

BUDGET, FINANCE, AND ECONOMIC DEVELOPMENT COMMITTEE

Council of the County of Maui

MINUTES

September 5, 2025

Online Only via Teams

CONVENE: 1:33 p.m.

PRESENT: Councilmember Yuki Lei K. Sugimura, Chair
Councilmember Tasha Kama, Vice-Chair (In 1:34 p.m.)
Councilmember Tom Cook, Member
Councilmember Gabe Johnson, Member (In 1:42 p.m.)
Councilmember Alice L. Lee, Member (In 1:40 p.m.; Out 2:53 p.m.)
Councilmember Tamara Paltin, Member
Councilmember Keani N.W. Rawlins-Fernandez, Member (In 1:34 p.m.)
Councilmember Shane M. Sinenci, Member
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
Jean Pokipala, Council Services Assistant Clerk
Ryan Martins, Council Ambassador

Residency Area Office (RAO):

Mavis Oliveira-Medeiros, Council Aide, East Maui Residency Area Office
Roxanne Morita, Council Aide, Lanai Residency Area Office
Christian Balagso, Council Aide, West Maui Residency Area Office
Clyde “Buddy” Almeida, Council Aide, Makawao-Ha‘ikū-Pā‘ia Residency Area Office

ADMIN.: Kristina Toshikiyo, Deputy Corporation Counsel, Department of the Corporation Counsel
Kristie Wrigglesworth, Deputy Corporation Counsel, Department of the Corporation Counsel
Lesley Milner, Budget Director, Office of the Mayor
Wade Maeda, Deputy Chief, Department of Police
Cynthia M. Razo-Porter, Director, Department of Personnel Services
John Stufflebean, Director, Department of Water Supply
Cynthia Lallo, Chief of Staff, Office of the Mayor
Tiare Horner, Budget Specialist, Office of the Mayor
Noah Jackson, Executive Assistant, Department of Management

OTHERS: Jasee Law
Royal House of Hawai‘i
Others (13)

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

CHAIR SUGIMURA: . . .*(gavel)*. . . Good afternoon, which is not normally what I say. This is the Budget, Finance, Economic Development Committee. It is now 1:33 in the afternoon. My name is Yuki Lei Sugimura. I'm the Chair of this Committee. And I'm so grateful to be with you today. and we have three items on our agenda. And this meeting is being conducted in accordance with the Sunshine Law. And as a reminder, when your name is called, if you're not in the Council Chambers, please identify by name who, if anyone is in room, vehicle, or workspace with you today. Minors do not need to be identified. I have Member Cook right before me. Good afternoon, Member Cook.

COUNCILMEMBER COOK: Good afternoon, Chair. There's no, currently no testifiers at the Kihei Regional Office. But we have people there on standby and --

CHAIR SUGIMURA: Okay.

COUNCILMEMBER COOK: -- looking forward to the meeting.

CHAIR SUGIMURA: Yes. Member Johnson left for a little while. He was here, he's going to come back. Chair Lee, I think she might be in her other meetings still. She'll join us. Member Paltin. Good afternoon. Looks like you're eating saimin.

COUNCILMEMBER PALTIN: Aloha 'auinalā. I got some tofu salmon salad.

CHAIR SUGIMURA: Ooh.

COUNCILMEMBER PALTIN: And rice.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: Streaming live and direct from the West Maui Residency Area Office here in the heart of historic burn zone Lahaina. And I have with me Christian Balagso.

CHAIR SUGIMURA: All right. Good afternoon. Member Rawlins-Fernandez will join us. Member Sinenci.

COUNCILMEMBER SINENCI: Aloha, Chair. Good afternoon. Bula bula everybody.

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

COUNCILMEMBER SINENCI: Here at my home, I'm in Hāna. I'm here by myself and there's no testifiers in Hāna, Chair.

CHAIR SUGIMURA: Bula bula. Member Nohe U'u-Hodgins. Good afternoon. Oh, we can't

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hear you. Oh. There's minors in the car with you. Okay. Now we can hear you.

COUNCILMEMBER U'U-HODGINS: Sorry. Can you hear me now?

CHAIR SUGIMURA: Yes. Now we can hear you.

COUNCILMEMBER U'U-HODGINS: Okay. Good. We switched over from Bluetooth to my speaker. I'm in my personal car. I'm driving my son. He's not a minor anymore as of a few days ago. I will be in person in a little bit maybe about 2:30 or so. And other than that, I'll be in the car, but I'll be here.

CHAIR SUGIMURA: Ah. Okay. Nice seeing you, Nohe.

COUNCILMEMBER U'U-HODGINS: Thank you.

CHAIR SUGIMURA: And look at Shane's dog. How cute is that...that's a new one yeah? I know he has 12 dogs, so just adding to the family. So, I guess...oh there's Member Kama. Vice-Chair Kama, welcome.

VICE-CHAIR KAMA: Oh. Aloha 'auinalā, Chair. I'm looking forward to a great meeting today. Thank you.

CHAIR SUGIMURA: Yes.

VICE-CHAIR KAMA: Thank you.

CHAIR SUGIMURA: Thank you. Member Rawlins-Fernandez. There you are. Good afternoon.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aloha. Aloha 'auinalā kākou. Mai Molokai Nui a Hina. I'm at my private residence, my two children who are minors have arrived home early from school, short day Friday. And then my husband, Makena Fernandez, should likely be home soon. And there are currently no testifiers at the Molokai District Office.

CHAIR SUGIMURA: Wonderful. Okay. So at this time, Members, I'm going to introduce the Office of the Mayor. Lesley Milner, Budget Director. Thanks for being with us all day. Department of Personnel Services. We have Kainea Aiwohi-Alo, Deputy Director. I don't see her, I'm sure she'll join us. Department of Police, Deputy Chief of Police Wade Maeda. Thank you very much for joining us again. Department of Water Supply, Director John Stufflebean. And he's going to be joining us virtually. Also, Corporation Counsel, Kristina Toshikiyo, you're here with us at the Chambers. Good to see you. Our Committee Staff is Jean Pokipala, Council Services Assistant Clerk. Peter Hanano, Legislative Attorney. Kirsten Szabo, Legislative Analyst. James Krueger, which is our Senior Legislative Analyst. Pauline Miller-- Martins, Senior Committee Secretary. And please see the last page of the agenda for any information regarding meeting connectivity. Thank you, Members. We have three items on the agenda today and they are BFED-4, Bill 92, Authorizing the Mayor to Enter Into an Intergovernmental Agreement with the Bureau of Investigation for a Joint Terrorism Task Force [sic].

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Bill-43...I mean sorry. BFED-43, Bill 99 (2025), Amending the Fiscal Year '26 Budget, Appendix B, Department of Water Supply (Water Fund, Preservation/Restoration Rate). And BFED-44 which is Bill 100 (2025) and Bill 101 (2025), Amending the Fiscal Year '26 Budget, Capital Improvement Projects, Department of Water Supply (Countywide, Countywide Upgrades and Replacements). And do we have any testifiers?

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

MR. KRUEGER: Chair, there's currently no one signed up to testify at the beginning of the meeting. Oh. We do see an individual indicating they'd like to testify at the beginning of the meeting.

CHAIR SUGIMURA: Okay. We have a repeat testifier. So I'm going to guess I don't need to read all of the instructions. Please identify yourself by name. You'll have three minutes, 30 seconds to complete. And please let me know what item you'll be testifying on.

MR. LAW: It's Jasee Law again. Aloha kakahiaka, Councilmembers. I'm glad I have a chance to testify on Bill 92 again. Thank you, Deputy Chief Maeda, for being here. And yeah, I don't want to take this one too lightly because if something happens then I'll feel bad. But I don't think any terrorists are coming to Hawai'i. This is, like, their favorite vacation spot. And so, they're not going to do anything. But yeah, maybe they might want to catch 'em by the collar and tell 'em don't do that bad kind stuff anymore. So I'm wondering if like the word terrorism...oh yeah, I found a word in the dictionary for it, actually have like a Hawaiian word it says, Kanaka ho'o makahuna (*phonetic*). Which if you break it down it kind of means like a secret spy or something like that. Maka, I think, means eyes and huna means secret. So when I was accused of being a terrorist not too many years ago in Waiakoa town up by...I hope the new manager of Kula Bistro was at kana (*phonetic*) one they call terroristic threatening, which I'm not sure is the same one but it's the same word. And I just think it's unfair that there it's on my record as being arrested for that so when it...when it when one of your officers checks me out, they're going to see that, and they might get a little bit nervous. But I'm not I ain't going to hurt no Maui County people. And I think it's unfair...that it might be a different subject but maybe the County can do something about it, that I have to pay \$30 to get it erased from my record. That's about it. Thank you for your time Luna Ho'omalua Sugimura.

CHAIR SUGIMURA: Any questions for the testifier? Seeing none. Thank you. I see Chair Lee joined us. Good afternoon, Chair Lee. Hi.

COUNCILMEMBER LEE: Can you hear me now?

CHAIR SUGIMURA: Yes. Now we can hear you.

COUNCILMEMBER LEE: Yeah. I'm in my office. Thank you.

CHAIR SUGIMURA: Okay. Thank you. Welcome. All right. So you want to call last call

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for...thank you.

MR. KRUEGER: Proceeding with last call for testimony at the beginning of the meeting. If there is anyone who'd like to testify at this time, please identify yourself now. On Teams you can do that by using the raise hand function. We'll do a countdown. Three...two...one. Chair, no one has indicated they'd like to testify.

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

ITEM 4: BILL 92 (2025), AUTHORIZING THE MAYOR TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE FEDERAL BUREAU OF INVESTIGATION FOR A JOINT TERRORISM TASK FORCE

CHAIR SUGIMURA: Thank you. All right, Members, we are on the first item which is Bill 92. And the first item is the Bill to Authorize the Mayor to Enter Into an Intergovernmental Agreement With the Federal Bureau of Investigation to Participate in FBI Honolulu Division Joint Terrorism Tap...Terrorism Task Force. The agreement formalizes our Police Department's role in the task force, which seeks to prevent, deter, and investigate terrorist acts. Two letters with questions were submitted to the Department and the responses are in Granicus four and seven. You did a very good job, Police Department, of answering the many questions. So at this time joining us, we have from our Department Deputy Chief of Police Wade Maeda. And did Personnel ever show up? Oh, we haven't. Okay. Deputy Chief Maeda, please give us your opening comments.

