# DISASTER RECOVERY, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE

Council of the County of Maui

# **MINUTES**

# November 5, 2025

# Online Only via Teams

**CONVENE:** 9:06 a.m.

PRESENT: Councilmember Tamara Paltin, Chair

Councilmember Nohelani U'u-Hodgins, Vice-Chair

Councilmember Tom Cook, Member

Councilmember Gabe Johnson, Member (arrived at 10:40 a.m.)

Councilmember Alice L. Lee, Member

Councilmember Keani N.W. Rawlins-Fernandez, Member

Councilmember Shane M. Sinenci, Member

Councilmember Yuki Lei K. Sugimura, Member (arrived at 9:45 a.m.)

**STAFF:** Jarret Pascual, Legislative Analyst

Keone Hurdle, Legislative Analyst (backup)

Carla Nakata, Legislative Attorney

Yvette Bouthillier, Senior Committee Secretary

Ryan Martins, Council Ambassador

Lei Dinneen, Assistant Clerk

Residency Area Office (RAO):

Mavis Oliveira-Medeiros, Council Aide, East Maui Residency Area Office

Roxanne Morita, Council Aide, Lāna'i Residency Area Office Bill Snipes, Council Aide, South Maui Residency Area Office

Clyde "Buddy" Almeida, Council Aide, Makawao-Ha'ikū-Pā'ia Residency Area

Office

**ADMIN.:** John Stufflebean, Director, Department of Water Supply

Eva Blumenstein, Planning Program Administrator, Department of Water Supply Michael Hopper, Deputy Corporation Counsel, Department of the Corporation

Counsel

**OTHERS:** Anonymous

The Royal House of Hawai'i Paul Cheng, Maui Oceanview LP

Jim Langford Paele Kiakona Junya Nakoa Jasee Law Others (30)

#### November 5, 2025

Resource Person:
Paul Cheng, Maui Oceanview LP

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CHAIR PALTIN: . . . . (gavel). . . The time is now 9:06. Will the Disaster Recovery, International Affairs, and Planning Committee meeting of November 5th please come to order. If everyone can please silence their cell phones or any other noisemaking devices, that'll help our cause. Members, in accordance with the Sunshine Law, if you are not in the Council 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. Also, please see the last page of the agenda for information on meeting connectivity. My name is Tamara Paltin, and I'll be your Chair for today's...both of today's DRIP meetings. And with us in the Chamber, we have Committee Vice-Chair Nohelani U'u-Hodgins. Aloha kakahiaka.

VICE-CHAIR U'U-HODGINS: Aloha kakahiaka, Chair. Aloha, everyone.

CHAIR PALTIN: And we also have Councilmember Tom Cook. Aloha kakahiaka.

COUNCILMEMBER COOK: Aloha kakahiaka, Chair. There's no testifiers at the Kīhei Office, and happy to be here.

CHAIR PALTIN: Thank you. And I believe Gabe Johnson may join us later on. We have Councilmember Alice Lee. Aloha kakahiaka.

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair, I can't hear you.

CHAIR PALTIN: Oh, you can't hear me?

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair Lee, can you hear Chair Paltin?

COUNCILMEMBER LEE: No.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. I can't hear her either.

CHAIR PALTIN: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: And my Staff cannot hear either. But  $Akak\bar{u}$  has audio for you on...on Facebook, but Chair Lee and I cannot hear.

CHAIR PALTIN: Okay. Jarret, do you know anything about the audio issues? No. Three-minute recess? Okay. We'll take a three...

COUNCILMEMBER RAWLINS-FERNANDEZ: We can hear you now.

CHAIR PALTIN: Oh, you can hear me now?

#### November 5, 2025

COUNCILMEMBER RAWLINS-FERNANDEZ: Yeah.

CHAIR PALTIN: Oh.

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair Lee, can you hear?

CHAIR PALTIN: Okay. We won't be taking a three-minute recess in that case. We will not...cancel the three-minute recess. Next up, we have Councilmember Alice Lee. Aloha kakahiaka.

COUNCILMEMBER LEE: Good morning.

CHAIR PALTIN: Are you alone in your workspace?

COUNCILMEMBER LEE: Oh, yes. I'm here alone in my workspace, and looking forward to the meeting.

CHAIR PALTIN: Thank you. Next up, we have Councilmember Keani Rawlins-Fernandez. Aloha kakahiaka.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aloha kakahiaka kākou, mai Moloka'i Nui a Hina. I am at the Moloka'i District Office, alone on my side of the office. There will be some folks coming into my office, and I can get you the name of the person that'll be in here. And then we currently have no testifiers here. Mahalo, Chair.

CHAIR PALTIN: Okay. Thank you. Next up, we have Councilmember Shane Sinenci. Aloha kakahiaka.

COUNCILMEMBER SINENCI: Aloha kakahiaka iā 'oukou pākahi a pau. No testifiers in Hāna, Chair.

CHAIR PALTIN: Thank you. And Councilmember Yuki Lei Sugimura may be joining us later meeting of the Disaster Recovery, International Affairs, on. Planning Committee of the Maui County Council is located on the traditional 'aina of the Kanaka 'Ōiwi, who never ceded their sovereignty to the United States. We recognize that Her Majesty Queen Lili'uokalani yielded the Hawaiian kingdom to the U.S. in duress under threat of violence to avoid the bloodshed of her people. We further recognize that Hawai'i remains an illegally-occupied nation-state by the United States, as documented in a 2021 scholarly article for the National Lawyers Guild Review by Andrew Reid, Adjunct Professor of Law at the University of Denver Sturm College of Law. Generations of Kānaka Maoli and their knowledge systems have sustainably cared for Hawai'i, and continue to do so. We are grateful to occupy the state...space, and learn the ways in which we can contribute. As a Committee, we seek to support the varied strategies that indigenous people of Hawai'i are using to protect their land and their communities, and commit to dedicating time and resources to working in solidarity. From the

#### November 5, 2025

Administration, we should have John Stufflebean from the Department of Water Supply, he's the Director. We also have Mike Hopper, Deputy Corp. Counsel. Planning Department was invited, but they have a conflict of interest for the...or conflict in scheduling for the morning meeting, and will be here for the after...the second meeting. The other resources we have is Paul Cheng of Maui Oceanview LP. Members, without objection, I would like to designate Mr. Cheng as a resource person under Rule 18(A) of the rules of the Council, as he is the landowner of the subject property.

COUNCILMEMBERS: No objections.

CHAIR PALTIN: Thank you. For Committee Staff, we have Senior Committee Secretary Yvette Bouthillier; Legislative Analysts Jarret Pascual and Keone Hurdle; Legislative Attorney, Carla Nakata; and Assistant Clerk Lei Dinneen.

# BILL 132 (2025), AMENDING ORDINANCE 3889 (2011), RELATING TO CHANGE IN ZONING (CONDITIONAL ZONING) FOR WEST MAUI PROJECT DISTRICT 5 (PULELEHUA) FOR PROPERTY SITUATED AT LAHAINA, HAWAI'I (DRIP-17)

CHAIR PALTIN: On this first agenda, we have Bill 132 (2025), Amending Ordinance 3889 (2011), Relating to Change in Zoning (Conditional Zoning) for West Maui Project District 5 (Pulelehua) for a property situated at Lahaina, Hawai'i. We will take testimony after any opening remarks or presentations. So, DRIP-17, Bill 132. The Committee is in receipt of one, Bill 132, as just read. The purpose is to amend condition 2 in Ordinance 3889 (2011), the Change in Zoning for West Maui Project District 5 (Pulelehua) for real property identified as Tax Map Keys (2) 4-3-001:082 and (2) 4-3-001:083, collectively comprising 304.255 acres situated in Mahinahina, Kahana, And number 2, an amendment summary form dated Lahaina, Hawai'i. October 30th, 2025, from myself with a proposed CD1 version of Bill 132, entitled "A BILL FOR AN ORDINANCE AMENDING ORDINANCE 3889 (2011), RELATING TO THE CHANGE IN ZONING (CONDITIONAL ZONING) FOR WEST MAUI PROJECT DISTRICT 5 (PULELEHUA) FOR PROPERTY SITUATED AT LAHAINA, HAWAI'I." The proposed CD1 version amends the bill's title, incorporates nonsubstantive and technical revisions for clarity, consistency, and style, and is approved as to form and legality by the Department of Corporation Counsel. The Committee may consider whether to recommend passage of Bill 132 (2025) on first reading, with or without revisions. The Committee may also consider filing Bill 132 (2025), and other related action. So, this bill was referred to the Maui Planning Commission by Resolution 24-174, which was adopted by the Council on October 25th, 2024. The bill proposes to remove condition 2 that requires the developer to provide their own water, and to remove condition 15 that requires the developer to designate and offer a 50-acre park site to the County. The Maui Planning Commission held a public hearing on December 10th, 2024, and recommended condition 2 be amended, and recommended that the proposed repeal of condition 15 be denied. The Planning Director transmitted their report via County Communication 179-25, which can be found on Granicus as attachment number 5. Please note that the Planning Director noted in the report that the

#### November 5, 2025

commission recommended the repeal of condition 2, but the commission meeting minutes note that commission recommended condition 2 be amended, and we're going by the meeting minutes. Bill 132 would allow alternative water sources, if accepted, and could enable the allocation of 75,000 gallons per day, which could support 240 affordable homes within a few years as temporary housing phases out. The County's decision to allocate this water depends on the progress of R-1 projects discussed with Hawai'i Water Service and Tadashi Yanai, aiming at redistributing up to 3 million gallons per day, and other water developments and ordinances. So, at this time, Mr. Hopper, did you have any opening comments?

MR. HOPPER: No, Chair.

CHAIR PALTIN: Mr. Stufflebean, are you on, if you had any opening comments?

MR. STUFFLEBEAN: Yes, I'm on, and I have no opening comments. Thank you.

CHAIR PALTIN: Okay. Thank you. So, at this time, do we have anybody wishing to testify?

MR. HURDLE: Yes, Chair. The first individual we have signed up as Anonymous on Microsoft Teams. And Anonymous, you're unmuted.

