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March 14, 2016

Don S. Guzman  
Chairman  
Economic Development, Energy,  
Agriculture, and Recreation  
Committee  
County Council  
County of Maui  
200 S. High Street  
Honolulu, Hawaii 96793

OFFICE OF THE  
COUNTY COUNCIL

2016 MAR 15 AM 9:15

RECEIVED

Subject: Friends of Moku'ula's requests of EDEAR Committee

Dear Chairman Guzman:

On Friday, March 11, 2016 I was notified of a medical emergency that required hospitalization of Blossom Feiteira, Executive Director of Friends of Moku'ula. As Pro Bono Counsel to the Friends of Moku'ula I was activated by Kimo Falconer, President of Friends of Moku'ula as he was scheduled to fly out of town on Friday night, March 11, 2016. Pursuant to President Falcon's authorization and before the end of the day I advised Sharon Brooks, Legislative Counsel to Economic Development, Energy, Agriculture, and Recreation Committee of what was going on.

I have since downloaded the public meeting notices filed February 24, 2016 and March 9, 2016, and was provided EDEAR Committee's March 11, 2016 supplemental request of Friends of Moku'ula earlier this morning, March 14, 2016.

I am awaiting updated information (to include medical clearance) for Blossom Feiteira, and will keep Legislative Counsel Brooks apprised of developments as they arise. Until then I am required to comply with HIPAA medical privacy concerns.

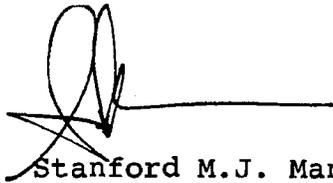
Don S. Guzman  
Chairman  
Economic Development, Energy, Agriculture, and Recreation  
Committee  
March 14, 2016  
Page 2  
RE: Friends of Moku'ula

It does not appear that either President Falconer or Executive Director Feiteira are available to appear before EDEAR Committee tomorrow afternoon, March 15, 2016. I was activated March 11, 2016 and have not yet followed up with Hu & Levin, Friends of Moku'ula's Outside Auditors who were present at EDEAR's Committee's March 1, 2016 Hearing.

In the circumstances, on behalf of Friends of Moku'ula this requests rescheduling of tomorrow's EDEAR Committee's consideration of the approval of resolutions and for the extension of the period of Friends of Moku'ula's submission(s) and response(s) to questions from EDEAR Committee some of which are reflected in the public notices and March 11, 2016 supplemental request.

Thank you for your assistance in this matter. Please contact the undersigned if there are any questions.

Very truly yours,

A handwritten signature in black ink, consisting of a large, stylized initial 'S' followed by a horizontal line extending to the right.

Stanford M.J. Manuia (1936)

Enclosure

cc: Sharon Brooks, Esq., Legislative Counsel  
Kimo Falconer, President, Friends of Moku'ula  
Blossom Feiteira, Executive Director, Friends of Moku'ula

Council Chair  
Mike White

Vice-Chair  
Don S. Guzman

Presiding Officer Pro Tempore  
Michael P. Victorino

Councilmembers  
Gladys C. Baisa  
Robert Carroll  
Elle Cochran  
Don Couch  
Stacy Crivello  
Riki Hokama



Director of Council Services  
David M. Raatz, Jr., Esq.

**COUNTY COUNCIL**  
COUNTY OF MAUI  
200 S. HIGH STREET  
WAILUKU, MAUI, HAWAII 96793  
[www.MauiCounty.us](http://www.MauiCounty.us)

March 11, 2016

Ms. Blossom Feiteira, Executive Director  
Friends of Moku`ula, Inc.  
505 Front Street, Suite 221  
Lahaina, Hawaii 96761

Dear Ms. Feiteira:

**SUBJECT: LEASE AND LICENSE OF COUNTY-CONTROLLED  
PARCELS TO FRIENDS OF MOKU`ULA, INC.  
(LAHAINA) (EAR-2)**

As you know, the Maui County Council's Economic Development, Energy, Agriculture, and Recreation Committee has been tasked with reviewing the operation of the parking lot concession by the Friends of Moku`ula, Inc. ("Friends") under the County's 2003 grant of a lease and license to the nonprofit.