MR. MAEDA: Good afternoon, Chair. Good afternoon, Councilmembers. The Maui Police Department has a intergovernmental agreement with the Honolulu Field Office of the Federal Bureau of Investigation to enter into...to enter into their joint terrorism task force. Now, this joint terrorism task force was formulated in 2002 after the 9/11 attacks in New York. What they found out was that there was a lot of information that was actually out there that wasn't brought to the...forth to the table into a centralized area where there could be discussion about vetting information, the terrorist...the actual attack, and preventive measures. So the...that's why the task force was created. Now this task force is...it consists of Federal agencies, and State, and Local County counterparts. And there is no money exchange to be a part of the task force. And being part of the task force is voluntary. However, we, the Maui Police Department, strongly advises the Council to support this...this task force because, you know, although Hawai'i in general hasn't been targeted heavily for a terrorism attack, we are considered a soft target. Meaning that it...if a terrorist group, whether domestic or international, were...were to try to conduct a terrorist attack it's...it's a lot easier. I'll take you for example the County Fair. We have security at the County Fair for normal measures to prevent and to promote public safety and to prevent...prevent crime. However, if we were to get word that there...there would be a possible terrorism attack, or we were under threat of terrorism...terrorism attack then the...the...the security measures and the...the means we would take to keep the people safe would be tenfold. It's almost like

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the if the President were to come visit us. I want to give a disclaimer to this task force has nothing to do with Homeland Security or ICE, nothing at all to do with that. This is a strictly terrorism group, terrorism task force group and the members of the task force have to be vetted through the Federal Bureau of Investigation, and they must maintain a secret clearance, meaning they cannot have they...they're they cannot have any improprieties on their record, or they won't make the clearance. And that's...that's all I have. Thank you.

CHAIR SUGIMURA: Ms. Milner, do you have any comments?

MS. MILNER: Thank you, Chair. There's no monetary costs to this agreement. So, I do not have any comments at this time. Thank you.

CHAIR SUGIMURA: Okay. Personnel...did Personnel ever show up? Oh. Okay. All right. So, Members, questions. Did I --

MR. KRUEGER: Chair.

CHAIR SUGIMURA: -- oh you know what? Gabe Johnson, Member Johnson is here. Thank you.

COUNCILMEMBER JOHNSON: Okay. Thank you, Chair. Sorry for my tardiness, I had to go pick up a tire from fleet, so pretty busy before the weekend. There's no testifiers at the Lānaʻi District Office. And I'm here and ready to work.

CHAIR SUGIMURA: Okay. Very...very good. Welcome. So at this time, I'm going to start with Member Kama, and then go to Chair Lee and just go down the row.

MR. KRUEGER: Chair.

CHAIR SUGIMURA: Yes.

. . . OPEN PUBLIC TESTIMONY FOR ITEM 4 . . .

MR. KRUEGER: Apologies to interject. Should we proceed with testimony?

CHAIR SUGIMURA: Oh, that's right, this is a new item. Right. Okay. We'll do it again.

MR. KRUEGER: Chair, there's currently no individuals signed up to testify on this item. So we'll do a brief last call. If there's anybody who'd like to testify on this item, please identify yourself now. On Teams you can do that by using the raise hand function. We'll do a countdown. Three...two...one. Chair, no one has indicated they'd like to testify.

CHAIR SUGIMURA: Can you do a last call?

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MR. KRUEGER: Oh. Yes. One final last call. Three...two...one. Chair, still no one wishing to testify.

CHAIR SUGIMURA: Thank you. Members, with your permission I'm going to close public testimony for this item and receive written testimony.

COUNCILMEMBERS: No objections.

. . . CLOSE PUBLIC TESTIMONY FOR ITEM 4 . . .

CHAIR SUGIMURA: Thank...thank you. Okay. So for discussion, three minutes per Member, and we'll start off with Member Kama, go to Chair Lee, --

VICE-CHAIR KAMA: Thank you.

CHAIR SUGIMURA: --Tamara Member Paltin and Johnson. Go ahead. You have questions?

VICE-CHAIR KAMA: Thank you, Chair. Yes. So Deputy Director Wade, why does the FBI feel a need to now at this...at this time, to be able to put together a joint task force on terrorism?

MR. MAEDA: So thank you for the question, Member Kama. The...the task force has...has been has was formed...was formed in 2002. And we've had an intergovernmental agreement with them since 2002. And it's...it's strictly because the...the act of terrorism, the terrorism does exist, and we have to be aware of that and try to prevent it at all costs to protect the citizens of the United States.

VICE-CHAIR KAMA: So we're just going to continue with a memorandum like we've had in the past and we're just renewing it. Is that what this is?

MR. MAEDA: That is correct, Member Kama.

VICE-CHAIR KAMA: Oh. Okay. So we've had one like this since 2002. How often does it need to be reauthorized?

MR. MAEDA: Oh. We...we were advised that it should be renewed on an annual basis. At the very minimum we try to do it every two years.

VICE-CHAIR KAMA: Oh, I see. Okay. So in the past, has anything come up that has warranted the task force to take action?

MR. MAEDA: Yeah. So there's...thank you for the question. There's been...there's been actual acts of terrorism since 2002 in Hawai'i, whether it be terrorist targets coming to Hawai'i to check the optics out or to be involved in...in the planning of a terrorist attack. So therefore, that's why we...we have these monthly meetings where we discuss potential threats that are coming into Hawai'i.

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VICE-CHAIR KAMA: Okay. Thank you. Thank you, Chair.

MR. MAEDA: Thank you.

CHAIR SUGIMURA: Thank you. Next, Chair Lee followed by, Member Paltin, then Member Johnson.

COUNCILMEMBER LEE: Thank you. I have no questions.

CHAIR SUGIMURA: Thank you. Member Paltin.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Deputy Maeda. I just wanted to clarify in your response to the letter that said international and domestic violent criminal acts is kind of what the purpose of this agreement is for. So talking, legal action, discussion, at what point...because you want to stop the violent criminal acts before they occur so it might not have occurred. At what point like, you know, obviously we all know the history of how Hawai'i is supposedly under the jurisdiction of the United States of America. So talking, legal action and all those kind of things will not be defined as terrorism, right?

MR. MAEDA: Thank you for the question. Member Paltin, yes that...that is correct. Unless the unless a particular group has...has an initiative to commit crimes against the people, or in act of domestic or international terrorism the JTTF and the Maui Police Department will not get involved. We...we well we support First Amendment Constitutional rights and the Constitutional rights of all members of the public and their right for peace... their rightful ability to protest. And therefore the...the...those groups will not be targeted. They have to have a specific criminal intent to harm the people of...of the State of Hawai'i for the JTTF to formulate and try to go after these people.

COUNCILMEMBER PALTIN: Okay. So I...I understand that the Maui Police Department allows First Amendment rights and peaceable assembly and things like that. I'm not quite sure that is going on at the national level to the extent that it has in the past since the formation of the United States. And so, who would be the determining...is it the Maui Police Department that calls for assistance from the FBI or vice versa like, you know, we take it for granted it's our right to peaceably assemble and exercise our First Amendment rights but sometimes the news on the continent is not so much allowing for traditional rights that are allotted in the Constitution. I mean, that Hawai'i is even part of the United States is not following the Constitution but that's a whole 'nother conversation. I just want to know who is the one that initiates that . . . *(timer sounds)* . . . is it the Maui Police or is the FBI?

MR. MAEDA: Thank you for the question. It...it all depends. If we generate the information, then...then we'll act upon it and we'll notify our Federal counterparts. However, a lot of times the information, especially if its international terrorism, it comes from the-- our Federal counterparts and it's relayed to us that a particular target or a particular location is...is vulnerable or possible...or going to be possible...is possibly under a

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terrorism watch or attack and they'll notify us and...and we'll take appropriate action. To your question, though, if...if the Maui Police Department believes that it'll infringe upon the...the constitutional rights of the people, we always have Corporation Counsel as well as the Prosecutors Office that we...that we talk to...to let them know what our intent is and they...they legally advise us as well if we shouldn't get involved or not.

COUNCILMEMBER PALTIN: So, we wouldn't be subordinate to the FBI and the Federal government, we can still follow the advice of County attorneys?

MR. MAEDA: That's correct.

COUNCILMEMBER PALTIN: Okay. Main thing. I'm going to hold you to it. I know your name.

MR. MAEDA: Yes. And I just want to make another point that the being a part of the joint terrorism task force is...is not mandatory. So if we believe that if for the greater part of...for the greater good of the County of Maui that we shouldn't be a part, no longer a part of the task force, then we...by all means, we can pull out of the memorandum of understanding.

COUNCILMEMBER PALTIN: At any time?

MR. MAEDA: Yes.

COUNCILMEMBER PALTIN: Okay. All right. Taking your word for it.

CHAIR SUGIMURA: Okay. Next, we have Member Johnson followed by Member Rawlins-Fernandez, then Member Cook.

COUNCILMEMBER JOHNSON: Thank you, Chair. Good morning, Deputy Chief Maeda. Thanks for joining us today.

MR. MAEDA: Morning. Good afternoon, sorry.

COUNCILMEMBER JOHNSON: Or good afternoon. What am I thinking, it's Friday. I'm already ready for the weekend. So I...I just have a question in regards to some of the...the umbrella that falls underneath this...this terror-- taskforce. One of the conversations I had earlier was stochastic terrorism and does that apply. Does the...does stochastic terrorism fall under this taskforce. That's basically the folks in social medias area or just people who have a...a big audience saying an untruth, motivate people, and next thing you know we have people like Pizzagate, right? They just...threw a lie they just somebody believed this lie online and they went out and they shot up a pizza parlor because they thought there was a crime ring going on in there.

MR. MAEDA: Yeah. So, with...with the...in those scenarios what...what our overall objective is...is to use our intelligence units and our intelligence gathering to try to defuse the situation before it even gets to that point. So we would go up and reach out to members, influential members of that group and try to talk to them and let them know if they do

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commit a crime, that they'll be held liable and exactly what crime they'll be held liable for. But that's...that's not our objective our objective is...is to...to defuse the situation by all means.

COUNCILMEMBER JOHNSON: So, it doesn't you you're not following online chatter of people talking about like, you know, just spreading information so much that somebody acts on it, right.

MR. MAEDA: No...no...no.

COUNCILMEMBER JOHNSON: Okay.

MR. MAEDA: Unless...unless the person is...is outright and saying to harm or we want you guys to go out and harm this group of people.

COUNCILMEMBER JOHNSON: The most recent school shooter, how unfortunate that was, posted their manifesto like many other mass shooters do, put it up before they did the big shooting. You see what I'm saying?

MR. MAEDA: Oh, okay I see.

COUNCILMEMBER JOHNSON: And terrorizing...if that's not terrorism I don't know what is, you know, they're terrorizing a school. They actually went out and shot up kids.

MR. MAEDA: Yeah. So I don't know who's monitoring the social media in that area but we...we have our people as well as our Federal counterparts that...that monitor and filter that kind of stuff. So whenever there's a threat that comes in, even on social media, we take...we take it seriously and we go and investigate it. We'll actually make contact with...with the parties if..

COUNCILMEMBER JOHNSON: But, this task force will not be doing that is what I understand.

MR. MAEDA: Well, not unless somebody from the JTTF gives us information and that we...that we can act upon.

COUNCILMEMBER JOHNSON: I got a little bit of time so I'm going to kind of pivot to something a little bit before that you mentioned about the freedom of speech and the conundrum that your kind of in where people are allowed to say things. But just for example, you can't go into a crowded movie theatre and yell, "fire". Is that correct?