CHAIR PALTIN: I can read the instructions --

MR. HURDLE: Okay.

CHAIR PALTIN: -- if we have testimony. Written testimony is encouraged and can be submitted via the eComment link at mauicounty.us/agendas. Testifiers wanting to provide oral testimony should join the online meeting via the Microsoft Teams link printed on today's agenda or call in to the phone number, which is also on today's agenda. For individuals wishing to testify via Teams, please raise your right hand by clicking on the raise-your-hand button near the top of your screen. For those calling in, please follow the prompts via phone. Staff will add names to the testifier list in the order testifiers sign up or raise their hands. For those on Teams, Staff will lower your hand. Once your name is added, Staff will then call the name you're logged in under or the last four digits of your phone number when it is your time to testify. At that time, Staff will also enable your microphone and video. Please ensure your name on Microsoft Teams appears as the name you prefer to be referred to as, or as anonymous if you wish to testify anonymously. If you are in person, please notify Staff that you would like to testify anonymously. Otherwise, please state your name for the record at the beginning of your testimony. Oral testimony is limited to three minutes. If you are still testifying beyond that time, I will kindly ask you to complete your testimony. Once you are done testifying, or if you do not wish to testify, you can view the meeting on Akakū Channel 53, Facebook Live, or mauicounty.us/agendas. At this time, we will call on testifiers wishing to testify on DRIP-17.

#### November 5, 2025

MR. HURDLE: Thank you, Chair. The first individual signed up is Anonymous on Teams. If you can go ahead and unmute your microphone, and you can begin your testimony.

# ...OPEN PUBLIC TESTIMONY (DRIP-17)...

ANONYMOUS: Aloha, Councilmembers. I'm here to testify against this bill. I don't trust Paul Cheng. He is a known criminal, and I understand that he is trying to develop this under the guise of wanting affordable housing. I don't believe that 30 years of rental housing will do anything. We're just kicking the bucket down the road, or filling a bucket with a hole in it, by allowing him to skirt by water requirements. If he actually cared about affordable housing, you would...he would deed restrict it, or he would restrict it for affordable in perpetuity. Unlike affordable for-sale units, residents will walk away with no equity, and neither will the County. And we've already given him so...so much money in subsidies that we're basically just...yeah, just not good. He only purchased this land for \$15 million, and he purchased it with these entitlements in place. So, I don't really think it's fair if we're going to divert all these gallons of water, especially when the Lahaina needs water to rebuild for all the activities, not just for the use once it's rebuilt. We've already tapped our affordable housing funds, and we...I just don't think we have the water left to give him. He knew what he was getting into when he bought this, and...yeah, we should not...we should not change it just because he's doing it under the guise of affordable housing when it's not going to solve anything. Thank you.

CHAIR PALTIN: Thank you. Members, questions for the testifier? Seeing none. I...I had a question. You do realize that we haven't given him any money, and the money that we had allocated has all expired. So, he hasn't...

ANONYMOUS: Oh, I was...I was under the guise that they had...he had been given money for the Phase I project a couple of years ago.

CHAIR PALTIN: He had been allocated money, but the money expired, and he didn't use it. The other thing --

ANONYMOUS: That is good to know.

CHAIR PALTIN: -- I wanted to clarify was, my understanding is it...it was to be affordable in perpetuity, not just 30 years.

ANONYMOUS: I was under the guise that some of them were, but some of them were going to expire in 30 years from...from some of the rental, and then some were market rate. But I understand that he had tried to just kind of switch the narrative, or switch his plan after the fire, but I saw he signed up to testify, so I'd love to hear more.

CHAIR PALTIN: Okay. Thank you. All right. Anybody else to testify?

#### November 5, 2025

MR. HURDLE: Oh, Chair, the next testifier is The Royal House of Hawai'i on Teams.

CHAIR PALTIN: Go ahead.

THE ROYAL HOUSE OF HAWAI'I: Aloha.

CHAIR PALTIN: Aloha.

THE ROYAL HOUSE OF HAWAI'I: This is...I'm a member of the Royal House of Hawai'i under Hewahewa Nui, an allodial land tenant testifying before you all today, allodial land tenant, royal patent tenant, and descendant. And I'm just wondering how any of these developments were approved like for...or I guess...yeah, I guess...so this is for the guy for...as with affordable housing development, whatever, I just heard from the earlier So, like how did he get all these like entitlements and--what is that called?--exemptions, and stuff like that when he is not a descendant of the royal patented lands, and descendant of the real property lands that's has...already have been adjudicated in 1800. And that he...and any of these developments, with developing on these lands, it's all fraud to the original title holder and their...all of their descendants. The lands from the Mahele and all their descendants, they're all being frauded. They're all still here, and...yeah. I just wanted...I'm just wondering because also, in the TMK paperwork, I seen the legal info, I see many of them are being erased right now, but it's supposed to be showing the real property royal patent, real property Land Commission Award from the 1800s. And online, it doesn't show anymore, so I'm wondering about that. And...and any of the funds should be going to those descendants because they are being frauded, and it's a crime on an international level, disrupting the royal patents, allodial titles made by the Kingdom of Hawai'i, Kamehameha III, and mahalo.

CHAIR PALTIN: Thank you. Members, any questions for the testifier? Seeing none. Thank you for your testimony.

MR. HURDLE: Chair, the next individual signed up is Paul Cheng on Teams.

CHAIR PALTIN: Go ahead.

MR. CHENG: Okay. Can you hear me?

CHAIR PALTIN: Yes.

MR. CHENG: Oh, okay. Yes, I...I want to echo Councilperson Tamara Paltin's comments earlier that the grants have expired, and we had not used the funds except for a small initial engineering payment that was vetted by the Housing Department completely to third-party engineers. But 95 percent of the money...98 percent of the money has not been spent, and will not be spent until further notice if the Council see fits [sic] on another grant. The property...this project is still grossly misunderstood by the public, which is amazing after eight years. Originally, the entitlement was for 50/50...50 percent market rate, and 50 percent affordable. What changed after the fire

#### November 5, 2025

was that we were willing to change it to 100 percent affordable for Phase I, and that's 240 units, and that's the origin of why the grants were given. Because it doesn't matter if it's us or someone else, the project is simply not financially feasible if it's 100 percent affordable. And that is well known, and so I don't need to completely...I mean, re-explain that situation. It's just common sense, because the rents will be on a much lower scale basis, and is dictated by the annual schedule that the Housing Department put out. The whole reason why we haven't started construction, and I wish we had years ago, is because of this water issue. And I think this drought has created a big problem that no one anticipated. When we purchased the property, we had also purchased the right to obtain a million gallons per day from the mauka facility, the ditch, from MLP. Otherwise, I would have not purchased the property because there's no water, right? Well, at that time, that was before the in-stream standard, the new in-stream standards were issued, there was plenty of water flowing in the ditch, so that MLP could offer me, and did, by agreement when we purchased the property, a million gallons per day. All of that went out the window when the new in-stream standards were put in place, forcing them to divert many millions of gallons of water into the stream...rather, I mean, into other places, other than continuing flowing down through the ditch system for the County to use, for us to use, and for other downstream people to use, that could benefit by this. So, the drought then came, and made it even worse, and...and now, here we are. So, in the meantime, in trying to resolve the problem ourselves, we've spent millions of dollars ... (timer sounds)... drilling two wells. So, I don't know if...if I can extend my statement. I was just trying to give a historical review of what happened.

CHAIR PALTIN: Mr. Cheng, we do have you as a resource as well, so you can...when testimony is closed and we enter into discussion, Members can ask you questions, and...and we can discuss more. But I did want to leave this time open for...for testifiers --

MR. CHENG: Sure.

CHAIR PALTIN: -- also that weren't resources, if that's okay.

MR. CHENG: Absolutely. Thank you. And I will be available.

CHAIR PALTIN: Okay. We'll come back. Do we have more testifiers?

MR. HURDLE: Chair, currently the last individual signed up is Mr. Jim Langford on Teams

CHAIR PALTIN: Okay. Go ahead.

MR. LANGFORD: Aloha, everyone. I hope you're well. I'd like to introduce some technology into this equation of that...it's called atmospheric water generators. They are very similar to a dehumidifier in your home. The cost of a water meter that someone could purchase from Maui County, you could actually buy a small container, a...a 20-foot container-sized system, and generate a lot of water, hundreds of gallons per day on end. The fact that we are in a 62 percent humidity average, the costs versus desalinization or drilling wells--which I've actually got funded about five years ago, a project to drill

#### November 5, 2025

Upcountry on one of the von Tempsky properties, so I know a lot about how much it costs to get water, and to solve some of the development issues from the financial side. And so, I encourage you folks to look into the atmospheric water generation as a way, on a house-by-house level as well, to supplement the stress that is put on our Water Department, and that is put on you folks as a result of having to...to figure this stuff out. Because that is the delineating factor of development is the ability to have water and transportation roads. So, I invite you folks...I'll happily tell you how it works, and design a system. And I think you would find that adding a supplemental water system to homes like that, which is like a dehumidifier, it generates pure, pure water from our blessed air. So, that...that...that's what I invite technology into your folks' because it'll save a heck of a lot of money too. So, that...that...and make you guys look great. So, that's all I have to say. AWG, atmospheric water generators.

CHAIR PALTIN: Thank you. Members, any questions for the testifier? Seeing none. Thank you for your testimony.

MR. HURDLE: Chair, we've also had Mr. Paele Kiakona sign up to testify on Teams.

CHAIR PALTIN: Go ahead.