Fundamental to the Committee's consideration is an analysis of Friends' use of the proceeds from the parking concession. To date, the Committee's analysis has been hampered by the commingling of proceeds between the nonprofit and its for-profit subsidiary, Ka Lua O Kiha, Inc. and the dilatory provision of necessary documents to this Committee by Friends.

Friends provided spreadsheets entitled "FOM Revenue and Expenses" and "Friends of Moku`ula, Inc. Parking Lot Revenue" on September 14, 2015, and October 12, 2015, respectively, but neither provided the specific tracking information sought.

At its meeting of November 3, 2015, you advised the Committee that you would obtain an audit to help clarify these issues. By letters dated December 21, 2015 and February 23, 2016, the Committee requested that Friends provide a copy of the contract for the audit, but it was only on March 1, 2016, that the Committee received an engagement letter from Levin &

Ms. Blossom Feiteira  
March 11, 2016  
Page 2

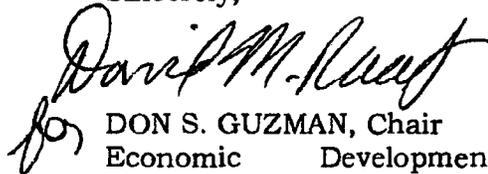
Hu to Friends for a basic financial audit. The letter not include any terms addressing the fundamental issue.

Therefore, may I ask that you provide to this Committee, for fiscal years 2010-2015, a detailed tracking of the gross proceeds of the parking concession, dollar-for-dollar, from its receipt by the contractor to its ultimate, specific use? The information should be in ledger form: for example, for each dollar that is received by the parking contractor, how much of that dollar is kept by the contractor, how much is used by Ka Lua O Kiha, and how much is used by Friends? Further, please specify exactly what the ultimate use is for each user of each amount, e.g., \$1.00 used by Ka Lua O Kiha on a certain date to pay salary of a named payee.

This matter is scheduled for consideration by the Committee on March 15, 2016. I would, therefore, appreciate receiving a written response by **March 15, 2016**. To ensure efficient processing, please include the relevant Committee item number in the subject line of your response.

Should you have any questions, please contact me or the Committee staff (Sharon Brooks at 270-7137, or Pauline Martins at 270-8039).

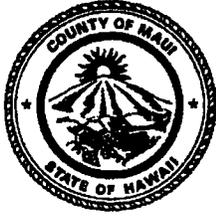
Sincerely,



DON S. GUZMAN, Chair  
Economic Development, Energy,  
Agriculture, and Recreation Committee

Ear:ltr:002a07:scb

cc: Mayor Alan M. Arakawa  
Director of Parks and Recreation



# **PUBLIC MEETING NOTICE**

## **ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE, AND RECREATION COMMITTEE**

COUNCIL OF THE COUNTY OF MAUI

[www.MauiCounty.us/EAR](http://www.MauiCounty.us/EAR)

Committee Chair  
Don S. Guzman

Committee Vice-Chair  
Elle Cochran

Voting Members:  
Don Couch  
Stacy Crivello  
Riki Hokama  
Michael P. Victorino  
Mike White

Non-Voting Members:  
Gladys C. Baisa  
Robert Carroll

**Tuesday, March 15, 2016**  
**1:30 p.m.**

MEETING SITE:  
Council Chamber  
Kalana O Maui Building, 8<sup>th</sup> Floor  
200 South High Street  
Wailuku, Hawaii

RECEIVED  
2016 MAR -9 PM 3:37  
OFFICE OF THE  
COUNTY CLERK

### **AGENDA**

#### **LEASE AND LICENSE OF COUNTY-CONTROLLED PARCELS TO FRIENDS OF MOKU'ULA, INC. (LAHAINA) (EAR-2)**

**DESCRIPTION:**

The Committee is in receipt of the following:

1. County Communication 11-304, from the Director of Parks and Recreation, transmitting two proposed resolutions, entitled "AUTHORIZING THE CONTINUED OPERATION OF A PARKING LOT CONCESSION BY THE FRIENDS OF MOKU'ULA, INC., PURSUANT TO THE FIRST AMENDMENT TO LEASE DATED MAY 1, 2003," and "AUTHORIZING THE CONTINUED OPERATION OF A PARKING LOT CONCESSION BY THE FRIENDS OF MOKU'ULA, INC., PURSUANT TO THE FIRST AMENDMENT TO LICENSE DATED MAY 1, 2003." The purpose of the proposed resolutions is to allow the Friends of Moku'ula, Inc. to continue the operation of parking lot concessions on the properties leased (identified for real property tax purposes as tax map key (2) 4-6-007:001) and licensed (identified for real property tax purposes as tax map keys (2) 4-6-007:002 (por.) and 036).
2. Correspondence dated February 23, 2016, from Committee Chair Don S. Guzman, following up on a prior request to Friends of Moku'ula to provide a copy of the auditor contract.
3. Correspondence dated February 24, 2016, from Committee Chair Don S. Guzman, requesting the Department of the Corporation Counsel to opine as to the expiration of the Friends of Moku'ula's operation of the parking concession under the Lease and License.
4. Correspondence dated February 29, 2016, from the Department of the Corporation Counsel, relating to the status of the parking concession under the Lease and License.
5. Table of documents submitted by Friends of Moku'ula, from Committee Chair Don S. Guzman.

MORE →

6. Copy of correspondence to the Friends of Moku`ula and Ka Lua O Kiha, Inc. Board of Directors, dated January 14, 2016, from Levin & Hu, relating to audit services received at committee hearing on March 1, 2016.

**STATUS:** The Committee may consider whether to recommend adoption of one or both of the proposed resolutions, with or without further revisions. The Committee may also consider the filing of County Communication 11-304 and other related action.

**NOTE:** With reference to this agenda item, one or more executive meetings are anticipated pursuant to Section 92-5(a)(4), Hawaii Revised Statutes, to consult with legal counsel on questions and issues pertaining to the powers, duties, privileges, immunities, and liabilities of the County, the Council, and the Committee.

### **COQUI FROG ERADICATION PROJECT GRANTS (EAR-45)**

**DESCRIPTION:** The Committee is in receipt of County Communication 15-292, from Councilmember Gladys Baisa, on coqui frog eradication project grants.

**STATUS:** The Committee may receive a presentation from the Maui Invasive Species Committee and discuss the matter. The Committee may also consider the filing of County Communication 15-292 and other related action.

### **PAIA YOUTH COUNCIL, INC. - GRANT OF LEASE OF COUNTY REAL PROPERTY (PAIA) (EAR-27)**

**DESCRIPTION:** The Committee is in receipt of the following:

1. County Communication 15-91, from the Director of Parks and Recreation, transmitting a proposed resolution to authorize the grant of a 25-year lease to Paia Youth Council, Inc., a nonprofit organization, for the purposes of providing a drop-in youth center, life-skills program and skate park.
2. Correspondence dated September 30, 2015, from the Department of the Corporation Counsel, providing copies of the License dated March 29, 1994 between A&B Properties, Inc. and Paia Youth Council, Inc., amendments to the License, and assignment of A&B Properties, Inc.'s interest in the License to the County on November 6, 2014.
3. Correspondence dated March 8, 2016, from the Department of the Corporation Counsel, transmitting a revised, proposed resolution, entitled "AUTHORIZING A GRANT OF A LEASE OF COUNTY REAL PROPERTY TO PAIA YOUTH COUNCIL, INC.," and a proposed grant agreement, application, and real property appraisal. The purpose of the proposed resolution is to authorize the grant of a 35-year lease, for \$1 a year, of the facility known as the Paia Youth Center and adjacent area consisting of 0.981 acres, identified for real property tax purposes as tax map keys (2) 2-5-005:017 (por.) and (2) 2-6-001:001 (por.), in Paia, Maui, Hawaii, to Paia Youth Council, Inc., a nonprofit organization, for the purposes of providing a drop-in youth center, life-skills program and skate park.