MR. MAEDA: That's correct.

COUNCILMEMBER JOHNSON: So that...so with our freedom of speech comes certain responsibilities. If you say all the blue houses in Lahaina didn't get burned down because of magic or whatever and, you know, or all...or the lay...the fire was caused by Chinese layers, the DEW all this misinformation a lie travels twice as fast as the truth . . . *(timer sounds)* . . . right? So how do we, you know, that can...that can be terrorizing

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to some folks; right. Aren't we going to do anything about combating this misinformation on the internet?

MR. MAEDA: It...it is and...and we do it if we feel that we should go on the defense...and put out something to dispel that and we do have the data to back that up we...we will put that out.

COUNCILMEMBER JOHNSON: But this task force doesn't touch that right?

MR. MAEDA: This task force personally does not touch that.

COUNCILMEMBER JOHNSON: Thank you.

MR. MAEDA: Yes.

CHAIR SUGIMURA: Thank you, Member Johnson. Next, we have Member Rawlins-Fernandez, followed by Member Cook, then Member U'u-Hodgins.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aloha Deputy Chief Maeda. Mahalo for being with us for the presentation and for answering our questions. I think, like Member Paltin kind of alluded to, I...I have some concerns with how some of the Federal agencies have been used in other locations. It...it makes me really nervous, and I know that you said that this doesn't have anything to do with Homeland Security, ICE, and all that. I...like, just seeing like that...that the...the heads of these departments... man... just, like, really undermines my confidence in it holding the best interest of our people. I don't know. I know, like, boots on the ground, you know, like, can be a different story and, you know, I'm supportive of our Maui Police Department, Maui County Police Department. I don't...I don't feel a tremendous amount of...of trust right now when it comes to some of the Federal agencies. I kind of don't really want to have anything to do with them. I...I feel inclined to vote against this because of that. I don't really have a question. That's my comment right now, but if you want to provide a response to my concerns, you're welcome to.

MR. MAEDA: Yes, thank you for the question, Member Rawlins-Fernandez. The...so I...I...I want to clarify, the JTTF is...is not an active enforcement task force. So it's an intelligence gathering organization which comprises of a whole bunch of agencies, which also consist of the four County Police Departments. And we share information on terrorism, trends on terrorism, and, of course, if anybody gets information that a terrorist, a possible terrorist attack exists then they would notify us. But the enforcement comes from the actual...so say...say there was a act of terrorism, a possible attack of terrorism that's going to be occurring on Maui, the Maui Police Department will take the lead and the JTTF would ask us what resources we would need. So the...the there...there wouldn't be a JTTF task force enforcement group that would come over. Its members of the FBI would assist if it involved explosive devices. We would get guys from HPD, Kua'u, Big Island all...all depending on...on the situation and...and the gravity of the situation and the...the how big the...we...we expected the event to be. But the JTTF task force itself is...is more of a think tank and a debrief...a debrief meeting

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once a month . . .(timer sounds). . . to talk about current terrorism trends and activities.

CHAIR SUGIMURA: Okay. Did you hear the buzzer, are you fine, Member Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh. I was on mute. Mahalo for your...your comments, Deputy Chief Maeda. Mahalo, Chair.

CHAIR SUGIMURA: Thank you.

MR. MAEDA: Thank you.

CHAIR SUGIMURA: Thank you. So, before I go to Member Cook, I'm going to...Director...Director Cynthia Razo-Porter joined us. If you want to say a few words about this. I think the reason why we invited you was to be sure that we're not breaking any kind of union or personnel concerns that you may have for the County of Maui on this item.

MS. RAZO-PORTER: No. I would defer to Police. This is a task force that has existed and, you know, they kind of been going through this process and using it, like Deputy Chief Maeda just said, like a think tank of, you know, just bringing your resources together and bringing awareness. So I have no concerns with any union or contractual violations, or civil service types of situations that could potentially be an issue.

CHAIR SUGIMURA: Very good. Thank you very much.

MS. RAZO-PORTER: Thank you.

CHAIR SUGIMURA: Thank you. Thank you for joining us.

MS. RAZO-PORTER: For sure. Yes.

CHAIR SUGIMURA: Member Cook, Member U'u-Hodgins, and Sinenci.

COUNCILMEMBER COOK: Thank you, Deputy Director for...for Deputy Chief for the explanation and let us know what we can do to help. I mean, sounds like I like the fact that the...the MPD has discretion, basically driving the boat, so to speak, and sharing information, cyber terrorism et cetera. There's a lot of threats in the world and let us know how we can help. Thanks.

MR. MAEDA: Thank you, sir.

CHAIR SUGIMURA: Thank you very much. Member U'u-Hodgins followed by Member Sinenci.

COUNCILMEMBER U'U-HODGINS: Thank you, Chair. Thank you, Chief [sic] for your presentation. I have no questions.

CHAIR SUGIMURA: Thank you. Member Sinenci.

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COUNCILMEMBER SINENCI: Mahalo, Chair. And mahalo, Deputy Chief Maeda for the explanation and for the responses. And I was just...in the discussions I was just thinking about the Mauna Kea protests in which Maui County did send Maui Police officers there and, you know, in all of that, you know, some of our Maui kūpuna were arrested there. So those are some of the concerns where and...and I understand, I get it that this joint task force, we could exchange important intel from the Federal government. But I just... I too have that caution about, and...and you did mention that its only if these terroristic acts are against our people. And so, Mauna Kea was just peaceful protesting. You mentioned our constitutional rights. But still, if...if we would have to send Maui Police officers to other County's, you know, would...would this body or the Mayor have a say or...or it would be Federal...it'll be become under Federal command? We give up all of our input.

MR. MAEDA: No. We...thank...thank you for the question. No, we wouldn't give up our command and fall under Federal jurisdiction. It's...it's just assistance from the Maui Police Department to whatever agency is...is requesting the additional manpower.

COUNCILMEMBER SINENCI: Oh. Okay. Okay. That is that helps...helps me, you know, kind of soothes my, you know, all of my just...I'm concerned. I'm always seeing some of the other states and how the Federal government has, you know, kind of some personal attacks on...on states that don't always agree with the same policies at the Federal level. And...and us being a, you know, kind of blue state sometimes we always get, you know, retribution against us. And so, inviting, like Member Rawlins-Fernandez says, inviting the Federal government into we...we were already seeing attacks on our education system, Medicare system, food security system, on our immigrant families. So that's my where I'm cautionary to...to be inviting an administration that has, you know, personal attacks kind of...I mean, I'm not saying terroristic attacks on our...our people but...but some of these, you know, onto our societal institutions are, you know, we're really feeling the...the hurt. So I trust you guys' judgement, and I just wanted to voice my concerns. Thank you.

MR. MAEDA: No. Thank you. And yeah, the...the discretion that the Maui Police Department has, we...we don't have the... Maui Police Department does...doesn't have any obligation to . . .*(timer sounds)*. . . to assist these investigations if we feel that it's...it's not in the best interest of the people of...of Maui County. I just wanted to make that clear and the Federal government they...they won't arrest us if we decide not to participate or anything like that. So, you know, we...we do have discretion. Chief Pelletier and I, we believe we have the best interest of the people and...and we'll...we'll make...we'll try to make the most informed decision to protect the people as well. And, you know, our thing is only to enforce under the color of the law and namely to make Maui, the Maui citizens proud. So that's...that's why were here. Thank you.

CHAIR SUGIMURA: Very nice.

COUNCILMEMBER SINENCI: Mahalo, Deputy Chief. Thank you, Chair.

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MR. MAEDA: Thank you.

CHAIR SUGIMURA: Thank you. All right. Very good. So, I have no questions because your...your answers on Granicus four and seven answered my questions, so appreciate that. Member Paltin has her hand up for second round. Proceed.

COUNCILMEMBER PALTIN: Thank you, Chair. I just wanted to ask Ms. Toshikiyo, I know the name on the Bill 92 says Mr. Kolbe but is...is the agreement consistent with everything that you heard. They didn't slide in anything in there. And then, I guess my other legal question is... in the times that we're living, like we've seen the National Guard mobilized in a public park against the will of the Governor of that state. To me that feels kind of terroristic, but it's the Federal government that did that. And so, legally from a lawyer's perspective, how are you joint terrorism task forcing with the terrorists themselves?

CHAIR SUGIMURA: Ms. Toshikiyo.

MS. TOSHIKIYO: Yeah. Sorry. So thank you for the question. So for the first question, yes, in fact, I...because this is CES, I spoke to Mr. Kolbe who reviewed the document. I spoke to him before this meeting. So we don't have any concerns of legality of the document itself. As to your second question, that is a very difficult question to answer, and I wouldn't even know where to begin because I think we've all seen that it's been very fluid under the current administration, changing day by day. So I...I don't even where I would be able to start and, even if I could answer, whether that answer would be the same tomorrow or next week.

COUNCILMEMBER PALTIN: For Deputy Maeda, if somebody mobilized the National Guard against the will of Governor Green, would the MPD...like, say they came to Keōpūoalani Park with guns and all of that, what would MPD do?

MR. MAEDA: If...if...that's a very good question. It all depends. The Federal government their...their laws are often a little bit different than our state and county laws. And in most times, they supersede our...our law. So if the President does want to send people over, you know, he does have that prerogative, you know, honestly whether we like it or not. I think there's states that have tried to do injunctions. I'm not sure if anybody has...if anybody has been successful yet, you know. But would we...if you're asking if we would arrest the National Guard, I would say probably not.

COUNCILMEMBER PALTIN: I mean . . .*(timer sounds)*. . .if we prioritizing to have weaponry around our children for no reason and to mobilize the National Guard without the permission of the Governor does seem like a violation of law. I'm no lawyer, but I thought that we had systems in place and it...it seems like funny hypothetical, but we all seen it happen on tv already, you know, unless that was fake. Mayor Bass had to go down. So, I mean, in our case it might be Mayor Bissen. But that seems like a domestic violent criminal act to me. And I'm not sure if LA had a joint terrorism task force and how that gets dealt with and it seems to be on the whim of one person sometimes. So it's very concerning, and I think although I trust the police department, like you said, the County

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is on the lower level and then the State and then the Federal and whether or not the Federal is following lawful, constitutional actions, we count on you folks to uphold that standard of law because that's the whole purpose that there is a Second Amendment, right? If we weren't ever afraid that the people in power would use their power incorrectly there would be no need for a Second Amendment.

CHAIR SUGIMURA: Thank you. Thank you, Member Paltin. So I am going to go back to Corp. Counsel and that page that we were looking at, on signature. We don't have Jr. after the Mayor, so how do we correct that?

MS. TOSHIKIYO: Thank you, Chair. Yes, we're making that amendment right now to the MOU.