MR. KIAKONA: Hi. Aloha. Paele Kiakona. Mahalo all of you for the opportunity to speak. I just want to be very clear. I'm not at all against Pulelehua. I am...as many of you know, I've been a housing advocate for some time now, and I do support more affordable housing. I just want to make sure we're being diligent about how we move forward. At least to my understanding, this could help to bypass the...the rules and regulations put in place to make sure that we're not putting the horse before the carriage. And again, I'm not...I'm not saying...testifying for nor against, I'm just giving some...some feedback. And especially with Bill 9 in...in progress, the potential for that to free up enough water for Pulelehua and other developments is there. And, you know, I see it as the...the timing could work out pretty well as...as if we start construction, and then the phase-out period might fall right in...I mean, roll right into that, and freeing up a lot of water. But I just want...want folks to be vigilant that this burden could eventually fall on the valley 'ohana, the Honokōhau Valley 'ohana. I know that this could potentially help to put pressure on the County, especially if these structures start going up, and we got this place, now...now we need to find water, and then we're going to have to start looking at and making exemptions and exceptions for water to be taken, and violating the IFS or the...the water designation. So, again, I'm not in...nor for it, nor against it, I'm just saying that if we are able to potentially get, you know, Bill 9 heard sooner, and then get this kind of ball rolling so that the water can start to alleviate the system, and then we can have more available water for developments like this. You know, there's just a lot of opportunities out there that we can...we can touch upon, but I just want to make sure that this burden doesn't fall on the valley 'ohana who have, you know, fought very hard for adequate amounts of water in the streams. I'm not...it's probably not set in stone where it's going to come from, but that's the biggest source of water right now that's...that's available, and I just want people to be vigilant about that. So, concludes my testimony. Mahalo.

#### November 5, 2025

CHAIR PALTIN: Thank you. Members, any questions for the testifier? Member Sinenci?

COUNCILMEMBER SINENCI: Thank you, Chair. And mahalo, Paele, for your testimony. I...just for clarification, the...the valley 'ohana, would that be regarding surface water?

MR. KIAKONA: Yes.

COUNCILMEMBER SINENCI: Okay. All right. Thanks for that clarification. Thank you, Chair.

CHAIR PALTIN: Thank you. Is there any other questions for the testifier? Seeing none. Thank you.

MR. HURDLE: Chair, that's currently all the individuals that are signed up to testify. If anyone else would like to testify, please come to the podium. (pause)

MR. NAKOA: Howzit? Junior Nakoa from Lahaina. Like Paele said, not against more affordable housing, yeah, but how about us Hawaiians? What about the DHHL land? You know, when I went go deal with Maui Land & Pine, they was talking about the...the pyramid. Hey, hold on, buddy. That, you know, Hawaiian Homes gonna get first choice first, yeah, and then Pulelehua, and then the County. That's what I heard from the guy, Reese (phonetic). What it is, too. What is change of zoning going to do? Is it going to create water, huh? Yesterday, I heard you guys talking...I heard the Water Department or whatever, was talking about doing some fixing of the lines. That should have been done before the fire, okay? So, maybe we wouldn't have the...we would have been able to slow down or stop the fire. So, no use this as one thing that we going...we...we using 'em as a fix, okay? We got screwed by this County, by the State, and we lost everything, okay? So, no come up with one magic solution that changing of the zoning gonna create water, yeah? Because it's not, yeah? And I tell you, like I said...no, like I'm going to say, you guys have...many of you guys went show up to the Kukuia, the Kupuohi project, yeah, that just went open up. That is on Hawaiian-ceded lands, guys, yeah? Hawaiian steady giving up, giving, giving, giving, giving, giving, yeah? How about taking care of us first before you take care of everybody else? You guys like get water too, on housing, da kine, can you imagine if you build the Hawaiians one...their house? How much people would come off...come off the...we would...we would have housing? Mahalo. How much people would have housing? How much people would get one roof above they head? It's not only going be talking about...because I tell you, us Hawaiians, we residents too, yeah, guys, yeah? I live here all my life, and we're getting screwed, yeah? Try take care the DHHL first. This Paul Cheng guy, you know, I bounce up and down how I deal with this guy, yeah. Before the fire...no, right after the fire, me and him, some kind of deal to build temporary homes, but all of a sudden, went change. Why, he going to change his mind again? How we going to deal with this kind guy, you know? So, what I trying to get at is, try get this...if you guys going to find the miracle water, try take care of us first, yeah, the Hawaiians, that been on the list forever. And when it come out to perpetuity, that buggah is affordable forever.

#### November 5, 2025

Councilmembers from now...here on out, and any other project, yeah, like couple of the two people that went vote against in perpetuity, this is what going help get people housed, okay? Make it in perpetuity. And you guys got to remember now, that's only 25 percent of the project, okay? 70...75 percent is market, they can do what the heck they want. Just that 25 percent, we want to make leave it in perpetuity 'cause that is...that is using our tax dollars to fund that...that 25 percent. . . .(timer sounds). . . So, take care of us, try give us the housing, give us the tax break, give us...give us the water, give us the thing that we giving up every damn time for these developers. Sorry.

CHAIR PALTIN: Thank you. Do you...can you wrap it up?

MR. NAKOA: Yeah. So, all I going to say is right now, you guys got to know what you guys talking about. If it's 100 percent affordable, okay. Now we can go talk story. But if it's only 25 percent, make sure if it's affordable, and they're getting one tax break, they're getting all these tax breaks from the County, from the State, make sure it stays in perpetuity, affordable forever, so we're not in this position again. Mahalo.

CHAIR PALTIN: Thank you. Members, questions for the testifier? I just wanted to clarify, this meeting isn't changing the zoning, the zoning already did change.

MR. NAKOA: So, what we here for then?

CHAIR PALTIN: Amending a condition of the Change In Zoning.

MR. NAKOA: So, okay. Again...again, I was for try...I came here early, but try listen to...to the project, to listen to what was going to be done. Because we...we left in the wind, we don't see...we don't know what's going to happen. Okay. So, I wish that the departments that is here today could have let us know what was going on. Why? What is this? Because we...we left in the dark, we like know what's going on, we like know what's happening to us, our people, our houses. But when you get these guys, they show up, and they don't say shit, or they don't say nothing, we...we left in the dark again. So, today, I could not testify on all of this stuff that I don't know.

CHAIR PALTIN: Yeah, it was that stuff that I read right before I opened testimony about...well, that I already read.

MR. NAKOA: Yeah, correct. But can...can we get these departments to tell us why, and what...whatnot, and how it's going to help us? Because that's what they doing, that's their job. Right? That's what they get paid for. That's what we pay them.

CHAIR PALTIN: Yeah. If you look at number 5 on Granicus, number...page 18, it has the information from the Department of Water Supply.

MR. NAKOA: Yeah, but sometimes it's better...you know, why we have all these meetings if these guys not going to come over here and talk about 'em, yeah? Why...why we get all these meetings? Why we go...why...why I come all the way from the other side for listen

# November 5, 2025

to this thing, yeah? Because you know what? Some of you guys' explanation is how many pages long, okay? We no get paid for sit down and read the damn thing. We need help. So when you get these kine meetings that you guys want to tell us what's going on, and what is going to happen...please, departments, step up, do something. Because right after this, I'm going to the Parks and Decorations...Parks and Recreation because of our parks, okay? And I...I going upstairs, and then gonna try to apply for boards and commissions. I don't know where I going, but I'm going to figure out where I going, because I'm tired of this. This guy going be on them too, with me, okay? We're tired, gang, okay?

- CHAIR PALTIN: Any further questions from the Members? Seeing none. Thank you for your testimony. Is there anyone else wishing to testify?
- MR. HURDLE: Chair, there's no one currently signed up. I can do a...provide a last call. Oh, I see the gentleman from Waiakoa approaching the podium.
- MR. LAW: Waiakoa Uka. Jasee Law. Hawaiian word...oh, hello, Luna Hoʻomalu Paltin. Hawaiian word of the day is puni, P-U-N-I, with no punctuation, and it means overcome, as in battle, or by emotion.

CHAIR PALTIN: Thank you. Members, any questions for the testifiers?

MR. LAW: And I reserve my...the rest of my time for the Hawaiians.

CHAIR PALTIN: Seeing no questions, thank you for your testimony. Anyone else?

MR. HURDLE: No, Chair. I'll provide a last call for oral testimony. If anyone would like to testify, please come up to the podium, or raise your hand on Teams.

MS. NAKATA: Excuse me, Chair. Could we request a short recess?

CHAIR PALTIN: Sure, sure. Like, how short? One minute, two minute, three minute, four minute, five minute?

MS. NAKATA: We need to get a fifth Member on.

CHAIR PALTIN: Oh, shoot. Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: Members?

CHAIR PALTIN: Yeah? I guess...

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair, Member Cook, Member Sinenci, Member U'u-Hodgins, and myself.

CHAIR PALTIN: Member Lee and you are not visible to the camera.

#### November 5, 2025

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh.

CHAIR PALTIN: You want to turn your camera on?

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. It...it's on, on my side. The Internet sucks at the district office, so... It shows on my end that my video is on. I don't know what to tell you. I see Chair Lee back.

CHAIR PALTIN: Okay. Now we have Chair Lee back. I guess we're at bare quorum...or we're not at bare quorum, but we're at bare quorum of people that we can see on the computer. And so, if anybody needs to step away, we'll take a recess, just get my attention. Are we good to go, Carla?

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair?

CHAIR PALTIN: Yes. Go ahead.

COUNCILMEMBER RAWLINS-FERNANDEZ: So, you...okay. I...I have an individual in my office with me, Chloe Ma.

CHAIR PALTIN: Chloe Ma.

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

CHAIR PALTIN: Okay. Thank you. Hi, Chloe. Okay. So, I wanted to bring Members' attention. We did just receive...

MR. HURDLE: Sorry, Chair, I'm just going to do the last call and we can close testimony. The countdown is three, two, one. Seeing none. Chair, no one has indicated that they wish to testify.

CHAIR PALTIN: Members, any objection to closing oral testimony and accepting written testimony into the record?

COUNCILMEMBERS: No objections.