**STATUS:** The Committee may consider whether to recommend adoption of the revised proposed resolution, with or without further revisions. The Committee may also consider the filing of County Communication 15-91 and other related action.

**NOTE:** With reference to this agenda item, one or more executive meetings are anticipated pursuant to Section 92-5(a)(4), Hawaii Revised Statutes, to consult with legal counsel on questions and issues pertaining to the powers, duties, privileges, immunities, and liabilities of the County, the Council, and the Committee.

**COMMERCIAL OCEAN RECREATIONAL ACTIVITY FEES, FINES, AND PENALTIES**  
(EAR-5)

- DESCRIPTION:** The Committee is in receipt of the following:
1. Miscellaneous Communication, dated May 29, 2013, from the County Clerk, relating to Commercial Ocean Recreational Activity ("CORA") fees, fines, and penalties.
  2. Correspondence dated March 3, 2016, to the Director of Parks and Recreation, requesting a list of CORA permit holders.
- STATUS:** The Committee may discuss the matter. The Committee may also consider the filing of the Miscellaneous Communication and other related action.

**ECONOMIC DEVELOPMENT REVOLVING FUND** (EAR-11)

- DESCRIPTION:** The Committee is in receipt of the following:
1. County Communication 14-224, from Councilmember Don S. Guzman, relating to the Economic Development Revolving Fund ("EDRF").
  2. Miscellaneous Communication, dated May 28, 2015, from the County Clerk, relating to the EDRF.
  3. Correspondence dated March 7, 2016, from the Economic Development Director, providing EDRF grant reports.
- STATUS:** The Committee may discuss the matter. The Committee may also consider the filing of County Communication 14-224 and the Miscellaneous Communication, and other related action.

**AMENDING CHAPTER 22.04A, MAUI COUNTY CODE, KULA AGRICULTURAL PARK**  
(EAR-49)

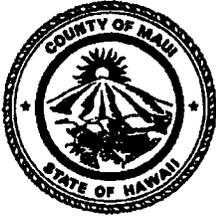
- DESCRIPTION:** The Committee is in receipt of the following:
1. County Communication 16-7, from the Economic Development Director, transmitting a proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING CHAPTER 22.04A, MAUI COUNTY CODE, RELATING TO KULA AGRICULTURAL PARK." The purpose of the proposed bill is to amend Chapter 22.04A, Maui County Code, to add regulations relating to the administration of the Kula Agricultural Park.
  2. Correspondence dated March 7, 2016, from the Economic Development Director, transmitting a copy of correspondence from James Leary, Kula Agricultural Park Committee Chairman, confirming the Committee's approval of the proposed bill.
- STATUS:** The Committee may consider whether to recommend passage of the proposed bill on first reading, with or without revisions. The Committee may also consider the filing of County Communication 16-7 and other related action.

<b>REMOTE TESTIMONY SITES</b>		
<p><b>Hana</b> Council District Office Hana Community Center 5091 Uakea Road Hana, Hawaii</p>	<p><b>Lanai</b> Council District Office Lanai Community Center 8<sup>th</sup> Street Lanai City, Hawaii</p>	<p><b>Molokai</b> Council District Office 100 Ainoa Street Kaunakakai, Hawaii</p>

<b>CONTACT INFORMATION</b>	Office of Council Services 200 South High Street Wailuku, Hawaii 96793 <b>www.MauiCounty.us/EAR</b>  Committee Staff: Sharon Brooks and Pauline Martins	(808) 270-7838 (phone) (800) 272-0098 (toll-free from Lanai) (800) 272-0026 (toll-free from Molokai) (808) 270-7686 (fax)
<b>TESTIMONY</b>	For information on testifying please visit <b>www.MauiCounty.us/how-to-testify</b> or contact the Office of Council Services.  If written testimony is submitted at the meeting site, 16 copies are requested to ensure distribution at the meeting.	
<b>DISABILITY ACCESS</b>	People with disabilities requiring special accommodations should contact the Office of Council Services at least three working days prior to the meeting date.	
<b>LIVE CABLECAST</b>	Available on Akaku: Maui Community Media, Channel 53.	