CHAIR SUGIMURA: Okay. Very good. Thank you. Anybody else have any questions on this item? Okay. If not, then I'm going to... the Chair will entertain a motion to recommend passage on first reading of Bill 92 (2025) entitled, "A BILL FOR AN ORDINANCE AUTHORIZING THE MAYOR TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE FEDERAL BUREAU OF INVESTIGATION FOR A JOINT TERRORISM TASK FORCE," incorporating any nonsubstantive revisions.

COUNCILMEMBER COOK: So moved.

COUNCILMEMBER KAMA: So moved.

COUNCILMEMBER LEE: Second.

CHAIR SUGIMURA: Thank you. Motion made by Member Cook. Second by I think it was...I heard Member Kama. Any discussion, Members.

COUNCILMEMBER SINENCI: Chair.

CHAIR SUGIMURA: Member Sinenci.

COUNCILMEMBER SINENCI: Thank you, Chair. I will vote in support with reservations in support of our Maui Police Department in shared important intel and the protection of our people. However, you know, I'm anticipating in the next couple years there's going to be some important Federal leases that are coming up. And so, those are my concerns if, you know, if...if some of our people are already anticipating and we...we had a homelessness issue where we need more land. So there's those upcoming discussions will be coming up. So, those are my reservations. Thank you.

CHAIR SUGIMURA: Thank you. Anybody else before I take the vote. Seeing no hands. All right. Oh, Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I'm going to vote no. So, roll call, please.

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CHAIR SUGIMURA: Okay. All right. Roll call, please. . . .*(coughing)*. . .Excuse me.

MS. SZABO: Members, beginning the roll call vote. Member Tom Cook.

COUNCILMEMBER COOK: Aye.

MS. SZABO: Member Gabe Johnson.

COUNCILMEMBER JOHNSON: Yes.

MS. SZABO: Council Chair Alice Lee.

COUNCILMEMBER LEE: Aye.

MS. SZABO: Member Tamara Paltin.

COUNCILMEMBER RAWLINS-FERNANDEZ: I don't see her video.

MS. SZABO: Excused. Councilmember Keani Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: No.

MS. SZABO: Councilmember Shane Sinenci.

COUNCILMEMBER SINENCI: Aye, with reservations.

MS. SZABO: Councilmember Nohe U'u-Hodgins.

COUNCILMEMBER U'U-HODGINS: Aye.

MS. SZABO: Councilmember Tasha Kama...excuse me Committee Vice-Chair Tasha Kama.

VICE-CHAIR KAMA: Yes.

MS. SZABO: And then Committee Chair Yuki Lei Sugimura.

CHAIR SUGIMURA: Yes.

MS. SZABO: Chair, you have seven "ayes," one "no." The motion passes.

CHAIR SUGIMURA: Thank you. And one excused.

MS. SZABO: Sorry, I forgot. One excused. Pardon me.

CHAIR SUGIMURA: Yeah. Thank you. Thank you very much, Members. This item passes.
And thank you very much, Deputy Chief, for answering our many questions, appreciate it.

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VOTE: AYES: Chair Sugimura, Vice-Chair Kama, and Councilmembers Cook, Johnson, Lee, Sinenci, and U‘u-Hodgins.

NOES: Councilmember Rawlins-Fernandez.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmember Paltin.

MOTION CARRIED.

ACTION: Recommending FIRST READING of Bill 92, CD1 (2025).

CHAIR SUGIMURA: All right. So, I'm going to go on to the next item, Members.

ITEM 43: BILL 99 (2025), AMENDING THE FISCAL YEAR 2026 BUDGET, APPENDIX B, DEPARTMENT OF WATER SUPPLY (WATER FUND, PRESERVATION/RESTORATION RATE)

CHAIR SUGIMURA: The next item on our agenda and the last will also involve Water. So...so, this is Bill 99 and this item on today's agenda amends Fiscal Year '26 Budget Appendix B to add a new water rate for the Department of Water Supply. It ties into the work that Member Cook did in his Committee. The purpose of this new rate is to support preservation and restoration of native species habitat. As you may recall, the Council passed Ordinance 5841 earlier this year to authorize the rate. The budget amendment now adds the rate to Appendix B and to...to be retroactive to July 1, 2025. We...we have received testimony from Budget Director providing a proposal CD1 version for our...for our consideration, which Staff is distributing or has distributed. The CD1 version updates the name of the rate to match Ordinance 5841 and incorporates other technical revisions. Joining us today to assist with our discussion is Director Stufflebean, Director of Water Supply, and Budget Director Milner. So, I'll ask for opening comments, then, from Director Stufflebean.

MR. STUFFLEBEAN: Good afternoon. I think...yeah. Hi, everybody. Yeah. You...I think you covered it quite well. It just simply puts it into our rate schedule the...the rate that has already been discussed and approved by...by the County Council. Thank you.

CHAIR SUGIMURA: Okay. Very good. Director Milner.

MS. MILNER: Thank you, Chair. Yeah. I think you've covered the history of it quite well. Just

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for the record, I guess I will say that the preservation rate establishes a rate of \$4.98 per 1,000 gallons for all usage as well as water shortage rates per 1,000 gallons for Stage 1, 4.98; Stage 2, 5.23; and Stage 3, 5.49. Thank you, Chair.

CHAIR SUGIMURA: Thank you very much. Okay. So I guess I'm going to open up for public testimony.

. . . OPEN PUBLIC TESTIMONY FOR ITEM 43 . . .

MR. KRUEGER: Chair, we currently have one individual signed up to testify, that would be the...the Royal House of Hawai'i.

CHAIR SUGIMURA: Royal House of Hawai'i.

ROYAL HOUSE OF HAWAI'I: Aloha. Oh, this is probably like an okay one 'cause oh this was just --

CHAIR SUGIMURA: Can you speak louder?

ROYAL HOUSE OF HAWAI'I: -- just Hawaiian --

CHAIR SUGIMURA: I can't hear you.

ROYAL HOUSE OF HAWAI'I: --oh. Yeah. This sounds like a kind of good one. I mean, the very first time I heard a good one over here, mahalo. I mean water for the natives, you know, what I mean. But so, like, with that yeah like what about the ones trying to go back to the royal patent lands, are they going to be getting water also? Like, if they filed the paperwork and then they go back to the land, someone is over here saying that we no more, like they no more water, they no can live over there. Are they going to be able to get access to water? Because you gotta go through that whole system yeah like oh gotta go build this, like, pipes, whatever, or I don't know, whatever it may be. And...and how is that processed? Like, where...like where do people go to do this and stuff like that, if I can ask. And then...and is it is this also for not only species but people also for their restoration of the people of . . . *(inaudible)*. . . And are the royal patent heirs and descendants getting called up also and please contact the royal patent heirs and descendants. Mahalo.

CHAIR SUGIMURA: Okay. Thank you very much. Any questions for the testifier? Seeing none. I see no hands. Okay. Next testifier.

MR. KRUEGER: Chair, there's currently no other individuals signed up to testify on BFED-43. So we'll do a last call. If there is anyone who would like to testify on this item, please identify yourself now. On Teams you can do that by using the raise-hand function. We'll do a countdown. Three...two...one. Chair, no one has indicated they'd like to testify.

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CHAIR SUGIMURA: Thank you very much. Members, with your permission I'd like to close public testimony for this item and receive written. Thank you.

COUNCILMEMBERS: No objections.

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

CHAIR SUGIMURA: Thank you. Thank you. All right. So, Members, any questions? I will start with Member Sinenci, then we'll go the other way. Member Sinenci, Member U'u-Hodgins, Member Cook, Keani Rawlins-Fernandez, and Member Johnson. Member Sinenci, you have any questions?

COUNCILMEMBER SINENCI: No questions at this time, Chair.

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

COUNCILMEMBER U'U-HODGINS: I have no questions either, Chair.

CHAIR SUGIMURA: Thank you. Member Cook.

COUNCILMEMBER COOK: As for Director Milner. Is there...is this a typo that greater than 15,000 gallons drops down to \$1.25 per 1,000?

MS. MILNER: Thank you, Chair. Thank you, Councilmember Cook. That is what it currently reads in Appendix B. I will defer to Director Stufflebean for the rationale behind that.

COUNCILMEMBER COOK: Okay. Director?

MR. STUFFLEBEAN: Yes. You're talking about the...this is from...you're talking about the agricultural rate, I assume, yes?

COUNCILMEMBER COOK: Yeah. Under agriculture rate and then also on the...correct. So it drops down significantly when you use more?

MR. STUFFLEBEAN: Right. Yeah. This...this was something that Council approved a while back. Basically, what the idea here is that for the...the first 15,000 gallons per agricultural situations would be used typically similar to for dwelling. And after that it would be water that they use for agricultural purposes and we get...we give...we give everybody a break, a better price for agriculture purposes. So once they've reached the amount that they use for their dwelling then...then they get the lower rate for the agriculture restoration use which is agricultural. So this is the current rate that has been approved by Council in the past for that...for that reason.

COUNCILMEMBER COOK: Okay. Thank you for the clarification.

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CHAIR SUGIMURA: Okay.

COUNCILMEMBER COOK: I have no other questions.

CHAIR SUGIMURA: Okay. Thank you very much. Member Rawlins-Fernandez followed by Member Johnson.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. We're on the preservation restoration rate, right?

CHAIR SUGIMURA: Correct. We are.

COUNCILMEMBER RAWLINS-FERNANDEZ: And it's a fixed rate at 4.98, \$4.98 per 1,000 gallons? Oh. Okay. I...I guess what...what was Member Cook looking at?

CHAIR SUGIMURA: Agriculture rate.

COUNCILMEMBER RAWLINS-FERNANDEZ: He was talking about a \$1.00.

MR. STUFFLEBEAN: Chair. Yeah. I can answer that.

CHAIR SUGIMURA: Okay.

MR. STUFFLEBEAN: So he was looking at in that same table. The agricultural rates are also shown but they're not changing. That was already existing, the only thing we're changing, is the only thing we're --

CHAIR SUGIMURA: Adding.

MR. STUFFLEBEAN: -- adding is the preservation rate.

COUNCILMEMBER RAWLINS-FERNANDEZ: Right.

MR. STUFFLEBEAN: So, the agriculture rate is not being changed. Yeah.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Okay. I just wanted to make sure because I'm...I know that the addition is to the preservation restoration. But since the non-dwelling agriculture rate is on this that's...that's why there was a question about it.

MR. STUFFLEBEAN: Yes. I believe so.

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh. Okay. Okay. I guess for the new classification or category rate what...what was the rationale behind the \$4.98 per 1,000? How...how did you get that number?

MR. STUFFLEBEAN: Sure. I think as we discussed when this ordinance was approved to

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change, to add this rate. The reasoning was that...that we should give this use category a break from the standard general rate, which is almost twice as high, but not as low as the agricultural rate. So we were looking for something in between and kind of for convenience we matched the Tier 2 rates. So the idea was ag was ag...ag rate was really low, but the general rate is quite high for this use. So we were looking for something that would be somewhere in the middle. And that we chose the...you know, this...this particular rate.

