got approved in 2020, we put together the proposed budget and the current pricing. The revenues that you see there is exactly what this project generates from the 28 homes being sold. And they're all in contract, every single one, all local residents, 100 percent. That has not changed in 2-24. They've been in contract for just about a little over two years. The cost back then in 2020 was a little over \$18 million to develop this project. And you can see we were going to be in the black. Since then, revenues haven't changed because we're in contract. Cost of construction has gone up considerably. We're at \$23,734,018, that's a difference in 4 point...almost 4.5 million. Now, the increase...the major increases are in our civil construction, cost of materials, of labor, and vertical construction went up 31 percent. Make a note, we just got a note today, Sandy and I were talking, drywall will go up 20 percent March 1st, concrete will go up 30 percent come May 1st. Concrete is one of the biggest expenditures for this project and that includes rebar and everything else. So, at this point, this project is...is in the red right now as far as we're concerned, and you should all be concerned. I've got 28 homeowners that are ready to move in. We get calls every week from our homeowners, when is the house going to be finished, when are we going to get started. Next slide, please. So, you know, we...we went through COVID, private...prices went up or pricing went up. Then we got...then we got inflation. Financing got to be not so good, as you all know. We had...we're carrying debt. We...as you can see, we started this vision for this project in 2018 and the process that this has taken us over the last four years has really hindered us from delivering the product at the original price that we...cost that we had proposed. It's amazing how long a project takes to go from start to finish. And with some of these factors like I mentioned, COVID and the current inflation and everything else that's going on in the world, we don't understand why costs are going up. There is no rhyme or reason right now. I think...I know Mr. Cook is a contractor by trade. We can't figure out why costs are going up for materials. It's...it's just a matter of we're going to charge you more and that's the way it's going to be. So, with that being said, next slide please, I think that's it. Yeah. Okay. And with...with that being said, we really want to finish this project. This is a heck of a project. Sandy and I have worked diligently trying to figure out how we can deliver these homes. You know one of our conditions was that we have to deliver the home that we depicted and what was depicted here is what was one of the conditions. So, in order for us to maintain that and keep those standards, we would have to lessen the quality of the home tremendously to deliver these homes. So, here we are today looking for the County's assistance in getting this project completed. We still haven't got our grading permit. We've been wrestling with that for almost six months now. And for whatever reason, it's unfortunate, but hopefully we'll have that out here in the next month so we can actually break ground. So, anyway, I'll turn it over to my compadre over here, Sandy. My partner. If she has anything to say.

CHAIR SUGIMURA: Go ahead.

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MS. DUVAUCHELLE: Thank you, Councilmembers. It's an honor to be here. Thank you for everything you do, Chair. I actually had not intended on speaking. I was just going to answer questions. So...(laughing)...but I do appreciate your time and your energy. This has been probably one of the most emotional projects that...that we've ever gone through with going through our, you know, our initiated zoning and the neighbors and...and our buyers. So, we...we truly, truly want to build this out. I can tell you and I'm sure my subcontractors can tell you that I've been beating everybody up brutally for quite a while, trying to get everybody into budget. When I started this journey trying to buy out the--I'm just talking about the vertical side of it at this point--trying to buy out the vertical side of it, it looked like we were going to be able to maintain pricing where we kind of at on some of other projects but now here I am, you know, it's the same house, it's the same everything that we've sold already, and I'm going back and trying to beat them up. And I will say that my subs are amazing and they are trying really hard. But when you get information like concrete's going up because the cement powder--I don't know what that means. Drywall 20 percent, that notice came in this morning from RME or whatever it is now, FBM. And there seems to be no rhyme or reason except for the fact that there's going to be demand. And so there's just a certain amount of...of product that you can't ask the subs to do any better on. So, I'm not finding a shortage of manpower, I'm not finding a shortage of dedication, it's just truly at this point we're really wrestling with how to buy out the materials at...at a pricing that makes sense. So, anyway, thank you all. If you have any questions, we're...we're here.

CHAIR SUGIMURA: Thank you. Thank you very much.

MS. DUVAUCHELLE: Thank you, guys.

CHAIR SUGIMURA: Wow, women power, yeah. You do...you're the builder and negotiator. Thank you very much. Next, we'll hear from Saumalu Mataafa from Department of Housing and Human Concerns regarding the project. Saumalu?

MR. MATAAFA: Thank you and good morning, Committee Chair Sugimura --

CHAIR SUGIMURA: Good morning.

MR. MATAAFA: -- Vice-Chair Kama, and Members of the BFED Committee. Again, my name is Saumalu Mataafa and I'm the Deputy Director for the Department of Housing and Human Concerns. I just wanted to thank you guys for allowing the Department to come and make comments on the project today. When we started early on last year at the start of the Administration, one of the main priorities for the Administration was to assist projects that were specifically either close to being ready or right there being shovel ready and looking to get going. So, when we looked at the list of projects, we red circled Kilohana Makai because it was identified really early on that it was right there with being shovel ready. They

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had gotten a lot of...a lot of their regulatory requirements out of the way and one of the last pieces for them at this point would be getting that little bit of financing where they can actually make this project work. So, the Department supports this request. We've talked with Administration, they support this request too. And we're hoping today that the Council also support the request for the budget amendment in the amount that the developer is asking just to get it over that next hurdle. If you look at the need and kind of where we're at right now as far as just the workforce for-sale units that are required for Maui County in order for us to meet that need by 2025, if this project gets funded today, it'll get us to about that 200 mark for Maui County. And we're looking for the workforce housing for-sale units to be at the 500 mark in order to get us to where we need to be by next year. So, every little bit counts in expanding our inventory and we're hoping that the Council will support this project. And I'm here for any other questions if the Committee needs it. Thank you, Chair.

CHAIR SUGIMURA: Thank you, Mr. Mataafa. So, anybody have questions for him? Seeing none. You'll...you'll be around for...when the deliberations. Next, Ms. Milner.

MS. MILNER: Thank you, Chair. Nothing major to add. Just this would add \$4,929,088 as a grant for the project that's being described this morning.

CHAIR SUGIMURA: And we have the money? Your job.

MS. MILNER: Yes, Chair. There is sufficient unencumbered funds remaining in the Affordable Housing Fund to cover this project.

CHAIR SUGIMURA: Thank you. All right. Any other...any questions for Ms. Milner? You'll be around for the greater. All right. Do we have any testifiers signed up for this?

MS. APO TAKAYAMA: Chair, Staff has not received requests for testimony on this item. If you'd like to testify, please raise your hand by clicking on the raise-your-hand button or following the prompts via phone. I'll do a last call. Three...two...one. Chair, seeing no individuals wishing to testify.

CHAIR SUGIMURA: All right. So, again, I'm going to close the public testimony at this time. We'll receive written testimony if there are any.

. . .CLOSE PUBLIC TESTIMONY (BFED-66) . . .

CHAIR SUGIMURA: And we are now going to...for deliberations. Members, each of you will have three minutes to ask questions if you have any. And I would like to start with Member Kama as the Housing and...Committee Chair. If you have any

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questions.

VICE-CHAIR KAMA: Chair, I am...I don't have any questions, Chair. But I am very much in support of this housing project. And I just would like to just get it on its way so that it can come back to us fully built ASAP. Thank you, Chair. And I have no objections to closing public testimony. Thank you.

CHAIR SUGIMURA: Thank you. Next, we have Chair Lee.

COUNCILMEMBER LEE: Oops. I think I'm on now. I have no objections or questions at this point. I support the...the request. Thank you.

CHAIR SUGIMURA: Okay. I'm going to go all online. Member Johnson then Member Sinenci.

COUNCILMEMBER JOHNSON: Thank you, Chair. I...I have a question for Mr. Kihune in regards to the grant that he received for Wela Street. Who was the grant from? How much was it?

MR. KIHUNE: The grant for Wela Street--thank you for the question--is from the County of Maui. As you remember --

COUNCILMEMBER JOHNSON: Okay.

MR. KIHUNE: -- Council Johnson, one of the conditions was to extend Wela Street to Kilohana Makai or Kilohana Drive. And as the...as we were going through the process, the County...we came in a grant to pay for that because that wasn't part of our budget. We had no money in our budget to pay for the extension.

COUNCILMEMBER JOHNSON: Okay. All right. And how much was the grant; do you know?

MR. KIHUNE: Oh, 875,000.

COUNCILMEMBER JOHNSON: Thank you so much. And I want to mention, Mr. Kihune, that you're undergrounding your utility lines and I want to thank you for that. That's really important that you guys are doing that. That's wonderful. So, mahalo for that. Post fire, we need to underground all of our powerlines for new developments. In regards to the fruit...the tree...the...the...your, what's it called, the...the plan where you do the trees. Landscape plan, thank you. You...you --

MR. KIHUNE: Landscaping plan.

COUNCILMEMBER JOHNSON: -- yeah, do you have any plans for fruit trees or do you have anything that might be fire resistant post-fire? Those are the kinds of

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questions I'm going to have about landscaping plans.

MR. KIHUNE: Our landscaping plan will encompass a lot of different types of fauna [sic]. We will have some fruit trees in certain areas, but as you know, most fruit trees can get quite large, so we got to be careful with regards to the underground utilities and stuff in certain areas, but we do have plans for that.

COUNCILMEMBER JOHNSON: Sure.

MR. KIHUNE: It'll be a very, very well landscaped project, I can tell you that.

COUNCILMEMBER JOHNSON: Okay. Great. Thank you so much. My next question before my time is up is for Finance, Ms. Milner. You mentioned significant unencumbered funds from the affordable housing pot. What is the balance presently; do you know?

MS. MILNER: Thank you, Chair. Thank you, Councilmember Johnson. I have that and can get it to you shortly. I believe it is currently not including this project about 25 million.

COUNCILMEMBER JOHNSON: Okay. Thank you so much. Thank you, Chair. No further questions at this time.

CHAIR SUGIMURA: Okay. Great questions. Next, we have Member Sinenci.

COUNCILMEMBER SINENCI: Thank you, Chair. And mahalo for the presentation this morning. I was just wondering, I know there was a deed restriction. Can you remind me what the deed restriction was on this project?

MR. KIHUNE: It's 20 years.

COUNCILMEMBER SINENCI: 20 years.

MR. KIHUNE: 20 years, correct.

COUNCILMEMBER SINENCI: And...okay. And then just to be clear, the...the additional costs were for increases in both cement costs as well as drywall costs?

MR. KIHUNE: Those are the latest increases. We just received one this morning and one last week. But the...the request is for...for all of the civil work which is underground utilities, paving, everything with regards to get the...the subdivision ready to go vertical.

COUNCILMEMBER SINENCI: And then, Mr. Kihune, once you, I guess, sign a contract with these...these materials companies then the...the price is set or...or they can

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come back with a higher price?

MR. KIHUNE: No, we...once we sign an agreement, it's a...we buy out the entire subdivision, so we make that commitment, and then the...the supplier makes that commitment to us also. So, there is no change in price. So...

COUNCILMEMBER SINENCI: Right, even the...though the market might...might fluctuate, you guys are set for this price?

MR. KIHUNE: Correct. The minute we sign, we...we have a fixed cost throughout the project.

COUNCILMEMBER SINENCI: Okay. Thank you for that. And then has there been any interest from maybe some of the Lāhainā families that might have lost their homes in this project or do you guys already had set the...the buyer who...prior to the...to the fires?

MR. KIHUNE: Not that I know of. We do have two Lāhainā residents that are moving into the project. I know the one resident is a fireman and his father lost his house in Lāhainā, so I know he will be moving in with him, which is wonderful. We have two firemen. We have one...two policemen, one nurse, couple construction workers, and then the majority of the rest are hotel industry people from the Wailea area.

