

**BUDGET, FINANCE, AND ECONOMIC
DEVELOPMENT COMMITTEE**
Council of the County of Maui

MINUTES

December 16, 2025

Online Only via Teams

CONVENE: 9:03 a.m.

PRESENT: Councilmember Yuki Lei K. Sugimura, Chair
Councilmember Tom Cook, Member
Councilmember Gabe Johnson, Member
Councilmember Alice L. Lee, Member
Councilmember Tamara Paltin, Member
Councilmember Keani N.W. Rawlins-Fernandez, Member (arrived at 9:06 a.m.)
Councilmember Shane M. Sinenci, Member

EXCUSED: Councilmember Nohelani U‘u-Hodgins, Member

STAFF: Kirsten Szabo, Legislative Analyst
Pauline Martins, Senior Committee Secretary
James Krueger, Senior Legislative Analyst
Peter Hanano, Legislative Attorney
Criselda Paranada, Committee Secretary
Ryan Martins, Council Ambassador

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.: Kristie Wrigglesworth, Deputy Corporation Counsel, Department of the Corporation Counsel
Yukari Murakami, Deputy Corporation Counsel, Department of the Corporation Counsel
Lesley Milner, Budget Director, Office of the Mayor
Shayne Agawa, Director, Department of Environmental Management
Maria Zielinski, Deputy Director, Department of Finance
Paul Barany, Deputy Director, Department of Public Works

OTHERS: Jasee Law
James Langford
Others (11)

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

CHAIR SUGIMURA: *... (gavel) ...* Good morning, everybody, and welcome to the Budget, Finance, Economic Development Committee. Today is December 18th...wow, 16th. *... (laughing) ...* Trying to go too fast. It is now 9:03 a.m. And my name is Yuki Lei Sugimura. I'm the Chair of this Committee, and this meeting is being conducted in accordance with the Sunshine Law. As a reminder, when your name is called, 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, and minors do not need to be identified. Good morning, Councilmember Cook.

COUNCILMEMBER COOK: Good morning, Chair.

CHAIR SUGIMURA: Good morning. You're all ready for Christmas, it looks like.

COUNCILMEMBER COOK: I'm ready for Christmas. And there's no...nobody...we have Staff at the Kīhei Office if anybody wants to testify. Thank you.

CHAIR SUGIMURA: Thank you. Member Paltin, speaking of Christmas, good morning.

COUNCILMEMBER PALTIN: Aloha kakahiaka kākou.

CHAIR SUGIMURA: Aloha. And we have...online, we have Member Johnson. Good morning, and Merry Christmas.

COUNCILMEMBER JOHNSON: Good morning, Chair, Councilmembers, community members. Merry Christmas. There's no testifiers here at the Lānaʻi District Office, and I'm alone on my side of the office. Thank you, Chair.

CHAIR SUGIMURA: Okay. It was nice seeing your mother here and your uncle in the Chambers yesterday. Thank you.

COUNCILMEMBER JOHNSON: Yeah, I'm really happy to have them here. Great time for holidays and Christmas.

CHAIR SUGIMURA: Yeah. Member Sinenci, thank you for joining us online.

COUNCILMEMBER SINENCI: Yeah, aloha and Mele Kalikimaka. Here at my home office, here with a minor canine, and there are no testifiers at the Hāna District Office, Chair.

CHAIR SUGIMURA: Okay. Chair Lee, good morning and Merry Christmas.

COUNCILMEMBER LEE: Good morning and Merry Christmas, and happy holidays to you and to everyone out there. I am home alone in my workspace, looking forward to a quick meeting.

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CHAIR SUGIMURA: I agree. Okay. We just got jinxed, but I think we're all thinking the same thing. I guess Member U'u-Hodgins and Member Rawlins-Fernandez, that's it, will be joining us. From the Office of the Mayor, we have our favorite Budget Director, right . . .(laughing). . . in green for Christmas, Lesley Milner. Merry Christmas. Thanks for being here in person. Department of Environmental Management, William Jay, Environmental Program Specialist, will be joining us. Department of Public Works, Deputy Director Paul Barany; Michael Kinores, Chief of Field Operations and Maintenance; and Department of Finance, Maria Zielinski, online. Corporation...