#### . . . CLOSE PUBLIC TESTIMONY (DRIP-17) . . .

CHAIR PALTIN: Thank you. Okay. I just wanted to bring to Members' attention the last Granicus item. If...you might have to refresh, but we have uploaded Planning's response to our correspondence about their summary of the Planning Commission's minutes. And at this time, I'll welcome Councilmember Sugimura to the proceedings. Aloha kakahiaka. So, now we have more than a quorum. So, I'll just read this into the record from the Director. She...she said, upon review of the December 10th, 2024,

#### November 5, 2025

MPC meeting minutes, the MPC voted to recommend that condition number 2 be amended to read as follows. Maui Land & Pineapple Company, Incorporated, shall provide potable and nonpotable source storage and transmission improvements necessary to serve Pulelehua in accordance with the requirements of the County of Maui Department of Water Supply, provided that this condition 2 shall not preclude the Pulelehua project from availing itself of any exemption from the requirements of MCC Chapter 14.12, for which it qualifies under MCC Section 14.12.030, or from receiving pursuant to such exemption subdivision approval and civil permits for infrastructure construction. So, thank you for the opportunity to clarify the MPC's recommendation. If you have any questions, do not hesitate to call. So, originally, it was stated that condition 2 could be deleted, and then it was clarified that the recommendation from the Planning Commission was not to delete, but to amend in that way. And then for the 50-acre park, the decision was that just because the condition has been completed, they still leave it on. So, it's been completed, but they didn't...they recommended not to remove it because that's just the way it's done. Once the condition is completed, it's completed, but it stays on as a condition of Change in Zoning. So, that was their recommendation for condition 15, I believe. And if there's no objections, we can go back to Mr. Cheng, give him another few minutes to finish his...what he was trying to say, and then we can open it up for discussion and questions. Mr. Cheng, are you still on? *(pause)* 

MR. CHENG: Yes. Can you hear me?

CHAIR PALTIN: Yeah. I think you...you left off on your background that you had dug two wells, and...and that's where you had left it.

MR. CHENG: Yes. Yes.

CHAIR PALTIN: Okay.

MR. CHENG: So...

CHAIR PALTIN: If you can conclude in like three to five minutes, that'd be great.

MR. CHENG: Okay. That's good...good that I know there's that kind of time constraint. So, I'll speak quickly. It is my intent, and it has been, if we received any kind of grant, that the affordable units will be in perpetuity. And yes, while Phase I is 100 percent affordable, I'm open to suggestion for the rest of the zoning units, and perhaps even more, because we still have some vacant land there to do additional affordable. We have tried, for eight years now, to get this project going. We have plans and permits, applications in the County for three, four years, and it's been held up because we cannot satisfy DSA, had a question of "Show Me the Water." And even though it's an affordable project, and it's supposed to not meet that, somehow the interpretation of the specific situation here allows them to block it. So, there's been a lot of reviews. We've spent millions of dollars in engineering to satisfy the reviews, comments, and...but they cannot do anything until this is resolved. So, as to the two wells, we have tested it, and they

#### November 5, 2025

are...they're clean, and that we just need to have a simple RO system to treat it, to lower the salt content down to a drinkable level, or an excellent drinkable level. And then we...we have already application with CWRM for the use of the wells, and we're waiting for them to get us through the line. We've asked the County Administration to have temporary water until we get CWRM ruling to use the well water. And we met with the Administration even just yesterday, and I believe that there's an answer coming back from the Administration promptly in a few days. They did not say whether they will agree to it or not, but they did say that they will take that into consideration. And the...the issue with the grants is this, you know. I don't care if it's Paul Cheng here, or any developer, no one can make it work on an affordable basis without some public assistance. I have even gone to the extent of having HUD involved. The regional director of HUD has actually visited my site, and has signed off on it to provide the bulk of the financing, but on a senior basis for the affordable housing. They can't wait for it to get started. But to close a HUD loan, which I have done before, it requires building permit. Because they don't fund things to a project that cannot be built, and their purpose is to build. So, again, I'm back in this loop. Until I resolve this water issue, I cannot get started. But let's just say, make an example. If suddenly the County Administration sees that they are willing to let us have Phase I, 75,000 gallon of temporary water until we have our own access to either the well water, or other sources, or the ditch water, or the Hawaiian water, the companies has given us prior serve...a will-serve letter before, then the permits will be able to be processed. Then I can go to HUD and get the financing. We can discuss the grants issue and perhaps resuscitate it, and literally, we can start right away. In fact, we have already graded and spent millions of dollars, again, on my own, grading the land for Phase I, and putting the retainer walls in, and has literally been sitting there for almost a year now waiting for this bottleneck to get solved so I can get started. In the meantime, I have not...again, except for 1 percent, 1-1/2 percent of the original grant, which is all expired, used to funds for anything because I've been very, very careful not to have any impunity on the spending of the money. And whatever that we did spend, 300,000 of engineering, was for...all for legal me--vetted, checked, double-checked bill--engineering bill, excuse Housing Department before they reimbursed us. Yesterday. . . . (timer sounds). . . with the Mayor, I said, hey--I just have one more sentence--that we want to build a path to trust, and I said, if it...if the Administration see to it, in the future, have the water and the grant, I'm more than happy to take the grant after I receive the building completed...a certificate of occupancy. In other words, I don't even need it up front. I'll just eat the additional interest costs, which would be \$3 million while I'm building it, and just get reimbursed at the end. I even offered that so that there's absolutely zero risk...public risk to the County on any of these grants. And...and that's the...that's my statement. Thank you.

CHAIR PALTIN: Thank you. I just wanted to add on a couple of things, that you have the reverse osmosis permits in with the State Department of Health for a number of years now, as well...

MR. CHENG: Yes. They...yes, yes.

#### November 5, 2025

- CHAIR PALTIN: As well as you were going to build the sewer line to the wastewater treatment facility that DHHL can tap into, and the R-1 line back to your project on the mauka side that DHHL can also tap into if they need.
- MR. CHENG: Absolutely. And not only that, I already got SHPD clearance, which, as you guys know, takes a long time for all of that, and including the development within Pulelehua. That takes three to five years, as you all know. All of that has been approved. I've got MECO, I've paid a deposit for MECO to generate electricity for our site, and that's all fully engineered, and that takes 18 months easily. That's all been done as well. I literally am sitting on go.
- CHAIR PALTIN: Okay. Thank you. At this time, I'd like to open it up to the Members for questions. To let you folks know, we have Mr. Stufflebean as a resource, Mr. Cheng as a resource, and...and I believe that's it. We have Mr. Hopper here if...if you need, too. But I'll start on this side and move over. Member Sinenci, do you have any questions?

COUNCILMEMBER SINENCI: I can defer to my fellow...

CHAIR PALTIN: Okay. Committee Vice-Chair U'u-Hodgins?

VICE-CHAIR U'U-HODGINS: Thank you, Chair. So, I'm looking at the letter from the Planning Department, and in the first sentence of the amended condition 2, it reads Maui Land & Pineapple Company. But then in the ASF, the one that you provided, Maui Land & Pineapple Company is bracketed, and it is replaced...well, it will be replaced if this passes, with Maui Oceanview LP. Are we going to work off your ASF and assume that the language is going to be changed to Maui Oceanview LP, or are we going to keep it with what the Planning Department said, and have it remain at MLP?

CHAIR PALTIN: That would be probably a lawyer question. He did...Mr. Hopper had signed off on the ASF, but I'll defer to Corp. Counsel.

VICE-CHAIR U'U-HODGINS: Okay. Thank you.

MR. HOPPER: I think you can work on the ASF. The...the...I don't think that's a major issue because that...the condition's going to run with the land anyway. So --

VICE-CHAIR U'U-HODGINS: Okay.

MR. HOPPER: -- whether it's Maui Land & Pineapple, as soon as Maui Oceanview LP or another entity becomes owner of the property, they're subject to all the conditions. That's how...how the conditions generally work. So, I think it's good to have that bracketed out and changed for clarification purposes, but the current owner's responsible for fulfilling the conditions in either case.

#### November 5, 2025

VICE-CHAIR U'U-HODGINS: Okay. Considering it's not necessarily what the Planning Department...or Planning Commission recommended, do we need six to make that change? I don't think it's an issue, but I'm just trying to understand what we're doing.

MR. HOPPER: Chair, I think since that has no substantive bearing whatsoever, I don't see that as necessarily --

VICE-CHAIR U'U-HODGINS: Okay.

MR. HOPPER: -- as something you would need a supermajority for.

VICE-CHAIR U'U-HODGINS: Sounds good.

MR. HOPPER: If you've got other changes, we may need to look at that...but yeah, I don't think that's --

VICE-CHAIR U'U-HODGINS: Okay.

MR. HOPPER: -- something.

VICE-CHAIR U'U-HODGINS: Okay. I'm trying to...I'm looking at the Commission's minutes here, and I cannot find--so maybe somebody could explain to me where it is--where the justification is for the extended condition, where it starts with, except that this condition shall not preclude Pulelehua. Do you know where that is? I've been reading it up and down. I see towards the end, they have a vote to deny the removal of condition 15, and then amend condition 2, but where is the discussion for the amendment of condition 2?

CHAIR PALTIN: Staff, do you have an answer for her?

VICE-CHAIR U'U-HODGINS: I do remember that condition 15 was met, and that park was donated to the County, and then we later discussed, perhaps...perhaps...

CHAIR PALTIN: Oh, it wasn't donated, we...we paid --

VICE-CHAIR U'U-HODGINS: Oh. We...yeah.

CHAIR PALTIN: -- a million dollars.

VICE-CHAIR U'U-HODGINS: Yeah, we got it from them, but then we later discussed if we may develop homes there. We discussed it in our budget session. If we develop homes there, does that impact this condition 15?

CHAIR PALTIN: That would also be a lawyer question.

VICE-CHAIR U'U-HODGINS: Okay. I would...I would hope not, but I'm...I'm just wondering that we're not making an impact to the zoning conditions.

#### November 5, 2025

- MR. HOPPER: Yeah, I...I mean, I'm not aware of the...of developing housing situation. I mean, the condition, whether it's deleted or not, if it has been fulfilled, then as far as the condition's concerned, I don't see how that...
- VICE-CHAIR U'U-HODGINS: But is a condition to fulfill a park. So, if we, the County, had already bought it, and then we...was supposed to be park, and we build homes, and the condition was for a 50-acre park. I just want to make sure --

CHAIR PALTIN: The condition was --

VICE-CHAIR U'U-HODGINS: -- that doesn't make it...

CHAIR PALTIN: -- that . . . (timer sounds). . . Maui Land & Pineapple would sell to the County. So, they did sell to the County at ag land rates for a park. If the County does something different with the park, that's not a violation of the condition because --

VICE-CHAIR U'U-HODGINS: I hope not.