COUNCILMEMBER SINENCI: Mahalo, Mr. Kihune. Thank you, Chair.

MR. KIHUNE: You're welcome.

CHAIR SUGIMURA: Thank you. So, next we'll go in the Chambers, Member Paltin, then we'll go to Member Rawlins-Fernandez.

COUNCILMEMBER PALTIN: Thank you, Chair. I'm supportive but I did have some questions. I was on slide 12 of the presentation and I see the number in red looks like \$4,451,738 and then the ask is for roughly 4.9 million and I just was wondering what that difference or what...what the red number represented I guess.

MR. KIHUNE: Good question, Council...Councilwoman Paltin...Councilmember Paltin. It is the actual...in our budget right now, that is the actual bottom line on the project. There's no contingency in there. There's nothing else involved. Now, with increased prices going on right now, that number is going to fluctuate up a little bit. What we're trying to do is with the civil work we're trying to maintain the vertical part of this project, keeping it to what we promised we would build. So, we may be...we may...I don't think we'll have to come back and ask for any more money for civil, but right now we're at 4.5, 4.9 is our ask, and there's a

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contingency in there for such things as...as materials if we don't buy them now.

COUNCILMEMBER PALTIN: Oh, I see, I see.

MR. KIHUNE: Yeah, yeah.

COUNCILMEMBER PALTIN: Okay. And then the other question...

MR. KIHUNE: Oh, sorry, one more thing.

COUNCILMEMBER PALTIN: Oh.

MR. KIHUNE: My partner reminded me. Hawaiian Electric is our biggest --

MS. DUVAUCHELLE: Unknown.

MR. KIHUNE: -- unknown right now. We don't know what...where we're going to be with them. We got hit...in a long story on our other project, they decided to charge us almost \$2,000 a door for meters where they never used to charge us for meters. So...and there's some other factors that may happen with...with HECO based on where they're at right now.

COUNCILMEMBER PALTIN: Okay. And then the other question, you said you're ready for your grading and grubbing permit but it's not being issued yet?

MR. KIHUNE: The grading permit? Correct. We're...we've been working with DSA engineering for probably the last six months and we're hoping it comes out in the next couple weeks. Yeah, we're going back and forth with our engineer. Yeah.

COUNCILMEMBER PALTIN: Okay. And so assuming it comes through in the next couple weeks, do you have a timeline of, like, you know, maybe certificate of occupancy or anything?

MR. KIHUNE: 18 months from the day we move dirt. So, if we start, say, March 1st, it'll be approximately 18 months.

COUNCILMEMBER PALTIN: And the only thing that's holding you back from moving dirt is the grading and grubbing permit?

MR. KIHUNE: Correct.

COUNCILMEMBER PALTIN: And they know this is an affordable housing project?

MR. KIHUNE: Correct.

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COUNCILMEMBER PALTIN: Okay. Just doublechecking on that. And so all the 28 homes already have purchasers?

MR. KIHUNE: Correct.

COUNCILMEMBER PALTIN: And was the 20-year deed restriction a sticking point for any of those folks?

. . . *(timer sounds)* . . .

MR. KIHUNE: Reality, no. We had lost a few applicants early on that said, you know, 10 years...20 years is a little long for us, but we have a very long list of people behind, should something...something change. No one's...no one wants to cancel. They've been waiting, you know, again, like I said, two years. They're...they're just want us to start because they're looking forward to moving in at some point. Yeah.

COUNCILMEMBER PALTIN: Okay. Thank you, Chair. I...I...is there anything that this body can do about that grading and grubbing or anything?

CHAIR SUGIMURA: Mr. Kihune? Oh, you're asking me?

COUNCILMEMBER PALTIN: Yeah.

ALL: . . . *(laughing)* . . .

CHAIR SUGIMURA: Oh. Send a letter to the Mayor. He'll...he'll support this, right? We all need housing. As Mr. Mataafa said, you know, we...we're trying to build up to the...the numbers of affordable housing units that we need. So...okay. We'll do that. Okay.

MR. KIHUNE: And again so just a comment. Can I make a comment to the grading permit? I think the engineers have been going back and forth with ours, so trying to make some changes. So, I think that's really the reason why it's taken so long. So, I think they're almost there.

CHAIR SUGIMURA: Oh, great. Great. Okay. Next, Member Rawlins-Fernandez, then Member Cook and Member U'u-Hodgins.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Aloha, Mr. Kihune and Duvauchelle. I was trying to find the cost of the housing. So, if the...if...if this is like a form of disaster capitalism where the construction materials just skyrocket for no other reason than they know that we're going to need to...we're going to need a lot of construction material, then that's just disgraceful. And I wonder if it would be considered some sort of price gouging. My question is regarding

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the...the cost of the housing for individuals. So, I under that 100 percent, 28 houses are workforce. I believe the presentation...past presentation said 80 percent and below AMI, 100, and then up to 120?

MR. KIHUNE: Correct, yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. And so with the increase in, what is that, \$4.45 million or I guess that's the...a negative. Is it...is this going to affect the cost of each house or has that kind of been negotiated and signed?

MR. KIHUNE: So, in a simple manner, civil work has gone up over 50-some-odd percent since the time we...since 2020, and that's with prevailing wages. The vertical side has gone up over 30 percent. What we had proposed at the time and were true numbers, we were proposing \$225 a square foot per house, which was well within our...our...our means. Now, we're at \$300 a square foot plus. If you take 300 times the square foot of the house, that'll tell you what it's costing us to build these homes. Yeah. So, it's unfortunate where we're at in this world right now, but we've seen this going up over the last couple years and can't seem to escape it no matter what. And we can't secure pricing just to add to that until we...until we have the project totally financed. Because we're going to secure something that we can't...we can't provide or do.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. So, the potential buyers are just locked into the potential of buying a home?

MR. KIHUNE: Their cost is fixed. It doesn't change. They're in contract.

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh, okay.

MR. KIHUNE: Yeah, we're not...we're not charging them any more.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay.

MR. KIHUNE: We're...we're...we're absorbing it whatever way we can.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. So, let's see, it says it's a negative 4.45 million in revenue and you're requesting a \$4.9 million grant
...*(timer sounds)*... --

MR. KIHUNE: Correct.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- for the infrastructure. Okay. Can I finish my question?

CHAIR SUGIMURA: Yeah, finish.

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COUNCILMEMBER RAWLINS-FERNANDEZ: Or you want me to wait until next round?
Okay. So, that's almost 500...public math. . .(laughing). . .

MR. KIHUNE: 500-plus correct. Yeah.

COUNCILMEMBER RAWLINS-FERNANDEZ: I just want to make sure.

MR. KIHUNE: No worries.

COUNCILMEMBER RAWLINS-FERNANDEZ: So, what is that going to go towards?
Sorry if I missed that in your presentation.

MR. KIHUNE: That's the contingency on our side.

COUNCILMEMBER RAWLINS-FERNANDEZ: I see.

MR. KIHUNE: Because until we sign at the bottom of the page, we don't know what other additional costs are going to be increased. And hopefully we'll be able to do this within the next 30 days to 60 days. But if prices go up, we...we could...we could eat away at that pretty quick, so. And again like I mentioned, HECO is our biggest unknown right now. We don't have any clue where they're going to end up with...with...with the project as far as cost. Where we started with HECO and where we're thinking we're going to go, it could...it might have tripled. We're waiting for their numbers to come in.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Mahalo, Mr. Kihune.

UNIDENTIFIED SPEAKER: Yeah.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair.

MR. KIHUNE: Thank you.

CHAIR SUGIMURA: Okay. Member Cook, this is in your district.

COUNCILMEMBER COOK: Thank you. So, the...the 28 homes, the price is fixed, under...you're under contract with the clients.

MR. KIHUNE: The buyers.

COUNCILMEMBER COOK: The buyers.

MR. KIHUNE: Yeah. The 28 buyers are all solid and in...in escrow right now. They've been in escrow for two years.

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COUNCILMEMBER COOK: How's this interest rate --

UNIDENTIFIED SPEAKER: Oh, wow.

COUNCILMEMBER COOK: -- how is the interest rate escalation affecting them?

MR. KIHUNE: Most of them were...were...we got calls, they were...they were concerned, but they...the lenders are coming to the table. They're doing buydowns, interest rates, and we're hearing and...well, we're seeing and hearing that we've got homeowners in our other project for workforce, their buydown they're right around 5 percent right now. So, they're very happy. So...and we also think that by the time we close this loan because they don't have to close it until we...we're...the house is ready to go, obviously complete, interest rates should be probably around 5 or less at that point. That's where the market and the world seem to be going right now, and can't predict the future but that's what we're hearing.

COUNCILMEMBER COOK: Okay.

MR. KIHUNE: And we're doing everything on our side to try and help too. Yeah.

COUNCILMEMBER COOK: So, how is...do have any issues with any of the neighbors? Is everything good with the...in general?

MS. DUVAUCHELLE: Thanks...thank you, Mr. Cook. No, we haven't...other than the initial meetings and community outreach that we did during the zoning, we haven't had any complaints that I'm aware of or haven't heard anything back from them.

COUNCILMEMBER COOK: No, that's good. I'm just...people aren't always supportive of building. And I think this...this project, the location is really unique, the fact that it's 100 percent workforce is unique, the fact that you locked in the prices is unique. So, I have...I have an ask.

MR. KIHUNE: Sure.

COUNCILMEMBER COOK: And if you would be willing to share these plans...you've done design-registered plans for these. Would you be willing and is it possible for you to share those design-registered plans potentially for catalogue? Something that the...Member Kama and a variety of us have been discussing to enable the community to potentially have a book of plans that are preapproved if it met with the...the needs.

MS. DUVAUCHELLE: Yes, absolutely. The...we'll help however we can. We have...we

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have to discuss with Maui Architectural Group because they did the actual design registration. But just we are already utilizing that advantage. The 16 homes that we're going to build for the healthcare foundation on the Maui Lani Fairways that you folks granted them . . . *(timer sounds)* . . . are those same design-registered models. We didn't get to apply under design registration, but it absolutely cut a tremendous amount of time off the review process.

COUNCILMEMBER COOK: Could I finish my question?

CHAIR SUGIMURA: Okay. Quickly.

COUNCILMEMBER COOK: Or second round, I'll wait.

CHAIR SUGIMURA: Go ahead, finish. I don't think we're going to have a second round.

COUNCILMEMBER COOK: Okay. Good.

CHAIR SUGIMURA: Just kidding.

COUNCILMEMBER COOK: Yeah. The idea was potentially paying a small royalty like \$750 to whoever did the design so that they would be required to do at least one inspection. And then they would also have the...it would be...motivate them to participate in every time that somebody used the house. So, we need to make it so it's sort of regenerative. Thank you. Thank you. I think it's a great project, and here's hoping that it moves forward. Thank you, Chair.

CHAIR SUGIMURA: Thank you. Member U'u-Hodgins?

COUNCILMEMBER U'U-HODGINS: Thank you, Chair. Thank you guys for being with us this morning. I really don't have too much questions except to kind of clarify. So, civil construction went up 52 percent, vertical construction went up 31, then drywall goes up 20 percent starting when?

MR. KIHUNE: March.

MS. DUVAUCHELLE: Next month.

COUNCILMEMBER U'U-HODGINS: March. Okay. And then concrete went up how much?

MS. DUVAUCHELLE: It's supposed not go up until May 1st, but it's 30 percent.

COUNCILMEMBER U'U-HODGINS: Ooh. Okay. I mean, this is going to be important for everybody to know when they start rebuilding Upcountry, start rebuilding Lāhainā. We need to better prepare for these price increases. . . . *(inaudible)* . . .