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

CHAIR SUGIMURA: Oh, somebody say anything? Corporation Counsel, Kristie Wrigglesworth, thank you very much for being here. Appreciate it. Committee Staff, we have Cris Paranada, Secretary; Peter Hanano, Legislative Attorney; Kirsten Szabo, Legislative Analyst; James Krueger, Senior Legislative Analyst; Pauline Martins, Senior Committee Secretary. Please see the last page of the agenda for information on meeting connectivity. And thank you, Members. Today, we have two items on our agenda. The first item is BFED-13, Resolution 25-221, Authorizing the Transfer of an Unencumbered Appropriation Balance Within the Department of Public Works, Fiscal Year '26 Budget. BFED-12, Bills 117 [sic] (2025), and 178 ('25), Amending the Fiscal Year '26 Budget, Capital Improvement Projects, Department of Environmental Management (Lahaina Wastewater Reclamation Facility, Returned Activity [sic], Sludged/Watering [sic] Upgrades). And welcome, Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aloha kakahiaka, Chair. Aloha --

CHAIR SUGIMURA: Aloha.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- kakahiaka kākou. There are currently no testifiers at the Molokai District Office. Mahalo.

CHAIR SUGIMURA: Okay. Good morning. And do we have any testifiers?

. . . OPEN PUBLIC TESTIMONY AT BEGINNING OF MEETING . . .

MR. KRUEGER: Chair, we currently don't have any individuals signed up to testify at the beginning of the meeting, so we'll do a quick last call.

CHAIR SUGIMURA: I think I see somebody approaching.

MR. KRUEGER: Oh. Oh, yes.

CHAIR SUGIMURA: Oh. Okay. We have a testifier for the beginning of the meeting. You can identify yourself, and you --

MR. LAW: Ohayou --

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CHAIR SUGIMURA: -- know all the --

MR. LAW: -- Luna Ho'omalulu --

CHAIR SUGIMURA: -- testimony instructions. Please proceed, three minutes and 30 seconds to complete.

MR. LAW: -- Kashiwa Sugimura. I noticed the...it's not very exciting today. We got this...this sludge thing, this Lahaina Treatment Plant. And...but it's very important. I always...I always go up and thank the...the tanker...the driver of the tank truck, the one that gets all the stuff out of the port-a-potties, because that's probably the most important people in Maui, and they don't...people don't really see what...what kind of work they do. And thank you, Mr. Agawa, for working for the County. I was going to stop by and try to talk with you because I heard on the radio about the...the \$3 million that the United States EPA gave the County for the recycles, to buy the...to...to purchase the title for the land in the...in the...in Lahaina for recycle centers. And that's about it. I'll save the rest of my time for the Hawaiians.

CHAIR SUGIMURA: Thank you. Anybody have questions for the testifier? Seeing none. Thank you very much. So at this time, opening comments.

MR. KRUEGER: Oh.

CHAIR SUGIMURA: We will receive...

MR. KRUEGER: Chair?

CHAIR SUGIMURA: Yes.

MR. KRUEGER: Apologies. We did have one other individual indicate they would like to testify. That is James Langford.

CHAIR SUGIMURA: All right. Good morning, Mr. Langford, and Merry Christmas.

MR. LANGFORD: Aloha.

CHAIR SUGIMURA: So, you'll have --

MR. LANGFORD: Merry Christmas --

CHAIR SUGIMURA: -- three minutes.

MR. LANGFORD: -- to you.

CHAIR SUGIMURA: Oh, aloha and Merry Christmas. Identify yourself, and please let us know what you would like to testify on.

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MR. LANGFORD: Okay. I concur. I am James Langford. Thank you for noticing. And Merry Christmas to you. May it fill your heart each moment and breath. I provided some data on the Facebook page that might help find...working out the mathematics around today's agenda. Thank you.

CHAIR SUGIMURA: That's your...oh, he logged off before we could ask him questions. Thank you. Oh, there, you are back.

MR. LANGFORD: Hi.

CHAIR SUGIMURA: Are you done?

MR. LANGFORD: Yeah.