CHAIR PALTIN: -- they already sold it. But I'm not a lawyer, so if...if that makes sense to you, Mr. Hopper?

MR. HOPPER: Again, if the condition's fulfilled as far as the condition is concerned, that's done.

VICE-CHAIR U'U-HODGINS: Okay.

MR. HOPPER: Now, the County doing that on its own, I mean, if you're talking about the County violating its own zoning conditions, I mean, the County would enforce against itself there? I mean, I think it's the County's sort of purview on...on how to use that, you know. But that's not something, again, I've specifically reviewed for this meeting. This --

VICE-CHAIR U'U-HODGINS: Okay.

MR. HOPPER: -- meeting was for --

VICE-CHAIR U'U-HODGINS: That's fine.

MR. HOPPER: -- is the condition fulfilled or not. Yeah.

VICE-CHAIR U'U-HODGINS: That's fine. If we ever do develop homes, I'll...I'll remember to bring that up, and we can ensure that it...one development of housing doesn't negatively impact the other. If somebody could let me know where in the minutes they discussed the...the additional language, that's fine. I do...I did read that Director Stufflebean doesn't have an issue, so that's good to hear...read. Thank you.

#### November 5, 2025

MR. PASCUAL: Chair, sorry, This is Staff. Thank you, Member U'u-Hodgins, for the question. I believe it starts on page 26 of the meeting minutes, so that's page 64 of 71 on the Granicus attachment number 5.

VICE-CHAIR U'U-HODGINS: Thank you, Jarret.

CHAIR PALTIN: Member, you're done, yeah?

VICE-CHAIR U'U-HODGINS: For now, yeah . . . (inaudible). . .

CHAIR PALTIN: Okay. Member Cook, your opportunity?

COUNCILMEMBER COOK: Thank you, Chair. So, good morning, Mr. Cheng. The...for clarification, the...is DSA not reviewing the permits at all until the "Show Me the Water" thing is addressed?

MR. CHENG: They...they did various...you know, there are multiple agencies, right, multiple departments that have to review it. Some have completed it, some have done some, and some have done very little, but starting. Like, for example, after all these years, I finally got the approval, or most of the final-final comments from Waste Management, and they had given us the first round a couple years ago, but, you know, because of the fire and all that...but anyway, so there are variously, but regardless, each of those approvals don't count until we solve this water issue.

COUNCILMEMBER COOK: Okay. Thank you. Just...

MR. CHENG: There's like a...yeah.

COUNCILMEMBER COOK: So, clarification...my clarification, that the permit wouldn't be issued until the water is issued. But my concern and question is, is the permitting for the project being delayed because of "Show Me the Water" bill itself, or is it just taking a long time also?

MR. CHENG: The permitting cannot finish, cannot be issued, cannot go on without the...the water issue satisfied. We have to satisfy the Department of Water. We have to satisfy Mr. Stufflebean's Department.

COUNCILMEMBER COOK: Okay. I understand. I guess what I'm getting at is, if you got the water issue handled tomorrow, what's your expectation for getting permits? And it's not...this isn't on you, this is on the County, I'm just asking.

MR. CHENG: Yeah, sure, sure. I would imagine next three to four months. Because we're very, very near the end.

#### November 5, 2025

COUNCILMEMBER COOK: Thank you. Thank you, sir. That's all I need to know, Chair. Mahalo.

MR. CHENG: Yeah. Yeah. Thank you, sir. Yeah.

CHAIR PALTIN: Thank you. Member Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Okay. Can you hear me okay?

CHAIR PALTIN: Yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: All right. I have my laptop and my phone going, so...my apologies, the Internet is terrible at the district office. Okay. So...

CHAIR PALTIN: We got to get the Mayor to put a Starlink in the budget for you.

COUNCILMEMBER RAWLINS-FERNANDEZ: ...(laughing). . . That would be amazing. I...I don't think I have any questions. I was just looking at DRIP...I don't know what Granicus item this is, but the condition 15 that Member U'u-Hodgins was speaking to. So, it just reads that the Maui Land & Pine...Pineapple Company, Inc., designate an offer for sale to the County of Maui at ag...agricultural land rates, a 50-acre park site, presently identified in the West Maui Community Plan. So, as far as...so it just says park site. It doesn't say that it must be used by the County to be a park. So, I...it's not a question. I think that was just my only comment as the discussion was...was happening. And then I understand that this proposed amendment to condition 2 would just enable this project to qualify under these...under Title 14 exemption like other affordable housing projects are able to, and that this condition 2 is the only thing that was stopping this project from being able to move forward as other projects would have under this exemption for affordable housing for water.

CHAIR PALTIN: Yeah.

COUNCILMEMBER RAWLINS-FERNANDEZ: Yeah?

CHAIR PALTIN: There has been some communication with Mr. Mitchell as well. There...there is a portion in the Code, I guess, on the exemption to the "Show Me the Water" that says like, you know, for 100 percent affordable provided by a qualified housing provider. And at some point, there was some confusion during the transition from Department of Housing and Human Concerns to the Department of Housing. One of the former employees in the Department of Housing and Human Concerns referenced the residential workforce housing agreement is what designates someone as a qualified housing provider, and that's the way it's been done. And then when we transitioned to the new Department of Housing, it turns out that that's no longer the case, I guess. And...and we haven't got clarity on what makes somebody a qualified housing provider, although it is in the Code, like land trust, somebody...somebody that the County could give land to and ask to build housing. But there...there has been some discrepancy over

#### November 5, 2025

the years of what constitutes a qualified housing provider. And that's, I believe, in 2.96...but that's on the exemption from "Show Me the Water." And this is not about that, per se. I mean, I guess it's related. Does that...does that help clarify what's going on for you?

COUNCILMEMBER RAWLINS-FERNANDEZ: Yes. Mahalo for refreshing my memory.

CHAIR PALTIN: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: That's it, Chair. Mahalo.

CHAIR PALTIN: Okay. Next up, Member Lee?

COUNCILMEMBER LEE: I have no questions. Thank you.

CHAIR PALTIN: Okay. Member Sugimura?

COUNCILMEMBER SUGIMURA: Thank you. So, I guess if we have developer on the phone, on...on...at the meeting, have you satisfied the requirements with the County for paying...not paying prevailing wages?

CHAIR PALTIN: When the money...the...the prevailing wages was a condition of the grant, which expired.

COUNCILMEMBER SUGIMURA: But he...he used the money and did not pay prevailing wages. So, I think there's some money that we're anticipating he has to repay. So, that's my question to him.

CHAIR PALTIN: I think either that or he can just repay the 300,000. Mr. Cheng, how are you going to deal with that?

MR. CHENG: We intended to pay as soon as we can go vertical. The...I want to clarify your statement, Councilmember Sugimura. The project expenditures that was reimbursed, the 1 percent of the total, was for engineering bills that does not have a requirement for prevailing wage because they're engineers. They're engineers, and they got paid. Some of them are local, some of them are mainland, but they were all designing the...the civil infrastructure, and so on and so forth. The amount of grading that was done will incur prevailing wages, and we've asked the Department of Labor to ascertain. They did not make...send me a letter that said we owe that because we funded it ourselves. We did not use public funds. That's what I meant by spending millions. We did not use any public funds for the grading of the property or the retainer wall at all. So, we kind of like okay. But if we actually start construction, we definitely will use some form of public grant if there is one. If there's not, it's just a private project. So, the whole trigger for the obligation to pay prevailing wage has to do with using of public funds in areas or in...on items that has a, you know, requirement, such as wages and labor for construction. So, again, all of that will be resolved very simply, and we have every

# November 5, 2025

intention to...to pay whatever is...because when you...when you do a public project, you...you pay prevailing wage, end of story. I mean, it's very straightforward, and I understand that.

COUNCILMEMBER SUGIMURA: I remember...I remember you saying that your attorney told you you did not need to in a previous meeting.

MR. CHENG: Well, that --

COUNCILMEMBER SUGIMURA: And so, you did not.

MR. CHENG: -- that's what they said. That's what they said. So, we even went to the step of talking to the Department of Labor. We even asked for, you know, a hearing.

COUNCILMEMBER SUGIMURA: So, do you owe...do you now owe the County money for not using...not paying prevailing wages or not? That's kind of a...

MR. CHENG: I don't owe them anything. I mean --

COUNCILMEMBER SUGIMURA: So, you have --

MR. CHENG: -- why would I?

COUNCILMEMBER SUGIMURA: -- you have not ...you have not violated State law?

MR. CHENG: No, I do not have any...no, I do not have any fines, penalties, or anything that...that I am...I am...I'm not in receipt of any of that.

COUNCILMEMBER SUGIMURA: So, you're not...you don't have any...you said you didn't...you're saying now you did not violate the prevailing wage --

MR. CHENG: Well --

COUNCILMEMBER SUGIMURA: -- requirement.

MR. CHENG: -- our...our...yeah. Our position is, when we spend public funds for items that require prevailing wage, we'll be glad to pay it when due. That's clear. That's...so far, we have not spent public funds that has any prevailing wage requirement because we have spent it on our...with our own funds. So, I...so, I just want to say that when we...when this project gets going, absolutely...absolutely. So, we took the chance. In other words, we took the chance out of our own pocket to pay for the grading. We didn't drew...we didn't draw on the money.

COUNCILMEMBER SUGIMURA: So, you have...you have not violated prevailing wages, is what you're swearing to us --

#### November 5, 2025

MR. CHENG: To my...

COUNCILMEMBER SUGIMURA: -- at this moment?

MR. CHENG: And perhaps that's why the ...perhaps that's why the Department of Labor did not issue an order or something asking us to pay immediately or whatever outstanding.

COUNCILMEMBER SUGIMURA: We can check. . . . (timer sounds). . . Thank you.

MR. CHENG: Yeah. No, you're welcome to check. You're welcome.

CHAIR PALTIN: Thank you. For my opportunity, was the grading and grubbing done prior to getting the County grant?

MR. CHENG: The second grant, we never...yeah, definitely the second, or way before the second grant. The first grant may have...may have been coincidental...same time.