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That's all. That's all for me. Thank you so much.

MS. DUVAUCHELLE: Thank you.

COUNCILMEMBER U'U-HODGINS: Thanks, Chair.

MR. KIHUNE: Thank you.

CHAIR SUGIMURA: Okay. Great. Anybody have any more round-two questions? Ms. Paltin?

COUNCILMEMBER PALTIN: Thank you, Chair. I just was wondering, you know, maybe it might be a question for the Budget Director or the Housing...or first maybe I should ask Mr. Kihune. If this 4.9, if the numbers go up before the 4.9 secures in the cost then you need to come back to us and that takes a while, and then it could go up or something? And...

CHAIR SUGIMURA: Mr. Kihune?

MR. KIHUNE: Thank you for the question. We don't anticipating going up, that's why there's that contingency. I don't...with the increase in drywall and potential concrete, we should be well below or within that number of 4.9. We've calculated it all that way. So, that red number got a little bigger a couple weeks ago, it was a little smaller, so...but it's gotten bigger. But the 4.9 still keeps us within our budget and...and allows us to deliver these homes the way they were designed and planned and to the owners that are in contract now.

COUNCILMEMBER PALTIN: Okay.

MR. KIHUNE: Yeah.

COUNCILMEMBER PALTIN: I just was wondering like if we could have like a higher number and have it be up to if that's a possibility. Ms. Milner or Mr. Mataafa?

CHAIR SUGIMURA: Mr. Milner?

MS. MILNER: We're actually meeting this afternoon to discuss the Affordable Housing Fund, so that's definitely something we can talk about if we want this to have a higher number and say a grant of up to and then maybe they could start with the 4.9 but it would give them the leeway if they need additional funds down the road due to cost increases.

COUNCILMEMBER PALTIN: Yeah. I mean, if there were specific things that this 4.9 or the 4.4...sorry, I don't have the picture. But if there were specific things that it was supposed to cover and we have a higher number and it says up to this

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amount for these specific things, just because I don't want to delay the project. If we got to come back and forth, back and forth. I'd be open to that. Like if...if we have like a receipt or an itinerary of what is supposed to cover and then reimburse those costs and...and have a higher up-to number. I'd be okay with that. But I guess it's up to the rest of the guys that got more information on building than me.

CHAIR SUGIMURA: Okay. So, Mr. Mataafa, do you have a question? Somebody has their hand up, yeah? Whose hand is that? The new system.

MR. MATAAFA: I'll just say really quickly, Chair, there's not a lot of wiggle room within the amount that we have to play with, the Affordable Housing Fund right now. So, if we did look at potentially...if they did need more money it would likely have to come from FY '25. But as Lesley said, we will be meeting later this afternoon to discuss those little nuances. Thank you.

CHAIR SUGIMURA: Okay. Thank you. So, clarification for you, Ms. Paltin. So, you're saying you...you want to give them more than 4.9, is that what you're saying?

COUNCILMEMBER PALTIN: With a...with an up to...up to a higher number if it should be needed, but if there's not a lot of wiggle room and we're, you know, like maybe four months from FY '25, maybe in that case, they would include another contingency in the FY '25 Budget proposal if needed. So, that would work for me as well. But you know, I just --

CHAIR SUGIMURA: Your thought.

COUNCILMEMBER PALTIN: -- I just would like to expedite whatever we can --

CHAIR SUGIMURA: Yeah.

COUNCILMEMBER PALTIN: -- so we're not keep coming back.

CHAIR SUGIMURA: Yeah. Okay. I...I get what you're thinking. All right. Members, anybody else have any more questions for this? Member Cook?

COUNCILMEMBER COOK: Thank you, Chair. So, Ms. Duvauchelle, from your experience, being able to have projects going one after another, does it tend to make it more cost effective?

MS. DUVAUCHELLE: Thank you, Councilmember Cook. Yes, it actually does. Our 196 homes that we're doing at Hoku'ula there is that advantage of having, you know, a buyout. And those, you know, 98 market we've already moved in I think 10...10 workforce housing folks. And it does help because having that volume does help, and I use that. And I...I also try to stay loyal to the subcontractors that we have

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and...and their workers. So, it...it is definitely an advantage.

COUNCILMEMBER COOK: So, basically government approve...government's prompt approval of various every stage could potentially make building less expensive because we'd be able to be more efficient?

MS. DUVAUCHELLE: Oh, absolutely. And not to mention, of course, which we've all talked about, the frontend cost and the length of time, and yeah, absolutely.

COUNCILMEMBER COOK: If I could --

CHAIR SUGIMURA: Okay.

COUNCILMEMBER COOK: -- make one comment, Chair, on the --

CHAIR SUGIMURA: Sure.

COUNCILMEMBER COOK: -- cost of material and the increasing. One thing that happened over the last few years was the Buy American program, which eliminated importing a lot of materials from abroad which were cheaper. It helped American industry, but it did drive up prices. Also COVID, a lot of factories shut down their manufacturing and they ramping up. So, it isn't...it isn't all corporate greed. It's just super unfortunate. And having been in the industry for years, these price increases, they...hopefully it's just like an increase and then we won't see them again for a while, but they're playing catchup to some extent. So, the regulatory process for HIOSH and OSHA and everything else affects every manufacturer. So, government regulation and oversight affects building material and building costs at every level, and I just wanted to say that.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER COOK: It's not a bad thing, but it is the cost that is driving prices. Thank you.

CHAIR SUGIMURA: The builder has spoken. Thank you very much. So, at this time, Members, if there's no other questions, I'll give you my recommendation. All right. Okay. So, at this time then --

VICE-CHAIR KAMA: Recommendation.

CHAIR SUGIMURA: -- I'll entertain a motion to recommend passage on first reading of Bill 4 (2024), entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2024 BUDGET FOR THE COUNTY OF MAUI, APPENDIX A, PART II, SPECIAL PURPOSE REVENUES - SCHEDULE OF REVOLVING/SPECIAL FUNDS FOR FISCAL YEAR 2024, AFFORDABLE HOUSING FUND;" incorporating any

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non-substantive revisions.

COUNCILMEMBER U'U-HODGINS: So moved.

CHAIR SUGIMURA: Thank you.

VICE-CHAIR KAMA: So moved. Second.

COUNCILMEMBER COOK: Second.

CHAIR SUGIMURA: Thank you. Motion made by Member Hodgins, second by Member Cook. Anybody...discussion, Members? Seeing none. All in favor, raise your hand and say "aye."

COUNCILMEMBERS: Aye.

CHAIR SUGIMURA: I think we're nine strong. Am I correct? Yeah. Okay. Motion carries.

VOTE: **AYES:** **Chair Sugimura, Vice-Chair Kama, and Councilmembers Cook, Johnson, Lee, Paltin, Rawlins-Fernandez, Sinenci, and U'u-Hodgins.**

NOES: **None.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **None.**

MOTION CARRIED.

ACTION: Recommending **FIRST READING** of Bill 4 (2024) by C.R.

CHAIR SUGIMURA: Thank you very much, Kihunes [sic]. And go ahead and build. Call us for the groundbreaking.

MR. KIHUNE: Of course, yeah.

MS. DUVAUCHELLE: Absolutely. I can't wait.

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CHAIR SUGIMURA: Yeah. Thank you very much.

MS. DUVAUCHELLE: All right. Thank you.

MR. KIHUNE: Appreciate all your time. Thank you --

CHAIR SUGIMURA: Yeah, thank you.

MR. KIHUNE: -- for the support.

MS. DUVAUCHELLE: Thank you guys.

CHAIR SUGIMURA: Okay. Member...Members, you want to take like a short break? It's 10:26. I'll take a ten-minute break. Please come back because we are moving forward. . .(laughing). . . 10:36. . .(gavel). . . Oh, I'm sorry. 10:36. . .(gavel). . .

RECESS:	10:26 a.m.
RECONVENE:	10:44 a.m.

CHAIR SUGIMURA: . . .(gavel). . . Welcome back to the Budget, Finance, Economic Development Committee. It's now 10:44. And we have just finished with one agenda item out of nine. . . (laughing). . . Okay. More to go. So, our next item that we have is BFED-21(15) and this is regarding that Hone Heke Corporation, which is the parent company for Expeditions. Do we have Mr. Caldwell here?

MR. KRUEGER: Chair, we do not have Mr. Caldwell. We do not see him online.

CHAIR SUGIMURA: And not even online?

MR. KRUEGER: No, Chair, we don't see him online.

CHAIR SUGIMURA: Wow.

COUNCILMEMBER JOHNSON: Chair?

CHAIR SUGIMURA: Member Johnson, is he with you?

COUNCILMEMBER JOHNSON: I can...I can...I can make a phone call and try to get him on if you'd like. If you want to skip this item --

CHAIR SUGIMURA: He should be here.

COUNCILMEMBER JOHNSON: -- and come back.

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CHAIR SUGIMURA: If it's important to him, try do that, and if not, we can wait. All right. Can you call him? Because if not, I'm not going to take up this item. We can go to the next item if he's not going to come. Luana...Luana is here ready to roll. Okay. I'm going to take a one-minute recess. . . .(gavel). . .

RECESS: 10:46 a.m.

RECONVENE: 10:51 a.m.

CHAIR SUGIMURA: . . .(gavel). . . All right, everybody. Thanks for your patience. It is 10:51.

**ITEM 21(15): DISCUSSION OF BILL 11 (2024), AMENDING FISCAL
YEAR 2024 BUDGET: OFFICE OF THE MAYOR,
ECONOMIC DEVELOPMENT PROGRAM (SPORTS AND
EVENTS PROMOTION; TECHNOLOGY IN BUSINESS
PROMOTION; GRANT TO HONE HEKE
CORPORATION) (RULE 7(B))**

CHAIR SUGIMURA: And we are now going to be taking up BFED-21(15), which is about the support for Hone Heke Corporation. Expedition owner is online. And so this is our second item is a...a discussion item on Bill 11 (2024) which amends Fiscal Year Budget for the Office of the Mayor, Economic Development Program by removing certain conditional language limiting funding for student travel for Moloka'i, Lāna'i, Hāna youth to just sporting events and transferring funding from the Sports and Events Promotion and Technology and Business Promotion appropriation to a new appropriation for Hone Heke Corporation. As you remember, Members, this passed first reading at Council's meeting on January 26th and that we scheduled it today for discussion to learn more about this requested appropriation. We have with us, thank you very much, Luana Mahi, Economic Development Director. As well as we have Ms. Milner here from the Office of the Budget. And so at this time...and we also have Mr. Caldwell online. Would you like to say a few words, Ms. Mahi?

MS. MAHI: Thank you. We asked...so back in August 31st, we met with Expeditions' team who contacted us for some assistance. At the time, we had offered them a \$250,000 grant to help with the replacement of equipment and their office items that were lost in the fire and also suggested that they also reach out to Hawai'i Community Foundation for additional funding using Maui Economic Development Board as their fiscal sponsor. Because they share the same CPA firm, thought it would be an easy transition and operation to do that. The funding now where we're taking from sports and events is because Century Golf Tournament normally gets \$100,000 from our office and they did not ask for it this year--told us to go ahead and use it for something else. And then in regards to the student travel, we want to be able to use that for all student travel and not

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just for sporting events. That's all.

CHAIR SUGIMURA: So, tell us where the...all the money came from.

MS. MAHI: So, the money for this particular grant of 500,000 is from couple of different pots, not just sports but technical and business, and these are funds that were left over after our first round of competitive grants that was due back in May. Our second round happened in November and we still have these funds available.