CHAIR SUGIMURA: Oh.

MR. LANGFORD: Keep...you guys wanted to get it done fast. Let's go fast.

CHAIR SUGIMURA: Oh, very good.

MR. LANGFORD: . . .*(inaudible)*. . .

CHAIR SUGIMURA: Anybody have questions --

MR. LANGFORD: I'll do fast.

CHAIR SUGIMURA: -- anybody have questions for the testifier? Seeing none. Thank you very much. Any more testifiers?

MR. KRUEGER: Chair, there's no one else signed up to testify at the beginning of the meeting. We'll just do a really quick last call in case there is anyone else. If there is anyone else to testify, please identify yourself now. On Teams, you can do that by raising your hand, and we'll do a countdown...three, two, one. Chair, there's no one else to testify.

CHAIR SUGIMURA: Okay. Thank you very much. So at this time, I'll close testimony at the beginning of the meeting and receive written testimony with your permission, Members.

COUNCILMEMBERS: No objections.

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

CHAIR SUGIMURA: Thank you.

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ITEM 13: RESOLUTION 25-221, AUTHORIZING THE TRANSFER OF AN UNENCUMBERED APPROPRIATION BALANCE WITHIN THE DEPARTMENT OF PUBLIC WORKS, FISCAL YEAR 2026 BUDGET

CHAIR SUGIMURA: So, we're going to proceed with the first item on our agenda, which is BFED-13, Resolution 25-221, which I mentioned when I did my opening. This is with Department of Public Works for Fiscal Year '26 Budget. It is for a transfer of a total of 225...220,000 of unencumbered balances as follows. 145...145,000 from the Roads, Bridge, and Drainage Maintenance Program, Highway Fund, Category A, to the Traffic Management Program, Highway Fund, Category B; and 75,000 from the Traffic Management Program, Highway Fund, Category A, to Category B. The transferred funds will cover unanticipated costs of repairs for vehicles damaged in...in accidents, and replacements for end-of-life signal equipment. The item...the transmittal item is on Granicus 2, and joining us today to assist us is Deputy...Deputy Director Paul Barany; Michael Kinores, Chief of Field Operations; Marcy Martin...or was it Maria Zielinski who's on; Lesley Milner. So who would like to do opening comments? Oh, there you are. Doc...not doctor...Deputy Director Barany. Would you like to do opening comments?

MR. BARANY: Good morning, Chair. Yes. Yeah. So --

CHAIR SUGIMURA: Thank you.

MR. BARANY: -- the Department of Public Works is requesting a budget amendment to transfer funds from some savings from vacant positions in our A budget in our Traffic Management Program and our Road, Bridge, Drainage Program to our Traffic Management Program Operations B budget in order to...to cover some unforeseen expenses and get us through the rest of this fiscal year.

CHAIR SUGIMURA: Okay. Anybody else? Budget Director, do you have any opening comments?

MS. MILNER: Thank you, Chair. No, I think you covered it appropriately. The total amount being transferred is 220,000 to cover these high expense failures that recently occurred. Thank you, Chair.

CHAIR SUGIMURA: Thank you. Okay. Appreciate that. So, at this time, do we have any testifiers?

. . . OPEN PUBLIC TESTIMONY FOR ITEM 13 . . .

MR. KRUEGER: Chair...

CHAIR SUGIMURA: Additional testifiers --

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MR. KRUEGER: Chair...

CHAIR SUGIMURA: -- for this item?

MR. KRUEGER: Chair, there's no one else signed up to testify on this item, so we'll do a brief countdown in case there is anyone else who would like to testify on this item. This is last call. Here's the countdown...three, two, one. Chair, no one has identified themselves as wishing to testify on this item.

CHAIR SUGIMURA: Thank you. With your permission then, I'll close public testimony and we will receive written testimony.

COUNCILMEMBERS: No objections.

. . . CLOSE PUBLIC TESTIMONY FOR ITEM 13 . . .

CHAIR SUGIMURA: Oh, I should go speak louder. Is that what you're saying? Okay.

COUNCILMEMBER COOK: Get it closer.

CHAIR SUGIMURA: Get it closer. All right, Member Cook. So, Members, any questions for our resources? We'll start off with Member Cook.