CHAIR PALTIN: But you didn't use the money?

MR. CHENG: I did not use the money, did not. I...I made sure that in all the documentation, in filing for the grant budget and everything, that it did not have any grading, or retainer wall, or cost that the County from the grant has to fund. And we...so, therefore, we did not use, to my best knowledge, any monies from the public for the grading and retainer wall, which would have required prevailing wage had we used any component of public funds. So, we asked for determination, and I could be wrong, but, you know, I...I think they just said, well, this is something between you and your contractors, nothing --

CHAIR PALTIN: And --

MR. CHENG: -- to do with us.

CHAIR PALTIN: -- and who did you --

MR. CHENG: Or something like that.

CHAIR PALTIN: -- ask for the determination from?

MR. CHENG: The Department of...the Department of Labor. We had a labor lawyer that handled it for us, and it's the State...it's a State agency.

CHAIR PALTIN: Okay.

MR. CHENG: I don't know the exact name of it, but they handle these kinds of things.

CHAIR PALTIN: Okay. I think that's...

#### November 5, 2025

MR. CHENG: But again, like I said, I'm happy to pay it. Happy . . . (laughing). . . I'd more than happy. Look, if we can get going, all of these are nothing. I mean, they're simple cost items. And if you look at every budget that I have prepared, I have in there a line item for prevailing wage. I'll be glad to show you guys all the documents that I have. Every one of them has a budget for prevailing wage. I recognize it.

CHAIR PALTIN: Thank you. That concludes my questions. Member Sinenci?

COUNCILMEMBER SINENCI: Thank you, Chair. Just for clarification, with this amendment, then would the Water Department sign off on Mr. Cheng's application?

CHAIR PALTIN: You want to ask that to Mister...Director Stufflebean?

COUNCILMEMBER SINENCI: Okay. Director?

CHAIR PALTIN: Oh, I see Ms. Blumenstein. Are you sitting in for --

MS. BLUMENSTEIN: Yeah.

CHAIR PALTIN: -- Director Stufflebean?

MS. BLUMENSTEIN: Yeah, I just jumped on. Director Stufflebean needed to...to leave.

CHAIR PALTIN: Oh, okay.

MS. BLUMENSTEIN: Sorry about that.

COUNCILMEMBER SINENCI: I mean, does this...does this take the onus off of...I mean, the...the Department would still have to sign off the application, but this takes the onus off of the County or Maui Land & Pineapple Company and puts the onus back onto the owner?

CHAIR PALTIN: Ms. Blumenstein, do you know if we amend the condition 2, that it would be qualified for the "Show Me the Water" exemption 100 percent affordable?

MS. BLUMENSTEIN: Well, I can speak to how...whether it qualifies. If...if the development is verified to be 100 percent affordable housing units within the West Maui service area, then...then that would be an exemption from Chapter 14.12. I'm not clear that this changed the condition that the...the development is considered 100 percent affordable.

COUNCILMEMBER SINENCI: But it...it would still be a private well?

MS. BLUMENSTEIN: Yeah. So that is just the exemption from signing off on the subdivision according to Chapter 14. It doesn't really say anything about what...what source would ultimately serve the development.

#### November 5, 2025

COUNCILMEMBER SINENCI: Oh, okay. All right.

- MS. BLUMENSTEIN: Yeah, if it's an exemption. Like if it's not an exemption, then...then we have the requirement for the written verification of long-term reliable supply of water. So, that would be like a second application if the project is not exempt.
- COUNCILMEMBER SINENCI: Oh, okay. Thank you. And then yesterday, we had a presentation in the BFED Committee that the County would be receiving upwards of 64 million State funding, including some wells in Mahinahina and Waipuka. One of those wells are...and those explorative wells are within the same moku, ahupua'a?
- MS. BLUMENSTEIN: Is the question whether the proposed well is in the same ahupua'a as the Pulelehua development and the wells?

COUNCILMEMBER SINENCI: Yeah. I believe it was Mahinahina backup wells, and I don't know if Waipuka and Kanaha wells are in the same area.

CHAIR PALTIN: I think they said both those --

MS. BLUMENSTEIN: No, sorry...

CHAIR PALTIN: -- are more by Lahainaluna, but Mahinahina is in the same.

COUNCILMEMBER SINENCI: Mahinahina would be the...the backup well.

MS. BLUMENSTEIN: Yes, that one is on the Honokowai Aquifer. That'd be the same --

COUNCILMEMBER SINENCI: Okay.

MS. BLUMENSTEIN: -- the same moku.

COUNCILMEMBER SINENCI: Okay. Thank you, Chair.

CHAIR PALTIN: Thank you. I...I guess I'm going to go down the line again. So, Committee Vice-Chair U'u-Hodgins?

VICE-CHAIR U'U-HODGINS: Thank you, Chair. Prevailing wage is an issue for me, but in my head I can separate this because right now we're not talking about funding. But I would like to say that I do disagree with you, Mr. Paul Cheng. I don't think you can piecemeal where the funding comes from. It is a funding stack. And anytime you get money from the State or the County, prevailing wage is absolutely required. It doesn't necessarily matter what you're using it on, but prevailing wage does matter. The last time we had this meeting, I did provide you folks with the letters from DLIR stating that much, where any public work over the amount of \$2,000 is required to have prevailing wage. So, considering that you said the grading and retaining walls are done, that should have been prevailing wage work, not necessarily the engineering firm that gets paid what

#### November 5, 2025

white-collar pay is what you would necessarily use from the County's funding and the County's grant. So, I disagree with you on there. I do hope that the men and women that worked hard on that project, and will hopefully continue to work hard on that project, do get prevailing wage now, and retroactive pay so that we can settle this up. But if I could move on, because --

MR. CHENG: Yeah.

VICE-CHAIR U'U-HODGINS: -- we're not talking about funding right now, and I don't think you're going to be able to qualify for funding if you don't pay prevailing wage. If we're going to talk about the condition number 2, which is what we're here for, and I'm happy to read that Water doesn't have any issue. And Mr. Cheng, if you need those letters, I'm happy to send them to you. One was specifically for Pulelehua, and the other was for all projects of public works over \$2,000. Ms. Blumenstein, do...I read that Department doesn't have any issue. I do...I do read that this amendment was provided by the applicant, and I didn't see too much discussion from the Commission. So, can you please, in layman's terms, describe what the underlined language means for you folks, and what it means for us moving forward as we push...attempt to push this project through?

MS. BLUMENSTEIN: And I have to apologize, I don't have the language in front of me.

VICE-CHAIR U'U-HODGINS: Okay.

MS. BLUMENSTEIN: I just jumped...jumped on this meeting.

VICE-CHAIR U'U-HODGINS: Okay.

MS. BLUMENSTEIN: What is the underlined amendment, please?

VICE-CHAIR U'U-HODGINS: Sure. Thank you. Sorry, I can...I can read it out. So, condition 2, I'm assuming we're going to use Maui Oceanview LP, shall provide potable and nonpotable water source, storage, transmission, and transmission improvements necessary to serve Pulelehua in accordance with the requirements of the County...Maui Water Department...Maui Department of Water Supply, and this is where we're going to add it on, except that this condition shall not preclude Pulelehua from availing itself of any exemption from the requirement, Chapter 14.12, Maui County Code, for which it qualifies under Code Section 14.12.030, or from receiving, under the exemption, subdivision approval and civil permits for infrastructure construction. Can you please boil that down for me?

MS. BLUMENSTEIN: Thank you for that. Again, I'm sorry that I wasn't read up.

VICE-CHAIR U'U-HODGINS: Thank you.

#### November 5, 2025

MS. BLUMENSTEIN: So...yeah. So, that doesn't...I mean, so what I mentioned, the exemptions under 14.12, it doesn't change the status of the exemptions in terms of the...if the project is not exempt, and now needs either a written verification or long-term reliable supply of water, that would be either from our system or a private system. The amendment of the requirements to have are not being bound by the source from Maui Land & Pine, it doesn't really change that. It doesn't change the status of --

VICE-CHAIR U'U-HODGINS: Okay.

MS. BLUMENSTEIN: -- a long-term reliable supply of water. So, I don't see that that makes any...and difference.

VICE-CHAIR U'U-HODGINS: Okay.

MS. BLUMENSTEIN: It doesn't change the status of the reliable water remaining supply in our system, and it doesn't change the status whether that source is reliable long-term to serve the proposed project.

VICE-CHAIR U'U-HODGINS: Okay. And so, therefore, you folks have no issue? Yeah?

MS. BLUMENSTEIN: Well, I mean, no issue meaning that it doesn't...yeah, it doesn't qualify as long-term reliable supply water, and it doesn't change the exemption status.

VICE-CHAIR U'U-HODGINS: Okay. And the exemption status, if I can remember, I think that's what you said earlier, Chair, is that 100 percent affordable, and within the service area, that's what qualifies a project, an affordable housing project to get County water.

CHAIR PALTIN: Also developed by a qualified housing provider.

VICE-CHAIR U'U-HODGINS: And developed by a qualified housing provider, which we used to...

MS. BLUMENSTEIN: So, it does...

VICE-CHAIR U'U-HODGINS: Yes, go ahead.

MS. BLUMENSTEIN: Sorry. Yeah. So, it doesn't...it just...if it's . . . (inaudible). . . 100 percent affordable housing, the Water Department can sign off on the project's exemption in...in terms of getting subdivision approval. It does not mean that the project will be served by the Water Department. All reliable capacity has not changed.

VICE-CHAIR U'U-HODGINS: Okay.

MS. BLUMENSTEIN: So, we're still not able to serve the project from our system. We're still at the same condition supply. We are at max reliable capacity. We're still in a designated water management area, so...