CHAIR SUGIMURA: Okay. Thank you very much. So, I'm going to ask Mr. Caldwell to weigh in and then Ms. Milner. Mr. Caldwell, welcome. (silence) Is he --

MR. CALDWELL: Can you hear me now?

CHAIR SUGIMURA: -- muted? Oh, okay. Hear...can hear you.

MR. CALDWELL: Aloha. Can you hear me now?

CHAIR SUGIMURA: Yes.

MR. CALDWELL: Okay.

CHAIR SUGIMURA: We can hear you.

MR. CALDWELL: All right. Sorry, I was muted.

. . .(silence). . .

CHAIR SUGIMURA: Mr. Caldwell? We can't hear you.

MR. CALDWELL: Hello? Okay. Hello?

CHAIR SUGIMURA: Okay. Now, we can hear you.

MR. CALDWELL: Okay.

CHAIR SUGIMURA: You can proceed.

MR. CALDWELL: Okay. All right. Was there a question for me or what...what is...what is happening this morning?

CHAIR SUGIMURA: Oh, no, you can tell us about your situation and why you need...why are you asking us for half-a-million dollars. That's why we have you in here in the Budget, Economic Development Committee.

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MR. CALDWELL: Oh, okay. Yeah, as I...yeah, as I said, we stated to Luana months ago mainly to...we...we lost our offices and our storage warehouse for all of our parts for our vessels. Plus we lost a vessel in the harbor itself. Basically to run the operation, to buy replacement parts, and also to get our offices up and running, which we are here in Mā'alaea. So, that's the reason for the funds is to run the operation and also to purchase parts that we lost in Lāhainā.

CHAIR SUGIMURA: Okay. Is that it?

MR. CALDWELL: Yes.

CHAIR SUGIMURA: All right. So, if you would...Members, do you have any questions now or we'll keep Caldwell when we take up the item. Anybody have questions for him now? Okay. Thank you. Ms. Milner?

MS. MILNER: Thank you, Chair. Not too much additional to add. As Director Mahi stated, we're reallocating funds that are currently unencumbered from two line items. Awards have already been given under Tech and Business Promotion, and the funds for sporting and events are no longer needed for that project, which was the reason those were the pots that were chosen.

CHAIR SUGIMURA: Okay. Thank you. So, at this time I'll take public testimony, if there is any.

MS. APO TAKAYAMA: Chair, Staff has not received request for testimony. If anyone would like to testify, please raise your hand by clicking on the raise-your-hand button or following the prompts via phone. Doing a last call for testimony. Three...two...one. Chair, seeing no individuals wishing to testify.

CHAIR SUGIMURA: Thank you. So, at this time, I'd like to close public testimony and receive written testimony with your permission.

COUNCILMEMBERS: No objections.

. . .CLOSE PUBLIC TESTIMONY (BFED-21(15)) . . .

CHAIR SUGIMURA: Thank you, Members. All right. So, now we're going to open it up for Members to ask questions of any of the resources. And we will be giving you three minutes each. Mr. Johnson, would you like to...Member Johnson, would you like to start?

COUNCILMEMBER JOHNSON: Okay. Sorry, getting used to this Teams. Well, I think all the questions that I had have been answered. So, I won't take up all my full three minutes, Chair. But I just want to reiterate the importance of the ferry,

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how it's our lifeline. People are going on the ferry for medical reasons, for important business, not just for snorkel cruises or anything such as that. I think these folks have showed that they have been loyal to our community, have worked tirelessly just to give us service. They...they didn't run this weekend because of the storms, you know, and that's because they have to tread so lightly because if any one part breaks, they're out for a much longer than just a stormfront going through, right. So, I just want to say thanks to them and thanks to Ms. Mahi and everybody else who's worked on getting these funds for this very crucial service. Thank you, Chair.

CHAIR SUGIMURA: Okay. Thank you very much. So next, I'd like to then ask Chair Lee?

COUNCILMEMBER LEE: Thank you. I have no questions. I support the request. Thank you.

CHAIR SUGIMURA: Next, we have Member Cook.

COUNCILMEMBER COOK: Thank you, Chair. I have no questions. I'm also supporting the request.

CHAIR SUGIMURA: Okay. Very good. Next, we have Member U'u-Hodgins. I'm calling you from what I see on my camera.

COUNCILMEMBER U'U-HODGINS: Thank you. I wonder what additional funding is being sought? On page 2 on the middle paragraph, this is to ensure the ferry can continue service until additional funding is sought. So, like, how much more money do they need and what other additional funding are you guys going to be looking for?

CHAIR SUGIMURA: Mr. Caldwell?

MR. CALDWELL: Yes, that is a good question. Of course we are now in...in month five, going in...quickly into month six. So, additional funding would be coming from the ridership that we are able to take right now. But again, it's approximately \$300,000 a month it takes to run our...our operation. That includes salaries; fuel, for sure; all of our...all of our administration items. So, that's why we...we were...we were looking at possibly using the...oh, what is it, there's so many of them, um...not the FEMA but the other one, the SBA, but there were so many stipulations on that, that, uh...um...that's, that's kind of in a holding pattern.

COUNCILMEMBER U'U-HODGINS: Okay. Okay. Thank you. Thank you, Chair.

CHAIR SUGIMURA: Okay. Great.

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MR. CALDWELL: . . .*(inaudible)*. . .

CHAIR SUGIMURA: Do you want to say something else, Mr. Caldwell?

MR. CALDWELL: No, that...that was...that's --

CHAIR SUGIMURA: That was it.

MR. CALDWELL: -- that's fine.

CHAIR SUGIMURA: Okay. So, next we have Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Mr. Caldwell answered all my questions at first reading. And I am still very supportive and appreciate of all the work that Expeditions has done and the service it...it provides to our Lāna'i community, Lāna'i-Maui community. I wish they would come to Moloka'i. Mahalo, Chair.

CHAIR SUGIMURA: Really yeah. Miss that ferry. Member Paltin?

COUNCILMEMBER RAWLINS-FERNANDEZ: Just for the record, I don't like the Moloka'i Princess. I love the Expeditions ferry.

MR. CALDWELL: . . .*(laughing)*. . .

CHAIR SUGIMURA: Oh, interesting. Member Paltin?

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. Caldwell. My questions were answered at first reading and I don't have any more right now.

CHAIR SUGIMURA: Okay. Member Sinenci, are you listening in? Seeing none. Okay. Mr. Cook? Member Cook, you have no questions yeah, you said? Okay. Anybody else have any more questions? Okay. So, I just want to...Mr. Caldwell, just so you know, SBA did close out their loan program, I think it was last week Thursday, but they said they would continue talking. So, if you would like to apply for that, I think that sounds like a next step if you would or are you planning on doing that?

MR. CALDWELL: Well, we already have a...we already have an application in. It has been postponed for six months in the event we may need that as additional funding. But the...but the...like I said before, it's...there are a lot of hoops you got to jump through for the SBA, it's not as easy as it was during COVID. So, with that being said, we're on record for...for that with SBA.

CHAIR SUGIMURA: Okay, good. And Hawai'i Community Foundation you're not?

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Yeah, you said?

MR. CALDWELL: No, I...I...I was talking with Leslie over at MEDB and asking her if they could help out by being the sponsor as Luana has said. So, haven't...haven't heard anything back from MEDB.

CHAIR SUGIMURA: Okay. How about the State, DBEDT, have you...have you spoken to anybody there?

MR. CALDWELL: I'm sorry, at the State what?

CHAIR SUGIMURA: Economic Development...Business, Economic Development Department.

MR. CALDWELL: Oh, I have not. I didn't...didn't really know that they existed, to be honest.

CHAIR SUGIMURA: Oh, wow.

MR. CALDWELL: And I would have...I would have thought that being the transportation, being the ferry and the lifeline that they would have reached out to me. I had no idea of this.

CHAIR SUGIMURA: Ms. Mahi, you have a comment? You work closely with Jimmy Tokioka.

MS. MAHI: Yeah, I was just going to say that I can send you their contact information.

MR. CALDWELL: Okay.

CHAIR SUGIMURA: Okay. So, I...I can tell we'll have no more questions and this has already been...passed first reading on the Council floor. I do want to...I do want to say that one of the things my...my office we were discussing is to possibly look at your fee structure to...like how MEO does for helping, you know, disabled people and there's different fee structures. So, I would love to talk to you about that to possibly helping you generate more income based upon who you're serving or do you have flat fees?

MR. CALDWELL: Well, here's the thing with the ferry service is we are regulated by the State PUC and we cannot arbitrarily change our fees. So, that's...that's...

CHAIR SUGIMURA: Are you planning on...

MR. CALDWELL: Right before the--

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CHAIR SUGIMURA: Are you planning on?

MR. CALDWELL: -- right before the fires we were...we had applications in for rate increase. So, that's where we stand right now. We're still in limbo and waiting for the PUC to get our communication starting to try and get, um...because they know we're not running out of Lāhainā any longer and probably won't be for quite some time. So, that's...that...that's basically what we're waiting for.

CHAIR SUGIMURA: Okay. So, Mr. Caldwell, I'm going to ask you for your contact information. I would love to talk to you more to learn more --

MR. CALDWELL: Sure, sure.

CHAIR SUGIMURA: -- about how we can help you with the PUC. That's one. And then we all need you and the services that you provide. Not only is it for our pleasure or, you know, to go visit people but you help us with essential services. So, Luana, we got to --

MR. CALDWELL: Absolutely.

CHAIR SUGIMURA: -- . . .*(inaudible)*. . . State, yeah? Okay.

MR. CALDWELL: Yes.

CHAIR SUGIMURA: Member Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I don't have any questions, I just have a request for Staff to please enable Member Sinenci's camera. It says that --

CHAIR SUGIMURA: Oh.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- it's disabled and he's not able to turn it back on. So, he is on but he doesn't have any questions --

CHAIR SUGIMURA: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- and his video is off.

MS. APO TAKAYAMA: Chair, he's enabled on our end, so I'm wondering if maybe it's a connectivity issue. If his Internet isn't strong enough, it won't let him turn it on.

CHAIR SUGIMURA: Oh, okay. But he doesn't have any questions he said? Yeah, he's fine. Okay. Okay. So...

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COUNCILMEMBER RAWLINS-FERNANDEZ: Chair, he said he's supportive.

CHAIR SUGIMURA: Very good. Okay. Members, so I think...anybody have any more questions? All right. I'm going to defer this. Mr. Caldwell, please send your contact information to my office. I would love to get to know you and talk to you further. And so no objections, I'm going to defer this item. And we'll be taking it up in Council meeting coming up. All right. So, the third item we have...

COUNCILMEMBER RAWLINS-FERNANDEZ: No objections.

COUNCILMEMBERS: No objections.

ACTION: DEFER pending further discussion.

CHAIR SUGIMURA: Oh, thank you. No objections. The third item that we have is...actually it's going to be Parks, so sorry, Luana, your item is going to be second to the last on this agenda. Maybe it might be tomorrow even.

**ITEM 73: BILL 9 (2024), AMENDING THE FISCAL YEAR 2024
BUDGET: CAPITAL IMPROVEMENT PROJECTS,
DEPARTMENT OF PARKS AND RECREATION (KIHEI
COMMUNITY CENTER IMPROVEMENTS) (BILL 9
(2024))**

CHAIR SUGIMURA: Next item...the next item on our agenda is BFED-73, Bill 9. Our third item today which I just mentioned amends Fiscal Year '24 Budget to recognize 800,000 in Carryover/Savings from the General Fund. And so if Sam Marvel and Director McCall can come down to the resource area. From the General Fund and to appropriate it for the Department of Parks and Recreation Kihei Community Center improvement projects. I have corresponded with the Parks Department relating to this request. My letter to Director and his response are available in Granicus for your review. Is item number 3 and 4, respectfully, in Granicus. Number 4 is the answer. To assist us with this item we have with us Director McCall and Budget Director...I'm sorry, Budget Specialist Ms. Milner. As well as we have Mr. Marvel here from the Parks Department. So, at this time, Mr. Marvel and Mister...Director McCall, do you have any comments regarding this project? And this is the A/C for the Kihei Community Center.