COUNCILMEMBER COOK: Thank you, Chair. I don't have any questions. I understand that basically they're utilizing funds, and transferring them to cover a need.

CHAIR SUGIMURA: Okay. I'll stay in the Chamber. Member Rawlins-Fernandez, do you have any questions? Three minutes.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo. Yeah, I...I guess, is there a reason that we had to take this up in Committee and not just pass it at full Council on first reading?

CHAIR SUGIMURA: Could. We're doing it today. You want to participate?

COUNCILMEMBER RAWLINS-FERNANDEZ: I'm here.

CHAIR SUGIMURA: All right. Good.

COUNCILMEMBER RAWLINS-FERNANDEZ: I just...

CHAIR SUGIMURA: Do you have any questions?

COUNCILMEMBER RAWLINS-FERNANDEZ: If there was something that you knew about this item that made it have to come to Committee, I don't know.

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CHAIR SUGIMURA: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: That's my question.

CHAIR SUGIMURA: Okay. Thank you. So, I did not know, so we are taking it up today. Do you want to participate and have questions?

COUNCILMEMBER RAWLINS-FERNANDEZ: That was my question, Chair.

CHAIR SUGIMURA: Okay. I answered.

COUNCILMEMBER RAWLINS-FERNANDEZ: Is there something? And the answer is yes or no.

CHAIR SUGIMURA: So --

COUNCILMEMBER RAWLINS-FERNANDEZ: No?

CHAIR SUGIMURA: -- no.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay.

CHAIR SUGIMURA: Oh. So, Staff is saying it was direct referred to us. But any questions that you may have, Member Paltin?

COUNCILMEMBER PALTIN: Thank you so much for the speed bumps --

CHAIR SUGIMURA: . . .*(laughing)*. . .

COUNCILMEMBER PALTIN: -- for Mr. Nip *(phonetic)*.

CHAIR SUGIMURA: Oh.

COUNCILMEMBER PALTIN: The folks at the Lum Lung Boat Ramp are asking if they could have speed bumps too. Will any of this funding be able to provide speed bumps near the new bridge in Kahana?

CHAIR SUGIMURA: Deputy Director?

MR. BARANY: Thank you, Member Paltin. You're welcome. I know it's been a long time. So, this...this funding is actually within our Highways Operations Program, so it...it won't be directly in...involved with that. But I am aware that our Engineering Division has those second set of speed humps in the works, so...

COUNCILMEMBER PALTIN: That's...

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MR. BARANY: I think there was some previous...some previous applications put in a year or two ago as well, so...

COUNCILMEMBER PALTIN: That's great news. So, is this Highway Division Countywide, or is there a specific district that they're going to be applied for?

MR. BARANY: You mean for the...the speed humps?

COUNCILMEMBER PALTIN: Oh, for this --

MR. BARANY: Yeah. Oh, for this.

COUNCILMEMBER PALTIN: -- \$50,000 in unanticipated costs.

MR. BARANY: Yeah. So, for the \$220,000, it's Countywide, so it's mainly for our traffic signals group.

COUNCILMEMBER PALTIN: Oh, okay. Okay. And --

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: -- oh, one further question, if I may ask. There was a question about the...the wall in Lahaina off Highway 30. That's not you folks, right? That's the State?

MR. BARANY: So, yes. Yeah. If it's Highway 30, which is Honoapi'ilani Highway, that would be State Department of Transportation.

COUNCILMEMBER PALTIN: Okay. Great. You can nevermind the transmittal I sent last month, because I got my answer. Thank you.

CHAIR SUGIMURA: Great. So, you're done. Next, we have Chair Lee, then we'll take up Member Johnson, and then Member Sinenci.

COUNCILMEMBER LEE: Thank you, Chair. I have no questions.

CHAIR SUGIMURA: Great. Okay. Member Johnson?

COUNCILMEMBER JOHNSON: Thank you, Chair. It does seem pretty simple, but since Deputy Director is here. Why...it came...the money came from salaries. What happens to those positions? Are they considered unfunded now if someone applies? What happens with that job?