*AGENDA ITEMS ARE SUBJECT TO CANCELLATION.*

ear:160315:scb



# PUBLIC MEETING NOTICE

## ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE, AND RECREATION COMMITTEE

COUNCIL OF THE COUNTY OF MAUI

[www.MauiCounty.us/EAR](http://www.MauiCounty.us/EAR)

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Don S. Guzman

Committee Vice-Chair  
Elle Cochran

Voting Members:  
Don Couch  
Stacy Crivello  
Riki Hokama  
Michael P. Victorino  
Mike White

Non-Voting Members:  
Gladys C. Baisa  
Robert Carroll

**Tuesday, March 1, 2016**  
**1:30 p.m.**

MEETING SITE:  
Council Chamber  
Kalana O Maui Building, 8<sup>th</sup> Floor  
200 South High Street  
Wailuku, Hawaii

RECEIVED  
2016 FEB 24 PM 3:22  
OFFICE OF THE  
COUNTY CLERK

### A G E N D A

#### **MOKU`ULA ISLAND AND MOKUHINIA POND (LAHAINA) (EAR-43)**

- DESCRIPTION:** The Committee is in receipt of the following:
1. County Communication 15-238, from the Council Chair, relating to the matter of restoration of Moku`ula Island and Mokuhinia Pond in Lahaina.
  2. Correspondence dated November 25, 2015, from the Mayor, relating to fencing on the Mokuhinia Ecosystem Restoration Project.
- STATUS:** The Committee may receive a presentation from Paul C. Klieger, Ph.D. relating to professional restoration standards and the restoration of Moku`ula Island and Mokuhinia Pond; and discuss the matter. The Committee may also consider the filing of County Communication 15-238 and other related action.
- NOTE:** With reference to this agenda item, one or more executive meetings are anticipated pursuant to Section 92-5(a)(4), Hawaii Revised Statutes, to consult with legal counsel on questions and issues pertaining to the powers, duties, privileges, immunities, and liabilities of the County, the Council, and the Committee.

#### **LEASE AND LICENSE OF COUNTY-CONTROLLED PARCELS TO FRIENDS OF MOKU`ULA, INC. (LAHAINA) (EAR-2)**

- DESCRIPTION:** The Committee is in receipt of the following:
1. County Communication 11-304, from the Director of Parks and Recreation, transmitting two proposed resolutions, entitled "AUTHORIZING THE CONTINUED OPERATION OF A PARKING LOT CONCESSION BY THE FRIENDS OF MOKU`ULA, INC., PURSUANT TO THE FIRST AMENDMENT TO LEASE DATED MAY 1, 2003," and "AUTHORIZING THE CONTINUED OPERATION OF A PARKING LOT

MORE →

CONCESSION BY THE FRIENDS OF MOKU'ULA, INC., PURSUANT TO THE FIRST AMENDMENT TO LICENSE DATED MAY 1, 2003." The purpose of the proposed resolutions is to allow the Friends of Moku'ula, Inc. to continue the operation of parking lot concessions on the properties leased (identified for real property tax purposes as tax map key (2) 4-6-007:001) and licensed (identified for real property tax purposes as tax map keys (2) 4-6-007:002 (por.) and 036) .

2. Correspondence dated February 23, 2016, from the Committee Chair, following up on a prior request to Friends of Moku'ula to provide a copy of the auditor contract.
3. Correspondence dated February 24, 2016, from the Committee Chair, requesting the Department of the Corporation Counsel to opine as to the expiration of the Friends of Moku'ula's operation of the parking concession under the Lease and License.

**STATUS:** The Committee may consider whether to recommend adoption of one or both of the proposed resolutions, with or without further revisions. The Committee may also consider the filing of County Communication 11-304 and other related action.

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<b>CONTACT INFORMATION</b>	<p>Office of Council Services 200 South High Street Waituku, Hawaii 96793 <a href="http://www.MauiCounty.us/EAR">www.MauiCounty.us/EAR</a></p> <p>Committee Staff: Sharon Brooks and Pauline Martins</p>	
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