MR. MCCALL: Thank you. Thank you, Committee Chair Sugimura. No comments at this time, but we're glad to entertain any questions on the matter.

CHAIR SUGIMURA: Okay. Mr. Marvel, you have anything to add?

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MR. MARVEL: Thank you. No, not at this time. We'll open ourselves up to any questions or comments.

CHAIR SUGIMURA: Okay. So, I guess it's your show. We're talking about money, Ms. Milner.

MS. MILNER: Thank you, Chair. So, as you said, the purpose is to increase the Carryover/Savings in the amount of \$800,000 and we'll be adding a new appropriation for Kihei Community Center improvements. Funds were included for this project in FY '23 and it was bid out in November 2023 and partially encumbered with those funds, but the lowest qualified bid exceeded that amount. That's why this amendment is being requested so that they can fund the remainder of the air conditioning replacement project at the Kihei Community Center. The system's currently failing and does not have the capacity to cool the building. So, completion of this project will ultimately reduce the maintenance costs for those buildings...the building and also benefit the public for having a comfortable space to have community events. Thank you, Chair.

CHAIR SUGIMURA: Okay. So, at this time then I would like to open it up for public testimony. Do we have any testifiers?

MS. APO TAKAYAMA: Chair, Staff has not received any request for testimony on this item. If anyone would like to testify, please raise your hand by clicking on the raise-your-hand button or following the prompts via phone. Last call for testimony. Three...two...one. Chair, seeing no individuals wishing to testify.

CHAIR SUGIMURA: All right. Thank you very much. So, at this time I'll close public testimony and receive any written testimony with your approval, Members.

...CLOSE PUBLIC TESTIMONY (BFED-73)...

CHAIR SUGIMURA: Thank you. All right. So, before I turn it over to the Members, I have questions, and I know we...you probably, Member Cook, this is in your district, so if you will allow me. The transmittal letter states that the construction contract was partially encumbered in Fiscal Year '23 with Fiscal Year '23 funds, and the lowest bid was 1.1 million. The proposed amendment is for 800,000. So, I guess you took 363,000 from the last fiscal year and this is the balance. But my question to you is how do you partially encumber a contract that's allowed under procurement? I don't know if this is a Corp. Counsel question or the Budget Office. Do you have an answer for that? How do you partially encumber a contract?

MS. MILNER: Chair, on this one I will defer to Mr. Marvel as he's the one who's been handling the contracts.

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CHAIR SUGIMURA: Okay. Mr. Marvel?

MR. MARVEL: Thanks for the question, Chair. So, what we did in this situation was since there was only one bidder for the project, we are allowed to...we are allowed to negotiate the scope of the contracts and encumber a reduced scope of the contract. So, that allowed us to use the funds that we had and encumber the material purchase. So, these...this A/C equipment has long lead time. It typically takes anywhere from nine months to a year to get here. So, our thinking was let's get the material ordered and on the way while we secure the rest of the funding so we're able to keep the schedule for the project and...and get it done on time.

CHAIR SUGIMURA: Oh, interesting. Because you had only one bidder, you're able to negotiate?

MR. MARVEL: Correct. That's what Department of Finance Purchasing has advised us. So, it actually helps quite a bit in this case because we're able to order that equipment and get that coming --

CHAIR SUGIMURA: Okay.

MR. MARVEL: -- to not further delay the project.

CHAIR SUGIMURA: Okay. And so this would give the contractor a long lead time materials as you stated in your letter to March 1, 2024. And building permit received...3...300-day review was...you didn't get it yet?

MR. MARVEL: No, the...the building permit application was submitted in September of 2023, so that timeline is just using the average 300-day review time.

CHAIR SUGIMURA: Oh, I see.

MR. MARVEL: So, we're...we're just anticipating getting it. I think that puts it in July or...or so.

CHAIR SUGIMURA: Right.

MR. MARVEL: And our construction window starts October 1st of this year.

CHAIR SUGIMURA: Okay. Very good. All right. Member Cook, do you have any questions? And then we'll just go down the line if anybody has.

COUNCILMEMBER COOK: Thank you. So, for the Department. The...there's...ordering the materials, is there any issues with warranty? Like, the contractor...the

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materials were specified--was the contractor involved in the ordering process? Did the Parks Department order it? I'm just curious. Like, you're going to be supplying the primary materials to a contractor to install them, but they'll still be liable for warranty and maintenance?

MR. MARVEL: Thanks for the question. So, the contractor will be ordering those materials. So, that's all...that's all on them. And we're in the submittal process right now, nearly complete with that, so that's an interaction between them and...and our consultants to make sure the right equipment that's specified is...is ordered.

COUNCILMEMBER COOK: So, the partially encumbered was basically partially implementing the contract?

MR. MARVEL: Correct. Yeah. It's that material...basically materials-only contract for the contractor. And this will be the labor to install.

COUNCILMEMBER COOK: Okay. Thanks. So, we're looking at doing the work in October?

MR. MARVEL: Correct. And it's a 60-day construction contract, so it would be done at the end of November currently. It's a one-to-one replacement of what's there.

COUNCILMEMBER COOK: Thank you. Hopefully it won't be too hot a summer.

CHAIR SUGIMURA: Thank you, Member Cook. Next, we have Chair Lee.

COUNCILMEMBER LEE: Thank you. I'm sorry I'm...we don't seem to have a chat where I could have told you I have to leave the meeting to get my phone fixed. And I'll try and rejoin as soon as I can. Okay.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER LEE: Aloha.

CHAIR SUGIMURA: We need you with your phone. Next, we have Member U'u-Hodgins and then I'll go to Member Rawlins-Fernandez.

COUNCILMEMBER U'U-HODGINS: Thanks, Chair. So, \$2 million just to fix the A/C, just the A/C? If it was 1.1 --

CHAIR SUGIMURA: Mr. Marvel?

COUNCILMEMBER U'U-HODGINS: -- 63 and then we're getting another \$800,000, \$2 million for the A/C?

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MR. MARVEL: Thank you for that question. So, the total amount is the 1.2 million from the bid. So, we've partially encumbered that 1.2 million and this 800 will get us to that full 1.2 million.

COUNCILMEMBER U'U-HODGINS: Oh, okay.

MR. MARVEL: So, 1.2 is...is everything.

COUNCILMEMBER U'U-HODGINS: 1.2 is everything. Okay. And how long should this A/C last, can we assume?

MR. MARVEL: I believe the warranty or the...the service life for that system is 20 years.

COUNCILMEMBER U'U-HODGINS: Okay. Good to know. Because I know this is not agendized, but Pā'ia Community Center almost has all working fans and I think our kitchen cabinets are about this color green for the last 40-something years. So, I would hope that we can figure it out for all the other community centers. No offense to Member Cook. But thank you.

CHAIR SUGIMURA: Okay. Member Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I'm supportive of the...of that for Pā'ia Community Center as well. But I...I thought Member U'u-Hodgins was going to ask my next question, which is...maybe I missed it that's why. How long was the warranty for this one? Because didn't the community center just open like in 2017 or something? I...I know it definitely hasn't been open for 20 years. So, if the air conditioner system warranty was supposed to be for 20 years then it seriously fell short. And I will let you speak.

MR. MARVEL: Thank you. That's a great question that I don't have the answer to right...right now, but we will get you that information and...and confirm what that was.

COUNCILMEMBER RAWLINS-FERNANDEZ: Is it the Department's practice to ensure that we have some sort of warranty? So, we would kind of assume that there would be some warranty in place because you just answered Member U'u-Hodgins with a 20-year warranty for this next system. So, yeah, is...is it the practice for the Department to ensure there's some sort of warranty so that we can fall back on it when it's like five years and total failure?

MR. MARVEL: Thank you for the question. And yes, that's...that's part of our standard specifications now when we bid out any projects with...with air conditioning systems to have warranties.

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COUNCILMEMBER RAWLINS-FERNANDEZ: So...but you checked. Before you did a budget amendment and...are requesting funding, you checked that there was a warranty. I'm assuming you checked and if there wasn't a warranty then that's why you came to us now to approve funding because there isn't a warranty? It would be part of the procedure, right, that you would check if there's a warranty after failure and if there isn't, then you would come to us?

MR. MARVEL: Correct. You're asking about the warranty for the failing system?

COUNCILMEMBER RAWLINS-FERNANDEZ: Yes.

MR. MARVEL: Yeah. It's...it's outside of its warranty window.

COUNCILMEMBER RAWLINS-FERNANDEZ: So, definitely...I mean, not even ten years then.

MR. MARVEL: Yeah, I'd have to...I'd have to confirm the specifics on that. I don't...I don't have that information right in front of me, but I...we will get back to you on that with the...

COUNCILMEMBER RAWLINS-FERNANDEZ: Please, let us know who...and I hope that whoever is installing this next system isn't the same person that did the original system because not even ten years and it's failed. That...that's really alarming and I...I hope we're not using the same installation service. I mean, I guess there will be 20 years warranty this time but I'm just...I'm shocked that not even ten years and it's failed and we're going to have to spend millions of dollars for it.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair.

CHAIR SUGIMURA: Thank you. So, I guess you're talking about 20-year warranty or is it 20-year useful life? Is that the difference or is it same? I'm just tagging on to your...this discussion. It seems like we're all thinking the same.

MR. MARVEL: Thanks for that question. And I really want to be careful here and get the real information --

CHAIR SUGIMURA: Okay.

MR. MARVEL: -- that's...that's confirmed here because...

CHAIR SUGIMURA: So, we'll send him a letter, right? We'll send them a letter, yeah, requesting for the information. Okay. Next, Ms. Paltin. Member Paltin?

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COUNCILMEMBER PALTIN: Thank you, Chair. Member Rawlins asked my first question so I can ask Ms. Milner my next question about the funding source. I..I think you said this is Carryover/Savings and does Kihei have park funds, they cannot use it because it's maintenance or replacement, it's only able to be used for brand-new projects?

CHAIR SUGIMURA: Ms. Milner?

MS. MILNER: Thank you, Chair. I can look into the balance of the Kihei park assessment funds, but I do believe those are just to be used for new projects and not replacements. But I will confirm that and get back to you.

COUNCILMEMBER PALTIN: Okay. So, then this...Mr. Marvel, this wouldn't be eligible because it's a replacement? For park assessment funds.

CHAIR SUGIMURA: Mr. Marvel?

MR. MARVEL: Thanks for that question. I'm...I'm not completely sure. I'd have to...I'd have to confirm that.

COUNCILMEMBER PALTIN: Oh, okay. And the Carryover, what was the project that didn't occur, do we know?

MS. MILNER: It's not a specific project, it's just from that sort of general pool of Carryover/Savings that you discussed in the prior BFED meeting.

COUNCILMEMBER PALTIN: Not from, like, just Parks and Rec, it's just the big...oh, okay.

MS. MILNER: Correct.

COUNCILMEMBER PALTIN: And what would the balance of the Carryover/Savings Fund be if we utilized that?

MS. MILNER: I believe if we take this 800,000, we'll be looking at a balance of a little over 88 million, if I remember the calculations correctly of remaining Carryover/Savings.

COUNCILMEMBER PALTIN: Okay. Thank you. That concludes my questions.