MR. BARANY: Thank you, Councilmember Johnson. So, those positions have already some savings realized through the current fiscal year, so the first four...you know, five/six months, and that'll...that'll cover that transfer. And they've been vacant, we're

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working on recruiting them actively. It's just been a little bit of a backlog with...with some short staff in our HR and support from DPS in getting those filled, so...

COUNCILMEMBER JOHNSON: Okay. You know, of course, when we talk about taking money from salaries, to me that means positions and workers that need to do the work. Will that work get delayed? That's kind of where I'm coming from for that, Deputy Director. You...you...how does it affect you guys' operation when you take money out of positions and put them into, you know, fixing your cars that are damaged, and et cetera?

COUNCILMEMBER PALTIN: I know the answer, if you want to know.

MR. BARANY: Lesley, you want to --

MS. MILNER: Yeah, if...if you don't mind. Thank you, Chair. Thank you, Councilmember Johnson. If I understand Deputy Director correctly, what he's saying is if they were to fill these positions today, they have sufficient remaining A funds to continue --

COUNCILMEMBER JOHNSON: Okay.

MS. MILNER: -- to pay for them and do the work. Thank you, Chair.

COUNCILMEMBER JOHNSON: Okay. Because Lānaʻi--I'm going to plug, since I got the mic--Lānaʻi, of course, needs a lot of help, a lot of sidewalk work, all those things that we talk about, so just want to make sure that we're getting all our...you know, all our community's needs addressed. So, that's my time, and, you know, those were my questions. I appreciate it. Pretty simple, basic, straightforward stuff. Thank you, Chair.

CHAIR SUGIMURA: Thank you. Member Sinenci?

COUNCILMEMBER SINENCI: Thank you, Chair. The Finance Director mentioned some unexpected challenges, and then Mr. Barany said something about traffic. Was it for any specific project?

MR. BARANY: Thank you, Councilmember Sinenci. No, nothing specific. We just have some repairs that need to be taken care of before the...the end of this fiscal.

COUNCILMEMBER SINENCI: Oh, okay. And then my opportunity for East Maui plug.

CHAIR SUGIMURA: . . .*(laughing)*. . .

COUNCILMEMBER SINENCI: I know we've been getting some calls from the Kaupō community. Well, we do get a lot of traffic that goes to the backside, and...and that road has these...not blind turns, but blind hills. And so, some...some people would just kind of speed, and then they're actually jumping over on the other side. So, I

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don't know if I can put a plug in for some signage, just for...there might be two or three places in Pi'ilani Highway that have blind hills, I guess, that people come over. We do have a lot of tourist traffic there. Thank you.

CHAIR SUGIMURA: Okay. Thank you very much. Did you get that, Deputy Director? You need it in writing?

MR. BARANY: Yeah, noted.

CHAIR SUGIMURA: Okay. Very good. So, I guess you understand...you answered one of the questions that I had about the use of Category A and the surplus. And how many positions related to that are vacant in Roads, Bridges, and Drainage Maintenance, and the Traffic Management programs?

MR. BARANY: Thank you, Chair. So we're going to be using savings from nine positions. Seven from our Makawao Road, Bridge, Drain Maintenance Program, and two position savings from our Traffic Signs and Markings Program.

CHAIR SUGIMURA: Okay. So, I guess the accident question, I understand. And when insurance proceeds come in, how are they recorded and applied to these programs? I'm sorry, when accident...yeah. Since they're accident-related prevention.

MR. BARANY: So, I would...I would defer the answer to that question to the Department of Finance.

CHAIR SUGIMURA: Or Budget. Is somebody...oh, there's Maria Zielinski. Okay.

MS. MILNER: Yeah, I'll defer to Maria on this one, as the insurance proceeds process is a little convoluted. Thank you, Chair.

CHAIR SUGIMURA: Thank you.

MS. ZIELINSKI: Thank you, Chair. Yeah, the...any proceeds that are received are recovered actually through...it's through Risk Management. So it actually goes through self-insurance Countywide. So, it...it doesn't...it doesn't benefit Public Works...the Department of Public Works, per se.