COUNCILMEMBER RAWLINS-FERNANDEZ: Why...why did we not want to discount it as much because like the work that they're doing is restoration, right?

MR. STUFFLEBEAN: Right. I mean, it was our it's our recommendation that the agriculture rate is really low. And so, the rational was simply that this was a break, a really good rate from the general rate but not as low as the ag rate. That was just our...our judgment and our recommendation, which the Council approved.

COUNCILMEMBER RAWLINS-FERNANDEZ: So, our...so...so then I guess like what...what we're saying then is that agriculture is more important than conservation and preservation because we're giving agriculture a lower discount or a lower rate?

MR. STUFFLEBEAN: We are giving agriculture a lower rate, yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: And...and because we...we want to support that more. Because if we're going to give them more of a subsidized rate, then what we're saying is that they are important enough to subsidize and . . .(timer sounds). . . preservation is not as worthy as agriculture to give them as much of a subsidy.

MR. STUFFLEBEAN: Well...well, I would say that the economics of agricultural, you know, make it so that this lower rate really is really important to give them this, you know, extremely good rate. And the preservation is not in the same situation economically. But you're correct, what we are recommending, what the Council has previously approved, is the lower...is the lower rate for agriculture than for preservation.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. I did hear the timer, but the...

CHAIR SUGIMURA: Yeah. The timer went off.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- the final thought and maybe on round two is that, like, equal system services often are not quantified in the same way as a capitalistic system of agriculture in selling food products to people. But...it's..it is important. So I will come back on round two --

CHAIR SUGIMURA: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- to finish up line of questions.

CHAIR SUGIMURA: Very good. All right next we have, Member Johnson followed by

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Member Paltin, Lee, and Kama.

COUNCILMEMBER JOHNSON: Thank you, Chair. Good afternoon, Director. You know, I'm looking at the amended version that Councilmember Sugimura put out in the regards to the new definition for native Hawaiian species habitat that is defined. I looked at the definition and I get I...my mind immediately went to, like, the scenarios of how this would work, right? So if I was a nonprofit nursery doing reforestation or, you know, preservation, that kind of work and I have a greenhouse, and I go up on the mountain and plant my plants in the greenhouse from...from the greenhouse, the water rate I would probably get would be wherever that greenhouse is located. What if it's in a zone that doesn't support this type of water. And I'm just putting...I'm just asking for those kind of scenarios, Director. How...how does that work if...because I don't know maybe...maybe there are, but you want... you know, we want to have biosecurity and we'll take rapid 'ōhi'a death for an example. Like, let's say there's a greenhouse with 'ōhi'a in it, there you have a biosecurity plan to keep it growing strong, and then put it out in the field, they want to put out sick, you know, plants in the field, they want to look at it. Can they get that...that benefit if the greenhouse is far away from the actual native Hawaiian species habitat?

MR. STUFFLEBEAN: So we would have to look at each case individually. You know, the...the ordinance that Council approved --

COUNCILMEMBER JOHNSON: Uh-huh.

MR. STUFFLEBEAN: -- defines who would be eligible for this rate. And so, anyone would apply, we would then make an evaluation as to whether they were eligible for this rate. So I...I can't give, you know, give every example but that...that's we would simply look at would...did they meet the requirements that are specified in the ordinance that was...already has already been approved.

COUNCILMEMBER JOHNSON: Of course. Yeah. They have to meet the requirements. I'm just...and if you're looking at it at every situate...like, if there was a situation I just described, they would qualify for this low this water rate?

MR. STUFFLEBEAN: I don't know. Off the top of my head, I'd have to look at it, see if it's just a unique situation.

COUNCILMEMBER JOHNSON: So, in the...in the number five in the amendment, amended version, it says, "For this purpose of this subsection native Hawaiian species habitat means the habitat of endemic and indigenous species that a) arrived either...either by natural means including by wind, water, bird migration. Or b) were included the approximately 23 species brought over by the first human migration of Hawaiian Islands --

CHAIR SUGIMURA: Okay.

COUNCILMEMBER JOHNSON: -- and adapted to native ecosystems". That sounds like a

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habitat versus an actual species. It's a little confusing for me. Like, the...the habitat is what we're talking about to me is physical place, like that gulch is a habitat for the snail or that gulch has a habitat for a very rare plant. But is that what this is saying because it seems like-- you know the word I'm gonna give you, species examples, arrived either by natural means . . . *(timer sounds)*. . . by wind, water or bird migration or one of the approximately 23 species. So I'm getting a little bit mixed up in the idea that this is a space that...that we're talking about or is this a...a number of species that we're talking about.

CHAIR SUGIMURA: Uhm, Member Johnson.

MR. STUFFLEBEAN: Well, I mean --

CHAIR SUGIMURA: Oh. We up...uploaded the Committee Report that has some of your--

COUNCILMEMBER JOHNSON: Okay.

CHAIR SUGIMURA: -- yeah. Okay. Go ahead Director, didn't mean to interrupt you.

MR. STUFFLEBEAN: Oh, no that's good. No. So, yeah, I mean the language that has already been approved, is in the ordinance --

COUNCILMEMBER JOHNSON: Okay.

MR. STUFFLEBEAN: -- the Council has approved. And that's what we would go by unless you chose...unless you choose to change it.

COUNCILMEMBER JOHNSON: . . . *(inaudible)*. . .

MR. STUFFLEBEAN: And we used language that we worked with the Department of...we worked with several of the experts in this area to come up with language that we thought would be appropriate for this purpose, so.

COUNCILMEMBER JOHNSON: Thank you, Director. Thank you, Chair.

CHAIR SUGIMURA: Yeah. Thank you. So if you look at the Committee Report, or you look at the Bill, it talks about this property is located in the state agricultural or conservation land use district or a County open space zoning district under E. And then it talks about this particular...yeah...okay. All right. Next, we have Member Paltin, followed by Chair Lee and Member Kama.

COUNCILMEMBER PALTIN: Thank you. My question might be for Ms. Toshikiyo. I have to meet with those folks that were suing each other about water and the golf course and like that. And I was wondering, are we, as a water deliverer to thousands of folks, not PUC-regulated...we can just change the rates whenever. Some people were complaining that Maui Land & Pine was changing the rates 300 percent, 2400 percent and then they aren't PUC-regulated because they have, like, three customers. But I...I feel like with

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have a lot of customers. Are we...are we not PUC-regulated, and we can just change the rates whenever we feel like it to whatever we want.

CHAIR SUGIMURA: Ms. Toshikiyo.

MS. TOSHIKIYO: Sorry, can you qualify the context of your question? Is this related to establishing the...the rates or is this a general question about when we can change the water rates? And we are a private provider?

COUNCILMEMBER PALTIN: Yeah. Because when Hawai'i Water Service wants to change the rates, they have to go in front of the PUC because they have plenty of customers. And Mr. Yui said that Maui Land & Pine in West Maui only has three customers, the County and two other customers. And because they only have, like, three customers they don't have to go before the PUC to request a rate change. And so, I was wondering, here we are changing the rates, I don't recall going before the PUC. Are we not a PUC-regulated utility that delivers water to thousands of people?

MR. STUFFLEBEAN: Chair, I can respond to that if you like.

COUNCILMEMBER PALTIN: Oh. I'm okay with that.

CHAIR SUGIMURA: Please.

MR. STUFFLEBEAN: . . .*(laughing)*. . . Okay. Yes. Public agencies are not regulated by the PUC, only private water companies. So we're not regulated by the PUC because we're a public agency. So the rate...the rate setting from the County is done by the County Council. The rate setting by a private water company is done by the PUC is...has to be approved by the PUC.

COUNCILMEMBER PALTIN: Oh. Okay. Thank you. And we'd never change it, like, 300 percent one time or 2400 percent one time because that's just crazy, we'd get booted out of office super quick, huh.

MR. STUFFLEBEAN: Up to you guys.

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

COUNCILMEMBER PALTIN: But also, part of our thing is we got to...self-funded enterprise fund. Like, we're not going to bank a lot. Only because we control the improvements or the give back to the watershed is what we're charging the rates. It's not like we're a for-profit company. That's why PUC doesn't regulate us because we regulate our own selves in that way?

MR. STUFFLEBEAN: I think that's part of it. I mean, also the issue is accountability to the public. And since you are elected by the public you are, you know, you're the accountability . . .*(timer sounds)*. . . to the body. Because in a private company, there's...there's no similar body. There's the PUC that regulates them because of to...to

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give them that they have that same accountability in that situation.

COUNCILMEMBER PALTIN: Got it. Yeah. And that's what I told the golf course people. I don't know if the County would give the golf course priorities. Thank you. A conversation for another day.

CHAIR SUGIMURA: Yeah. All right. Thank you very much. Chair Lee followed by Member Kama.

COUNCILMEMBER LEE: I have no questions. Thank you.

CHAIR SUGIMURA: Okay . Thank you. Member Kama.

VICE-CHAIR KAMA: I have no questions, Chair.

CHAIR SUGIMURA: Thank you. Anybody have a second round of questions for this? Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo. Okay. So mahalo for uploading the Committee Report because I remember in discussion, we talked about there only being two or three organizations that are nonprofits. So it says the Department of Water Supply representative said the two nonprofit organizations, Hawai'i Land Trust and Waiohuli Mana Foundation were previously denied agricultural rates because of their noncommercial status and would benefit from the new preservation rate. So they're nonprofit, they mostly have grants or, like, private donations, they're doing conservation preservation work. I...I just I object to it being that much higher than ag because of what I heard in my previous round, which was economics.

MR. STUFFLEBEAN: So...so, Chair, so--

CHAIR SUGIMURA: Uh-huh.

MR. STUFFLEBEAN: --I believe that I was, maybe misspoke that the actual ordinance doesn't didn't establish this rate, it simply established this category. So the Council is free to choose to establish this rate however you so desire.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay.

MR. STUFFLEBEAN: What we presented was our recommendation because it gave them a big break from the general rate. But if you'd like...if you'd like to choose a...if you'd like to go to a lower rate, then that's your prerogative.

COUNCILMEMBER RAWLINS-FERNANDEZ: I would. And so, if I were to match the ag rate exactly as it's set, would...what would it mean for, you know, revenue because it's like two organizations, right?

MR. STUFFLEBEAN: It would be a de minimis impact.

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COUNCILMEMBER RAWLINS-FERNANDEZ: All right. So you have no objections to me doing that.

MR. STUFFLEBEAN: I do not.

COUNCILMEMBER RAWLINS-FERNANDEZ: That's great to hear. And then for Member Paltin, I looked it up and it says that all privately owned water systems located in Hawai'i, the Public Utilities...the Commission does not regulate all...so PUC doesn't regulate all privately owned water systems located in the State of Hawai'i, only those that are certified as public utilities as defined in HRS Section 269-1. And then 269-1, so far, I have not seen the number. So you said three customers, so I was trying to find where that is, and I'm happy to send you this information for those that are asking. And that's it. So when we do the main motion, I will be making a motion to amend the recommendation from the Department to match the agricultural rate. . . .(timer sounds) . . .