CHAIR SUGIMURA: Okay. Next, we have Member Johnson.

COUNCILMEMBER JOHNSON: Thank you, Chair. My questions have been answered. But I just want to mention that, you know, Councilmember U'u-Hodgins talked about community...community center in her district. We all need these very

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important community centers. It's...I always call it our watercooler where we all get together and...and talk story and it's so important. So, thank you, Department, for putting funds out there to keep our community centers nice and clean and cool. And full support. Thank you so much, Chair.

CHAIR SUGIMURA: All right. Very good. Member Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I just received several text messages from different people saying that the community center opened in 1998. So --

CHAIR SUGIMURA: '98.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- '98. Yeah, yeah. I thought it opened around the same time as the gym, which is why I was thinking it's only been...not...not even ten years. So, that's 26 years. So, I guess it is outside of the 20 years, so good job. And also a testament to how well maintained the...the community center is because it looks like it's around the same age as the gym. Good job. Mahalo, Chair.

CHAIR SUGIMURA: . . .(laughing). . .Okay. Member...Director McCall?

MR. MCCALL: Yeah. And one point to address, I'm maybe speaking outside my area of expertise but I'm pretty sure that when we refer to the service life of the equipment, the service life will be much longer than the warranty. The service life would be how long we...yeah, it's how long you expect to drive your car with standard maintenance versus, you know, the...the dealership will cover the issues. So, I believe, you know, the warranty is going to be much shorter, but again, we'll get back to you on that.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Director. Mahalo, Chair.

CHAIR SUGIMURA: Okay. Very good. So, maybe we don't have to send that letter, right? Did you get your question answered about warranty --

COUNCILMEMBER RAWLINS-FERNANDEZ: Yes.

CHAIR SUGIMURA: -- or service life?

COUNCILMEMBER RAWLINS-FERNANDEZ: Now that I know how...when the community center opened then...it was 26 years ago. So --

CHAIR SUGIMURA: Yeah. So, we're fine.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- if the new air conditioner system life

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expectancy is 20 years then...then I guess then it's...it's --

CHAIR SUGIMURA: It should be good.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- lasted over 20 years. Mahalo, Chair.

CHAIR SUGIMURA: Yeah, very good.

COUNCILMEMBER RAWLINS-FERNANDEZ: No need the letter.

CHAIR SUGIMURA: I know somebody had a wedding reception in there and it was pretty hot. Right. You had to bring in your own A/C. Yeah. Anyway...okay. Members, any more questions?

COUNCILMEMBER PALTIN: . . .(*inaudible*). . .

CHAIR SUGIMURA: . . .(laughing). . .The love was heating up the room.

COUNCILMEMBERS: . . .(laughing). . .

CHAIR SUGIMURA: Oh, man, we must be...we must be getting...good fun. All right. So, Members, at this time I would like to give my recommendation which is a motion to recommend passage on first reading of Bill 9, "A BILL FOR AN ORDINANCE AMENDING...FISCAL YEAR 2024 BUDGET FOR THE COUNTY OF MAUI, REVENUES; CAPITAL IMPROVEMENT PROJECTS, DEPARTMENT OF PARKS AND RECREATION, KĪHEI-MAKENA COMMUNITY PLAN AREA; AND APPENDIX C, DEPARTMENT OF PARKS AND RECREATION, KĪHEI-MAKENA COMMUNITY PLAN AREA," incorporating any non-substantive revisions.

COUNCILMEMBER COOK: So move.

CHAIR SUGIMURA: So move, Member Cook.

COUNCILMEMBER U'U-HODGINS: Second.

CHAIR SUGIMURA: Second by Member U'u-Hodgins. Any more discussion? Seeing none. All right. So, all in favor raise your hand and say "aye."

COUNCILMEMBERS: Aye.

CHAIR SUGIMURA: Oh, too bad we can't see Mr.--Member Sinenci. I guess it's eight...well, seven "ayes," two excused, Chair Lee as well as Member Sinenci.

COUNCILMEMBER RAWLINS-FERNANDEZ: Member Kama.

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CHAIR SUGIMURA: Oh, and Member Kama. So, that's --

COUNCILMEMBER RAWLINS-FERNANDEZ: And three.

CHAIR SUGIMURA: -- six and three. Motion carries.

VOTE: **AYES:** **Chair Sugimura, and Councilmembers Cook, Johnson, Paltin, Rawlins-Fernandez, and U'u-Hodgins.**

NOES: **None.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **Vice-Chair Kama, and Councilmembers Lee, and Sinenci.**

MOTION CARRIED.

ACTION: Recommending **FIRST READING** of Bill 9 (2024) by C.R.

CHAIR SUGIMURA: Okay. So, great, that was our third bill. Going on to the fourth. And this is again the Parks Department.

ITEM 76: **BILL 17 (2024) AND BILL 18 (2024), AMENDING THE FISCAL YEAR 2024 BUDGET: CAPITAL IMPROVEMENT PROJECTS, DEPARTMENT OF PARKS AND RECREATION (LĀNA'I COMMUNITY PLAN AREA, LĀNA'I YOUTH CENTER AND SKATE PARK) (BILL 17(2024); BILL 18 (2024))**

CHAIR SUGIMURA: So, Members, this is Bill [sic] 76, Bill 17 and 18, and this is regarding the skate park. Members, our next item and which amends Fiscal Year '24 Budget and the Fiscal Year '24 general obligations bond authorizing ordinance respective to add \$2,914,000 in bond funding for the Department of Parks and Recreation Lāna'i Youth Center and skate park project. Members, I have corresponded with the Department of Parks and Recreation to this request. And for your information, it's on Granicus four and five. Five is the Department's response. To assist us with this item we have Director McCall again and Mr.

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Marvel, as well as Ms. Milner from the Budget Office. And so we'll ask for opening comments from the Parks Department and then we'll get it from the Budget Office. Mr. McCall and Mr. Marvel?

MR. MARVEL: Thank you, Chair. Thank you, Council. I...I think we heard about this project in testimony. And I...I know we have a huge amount of community support for this project. We...we probably get more emails and calls on this project than just about any other from the high school kids. And it's...it's a real feel-good project. And we put a lot of work into this over the years. I think we started planning this in 2015 with some community meetings. The project is fully designed. It's fully permitted. We put this out to bid at the end of last year. Unfortunately, those bids were over the amount we had in our budget at the time. So, we just want to run it back and rebid the project with funding. And we're requesting the amount of the lowest fully compliant bid that we received which is the second-highest bid on the...on the bid results tab. So, we know it's...it's a big ask and the cost of construction is...is what it is in that...in that location. So, the price is definitely not going down so we'd like to...to move forward with this project and get it done. It will...the timeline will coincide nicely with the...the youth center, which is on the same site and we'll be able to bring both of those online around the same time. So, thank you.

CHAIR SUGIMURA: Okay. Thank you very much, Mr. Marvel. Next, Ms. Milner.

MS. MILNER: Thank you, Chair. Not a lot to add, just that the increased cost is to cover the current bid that came in over, which is the only bid that meets the requirements. So, the amount is \$2,914,000. And we are requesting to bond this project because the...we like to keep the funding source the same and this project has been bonded in the past so we'd like to continue with bond funding. Thank you, Chair.

CHAIR SUGIMURA: Thank you. Anybody have questions? Miss...Member Paltin?

COUNCILMEMBER PALTIN: First question is 2.9...2,914,000, is that the total amount or the increase amount?

CHAIR SUGIMURA: Ms. Milner?

MS. MILNER: Hi, Chair. I believe that is the total amount that would be needed to fund this contract. There have been previous costs related to this project, but this is the total amount for the contract that the Department is currently considering.

COUNCILMEMBER PALTIN: Do you know what the increase was?

MS. MILNER: I would probably have to defer to Mr. Marvel. I'm assuming part of the reason it came in over is the previous discussion on construction costs.

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MS. APO TAKAYAMA: Chair, before we get too deep into discussion, can we return to testimony please?

COUNCILMEMBER PALTIN: Shoot, I forgot about that part.

CHAIR SUGIMURA: I thought you were doing a clarifying question. How many...that's okay. Okay. Do we have any testifiers?

MS. APO TAKAYAMA: Chair, Staff has not received a request for testimony on this item. If you would like to testify, please raise your hand by clicking the raise-your-hand button or following the prompts via phone. Last call for testimony. Three...two...one. Chair, seeing no individuals wishing to testify.

CHAIR SUGIMURA: Thank you. So, if no other testimony, I'm going to close oral testimony, receive written testimony on this item. No objections? Thank you.

. . .CLOSE PUBLIC TESTIMONY (BFED-76) . . .

CHAIR SUGIMURA: Thank you. And we'll go back to Councilmember Paltin.

MR. MARVEL: Thank you for the question, Member Paltin. So, the amount appropriated in Fiscal Year '23 was 1.5 million. So, those funds lapsed because we weren't able to award the project. So, it's...

COUNCILMEMBER PALTIN: Thank you. I guess the other question we heard before was some folks in the construction industry was expecting a 30 percent increase in concrete come March and if 2.914 is the lowest qualified bidder, do you anticipate with concrete going up 30 percent because, I mean, I'm assuming the skate park is mostly concrete that 2.914 would be enough? And then if the timeline of construction overlaps with...I know Good Fellows has a lot of...I don't know if they're going to be the successful bid but they have a lot of things going on in Lāhainā as well. I just was wondering about we don't want to keep doing this, you know, like every year because of the rising costs and whatnot. So, I mean, I kind of refer this for the Kilohana Makai one as, uh...would we be open to an up to? And then the source of funding--this is Carryover/Savings as well. Does Lāna'i have any park assessment funds? Because this is a new project, right, and that's eligible for park assessment funds. Maybe the up-to or the additional funds could come from Lāna'i park assessments funds if the bid comes in over this 2.9 this time? Or...those...those would be my questions.

CHAIR SUGIMURA: Who wants to answer that? Is it Ms. Milner? Mr. Marvel?

MR. MARVEL: Thanks for the question. I...I think I'd have to defer to...to Budget on

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the source of funds and how that would all work out. But I do agree with your point that we're subject to fluctuations and...in price, so that's why we're trying to get this rebid as quickly as possible to, you know, to avoid any future price increases.

COUNCILMEMBER PALTIN: Or I think they said --

MR. MARVEL: We...we do --

COUNCILMEMBER PALTIN: -- May. May the --

MR. MARVEL: -- as far as...

COUNCILMEMBER PALTIN: -- concrete would go up. Yeah. I misspoke on the March. March --

MR. MARVEL: Oh.

COUNCILMEMBER PALTIN: -- might have been for drywall.

CHAIR SUGIMURA: March was civil engineering, right?

COUNCILMEMBER PALTIN: Yeah, they said May they expect a 30 percent increase. So, do we think that with this budget amendment today we could lock in a contract before May?

MR. MARVEL: Possibly. It will depend on when the budget amendment passes second reading . . .(timer sounds). . . and the rebid process. It would be very tight.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: And then --

CHAIR SUGIMURA: Your time's up.

COUNCILMEMBER PALTIN: -- park assessment, maybe we can...somebody can else can ask that or we can write a letter.

CHAIR SUGIMURA: Okay. Huh? Go ahead.

MS. MILNER: Chair, just really quickly. I'm...I'm just...Kristina has sent me some information. It doesn't look like we currently have Lāna'i park assessment funds that would be available. So, that's not currently a funding option.

CHAIR SUGIMURA: Okay. Anybody else have questions regarding this? Member Cook

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then Member Rawlins-Fernandez.

COUNCILMEMBER COOK: If it's going to be rebid, why are we asking for reappropriation now?