#### November 5, 2025

- VICE-CHAIR U'U-HODGINS: Okay. Okay. I think I almost understand. I appreciate...I appreciate that. Thank you.
- CHAIR PALTIN: Member Cook? None? Okay. Member Lee?
- COUNCILMEMBER LEE: Okay. I'm just trying to get some clarification here. I don't understand the Water Department's replies. So, Eva, if we pass this bill today, recognizing that this project is 100 percent affordable, are you saying regardless of that, there is no water to provide this project? Is that what you're saying?
- MS. BLUMENSTEIN: That's basically what I'm saying. We can sign off under Chapter 14.12 for the project to go ahead and get subdivision approval. It doesn't mean that there's water available when they come in for water service requests because we are...A, we were at capacity before the wildfire, and we have to reserve whatever remaining capacity we have for reconstruction of Lahaina Town. If we had new use permits from the Water Commission to develop new source now, we could improve reliable capacity. Like the Kahana Well had...had helped to add capacity to the system to take on new services.
- COUNCILMEMBER LEE: Okay. Let...let me...let me interrupt you for a second. So, I'll ask the Chair, where was the 75,000 gallons a day going to come from?
- CHAIR PALTIN: We were going to cross that bridge when we come for it, but I believe the Board of Water Supply direct referred an item to Member Cook's Committee about excessive water usage. And the subdivision, the agricultural subdivision, kind of mauka of Kahana McDonald's, uses like that much excessive water. Ms. Blumenstein, are you familiar with that legislation...or from the Board of Water Supply?
- MS. BLUMENSTEIN: No. This is not the one I'm familiar with.
- CHAIR PALTIN: Oh, I...I thought Member Cook was going to hear it soon, but he just had stepped out of here. Shoot...Mr. Stuffle...or --
- COUNCILMEMBER LEE: Okay.
- CHAIR PALTIN: -- Director Stufflebean was aware of that legislation. And I think Member Cook, when he comes back, maybe we can ask him.
- COUNCILMEMBER LEE: Okay.
- CHAIR PALTIN: Yes.
- COUNCILMEMBER LEE: In spite of the fact, Eva, that you have concerns about perhaps availability of water right now, I think this step would be required in order to access water as it becomes available. So, regardless of what the status of the water is at the moment, it could change. It could change based on various things. So, in that case,

#### November 5, 2025

I'm going to support this, the...the change in the--what is that?--condition 2. Thank you.

CHAIR PALTIN: The...the other thing, I've been talking with some of the CWRM people about giving them interim WUPAs for the affordable housing...new affordable housing in the West Side. And Hawai'i Water Service did give them a will-serve letter as well. But that water use is conditional, I believe, with CWRM's approval. So, also working on the CWRM, and about, you know, when the designation went through, Lahaina hadn't burnt down. And if we're not able to build any new affordable housing, and how long the multifamily housing is...rental housing is taking to rebuild, there's going to be a real gap in housing availability. So, that's another. There's...we're trolling for water. There's multiple lines cast.

COUNCILMEMBER LEE: Thank you.

CHAIR PALTIN: Next up, Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Okay. So, under 14.12.030, there is E. and F. E. reads, Residential workforce housing units developed by a qualified housing provider under Chapter 2.96, and are within the service area of the Department's Central or West water system. F. is, Residential development projects with 100 percent affordable housing units, and are within the service area of the Department's Central or West Maui water system. The resolution...or the amendment to condition 2 doesn't specify which subsection we're following, whether it's E. or F. I did hear you mention projects with 100 percent affordable housing units and qualifying housing provider, but qualifying housing provider is under Subsection E., and then 100 percent affordable housing units is under Subsection F., and they're both separate. And F. doesn't require a qualified housing provider under Chapter 2.96. So, I'm trying to understand what was the intention behind this amendment, whether it was supposed to follow E. or subsection F.. Do you know?

CHAIR PALTIN: You're asking me?

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh, whoever has the answer.

CHAIR PALTIN: I think...

COUNCILMEMBER RAWLINS-FERNANDEZ: Because it...either would qualify, right? Because it's 100 percent affordable housing units under...for Phase I.

CHAIR PALTIN: Yeah. My belief is that this project qualifies under exemption E. and F., and then --

COUNCILMEMBER RAWLINS-FERNANDEZ: Correct.

#### November 5, 2025

- CHAIR PALTIN: -- also there's H., which, you know, applies to DHHL as per the testifier. They...H. are exempt. Development by the Department of Hawaiian Home Lands under the Hawaiian Homes Commission Act provided that exemptions for industrial business, hotel, and resort, or other commercial use projects designated and intended to generate revenues as authorized by the Hawaiian Homes Commission Act be approved by the Council. So, that's just to the testifier's point, but I believe he qualifies under E. and F.
- COUNCILMEMBER RAWLINS-FERNANDEZ: So, the...the reason I'm asking this clarifying question is because earlier in round one, when I asked my question regarding adding these proposals to condition 2, there was a discussion about Director Mitchell...Housing Director Mitchell, and the uncertainty about what qualifies as a qualified housing provider in Subsection E. But Subsection F. does not have that portion in the...as a requirement, so that...that wouldn't apply.
- CHAIR PALTIN: The reason I'm going off of Section F. is because when we heard the Kaiāulu [sic] 'o Kahiluhilu Mixed-Use Development Project, they were calling that 100 percent affordable because the fees with that housing was 100 percent affordable, although the entirety of the project wasn't affordable housing. So, that's how I was going off of F. based on the written materials that were provided to us by the Department of Water Supply for Kaiāulu [sic] 'o Kahiluhilu, and I just used that same reasoning that they gave there, and applied it to this, where the first phase is 100 percent affordable. But apparently, different rules for different folks or something. I guess we'll find out. Because then they changed the story and said, we discovered there was a water meter on the site, so we didn't need to exempt them. But I mean, I don't know how 300 units versus a water meter for adult education small building adds up, but I'm...I'm no water expert, so I'll leave that to the experts.
- COUNCILMEMBER RAWLINS-FERNANDEZ: So, I'm sorry, can I ask, who is saying that this project, or Phase I of this project, which is 100 percent affordable housing units would not qualify under Subsection F.?
- CHAIR PALTIN: Well, we put that forward, I believe, to the Department of Water Supply shortly after the Kaiāulu [sic] 'o Kahiluhilu, and I think...I forget what...but they were going to look into it or something, and make a determination or something.
- COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. And then what I heard Ms. Blumenstein say is that by adding these amendments to condition 2, they would be able to move the project forward, which is the whole purpose of this, because the project has two wells and an osmosis system planned permit through Department of Health, which is still under review. And this would give the Pulelehua project to move forward with construction, and wouldn't get its final approval until the water use permit application is approved anyway. So, this would just enable the project to move forward while it doesn't need water until the Commission on Water Resource Management is able to finally go through all of the applications and give the approvals to all the necessary people. And hopefully, the...CWRM will be able to approve the affordable housing unit

#### November 5, 2025

applications permits before the resorts and commercial areas or whatever so that we can finally get this all built, and get our people housed.

CHAIR PALTIN: Yeah, I was working, I think, with Kohuliau (phonetic) about possibly an interim permit with CWRM, due to the need for housing due to the fire. Because when we went in for the designation, we hadn't lost 4,000 structures, and...and like that. So, just kind of bringing that to their attention about the possibility of an interim permit. Maybe Hawai'i Water Service could fulfill that will-serve letter, or...we'll see, you know?

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay.

CHAIR PALTIN: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: I'm supportive of this. I...I would like the project to finally move forward.

CHAIR PALTIN: Okay. And then...

COUNCILMEMBER RAWLINS-FERNANDEZ: Especially since there are two wells, and where the water would be coming from later on when CWRM's able to approve those.

CHAIR PALTIN: Okay. And then, Chair Lee, Member Cook did return. Member Cook, are you aware of a bill pending in your Committee about excessive water use, or something like that?

COUNCILMEMBER COOK: Yes. But I'm not...I can't recount it right this second, but yeah.

CHAIR PALTIN: So, that was the one...the one that he can't recount, it's pending in his Committee.

COUNCILMEMBER COOK: We have like three different water ones coming up.

CHAIR PALTIN: Oh, he has three different water ones, but there's only one that I'm referring to.

COUNCILMEMBER COOK: Chair, if you could restate what the question was.

CHAIR PALTIN: She was asking...Chair Lee, what were you asking, if...where the water was...where the water could come from? And I said, if we do pass that legislation about single-family homes or something, using like way more than...

COUNCILMEMBER COOK: Oh, okay. That...that is going to be basically the adjustment of the current fixture count water to get a water meter, and to measure how much houses are using. Instead of it being a fixture count, which is sort of a math, and there's a lot of controversy on it, it's going to be basically a bedroom...a different methodology that's used in a lot of places, it's much simpler. It's going to end up with probably a little bit

#### November 5, 2025

more water available for each meter, but it isn't going to be a...it isn't going to change the source constraints, whether we have enough water overall, but it's going to make it easier for people when they apply for a building permit. The fixture count document has been problematic and controversial, so it clarifies that, but it doesn't improve or change the source.

CHAIR PALTIN: Oh, okay. All right. Does anyone else have any questions? Are we ready to vote? Yeah? Okay. Do we need a roll call vote? Okay. Let's see...oh, discussion. Oh, yeah, we're not ready to actually call the roll call yet. We didn't make a motion. . . . (laughing). . . Okay. And then...so, I'm going to entertain a motion and the ASF. Chair will entertain a motion to recommend passage of Bill 132 (2025), on first reading.

COUNCILMEMBER LEE: So moved.

COUNCILMEMBER SINENCI: Second.

CHAIR PALTIN: Moved by Chair Lee, and second by Member Sinenci. The Chair will entertain a motion to substitute Bill 132 with the proposed CD1 version attached to the Amendment Summary Form dated November 5th, listed on Granicus as attachment number 4.

COUNCILMEMBER LEE: So moved.

COUNCILMEMBER SINENCI: Second.

CHAIR PALTIN: Moved by Chair Lee, and second by Member Sinenci. The CD1 version amends the bill's title for concision, incorporates nonsubstantive revisions, and is also approved as to form and legality by the Department of Corporation Counsel. Any discussion on the substitution?

VICE-CHAIR U'U-HODGINS: Thank you.

CHAIR PALTIN: Committee Vice-Chair U'u-Hodgins?