CHAIR SUGIMURA: Okay. I think we cannot amend this because this is an Administration Bill. Chair Lee and then we'll check on that, Mr. Hanano, if you could check on that. If we can amend this Bill that's being recommended by the Administration. But Chair Lee first and then...oh okay. You have a second round of questions, Chair Lee.

COUNCILMEMBER LEE: Mr. Stufflebean, I was just wondering when you proposed the...the rate for the conservation district, did...were you not looking at costs? What was your rationale basis for establishing a certain rate for that district?

CHAIR SUGIMURA: Director.

MR. STUFFLEBEAN: Sure. Yes. The rationale basis was simply to give them a break from the...otherwise they would have to pay the general rate, which is almost twice as high. So the rationale was simply to give them a break on their water rates because we felt that was an important function that they were performing. And we chose this rate because it was just our judgement that...that would be a fair rate. But that's really... I mean the Council can choose to do a different rate if you so desire.

COUNCILMEMBER LEE: Well, I... you know, generally we like to connect the rates with cost or not just pluck a number out of the sky.

MR. STUFFLEBEAN: The cost of delivering the water or the cost of what?

COUNCILMEMBER LEE: The reason why you have a rate is to pay for the cost of delivering water, right?

MR. STUFFLEBEAN: So if you look at our total cost, it's about \$7.00 per 1,000 gallons. So...so, we have rates that are very different than that. You know, if we were charging everybody the same rate, everybody would be paying \$7.00...about \$7.00 per 1,000 gallons. But...but because of policy reasons, we choose to have higher rates for some water users

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and lower rates for other water users. So but if you're asking what the actual cost is, it's around \$7.00. So...so, even at the \$4.00 rate or so they're getting a break, agriculture obviously is getting a very big rate, but it's made up by the fact that Tier 3 and Tier 4 residential as well as the general users to some degree and certainly the hotels and resorts are paying a higher rate. But that's...that's a policy decision that the County...the County is making to...for other reasons than just covering...recovering costs.

COUNCILMEMBER LEE: Yeah. So, that's what I was driving at, is finding...finding out to find out who's actually paying for the difference. So you guys saying that the hotels and others are paying a much higher rate to subsidize the ag rate and other...other lower...I mean, other purposes have different breaks, so the (*indiscernible*) counts because of the use of that of the land...land use. Okay. All right. Thank you.

CHAIR SUGIMURA: Thank you. Next, Member Cook.

COUNCILMEMBER COOK: Thank you, Chair. Thank you, Director, for the clarification because I think that's being lost on people that this rate is a discounted rate from the residential rate. The residential rate gets...if you use a lot of water, you get more expensive. The...the intent when we had the hearing was that we're supportive of this, we want to encourage this, there's also only a handful of people currently doing it. I would advocate and ask my colleagues if we can leave it like this. It can be changed in a year after we have a track record, we identify how many people are doing it, what the impact... The Water Department came up with this rate, we've had discussions about it. Anyway, and just I...I think a lot of thought went into this and the --

CHAIR SUGIMURA: Okay.

COUNCILMEMBER COOK: -- Administration's bills come down, we have the opportunity to pass this today. I don't see a negative impact to the community and it's meeting its goals and objectives that we previously discussed, which is supporting the conservation efforts. Thank you, Chair.

CHAIR SUGIMURA: Okay. Thank you very much. Anybody else have any comments? Okay. So, thank you very much, Member Cook, and Chair Lee, and Member Paltin. So today, I also have from the Administration, right, because this is their bill and I think you already received it, a letter dated September 4, 2025, which is on this bill and it is attached proposed Bill...Bill 99 CD1 and it amends this to clarify that the name of the Bill should be called, Preservation Rate, whereas the document that was sent to us it calls it, Preservation/Restoration Rate. So that is incorrect, just so that changes. Ms. Milner, you want...want to speak to this amendment that you're proposing.

MS. MILNER: Thank you, Chair. Yes. This just clarifies, based on the final language that was adopted for the Code, that it's the preservation rate as it says in 14.10.010, and we added a little more context with the other rates that fall under that account, 3477, as well after discussion with the OCS and BFED teams. Thank you, Chair.

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CHAIR SUGIMURA: Okay. Members, so that's the amendment. So, at this time I'd like to request for...wait hang on...this correct. I'd like to entertain a motion to recommend...oh anybody have any more questions before I go into the motions? Seeing none. I'd like to entertain a motion to recommend passage on first reading, Bill 99 (2025) entitled, "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR '26 BUDGET APPENDIX B DEPARTMENT OF WATER SUPPLY (WATER FUND, PRESERVATION/RESTORATION RATE)" incorporating any nonsubstantive revisions. Okay. Thank you. Thank you. Motion made by Member Cook. Second by Member Johnson. And I...you got the motion to substitute, so, I'd like to substitute Bill 99 (2025) with a proposed CD1 version which we received from the Budget Director. Does anybody have any discussions regarding this amendment? Did you all get it?

COUNCILMEMBER COOK: Chair.

CHAIR SUGIMURA: Yes.

COUNCILMEMBER COOK: So did the...is our motion including this 99 CD1?

CHAIR SUGIMURA: Yes.

COUNCILMEMBER COOK: Okay.

CHAIR SUGIMURA: Yeah. Sorry. Did I not say that? Yeah. 99 CD1 and it basically corrects the name.

MR. KRUEGER: Chair.

CHAIR SUGIMURA: Director Milner, you want to say anything else.

MR. KRUEGER: Apologies if it's okay. Could...could Staff just request that the substitution be done as a... as an amendment to the main motion?

CHAIR SUGIMURA: Oh. Okay. So, I'd like to request that the substitution be amended to the main motion, Member Cook.

COUNCILMEMBER COOK: So moved.

CHAIR SUGIMURA: Member Johnson. Second. Okay. Any discussion regarding the amended...amendment that we received from the...Director...Budget Director? Okay. Seeing none. All in favor raise your hand say, "aye". Or is this...is this okay.

COUNCILMEMBER LEE: Aye.

CHAIR SUGIMURA: Okay. So, this looks like nine "ayes".

COUNCILMEMBER LEE: Aye.

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

NOES: **None.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **None.**

MOTION CARRIED.

ACTION: **APPROVE amendment to main motion.**

CHAIR SUGIMURA: Thank you very much. So, main motion as amended, Members, any discussion? Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I move to amend the Bill, the new preservation rate to follow the same rates set under the agricultural rate for both the regular and the water shortage rates.

CHAIR SUGIMURA: Okay. So, we cannot amend this Bill this has to come.

COUNCILMEMBER RAWLINS-FERNANDEZ: We just did.

CHAIR SUGIMURA: Well, this is their motion, this came from the Administration. If you look at the letter.

COUNCILMEMBER RAWLINS-FERNANDEZ: You can't...you can't do that.

CHAIR SUGIMURA: We have to vote on the amendment.

COUNCILMEMBER RAWLINS-FERNANDEZ: Will you please ask the attorney because we just made the amendment to the Bill.

CHAIR SUGIMURA: Right.

COUNCILMEMBER RAWLINS-FERNANDEZ: If we can amend it, then we can amend it.

CHAIR SUGIMURA: No. So --

COUNCILMEMBER RAWLINS-FERNANDEZ: Either we can't amend it or we can?

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CHAIR SUGIMURA: So, can I have Member...Mr. Hanano, can you please clarify this? This is not our bill. So please take us through the steps that we need to.

MR. HANANO: Okay. Thank you, Chair. So I did confer with Ms. Toshikiyo.

CHAIR SUGIMURA: Okay.

MR. HANANO: And normally under Charter Section 9-7 Subsection 3, all fees, rates, assessment, and taxes imposed by the County shall be set in the annual...annual budget. However, because this is a new rate --

COUNCILMEMBER RAWLINS-FERNANDEZ: Uh-huh.

MR. HANANO: -- we're saying that the Council does have an opportunity to --

COUNCILMEMBER RAWLINS-FERNANDEZ: Uh-huh.

MR. HANANO: -- establish whatever it feels is the appropriate rate.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Mr. Hanano.

CHAIR SUGIMURA: Okay. So you're basically saying that we can amend this, now?

COUNCILMEMBER RAWLINS-FERNANDEZ: Yes.

MR. HANANO: Yes. And the reason is...is because it's a new...a new rate that's being established.

COUNCILMEMBER RAWLINS-FERNANDEZ: Uh-huh.

CHAIR SUGIMURA: I stand corrected. Chair Lee.

COUNCILMEMBER LEE: I have a question for, oh, probably Director Milner. Does preservation...did you say or did someone say that preservation includes Open Space?

CHAIR SUGIMURA: Yes.

COUNCILMEMBER LEE: Aren't...aren't there a lot of, like, luxury homes built in Open Space?

CHAIR SUGIMURA: Oh. Director Milner.

COUNCILMEMBER LEE: Can somebody answer that question?

MR. STUFFLEBEAN: Yeah. That I would...yeah. I can answer that. Sure. This is not this would not apply to a luxury home --

COUNCILMEMBER RAWLINS-FERNANDEZ: Uh-huh.

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MR. STUFFLEBEAN: -- this would apply only to nonprofits that are, that meet the requirements --

COUNCILMEMBER RAWLINS-FERNANDEZ: Uh-huh.

MR. STUFFLEBEAN: -- specified in the ordinance for non for the nonprofit.

CHAIR SUGIMURA: Shall we call for recess?

COUNCILMEMBER LEE: Okay. Just for nonprofit.

COUNCILMEMBER RAWLINS-FERNANDEZ: It's Ordinance 5841 if you want to go and read the criteria.

COUNCILMEMBER LEE: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: I can email it to you.

COUNCILMEMBER LEE: Okay, thank you but I was talking to Mr. Stufflebean. Okay. So you just said that this applies not to everybody in the...in, like, in open space --

COUNCILMEMBER RAWLINS-FERNANDEZ: Two organizations, two.

COUNCILMEMBER LEE: Okay. This applies to nonprofits and what else did you say, Mr. Stufflebean?

MR. STUFFLEBEAN: Yes. It would be nonprofits that meet the criteria established in the ordinance that Council has approved.

COUNCILMEMBER LEE: So just --

MR. STUFFLEBEAN: And right now, there are only two.

COUNCILMEMBER LEE: --there's only two.

CHAIR SUGIMURA: Uh-huh.

MR. STUFFLEBEAN: There's only two. There could be others but there only two that have so far applied for ag rate. We had to deny because they didn't meet the ag rate requirement. They would...they will meet this one. If...if anybody else, any other nonprofit came forward that meets the criteria, they would be approved as well.

COUNCILMEMBER LEE: Okay. So who are the two? Did you say...say that earlier?

MR. STUFFLEBEAN: I don't have the names memorized.