CHAIR SUGIMURA: Exactly. Good question. Somebody.

MR. MARVEL: Thank you for the question. Can you...can you clarify the question? Sorry.

COUNCILMEMBER COOK: My...my concern is if it's going to be rebid, I'm hesitant to telegraph how much money the County has to spend for a project and over emphasize our support for the project. I believe that we are very supportive of this project on Lāna'i and it's...and understand that it is socially...I mean, so many different...the island the children and everybody deserve it. But having said that, rebidding it, finding out what the price is, and then appropriating the money promptly would be my preference instead of allocating additional funds now not knowing what the bid is going to be. And like eliminate the variables. Have the support, go on to bid, come back with whatever the price is after having a competitive bid. And...and we're telegraphing to the public...to the contractors, be competitive. Don't take anything for granted.

MR. MARVEL: Thanks...thanks for that question. I think there's a couple issues with doing that. One, is we...we typically do not put a project out to bid if there's not funding secured for it just because there's not a certainty that...that we would get the money, right. I mean, it...as of now, there's nothing appropriated for it, so we could put it out there and maybe it doesn't...doesn't get passed or get...get funded. So, there's...we...we're typically not in the...you know, it's not part of...of what we do. And then the second part is, as you mentioned, the timely approval of a budget amendment. So, we have a 90-day award period in our typical contract and it's...typically takes longer than that to get a budget amendment passed and funded. So, we'd have to change our award time, which drives up the price typically because it...it forces the contractor to hold their price for longer than 90 days. So, we've run into a couple issues with that in the past, so.

COUNCILMEMBER COOK: Thank you. Chair, do I have time for another question?

CHAIR SUGIMURA: Yeah. Your time is not up.

COUNCILMEMBER COOK: So...so the price...this price is basically matching what the lowest qualified bidder was. So, this has definitely...it's a milestone point for you to move forward on. . . .*(timer sounds)*. . . If there is a...if the price does increase, then we'll deal with it then?

CHAIR SUGIMURA: Mr. Marvel?

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MR. MARVEL: Thank you for the question. That's correct.

COUNCILMEMBER COOK: Thank you for the clarification.

CHAIR SUGIMURA: Okay. Next, we have Member U'u-Hodgins.

COUNCILMEMBER U'U-HODGINS: I really have no questions except kind of to reemphasize what Member Paltin was saying that in...come May, we should expect a 30 percent increase for concrete and maybe we should plan for that now. Thanks, Chair.

CHAIR SUGIMURA: Okay. Who is online? Member Johnson?

COUNCILMEMBER JOHNSON: Thank you, Chair. So, I want to clear up some...a question with Mr. Marvel. The...the person who...the developer who's building the youth center put a bid on the skate park, correct?

CHAIR SUGIMURA: Mr. Marvel?

MR. MARVEL: Thank you, that's correct.

COUNCILMEMBER JOHNSON: And I thought that they had won the bid that was...that was proposed?

MR. MARVEL: Thanks for the question. They were...so the bid was cancelled due to lack of funding. So, there wasn't an award for this project.

COUNCILMEMBER JOHNSON: Okay. So...but they did put a bid on it and they...okay. They would understand what it takes to build on Lāna'i. I think if...if there's a second round of bidding and that's my understanding, they would probably bid on it again, I assume. And I think those guys...they know the cost, so I think that might help them with their bidding process because they just built the youth center. Thirty percent increase in concrete, I understand that that came from Howard Kihune and those...and that means as we all know...and if you folks saw in the testimony, they did a lot of written testimony. You know my community is working class folks, they're all at work right now, but they did write in a lot of testimony. Just like Mr. Marvel said, there's a lot of...they call them all the time to try to make sure that this is still going. There's been some testifies...testimony in the past in regards to how important it helps with kids' stress, it helps...there's no legal place for them to skate, the mental health that it brings. It helps them stay healthy mentally. Other skateparks in our County have called and written in and supported this project on Lāna'i. Even though they're on a totally different island, they know the benefits. I would ask the Members to look into the...some of the written testimony from this previous item because we've been discussing

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this like what Mr. Marvel said for over nine years and planning for it. The...that...I think...I just want to advocate for this as much as I can, Members. You guys know I...I fight...I'm fighting hard for the skatepark for my community because they've been asking me to, right? I'm not a skater, but if there's no place for the kids to legally skate, we have a dilemma. And I...and I just wanted to make those points. So, thank you, Mr. Marvel and Director, for coming out and speaking on this. Thank you, Chair.

CHAIR SUGIMURA: Okay. So, Mr. Marvel, I have a question. Then...so you...the bid for that 1.1 million that was in the budget or that time the bids came out higher or you didn't appropriate those funds so that lapsed. And you're going to put it out to bid. So, brand-new project is what you're doing, right? So, this is not a rebid, this is like a brand-new project, you're going to put it out to bid. So, there's no guarantee that the number is going to come out to 2.9 or what you're asking for. So, what is going on?

MR. MARVEL: Thanks for that question. It's a good question. We're just using the best information that we have on the pricing of the project. And it's...we never know. I mean, when we go into budget, everything is an estimate on what something is going to cost and it's always a moving target. So, we're just using the best information we have and it's this...this bid from November. We have been in communication with the contractors that bid the project. So, we...we do have...you know, from those conversations, we feel confident that the bids will be under this 2.9 number. Thank you.

CHAIR SUGIMURA: Thank you. So, I guess we're telling the world that we have 2.9 in our budget and there's no guarantee that it's going to be out for that amount because it's a brand-new bid. So, I wonder if there are any kind of mechanisms we can do to protect us. You don't have to come back to us for money again and more money and more money or what are you going to do? Or I guess why didn't you come to us earlier? You know November 16th was when you realized these funds were going to...or went out to bid, the funds are lapsed, and here we are months later.

MR. MCCALL: Thank you, Chair Sugimura. But I believe we submitted this in January.

CHAIR SUGIMURA: Really?

MR. MCCALL: Yeah.

CHAIR SUGIMURA: Okay. Budget, why wasn't it given to us earlier?

MS. MILNER: Chair, this was transmitted on January 19th.

MR. MCCALL: Yeah.

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CHAIR SUGIMURA: It was transmitted on January 19th to the Council?

MS. MILNER: Yes, Chair.

CHAIR SUGIMURA: And we didn't do anything with it until now?

MS. MILNER: Yes, Chair.

CHAIR SUGIMURA: Oh, my God. Shame on us.

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

MR. MCCALL: No.

MS. MILNER: January 19 this year.

MR. MCCALL: This year.

CHAIR SUGIMURA: Okay. So, do we have a whole bunch of other bills that you sent to us that we haven't done anything?

MS. MILNER: You've been agendizing them as they come up. . . .*(timer sounds)*. . . But we can schedule a touch base with your Staff to go over any that may be outstanding.

CHAIR SUGIMURA: Do you have more outstanding?

MS. MILNER: I...the first one that comes to mind, I know we have one outstanding for Department of Police for Countywide costs amendment for CIPs.

CHAIR SUGIMURA: Oh, yeah. That's the...I know what that is. That is to wash cars, right, that's the one?

MS. MILNER: I believe --

CHAIR SUGIMURA: We can talk about that.

MS. MILNER: -- there were several projects, but we can discuss it, Chair.

CHAIR SUGIMURA: We can talk about that another time. So, that's not on the agenda. Shame on us, Council. I'm not too sure what happened, I'll look into it. So, how do we...how do we guarantee that we don't have...you don't have to come back to us again if you have this \$2.9 million approval? There is none, right?

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MR. MCCALL: Thank you, Council...I'm sorry. Yeah, we cannot...I mean, we cannot guarantee that.

CHAIR SUGIMURA: Okay.

MR. MCCALL: It's the same process that we've gone through and...and I...I believe kind of if we look at a big picture of the construction industry right now and looking at it going forward, it's going to be...this is kind of going to be the road that we're going to navigate for all of our projects, County and private.

CHAIR SUGIMURA: Okay. Okay. So, my Staff is reminding me that this is only February, so January 19th is not that far away. But...

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

CHAIR SUGIMURA: Yeah. But anyway, we got to go through our process. All right. Members, so at this time, I'm going to recommend passage of this bill and for first reading. And you're going to go out to bid and you're going to promise you're not going to come back to us, ask us for more...for money. So, I'm going to recommend passage of Bill 17 ('24), uh, ('24), entitled "A BILL FOR AN ORDINANCE AMENDING FISCAL YEAR 2024 BUDGET FOR THE COUNTY OF MAUI. REVENUES; CAPITAL IMPROVEMENT PROJECTS, DEPARTMENT OF PARKS AND RECREATION, LĀNA'I COMMUNITY PLAN AREA; APPENDIX C, DEPARTMENT OF PARKS AND RECREATION, LĀNA'I COMMUNITY PLAN AREA;" and incorporating any non-substantive changes; as well as passage on first reading Bill 18, "A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. 5530, BILL NO. 24, CD 1 ('23), RELATING TO THE ISSUANCE OF GENERAL OBLIGATION BONDS FOR *[sic]* THE COUNTY OF MAUI ISSUANCE, SALE AND DELIVERY OF SAID BONDS (DEPARTMENT OF PARKS AND RECREATION);" incorporating any non-substantive revisions, including to the bill title for clarity. I need a motion and second.

COUNCILMEMBER PALTIN: (raising her hand)

CHAIR SUGIMURA: Motion by --

COUNCILMEMBER JOHNSON: So moved.

CHAIR SUGIMURA: -- Member Paltin, second by Member Johnson. Any more discussion? Member Paltin?

COUNCILMEMBER PALTIN: Thank you. I...I...shucks, I got a question for Ms. Milner on the timeline of this. So, if we're anticipating a 30 percent rise in concrete in May and this goes through and then the...the Mayor's Budget comes to us at the end of March and we're not sure if the buildout or the...the RFP --

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CHAIR SUGIMURA: Price increases.

COUNCILMEMBER PALTIN: -- or the bid goes out before May when the prices increase, would the Administration send us a budget amendment for the bid increase or would we be able to put it in the Fiscal Year '25 Budget? Like so May, June, July, July is the new fiscal year. So, if...and...and he said that May it's kind of tight to get the...the bid out there. So, is there a way we could do this exact same thing a little bit faster in case we don't get it out before May or something?

CHAIR SUGIMURA: Ms. Milner?

MS. MILNER: Thank you, Chair. The CIP funds can be expended through the end of the calendar year rather than through the end of the fiscal year. So, we do have until December of 2024 to encumber these funds.

CHAIR SUGIMURA: Eighteen. Yeah.

MS. MILNER: But we can certainly have the discussion about whether it's necessary to also include some funding for this project in FY '25 so that we don't need to do this next year. I can have that conversation with the Parks Department.

COUNCILMEMBER PALTIN: Like some sort of contingency or something?

MS. MILNER: Yeah.

COUNCILMEMBER PALTIN: Okay. I'm not telegraphing to anyone that we're willing to be held ransom, just saying.

CHAIR SUGIMURA: . . .(laughing). . .Okay. Any more discussion? Members, all in favor, raise your hand and say "aye."

COUNCILMEMBERS: Aye.

CHAIR SUGIMURA: Okay. That's six "ayes," three excused which is Chair Lee, Member Kama, and who else is missing?

UNIDENTIFIED SPEAKER: . . .(inaudible). . .

CHAIR SUGIMURA: Member Sinenci. He still hasn't come online. Okay. Motion carries. Motion passes.

**VOTE: AYES: Chair Sugimura, and Councilmembers Cook,
Johnson, Paltin, Rawlins-Fernandez, and
U'u-Hodgins.**

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NOES: **None.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **Vice-Chair Kama, and Councilmembers Lee,**
 and Sinenci.