CHAIR SUGIMURA: Oh, thank you. Learned something. Okay. Very good. So, does anybody have questions for round two before I do my recommendation? You're all good? Okay. So, at this...

COUNCILMEMBER PALTIN: I have a question.

CHAIR SUGIMURA: Oh, you have a question, go ahead.

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COUNCILMEMBER PALTIN: Could any of these monies that we're converting from Category A to the other categories be used to extend the lower Honoapi'ilani improvement up to Merriman's...past Nāpilihau, going north?

CHAIR SUGIMURA: Deputy Director, do you have an answer for that?

MR. BARANY: Yes. Thank you, Councilmember Paltin. So, these funds are operational in nature, so they would have to then cross over into the...the CIP world. So, it wouldn't be funded --

COUNCILMEMBER PALTIN: Okay.

MR. BARANY: -- or be used for that type of...yeah.

COUNCILMEMBER PALTIN: Shucks, I thought I'd give it a try.

CHAIR SUGIMURA: . . .*(laughing)*. . .

COUNCILMEMBER PALTIN: There's some constituents that want to meet with you folks, so we might be calling up for a meeting maybe next year about that. Thank you.

CHAIR SUGIMURA: All right.

MR. BARANY: Okay. Mahalo.

CHAIR SUGIMURA: Very good. Anybody else have any questions for the departments? Seeing none. So, at this time, I'm going to...I'll entertain a motion to recommend adoption on Resolution 25-221, incorporating any nonsubstantive revisions.

COUNCILMEMBER COOK: So moved.

CHAIR SUGIMURA: Member Cook. Is there a second? Member Sinenci made the second. Any discussion? No? Seeing none. All right. I'll call for the vote then. All in favor, please raise your hand and say "aye."

COUNCILMEMBERS: Aye.

CHAIR SUGIMURA: Aye. So, who is missing? So, thank you, everybody. The only person...so, we have seven "ayes" and one excused.

MR. KRUEGER: Chair?

CHAIR SUGIMURA: Because Member Johnson's not here.

MR. KRUEGER: Oh. Right, we...we don't see Member Johnson or Member U'u-Hodgins.

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CHAIR SUGIMURA: Oh, that's right. Okay. So, this motion passes. Excused is Member U'u-Hodgins, as well as Member Johnson just stepped away from his desk.

VOTE: AYES: Chair Sugimura and Councilmembers Cook, Lee, Paltin, Rawlins-Fernandez, and Sinenci.

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmembers Johnson and U'u-Hodgins.

MOTION CARRIED.

ACTION: Recommending ADOPTION of Resolution 25-221.

CHAIR SUGIMURA: So, thank you very much. We're done with item one on the agenda.

ITEM 12: BILLS 177 (2025) AND 178 (2025), AMENDING THE FISCAL YEAR 2026 BUDGET: CAPITAL IMPROVEMENT PROJECTS, DEPARTMENT OF ENVIRONMENTAL MANAGEMENT (LAHAINA WASTEWATER RECLAMATION FACILITY RETURNED ACTIVATED SLUDGE/DEWATERING UPGRADES)

CHAIR SUGIMURA: And...okay. So, now we're going to our second item. Do we have any testifiers?

. . . OPEN PUBLIC TESTIMONY FOR ITEM 12 . . .

MR. KRUEGER: Chair, we currently don't have any individuals signed up to testify on item BFED-12.

CHAIR SUGIMURA: Okay.

MR. KRUEGER: So, we'll do a last call. If there's anyone who'd like to testify on this item, please identify yourself now. On Teams, you can do that by raising your hand. We'll do a brief countdown...three, two, one. Chair, there's no one to testify on this item.

. . . CLOSE PUBLIC TESTIMONY FOR ITEM 12 . . .

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CHAIR SUGIMURA: Okay. Thank you. So, I also see that we have Director Agawa logged in. Thank you very much. I don't see him on my screen, but is he on? And I have Marcy...

MR. AGAWA: Good morning, Chair.