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COUNCILMEMBER RAWLINS-FERNANDEZ: It's...it's Hawai'i Land Trust and Waiohuli Mana Foundation. And it's Granicus item number four, it's the Committee Report on when we established this new category.

COUNCILMEMBER LEE: Who's the Waiohuli group?

CHAIR SUGIMURA: They were part of the wildfire.

COUNCILMEMBER RAWLINS-FERNANDEZ: Waiohuli Mana Foundation.

COUNCILMEMBER LEE: Who's that?

CHAIR SUGIMURA: Impacted...

COUNCILMEMBER LEE: You said the Lahaina Trust, so we know them.

COUNCILMEMBER RAWLINS-FERNANDEZ: No...no.

CHAIR SUGIMURA: No.

COUNCILMEMBER RAWLINS-FERNANDEZ: Hawai'i Land Trust.

COUNCILMEMBER LEE: Oh. Hawai'i Land Trust.

COUNCILMEMBER RAWLINS-FERNANDEZ: Yeah.

COUNCILMEMBER LEE: I'm not sure if I know them. But...

COUNCILMEMBER PALTIN: The Hawai'i Island Land Trust.

COUNCILMEMBER RAWLINS-FERNANDEZ: Yeah. HILT.

COUNCILMEMBER PALTIN: HILT.

COUNCILMEMBER RAWLINS-FERNANDEZ: HILT.

COUNCILMEMBER LEE: Oh. HILT. Okay. I understand. I just don't know the other one. Okay. I'm sure all of you do, though. The rest of you do know familiar with the that particular group. No?

COUNCILMEMBER RAWLINS-FERNANDEZ: Yeah. We hang out all the time.

COUNCILMEMBER LEE: Yeah. Sure. Okay. All right. Thank you.

CHAIR SUGIMURA: So...so, Chair Lee, that particular other group --

COUNCILMEMBER LEE: That's...that's a cloudy answer. What did you say?

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CHAIR SUGIMURA: That particular other group was involved in the restoration of lands that were built...uh, burnt during the wildfire. So that's the other group. They were part of the wildfire restoration group.

COUNCILMEMBER LEE: Okay.

CHAIR SUGIMURA: To answer your question.

COUNCILMEMBER LEE: I'm...I'm surprised that Member Paltin shook her head.

COUNCILMEMBER PALTIN: The Upcountry one, not Lahaina. Waiohuli is Upcountry.

CHAIR SUGIMURA: Yeah. That's Lahaina...I'm sorry it's Upcountry. It's not Lahaina.

COUNCILMEMBER PALTIN: I don't go Upcountry if I don't have to.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER LEE: Okay. So, obviously nobody . . .(inaudible) . . .

CHAIR SUGIMURA: Okay. You know, what Staff is asking me for a recess. So I'm going to take it's 2:53...I'm sorry, you were speaking Chair, go ahead.

COUNCILMEMBER LEE: Yeah. So what I was pointing out is not everybody was familiar with these two entities, obviously. Okay. Thank you.

CHAIR SUGIMURA: Okay. Thank you for asking. So, it's 2:53 and Staff is asking for some time. So I'm going to take a 10-minute break, and we'll go come back at like 3:05, 3:10. Okay. . . .(gavel) . . .

RECESS: 2:53 p.m.
RECONVENE: 3:19 p.m.

CHAIR SUGIMURA: . . .(gavel) . . . Okay. Welcome back to the Budget, Finance, Economic Development Committee. Thanks for letting us take this recess. And we are on Bill 99, and we're talking about amending the rates. So at this time, I'm going to ask Corp. Counsel for your advice. And please explain why the Committee needed a revised bill for the Administration for substitution to change the rate name, but the Committee can amend the rate amount on its own.

MS. TOSHIKIYO: Yes. Thank you, Chair. This has caused my brain to a lot of thinking today.

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

MS. TOSHIKIYO: Because there are...are nuances. And, you know, in hindsight perhaps, you

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know, it's not necessarily a substantive change to the bill by changing it from preservation/restoration to preservation because really it is housekeeping to make it consistent with the ordinance that passed in...in August. And I believe that our practice has always been, you know, these nonsubstantive changes to clean up the bills at the request of the Committee has been done rather than signing off on those bills. So I think that we probably have to flush out the process a little bit better to streamline and, you know, just to ensure that it's not an initiation of a substantive change to the bill, which would be within the purview of either the Administration or the Council depending on whose budget it is versus, you know, looking at it as from the housekeeping perspective because really it was a correction that OCS caught, the BFED Committee caught that needed to be made which would have been a more housekeeping measure. So...so if I advise incorrectly, I apologize. But I think we'll work on flushing out the process to just make it a little bit less confusing on what the Council can initiate that's non-substantive and that way there's not a lot of back and forth. So we'll work on that we'll do better. Thank you, Chair.

CHAIR SUGIMURA: Oh. So what you just said is that the Council could have just amended the name of the...of the rate versus us going through what we did with the...through the Administration, which...correct? Which...which was an amendment from the Administration.

MS. TOSHIKIYO: I would say that because this was a housekeeping, it was just to make the bill consistent with the title in the ordinance. I...in hindsight, I...I think that probably could have been done.

CHAIR SUGIMURA: Okay.

MS. TOSHIKIYO: Because it's not initiating a substantive change to the bill itself, it's just a correction.

CHAIR SUGIMURA: Okay. On the name.

MS. TOSHIKIYO: On the name.

CHAIR SUGIMURA: Rate name. Okay. Now say again what you said regarding the rate amount.

MS. TOSHIKIYO: Uh-huh.

CHAIR SUGIMURA: Which is what we're talking about now.

MS. TOSHIKIYO: And so, the rate amount is...is different from what normally happens, which requires that rates and fees are set forth in the annual budget ordinance. Those are existing rates and fees. Occasionally, we have ordinances outside of the budget period that requires the setting of a rate or a fee and that's what we're dealing with today. So this is a new rate that's already been passed, I believe last month. So based on that while actually both the Council and the Administration does not amend rates and fees

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throughout the fiscal year. Those are all set within the...the annual budget. And...and there are reasons for it especially because Departments have to be able to set their revenues as well, that's why they need to know the amount of the rate. But this...in this situation it is a very it's a new rate and based on that I believe that the Council does have the authority to be able to make amendments to those. Now, there are processes, in particular for the water rates, it does have to go through the Board of Water Supply, and they make the recommendations. So I don't want to say that point blank, you know, across the board that Council would be able to amend rates and fees. I think it's going to be very particular to the type of rate and fee and whether or not there are other legal procedural requirements involved in setting those.

CHAIR SUGIMURA: Okay.

MS. TOSHIKIYO: That's probably more information than you need. I apologize.

CHAIR SUGIMURA: . . .*(laughing)*. . . Okay. Any questions? All right.

COUNCILMEMBER RAWLINS-FERNANDEZ: So, I'll make my motion.

CHAIR SUGIMURA: Thank you for that clarification. So at this time, then, you are saying Corp. Counsel that we can take a amendment to this. Member Rawlins-Fernandez. On the rate.

COUNCILMEMBER RAWLINS-FERNANDEZ: You're talking to me or Ms. Toshikiyo?

CHAIR SUGIMURA: Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: You want me to repeat it again?

CHAIR SUGIMURA: Yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. I move to amend Bill 99 to set the rates mirrored to the ag rates for both general or for the normal rates and then the water shortage rates.

CHAIR SUGIMURA: Ms. Milner.

MS. MILNER: Thank you, Chair. Sorry to interrupt. I...I just want to clarify because the agricultural rates have the tiers --

COUNCILMEMBER RAWLINS-FERNANDEZ: Uh-huh.

MS. MILNER: -- so you want to have the tiers under the preservation rate as well?

COUNCILMEMBER RAWLINS-FERNANDEZ: Yeah.

MS. MILNER: Okay.

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COUNCILMEMBER RAWLINS-FERNANDEZ: It'll...it'll just mirror it.

MS. MILNER: Okay. Thank you, Chair.

COUNCILMEMBER RAWLINS-FERNANDEZ: That way it's less complicated. It'll just be same same. Because that's what the two organizations applied for...for the ag rate so with the tiers and for normal days and for water shortage periods.

COUNCILMEMBER JOHNSON: And I second that, Chair.

CHAIR SUGIMURA: Okay. All right. So motion made by Member Rawlins-Fernandez and seconded by Member Johnson. Can somebody read this. I'm looking at it in front of me so, Ms. Milner or...

COUNCILMEMBER RAWLINS-FERNANDEZ: Did you want me to read it?

CHAIR SUGIMURA: I'm going to ask Ms. Milner.

MS. MILNER: Thank you, Chair. The motion on the floor is to set the preservation rate per 1,000 gallons. Zero to 5,000 gallons, \$2.24. 5,001 gallons to 15,000 gallons, \$4.42. And over 15,001 gallons \$1...sorry equal than or greater to [sic] 15,001 gallons, \$1.25. The water shortage rates would be 0 to 5,000 gallons, Stage 1, \$2.24. Stage 2, \$2.35. Stage 3, \$2.47. 5,001 to 15,000 gallons Stage 1, \$4.42. Stage 2, \$4.64. And Stage 3, \$4.87. And finally, greater than or equal to 15,001 gallons, \$1.25 for Stage 1. Stage 2, \$1.31. And Stage 3, \$1.38. Thank you, Chair.

CHAIR SUGIMURA: Okay. So motion made by Member Rawlins-Fernandez, seconded by Member Johnson. I really want to ask the Director what his...because I think he did some study to get us to the rate.

COUNCILMEMBER RAWLINS-FERNANDEZ: He said it's fine. It's two customers, and he said when I asked him in my questions that it...the impact to revenue is de minimis.

CHAIR SUGIMURA: Okay. So Director Stufflebean, you're fine, correct? Confirming what we just read.

MR. STUFFLEBEAN: Yes. I have no objection. Thank you.

CHAIR SUGIMURA: Okay. Very good. All right. Discussion. Any discussion? Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo. Okay. So the two...what....when we're in WAI Committee meeting and we talked about establishing this new rate and mahalo for uploading the Committee Report in establishing this new category on Granicus associated with Bill 99 in that it says the Department of Water Supply representatives said two nonprofit organizations, Hawai'i Land Trust and Waiohuli Mana Foundation,

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were previously denied agricultural rates because of their noncommercial status and would benefit from the new preservation rate. Some Members were not... did not know who the Waiohuli Mana Foundation is. And so, I looked them up and I sent an article to Chair Lee. The Waiohuli...and so, it's not Wahikuli it's Waiohuli --

CHAIR SUGIMURA: Uh-huh.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- Mana Foundation official, David Chevalier, said he hasn't seen...so he's a...Chevalier said the foundation has eight residential lots in Waiohuli dedicated to restoring native forest. It's just...he said it's just purely native reforestation efforts; we're trying to bring back native...we're trying to bring the native birds back, that's what we hope. He said the foundation is planting a number of native plants, including 500 Koa trees. Native plants and animals play a key role in creating the watersheds in Haleakalā and the 'e'eke where dyke-confined rainwater percolates to provide millions of gallons of ground water a day. The Maui County Department of Water Supply said expanding the growing native growing plants will not only help local entities but is expected to provide more options and variety to people who want to use less water-intensive native plants. So the...the plants in the reforestation effort is actually going to help to recharge our aquifer and give us more water. So this investment, it...there's...there's a return by giving the organizations the...the same rates as ag because conservation or preservation work is important just as ag is important. And I...and I think that should be reflected in the rates that we set. Mahalo.