MOTION CARRIED.

ACTION: Recommending **FIRST READING** of Bill 17 (2024) and
 Bill 18 (2024) by C.R.

COUNCILMEMBER JOHNSON: Mahalo, Members.

ITEM 77: **BILL 19 (2024), AMENDING THE FISCAL YEAR 2024**
 BUDGET: CAPITAL IMPROVEMENT PROJECTS,
 DEPARTMENT OF PARKS AND RECREATION
 (PĀ'IA-HA'IKŪ COMMUNITY PLAN AREA, LOWER
 PĀ'IA PARK PARKING LOT) (BILL 19 (2024))

CHAIR SUGIMURA: Okay. Very good. So next, the fifth item on our agenda is the BFED-77, Bill 19 which is regarding a parking lot, and this is in the Pā'ia...Hai'kū-Pā'ia Community Plan area. And this is our fifth bill which amends Fiscal Year '24 Budget to recognize 510,000...\$510,500 in Carryover/Savings from General Fund and appropriate...appropriate it for the Department of Parks and Recreation Lower Pā'ia parking lot project. Members, I have corresponded with the Director of Parks and Recreation relating to this project. My letter is with the Department and their responses on Granicus, three and four. To assist us with this items we have still Director McCall, Mr. Marvel, as well as Ms. Milner. So, Mr. McCall...Director McCall and Mr. Marvel, you have any opening comments?

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

CHAIR SUGIMURA: Oh, we need to recess? Can we recess two minutes? Okay. 11:53. . . *(gavel)*. . .

RECESS: 11:51 a.m.
RECONVENE: 11:55 a.m.

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CHAIR SUGIMURA: . . .*(gavel)*. . . Thank you. Welcome back. It's 11:55. Member, so we're back on this project. Anybody...you want to present about the parking lot?

MR. MCCALL: Thank you, Committee Chair Sugimura. The...the project is to redo the parking lot currently at the Pā'ia...the Pā'ia Youth Center there. And this lot and...and the services provided by that facility is kind of a vital point to the community there with the access to the park next door, et cetera. In our response we gave you the project timeline. And to note, it was in the October 23 that was kind of the punch in the nose where the original plans sort of got knocked out of whack and the idea of moving the current temporary parking lot from Wells down to Pā'ia hit a snag. And therefore, what we're asking causing that rebid in November and we're asking for the funds that have changed the course of the project a little bit. And other than that I think all the information is, yeah, was in our response.

CHAIR SUGIMURA: Okay. Ms. Milner?

MS. MILNER: Thank you, Chair. This would be 510,500 in Carryover/Savings General Fund being used for Hawaiian Electric overhead power pole relocation as well as interim lot modular installation, and including the usual estimated overhead increase. Thank you, Chair.

CHAIR SUGIMURA: Okay. Members, I'm going to open up for public testimony and then we'll open up for deliberations after.

MS. APO TAKAYAMA: Chair, Staff has not received any request for testimony on this item. If anyone would like to testify, please raise your hand by clicking on raise-your-hand or following the prompts via phone. Last call for testimony. Three...two...one. Chair, seeing no individuals wishing to testify.

CHAIR SUGIMURA: Good. So, at this time then I'm going to close public testimony, open for any written testimony, Members, with your approval. Thank you very much.

. . .CLOSE PUBLIC TESTIMONY (BFED-77) . . .

CHAIR SUGIMURA: Thank you very much. This is Member U'u-Hodgins. So, do you have any questions? This is in your district. Just...

COUNCILMEMBER U'U-HODGINS: I do, which we had a quick chat, Director McCall and I, about it during our recess. And this is extremely important to our community. That parking lot is so bad. MEO doesn't take kids to the youth center anymore because they can't afford the damage to the bus.

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CHAIR SUGIMURA: Wow.

COUNCILMEMBER U'U-HODGINS: It is horrendous, that parking lot. So, Lesley, you said it was 510,000 additional funds, and what was the total amount?

MS. MILNER: The amount encumbered last year I believe was 996,112.20.

COUNCILMEMBER U'U-HODGINS: 996,000. Okay.

MS. MILNER: But I believe we encumbered a million.

COUNCILMEMBER U'U-HODGINS: Okay. Thank you. I really have no questions other than thank you for doing this and I can't wait for it to be done.

CHAIR SUGIMURA: Okay. Next, Member Cook.

COUNCILMEMBER COOK: I don't have any questions, Chair. I'm just supportive of taking care of the Pā'ia Youth Center parking.

CHAIR SUGIMURA: Okay. Member U'u-Hodgins...I'm sorry, Member Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: No questions, Chair.

CHAIR SUGIMURA: Thank you. Member Paltin?

COUNCILMEMBER PALTIN: Ditto.

CHAIR SUGIMURA: Oh, ditto, is that what you said? . . .(laughing). . .Okay. Wow. All right. Oh, Member Johnson came back. Member Johnson, you have any questions?

COUNCILMEMBER JOHNSON: Thank you, Chair. Just I have full support. And that parking lot is legendarily bad. So, really happy that we're getting on that. And if you've been to the Pā'ia community...you know, the kids' park or the kids' youth center there, it is so crowded. There's so many of our kids that love that place. They go there all the time. There's...it's such a high-use area that we should make that as nice as we can. It's definitely the, you know...the who...people look at who's...at our government, local government, see potholes, that...that's definitely top of mind. So, definitely I want to rise in full support of this. Thank you, Chair.

CHAIR SUGIMURA: Okay. Very good. So, Member Sinenci is still not back. And so I have questions for you. So, the lowest bid on this, right, is...the lowest bid is

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Betsill Brothers LLC at \$996,112.20. The funds were encumbered for the contract. Did the bid not include the interim parking or did it not or is...

MR. MARVEL: Thank you for that question, Chair. The bid did include some work on the interim lot. That's why the...the title of the bid says and interim lot, but it did not include the installation of the surfacing material. So, we're going to...to reuse the material from Wells Street, from the temporary parking there, and we have to purchase some additional material. That's a sole-source vendor. So, this...this money is...is for that separate scope of work.

CHAIR SUGIMURA: So, everybody bid on the same thing? I guess that's what I'm wondering because the bid amounts were different.

MR. MARVEL: Yeah, thanks for that question. We...we noticed the variation in the bids too and sometimes...sometimes it does happen. We did...we did check all the bids and we talked...we discussed with the...the low bidder to make sure they, you know, didn't leave anything out of their bid, which is sometimes can be an issue with one bid that's very much lower than the others.

CHAIR SUGIMURA: Okay. So...all right. So, it was communicated clearly and the low bid is...is advantageous then?

MR. MARVEL: That's correct. Thank you.

CHAIR SUGIMURA: Okay. All right. Members, any questions regarding this? Oh, you have? Oh, oh, yeah, I'm going to vote now. So, Members, at this time I like passage on first reading, Bill 9 [sic], entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2024 BUDGET FOR THE COUNTY OF MAUI, REVENUES; CAPITAL IMPROVEMENT PROJECTS, DEPARTMENT OF PARKS AND RECREATION, PĀ'IA-HA'IKŪ COMMUNITY PLAN AREA; AND APPENDIX C, DEPARTMENT OF PARKS AND RECREATION, PĀ'IA-HA'IKŪ COMMUNITY PLAN AREA;" incorporating any non-substantive revisions.

COUNCILMEMBER U'U-HODGINS: So moved.

COUNCILMEMBER COOK: Second.

CHAIR SUGIMURA: So moved, Member U'u-Hodgins from your district and second by Member Cook. Any more discussion? Seeing none. All in favor, raise your hand and say "aye."

COUNCILMEMBERS: Aye.

CHAIR SUGIMURA: Okay. Great. So, that's six "ayes," three excused, Member Kama, Chair Lee, and Member Sinenci. Motion carries.

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VOTE: **AYES:** **Chair Sugimura, and Councilmembers Cook, Johnson, Paltin, Rawlins-Fernandez, and U'u-Hodgins.**

NOES: **None.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **Vice-Chair Kama, and Councilmembers Lee, and Sinenci.**

MOTION CARRIED.

ACTION: Recommending **FIRST READING** of Bill 19 (2024) by C.R.

CHAIR SUGIMURA: Okay. Next one is Transportation. Is that right? Yep. So, thank you very much, Director...

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair?

CHAIR SUGIMURA: Yes?

COUNCILMEMBER RAWLINS-FERNANDEZ: It's 12:03, how long are you going to go?

CHAIR SUGIMURA: Oh, I thought it was still 11-something. Okay. So, Members, at this time, I'm going to recess this meeting until tomorrow morning at 9:00, and thank you very much for spending the day with us. And before you leave I want to tell you that my Staff came to me and said that when we received your budget amendment for what you were talking about, it went on...it went on the Council agenda and we...and...and we scheduled it right now. So, the...the real question should have been why did it take the Department that long from November to January to send it to us? Motion...I just had to make that motion --

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair?

CHAIR SUGIMURA: -- make that point. Yes?

COUNCILMEMBER RAWLINS-FERNANDEZ: I think the funds lapsed at the end of December, right?

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CHAIR SUGIMURA: No. Yeah, so why didn't they come to us earlier with this problem, rather than waiting until January?

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh, because the bid didn't come back until November and then the funds lapsed a month later. So, there...there wouldn't have been time for that budget amendment to come to us fast enough.

CHAIR SUGIMURA: Anyway, I just had to make that point --

COUNCILMEMBER RAWLINS-FERNANDEZ: Well, Ms. Milner has her hand up.

CHAIR SUGIMURA: -- because my Staff were going wait a minute, wait a minute, we work fast. Yes?

MS. MILNER: Chair, yes, you guys did work very fast --

CHAIR SUGIMURA: Yes, thank you.

MS. MILNER: -- and we appreciate it. I just wanted to say it's generally our practice not to recognize lapsed CIP funds until the funding has actually lapsed at the end of the calendar year. There are some exceptions, of course, but that's part of the reason it didn't come --

CHAIR SUGIMURA: Okay.

MS. MILNER: -- until January.

CHAIR SUGIMURA: Thank you. So, we're all trying to work hard in light of everything else and the...and the wildfires. So, thank you. At this point, Members, this meeting is now in recess. We're going --

MR. KRUEGER: Chair? Chair?

CHAIR SUGIMURA: -- to come back at...oh yes?

MR. KRUEGER: Oh, apologies. Just...just want to clarify that for the recess we are using the same Teams link and --

CHAIR SUGIMURA: Oh, okay.

MR. KRUEGER: -- and the same in-person viewing location is here in the Chambers.

CHAIR SUGIMURA: Okay. You got it, everybody?

COUNCILMEMBER RAWLINS-FERNANDEZ: And the time.

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CHAIR SUGIMURA: I'm sorry what? 9:00 is when we're going to come back.

MR. KRUEGER: Yes, tomorrow 9:00, February 6th.

CHAIR SUGIMURA: Okay. We'll take up the last three items on the agenda. All right.
So, at this time meeting is in recess and it is now 12:05. . . .*(gavel)*. . .

RECESS: 12:05 p.m.

APPROVED:



YUKI LEI K. SUGIMURA, Chair
Budget, Finance, and Economic
Development Committee

bfed:min:240205:ds

Transcribed by: Daniel Schoenbeck

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CERTIFICATION

I, Daniel Schoenbeck, hereby certify that pages 1 through 64 of the foregoing represents, to the best of my ability, a true and correct transcript of the proceedings. I further certify that I am not in any way concerned with the cause.

DATED the 12th day of February 2024, in Kula, Hawai'i



Daniel Schoenbeck