VICE-CHAIR U'U-HODGINS: Thank you very much. So, I'm going to be supporting this today because I do appreciate that it's got to be inched forward. I will like to add though that if this project ever comes forward, and they do request for County money, or however...which I'm assuming they're going to need to, as he just said, then I'm going to ask that the prevailing wage issue be cleaned up. For now, we're not dealing with the money issue, we're dealing with hopefully this project can even inch forward. So, I can support it now, but if in the future they ask for money, please have that prevailing wage issue cleaned up. Thank you.

CHAIR PALTIN: Any further discussion on the substitution? You want roll call on the substitution as well? Okay. Oh, you have...oh, Chair Lee, you have discussion?

# November 5, 2025

COUNCILMEMBER LEE: Yeah, I did have a discussion. I just wanted to say I'm in full support...well, I have been of this project all along, but it appears if we have to remove these obstacles one by one, then that's what we need to do in order to prepare for the...you know, the...the end goal of getting water. And...and even though there may not be a confirmed source at the moment, there are a lot of areas where people are working on various solutions where the...where the development and use of R-1 to open up the use of potable water or other means. I think we're on the cusp of getting water, so we need to prepare for that time. So, thank you.

CHAIR PALTIN: Thank you. And I'd like to welcome Member Johnson to the Committee. Aloha kakahiaka.

COUNCILMEMBER JOHNSON: Aloha, Chair, Councilmembers, community members. Sorry for my tardiness. There's no testifiers, and...or I'm sorry, I'm alone in my workspace, and I'm here and ready. Thank you, Chair.

CHAIR PALTIN: Thank you. We're just voting on the substitution now. Roll call, Staff.

MR. PASCUAL: Thank you, Chair. Proceeding with roll call vote, and this is for the motion to substitute with the CD1 version. Councilmember Sugimura.

COUNCILMEMBER SUGIMURA: No.

MR. PASCUAL: Councilmember Sinenci.

COUNCILMEMBER SINENCI: Aye.

MR. PASCUAL: Councilmember Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aye.

MR. PASCUAL: Council Chair Lee.

COUNCILMEMBER LEE: Aye.

MR. PASCUAL: Councilmember Johnson.

COUNCILMEMBER JOHNSON: Yes.

MR. PASCUAL: Councilmember Cook.

COUNCILMEMBER COOK: Aye.

MR. PASCUAL: Committee Vice-Chair U'u-Hodgins.

VICE-CHAIR U'U-HODGINS: Aye.

#### November 5, 2025

MR. PASCUAL: Committee Chair Paltin.

CHAIR PALTIN: Aye.

MR. PASCUAL: Chair, I believe you have seven "ayes," one "no." Motion passes.

VOTE: AYES: Chair Paltin, Vice-Chair U'u-Hodgins, and

Councilmembers Cook, Johnson, Lee,

Rawlins-Fernandez, and Sinenci.

NOES: Councilmember Sugimura.

ABSTAIN: None.

ABSENT: None.

EXC.: None.

MOTION CARRIED.

**ACTION:** APPROVE motion to substitute Bill 132 (2025) with

proposed CD1 version

MR. PASCUAL: And you're back to the main motion as amended.

CHAIR PALTIN: Thank you. Roll call...or any discussion for the main motion as amended?

Member Sinenci?

COUNCILMEMBER SINENCI: Mahalo, Chair. I just wanted to speak in support of the main motion as amended. As we had heard in the BFED Committee yesterday, we did receive a presentation from the Department on the Drinking Water Treatment Revolving Loan Fund from the State Department of Health, where they mentioned an addit...64 million for the West Maui wildfire areas, including areas like the Waipuka and Kanaha wells, the Mahinahina backup wells, as...as well as addressing the Honolua Aquifer. So, speak in support, Chair. Thank you.

CHAIR PALTIN: Thank you. Any further discussion? Member Sugimura?

COUNCILMEMBER SUGIMURA: Thank you. I...I am not supporting this because of what the Department said. In actuality, the water availability, which I believe is primary that the County has, is to fulfill the requirements of those residents who are building back slowly. This project is not a County project, and the water is not coming from the County of Maui. It's coming from a private source. And I do not believe that by us

#### November 5, 2025

trying to, you know, now say, oh, going be 100 percent affordable. I thought it was 100 and market homes. I don't have...this is...I haven't gotten their latest details, but just in the recollection of this project being around from when Mayor Victorino was in office, and trying to get this resolved, and giving them grant money, and then the delay, the delay. And I just think if they wanted to, they could probably figure out how to get water on their own from...for this many years. But that's not what we're talking about and never happened. So, I cannot support this project. And I believe that by removing the condition 2, it doesn't...I don't want the public to think, oh, okay, now, tomorrow we can start doing this because the Department still has to approve...the Water Department still has to approve this project, and water is an important factor for it moving forward. So, however that's going to get resolved, and however the water sources will...will be...how our Water Department will be satisfied with the requirement, then I'll wait for their response for approval for this. But in the meantime, I'm voting no on this.

CHAIR PALTIN: Any further discussion? Member Cook, followed by Member Rawlins.

COUNCILMEMBER COOK: Thank you, Chair. I'll be supporting it. By passing...by them...granting the exemption from this...the "Show Me the Water" Bill requirement that enables them to...the condition, will enable them to get their building...move forward with the building permits. The fact that the...Mr. Cheng stated that they'd be willing to do it...they're willing to do it at their own cost, and their own risk to get the building permits and get everything in alignment. If they don't have water, then that will be an obstruction. But for right now, for them to be able to move forward, and get the...get their building permits, and this not be an impediment...so that's why I'm supporting this. Thank you.

CHAIR PALTIN: And...and just to clarify, this is not granting them an exemption from the "Show Me the Water." Okay. Good. Member Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I...I know some of...one of my colleagues doesn't really care about details, which are important, and continue to misstate background. So, yeah, while this project was going on for a number of years, Paul Cheng just bought it not too long ago. It was under Mayor Victorino, but the CWRM granted the protection of Lahaina's aquifer only in June of 2022. And that created a whole new process. So, even though there are wells, there's still a permit application that needs to be approved. But after the designation was set, CWRM had to come up with a whole new process to approve all the applications. So...and even though we've allocated water...sorry, even though we've allocated money in past budgets, as was stated multiple times, and it's kind of exhausting that we have to continue to clarify this point, that the...that money was not received by the developer. So, Member Sugimura, please stop saying that because that's inaccurate, and it's misleading to the public. He got \$300,000 to do whatever engineering report. Whatever other millions of dollars was allocated and appropriated in our budget, but it was never released to this project. So, stop repeating that.

COUNCILMEMBER SUGIMURA: Chair?

#### November 5, 2025

COUNCILMEMBER RAWLINS-FERNANDEZ: I support this.

COUNCILMEMBER SUGIMURA: Chair?

CHAIR PALTIN: Yes.

COUNCILMEMBER SUGIMURA: Oh, you know what? We don't have to have an argument over that. I'll...I'll get my own data and facts --

COUNCILMEMBER RAWLINS-FERNANDEZ: Just stop being wrong.

COUNCILMEMBER SUGIMURA: -- from...and stop being...acting like that. Because this project is so important to have correct information, and not let the public think that things can happen above the law. So, that is my position.

COUNCILMEMBER RAWLINS-FERNANDEZ: I agree. Be...be correct. Say correct things.

COUNCILMEMBER SUGIMURA: Correct.

COUNCILMEMBER RAWLINS-FERNANDEZ: Stop being misleading.

COUNCILMEMBER SUGIMURA: Correct.

COUNCILMEMBER RAWLINS-FERNANDEZ: Every meeting you say that.

COUNCILMEMBER SUGIMURA: Correct. And I will find out the law. I will find out. And if we need to bring it forward, my Budget Committee can.

COUNCILMEMBER RAWLINS-FERNANDEZ: You are the Budget Chair, you know how money works. Stop saying he received money. He didn't. We appropriated the money.

COUNCILMEMBER SUGIMURA: Chair?

COUNCILMEMBER RAWLINS-FERNANDEZ: We didn't release it.

CHAIR PALTIN: I'm going to call for the vote.

COUNCILMEMBER SUGIMURA: Call for the vote.

MR. PASCUAL: Thank you, Chair. Proceeding with roll call vote. Councilmember Sugimura.

COUNCILMEMBER SUGIMURA: No.

MR. PASCUAL: Councilmember Sinenci.

#### November 5, 2025

COUNCILMEMBER SINENCI: Aye.

MR. PASCUAL: Councilmember Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aye.

MR. PASCUAL: Council Chair Lee.

COUNCILMEMBER LEE: Aye.

MR. PASCUAL: Councilmember Johnson.

COUNCILMEMBER JOHNSON: Yes.

MR. PASCUAL: Councilmember Cook.

COUNCILMEMBER COOK: Aye.

MR. PASCUAL: Committee Vice-Chair U'u-Hodgins.

VICE-CHAIR U'U-HODGINS: Aye.

MR. PASCUAL: Committee Chair Paltin.

CHAIR PALTIN: Aye.

MR. PASCUAL: Chair, you have seven "ayes," one "no." Motion passes.

VOTE: AYES: Chair Paltin, Vice-Chair U'u-Hodgins, and

Councilmembers Cook, Johnson, Lee,

Rawlins-Fernandez, and Sinenci.

NOES: Councilmember Sugimura.

ABSTAIN: None.

ABSENT: None.

EXC.: None.

MOTION CARRIED.

**ACTION:** Recommending **FIRST READING** of Bill 132, CD1 (2025),

and **RECORDATION** of unilateral agreement by committee

report

#### November 5, 2025

CHAIR PALTIN: Thank you, Members. This concludes today's first Disaster Recovery, International Affairs, and Planning Committee meeting. Thank you very much, everyone. The next meeting will start in ten minutes. The time is now 10:49. The...or it'll start in 11 minutes. This first meeting is adjourned. We'll see you back in 11 minutes. . . . . (gavel). . .

ADJOURN: 10:49 a.m.

drip:min:251105-9AM:ds Transcribed by: Daniel Schoenbeck

#### November 5, 2025

# **CERTIFICATION**

I, Daniel Schoenbeck, hereby certify that pages 1 through 38 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 27th day of November 2025, in Wailuku, Hawaiʻi

Daniel Schoenbeck