CHAIR SUGIMURA: Oh, okay. Thank you very much. Thank you very much for being here. Marcy Martin or Maria Zielinski. I guess maybe it's going to be Maria who popped on earlier, as well as Budget Director Milner. So, this item on today's agenda is for bills 177 and 178, relating to the Lahaina Wastewater Reclamation Facility Returned Activated Sludge and Dewatering Upgrade...Upgrades Project. Bill 177 would authorize the Mayor to enter into an intergovernmental agreement for a 22,409,000 loan from the State Water Pollution Control Revolving Fund to finance the project. Bill 178 amends fiscal year...

MR. KRUEGER: Apologies to interject, Chair. I think...

CHAIR SUGIMURA: Oh, shall we do a recess? Are we having technical concerns?

MR. KRUEGER: Apologies. I think...I think we should be okay. I think we...we had a momentary, but we...we're...we're online. We're fine.

CHAIR SUGIMURA: We're fine?

MR. KRUEGER: Yeah.

CHAIR SUGIMURA: Okay. Very good. So, I'll continue then. Bill 178 amends Fiscal Year '26 Budget to recognize the revenue from loan and appropriate it to the capital improvement project. According to the Budget Director's transmittal...are we having a problem still? No? Okay. This loan is eligible for 100 percent principal forgiveness. And so, I...I mentioned who's going to be here. So, can we have comments then from Director Agawa, and then we'll get some public testimony after.

MR. AGAWA: Thank you, Chair. Thank you, Members. Yeah. So, the EPA and the DOH provided us a SRF loan to help with one of our projects in Lahaina, which is to upgrade a portion of our treatment facility. This loan is 22.4 million and change. The bids came in higher, so it's greatly needed, and we ask that you approve this amendment to the budget to add those funds in. Thank you, Chair.

CHAIR SUGIMURA: Oh, thank you. Maria Zielinski, Direct...Deputy Director Zielinski, are you still on to make any opening comments? *(pause)*

MS. ZIELINSKI: Yes, Chair, I'm...I'm here. Oh, yes, I'm here, Chair. I don't have any opening comments, however.

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CHAIR SUGIMURA: Okay. Thank you very much. Budget Director, do you have any opening comments?

MS. MILNER: Thank you, Chair. I would just add that this is the SRF pot of funding that we generally receive monies for. We had some projects already allocated to this under the Fiscal Year '26 Budget. So, this is a pot of money that we are all familiar with. Thank you, Chair.

CHAIR SUGIMURA: . . .*(laughing)*. . . And we want. So, thank you for doing this. Any testifiers?

. . . OPEN PUBLIC TESTIMONY FOR ITEM 12 . . .

MR. KRUEGER: Chair, there's currently no one else signed up to testify on this item. So again, we'll just do a brief countdown in case anyone does want to testify. Please identify yourselves now...three, two, one. There's no one to testify on this item.

CHAIR SUGIMURA: Thank you very much. So, with your permission, I'm going to close public testimony, receive written testimony on this item.

COUNCILMEMBERS: No objections.

. . . CLOSE PUBLIC TESTIMONY FOR ITEM 12 . . .

CHAIR SUGIMURA: Thank you. We're going to do deliberations. Three minutes per Member, if you have any questions. I'm going to start off with Member Cook.

COUNCILMEMBER COOK: Thank you, Chair. My question would be for Director Agawa. Good...good morning, sir. Could you give a brief outline, a description of the sludge/dewatering upgrade...like what this funding will do?

MR. AGAWA: Thank you, Chair. Thank you, Member Cook. So, this project entails the upgrade of our main dewatering portion of the plant at Lahaina Treatment Facility. What it does is it takes the treated wastewater, runs it through gravitational centrifuges to take the water out, and then remove the sludge, which are the solids. What's happening is that facility is nearing the end of its useful life. There's concrete damage. The...the centrifuges themselves will be replaced. It's just mainly aging equipment and facility that needs upgrade and replacement. Thank you.

COUNCILMEMBER COOK: Thank you, sir. Any new technologies involved, or is it an existing system that works and is being rebuilt?

MR. AGAWA: Thank you, Chair. Thank you, Member Cook. Good question. I believe we are going with upgraded centrifuges, which provides better efficiency. What the returned activated sludge does is, we have the bugs that eat the wastewater, so we take the

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bugs in the sludge and we return it back to the aeration basin. Why that matters with cost is, the more efficient the process is, the less electricity we use. Thank you, Chair. Thank you, Member.