CHAIR SUGIMURA: Thank you. Anybody else? Okay. So at this time, then, are we ready for the vote? Roll call.

MR. KRUEGER: Chair, proceeding with the roll call vote on the amendment. Council Chair Lee.

CHAIR SUGIMURA: Excused.

MR. KRUEGER: Councilmember Paltin.

COUNCILMEMBER PALTIN: Aye.

MR. KRUEGER: Councilmember Johnson.

COUNCILMEMBER JOHNSON: Yes.

MR. KRUEGER: Councilmember Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aye.

MR. KRUEGER: Councilmember Cook.

COUNCILMEMBER COOK: No.

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Correct? Just Chair Lee, yeah. Okay. Very good. All right. So Member Paltin, you wanted to say something. Did I miss you? You're just raising your hand to vote.

COUNCILMEMBER PALTIN: Oh no. That was a late...a late vote, delayed...there's a...a time warp between here and Lahaina that sometimes sucks wind.

CHAIR SUGIMURA: . . .*(laughing)*. . . All right. All right. So, we're done with this main motion as amended. We voted. Thank you very much. Member Cook, thank you very much for this.

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

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmember Lee.

MOTION CARRIED.

ACTION: Recommending FIRST READING of Bill 99, CD1 (2025).

ITEM 44: BILL 100 (2025) AND BILL 101 (2025) AMENDING THE FISCAL YEAR 2026 BUDGET: CAPITAL IMPROVEMENT PROJECTS, DEPARTMENT OF WATER SUPPLY (COUNTYWIDE, COUNTYWIDE UPGRADES AND REPLACEMENTS)

CHAIR SUGIMURA: So, last item on the agenda. We already had our break so the last item on the agenda is Bill 100 and Bill 101 (2025) Amending the Fiscal Year '26 Budget Capital Improvement Projects, Department of Water Supply (Countywide, Countywide Upgrades and Replacements). And Members, the last item both relate to additional funding for Countywide Water Supply upgrades and replacements. Bill 101, which increases estimated intergovernmental revenues by 750,000 and appropriates those funds for the Department of Water Supply's Countywide upgrades and replacements capital improvement projects. And Bill 101 amends the ordinance Authorizing the Mayor to Enter Into an Intergovernmental Agreement for a Loan from the State Water Pollution Control Revolving Fund to recognize additional \$750,000 for this project. The

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funds will finance granular-activated carbon filter replacement at the Nāpili and Honokahau [sic] Wellfield. The State has confirmed that loan funds are committed. Assisting us with our discussion today is Director Stufflebean and Budget Director Milner. So I'd like to ask for opening comments from Director, please.

MR. STUFFLEBEAN: Thank you, Chair. Yeah. We're very excited about this project. This is a replacement of an...of an existing treatment process that treats some of the wellwater from one of our wells. And it makes it more efficient by treating it, by consolidating the water and treating water from several of our wells to make sure they're absolutely clean. We've never had any problems with these, they've always met the health standards, of course. But this just makes it more efficient. And the great news, of course, is that the State Revolving fund is covering the cost of this with the loan with 100 percent principal forgiveness. The only reason we're making the change is that way back when we put this together in the budget process, we assumed it would be about \$3 million, and the cost now would be...now their cost is about 3.75 million. So it's just an increase in the cost to cover that...that additional amount. So it's not a new project, it's just a revised estimate on the money that we're receiving from the State for this project. Thank you.

CHAIR SUGIMURA: Very good. Director Milner.

MS. MILNER: Thank you, Chair. I have nothing to add at this time.

CHAIR SUGIMURA: Okay. Any testimony, please.

. . . OPEN PUBLIC TESTIMONY FOR ITEM 44 . . .

MR. KRUEGER: Chair, we have one person signed up to testify. That would be the individual connected under the name The Royal House of Hawai'i. But, Chair, that person no longer seems to be connected to the meeting. As such, we don't have anyone else signed up to testify and we'll proceed with a last call. If there is anyone else who'd like to testify on this item, please identify yourself now. On Teams, you can do that by using the raise-hand function. We'll do a countdown. Three...two...one. Chair, no one is indicating that they'd like to testify on this item.

CHAIR SUGIMURA: Okay. With your permission, Members, I want to close public testimony and receive written testimony on this item.

COUNCILMEMBERS: No objections.

CHAIR SUGIMURA: Thank you.

. . . CLOSE PUBLIC TESTIMONY FOR ITEM 44 . . .

CHAIR SUGIMURA: So I'll start with questions from the Members. And we will then go back

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to starting from Member Kama, then Chair Lee, I don't see her, Member Paltin, Member Johnson, Member Rawlins-Fernandez.

VICE-CHAIR KAMA: I have no questions, Chair.

CHAIR SUGIMURA: Okay. Next, we have Chair Lee is still not here, so excused. Oh, no. Chair Lee, I see your video is on. Oh, we'll wait for her to come back. Next, we have Member Paltin.

COUNCILMEMBER PALTIN: Thank you. I'm supportive in case I have to leave before the vote happens. But my question for Director Stufflebean is how much, approximately, gallons per day would this yield once installed-- additionally.

MR. STUFFLEBEAN: Yeah. It doesn't really add any additional water. It simply allows water from existing wells to be...to be treated in a consolidated fashion. So no additional water, just a more efficient treatment of the water.

COUNCILMEMBER PALTIN: In that it happens faster?

MR. STUFFLEBEAN: It hap...it happens...we...instead of one system that treats water from one well, it's one system that treats water from four of-- up to four wells. So it's just a more efficient way. You only have to deal with one treatment process and it's handling multiple wells, so just more efficient way to treat the water.

COUNCILMEMBER PALTIN: And the system, where would it be located? It's not located on any one particular well?

MR. STUFFLEBEAN: Yeah. It's located where the water from all the wells comes together at that at...at a junction.

COUNCILMEMBER PALTIN: Oh. Okay. And so, the water that comes out of the well is not considered treated until it goes through that junction?

MR. STUFFLEBEAN: That's correct. And it doesn't enter our system until after that junction.

COUNCILMEMBER PALTIN: Okay. And it's only the two wells, Nāpili and Honokahua.

MR. STUFFLEBEAN: It is two...it is four wells, two at Nāpili...yeah two of each, so it's a total of four wells.

COUNCILMEMBER PALTIN: Oh. Okay. Got it. All right. I'm supportive in case I have to leave before you guys vote.

CHAIR SUGIMURA: Okay. So, we'll try to hurry so we can get you in this vote. Member Johnson, Member Rawlins-Fernandez, and Cook.

COUNCILMEMBER JOHNSON: Thank you, Chair. I'm always willing to help support more

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wells and more wells, and I don't have any questions at this time.

CHAIR SUGIMURA: Very good. Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: No questions, seems straightforward. Support.

CHAIR SUGIMURA: Member Cook.

COUNCILMEMBER COOK: No questions.

CHAIR SUGIMURA: Great. Member U'u-Hodgins.

COUNCILMEMBER U'U-HODGINS: No questions either, Chair.

CHAIR SUGIMURA: Wow. Okay. Member Sinenci.

COUNCILMEMBER SINENCI: Thank you, Chair. Just to clarify, all four wells are in Nāpili and Honokohau?

MR. STUFFLEBEAN: That's correct.

COUNCILMEMBER SINENCI: Okay. Support.

COUNCILMEMBER PALTIN: Honokahua is, like, by DT area.

COUNCILMEMBER SINENCI: Okay. Thank you.

CHAIR SUGIMURA: Okay. All right. Members, second round anybody? None. Okay. Wow, that was fast. So, at this time Bill 100 (2025), I'd like to recommend passage on first reading of "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2026 BUDGET INCREASE ESTIMATED REVENUE OTHER INTERGOVERNMENTAL AND OTHER INTERGOVERNMENTAL BY 750...160,000 CAPITAL IMPROVEMENT PROJECTS DEPARTMENT OF WATER SUPPLY COUNTYWIDE AND APPENDIX C DEPARTMENT OF WATER SUPPLY (COUNTYWIDE, COUNTYWIDE UPGRADES AND REPLACEMENTS) INCREASE APPROPRIATIONS BY 750,000". Oh, I stand corrected. It said 760 earlier its 750. Thank you. And Bill 101 (2025) entitled "A BILL FOR AN ORDINANCE AMENDING ORDINANCE 5821 BILL 46 FD1 (2025) RELATING TO AN INTERGOVERNMENTAL AGREEMENT FOR A LOAN FROM THE STATE OF HAWAII'S WATER POLLUTION CONTROL REVOLVING FUND FOR VARIOUS WATER SUPPLY PROJECTS FISCAL YEAR '26 BUDGET ORDINANCE" incorporating any nonsubstantive revisions for both bills. So moved by Member U'u-Hodgins and second by Member Johnson. Any discussion. Seeing none. Well, all right. So, then no discussion. All in favor raise your hand say "aye." And I think who we're missing is Chair Lee. Member Kama, you have your hand up. Yeah. Okay. So, that is eight "ayes," --

VICE-CHAIR KAMA: Yeah.

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CHAIR SUGIMURA: -- one excused, which is Chair Lee. Member Paltin. You're having a delayed reaction from Lahaina, is that right? All right motion carries.

COUNCILMEMBER PALTIN: It's just the time warp.

CHAIR SUGIMURA: It's a time warp. Okay. Motion carries.

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

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmember Lee.

MOTION CARRIED.

ACTION: Recommending FIRST READING of Bill 100, CD1 (2025) and FIRST READING of Bill 101 (2025).

CHAIR SUGIMURA: So, very interesting meeting. Appreciate everybody and thank you very much for supporting this. And thank you for meeting me on a Friday, which is unusual for me, and at this late time. Thank you, Corp. Counsel, for educating us on this new item, new bill amount versus the verbiage that could not be changed. But anyway, we are...we are now moving forward. So at this time, meeting is now adjourned. And it is 3:40. . . .(gavel). . .

ADJOURN: 3:40 p.m.

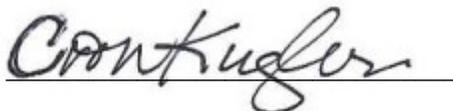
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CERTIFICATION

I, Cheryl von Kugler, hereby certify that pages 1 through 43 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 16th day of September 2025, in Wailuku, Hawaii

A handwritten signature in cursive script, reading "Cheryl von Kugler", is written over a horizontal line.

Cheryl von Kugler