COUNCILMEMBER COOK: Thank you. What's the timeline? My final question for this round. What's the timeline for this project?

MR. AGAWA: Thank you, Chair. Thank you, Member Cook. So, the timeline of this project, we just received the contract from Corp. Counsel that was sent to the contractor. It's in their hands. We anticipate sending notice to proceed once the contract is fully executed in January of this coming year. The duration of the project, I believe, is about 18 months to two years.

COUNCILMEMBER COOK: And a follow-up on my follow-up.

CHAIR SUGIMURA: Yeah.

COUNCILMEMBER COOK: Are there any permits required for this?

MR. AGAWA: That's a good question. I do not believe so because it's within our facility, but I can find out and answer in writing.

COUNCILMEMBER COOK: I like the first answer that we believe there's not.

CHAIR SUGIMURA: . . . *(laughing)* . . .

COUNCILMEMBER COOK: Thank you very much, sir. Thank you, Chair.

CHAIR SUGIMURA: Thank you. That is your thing, Member Cook. Member Rawlins-Fernandez, followed by Member Paltin.

COUNCILMEMBER RAWLINS-FERNANDEZ: No questions.

CHAIR SUGIMURA: Thank you. Member Paltin?

COUNCILMEMBER PALTIN: Yeah, I don't have any questions.

CHAIR SUGIMURA: Thank you. Chair Lee?

COUNCILMEMBER LEE: Thank you. I have no questions.

CHAIR SUGIMURA: Member Johnson?

COUNCILMEMBER JOHNSON: Thank you, Chair. I have no questions. Thank you, Director Agawa. Thank you, Chair.

CHAIR SUGIMURA: And then Member Sinenci.

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COUNCILMEMBER SINENCI: Thank you, Chair. Just one question about the...the loan to the SRF. Would that be paid with the waste...the Department's funding?

MR. AGAWA: Thank you, Chair. Thank you, Member Sinenci. So, this loan is principal forgiveness, 100 percent. For basic SRF loan, which is portion of the funding of this project as well, yes, we will be paying back with rates and fees and revenue for Wastewater, as is standard.

COUNCILMEMBER SINENCI: Okay. Okay. Thank you, Director. Thank you, Chair.

CHAIR SUGIMURA: Okay. Very good. Anybody have any round two questions? This is pretty straightforward, so appreciate everybody. Thank you, Chair Lee, for direct referring it to me. And it sure looks like it was...can be done fast for this item, so thanks a lot. At this time then, I'd like to entertain a motion to recommend passage on first reading of Bill 177 (2025), and Bill 178 (2025), incorporating any nonsubstantive revisions.

COUNCILMEMBER COOK: So moved.

CHAIR SUGIMURA: Thank you, Member Cook. Need a second.

COUNCILMEMBER SINENCI: Second.

CHAIR SUGIMURA: Second by Member --

COUNCILMEMBER SINENCI: Second.

CHAIR SUGIMURA: -- Sinenci. Thank you, Member Sinenci. Any discussions? Seeing none. All right. All in favor, raise your hand and say "aye."

COUNCILMEMBERS: Aye.

CHAIR SUGIMURA: So, this looks like seven "ayes," one excused, Member U'u-Hodgins. And boy, we are done. This motion is...passes.

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VOTE: AYES: Chair Sugimura and Councilmembers Cook, Johnson, Lee, Paltin, Rawlins-Fernandez, and Sinenci.

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmember U‘u-Hodgins.

MOTION CARRIED.

ACTION: Recommending FIRST READING of Bill 177 (2025) and FIRST READING of Bill 178 (2025).

CHAIR SUGIMURA: And the meeting is...anybody else have any comments? Anything we need to cover? This meeting is now adjourned at 9:34. . . .*(gavel)*. . .

ADJOURN: 9:34 a.m.

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Transcribed by: Daniel Schoenbeck

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CERTIFICATION

I, Daniel Schoenbeck, hereby certify that pages 1 through 18 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 21st day of January 2026, in Wailuku, Hawaii



Daniel Schoenbeck