

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

MINUTES

November 4, 2025

Online Only via Teams

CONVENE: 9:07 a.m.

PRESENT: Councilmember Yuki Lei K. Sugimura, Chair
Councilmember Tom Cook, Member
Councilmember Gabe Johnson, Member
Councilmember Alice L. Lee, Member (left at 9:45 a.m.)
Councilmember Tamara Paltin, Member
Councilmember Keani N.W. Rawlins-Fernandez, Member
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
Lenora Dinneen, Council Services Assistant Clerk

Residency Area Office (RAO):

Mavis Oliveira-Medeiros, Council Aide, East Maui Residency Area Office
Roxanne Morita, Council Aide, Lāna‘i Residency Area Office
Bill Snipes, Council Aide, South Maui Residency Area Office

ADMIN.: Kristina Toshikiyo, Deputy Corporation Counsel, Department of the Corporation
Counsel
Kristie Wrigglesworth, Deputy Corporation Counsel, Department of the
Corporation Counsel
James Kimo Landgraf, Deputy Director, Department of Water Supply
Kristina Cabbat, Assistant Budget Director, Office of the Mayor
Tiare Horner, Budget Specialist, Office of the Mayor

OTHERS: Kim Pugel, Ph.D., Manager, Water Infrastructure Funding, Stantec
Royal House of Hawai‘i
Jasee Law
Others (17)

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

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CHAIR SUGIMURA: . . .*(gavel)*. . . Welcome to the Budget, Finance, Economic Development Committee. It is now 9:07 a.m., and I have only one item on the agenda, and let's hope that we're able to do this quickly. So, before we consider anything and start our business, I wanted to have a moment of silence to honor the Vice-Chair of this Committee, Member Kama, and thank you very much for your consideration. As all of you know, she left us on Sunday, and for me it was quickly because I don't think we ever anticipated her to leave us and her family this soon. So, I wish to acknowledge her passing. We have beautiful flowers, and my office put a pink carnation lei on her desk to know we're thinking of her. We also have a bottle of her favorite li hing mui that is there for maybe one of her family members to enjoy, but she and I would often enjoy that as we listen to everyone's meetings. She was a wonderful soul with a great heart, lived in humility and strength. So, at this time, I'd like to ask all of you to join us in a moment of silence.

. . .*(moment of silence)*. . .

CHAIR SUGIMURA: Thank you. We'll continue on with the meeting. This meeting is being conducted in accordance with the Sunshine Law. As a reminder, when your name is called, if you're not here in the Chamber, please do identify by name who, if anyone, is in the room, vehicle, or work...workspace with you today. Minors do not need to be identified. Chair Lee, good morning.

COUNCILMEMBER LEE: Good morning. And thank you for that introduction. The morning greeting is privet, privet, and that's Russian, privet, for good morning. Thank you.

CHAIR SUGIMURA: Privet. Privet, Chair Lee. Next, Member Cook in the Chambers.

COUNCILMEMBER COOK: I'll try that. Privet. Aloha, good morning. There's no testifiers in the Kihei Office currently. And I'm looking forward to today's meeting, and taking care of the Department of Water Supply.

CHAIR SUGIMURA: Thank you. I want to just say thank you for always being present in the Chamber. I think you...yeah, I think you try a lot, so appreciate that. Do we have Member Johnson? Member Johnson, online. Good morning. Privet.

COUNCILMEMBER JOHNSON: Privet, Chair, Councilmembers, community members. There's no testifiers here at the Lāna'i District Office. Alone on my side of the office. And just a friendly reminder, just because there's leftover Halloween candy doesn't mean you need to eat it for breakfast like I always do. Thank you.

CHAIR SUGIMURA: . . .*(laughing)*. . . Oh, you didn't see us passing around Halloween candy before the games...before the game...before the meeting started, huh? All right. Member...oh, Member Paltin. She's on the phone. Member Paltin, shall we come back to you? Yeah?

COUNCILMEMBER PALTIN: Oh, I didn't know you started the meeting. The...the sound wasn't on on my end.

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CHAIR SUGIMURA: Oh. Can you hear us now?

COUNCILMEMBER PALTIN: Yes.

CHAIR SUGIMURA: Okay. Member Paltin, good morning.

COUNCILMEMBER PALTIN: Did it start?

CHAIR SUGIMURA: Yes.

COUNCILMEMBER PALTIN: Oh, okay. Aloha kakahiaka. Streaming live and direct from Nāpili. Surf's up. And I have one minor canine.

CHAIR SUGIMURA: Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aloha kakahiaka kākou, mai Moloka'i Nui a Hina. I'm at my private residence, alone. And there currently are no testifiers at the Moloka'i District Office.

CHAIR SUGIMURA: Member Shane Sinenci?

COUNCILMEMBER SINENCI: Hey, aloha kakahiaka, Chair, and privet, everyone. I'm here at my home office, I'm here by myself, and there are no testifiers at the Hāna District Office.

CHAIR SUGIMURA: Okay. Member U'u Hodgins, privet.

COUNCILMEMBER U'U-HODGINS: Privet, Chair. Privet, everyone. I'm at my private residence, alone in my workspace as well, but my husband, William Koa Hodgins, is home too. Thank you.

CHAIR SUGIMURA: All right. So, from the Office of the Mayor, I would like to say Kristina Cabbat, Assistant Budget Director, will be online. Tiare Horner, Budget Specialist V, is also going to be online. Department of Water, we have Deputy Director Kimo Landgraf, and from Corporation Counsel, Kristina Toshikiyo and Kristie Wrigglesworth. Other resources, we have Stantec, which is Kim Pagel [sic]...Pugel? Pugel...Pugel, Water Funding Management Consultant, and you are here in person [sic]. All right. Oh, I see you're going to be here virtually. You're from Stantec. So, Members, with your permission, I'd like to ask if you would allow Ms. Pugel to...of Stantec to be a resource person under Rule 18(A) of the Rules of the Council, based on her expertise in water funding management.

COUNCILMEMBERS: No objections.

CHAIR SUGIMURA: Yeah, I think she's the star of the meeting. Committee Staff, Lei Dinneen, Council Services Assistant Clerk; Peter Hanano, Legislative Attorney; Kirsten Szabo, Legislative Analyst; James Krueger, Senior Legislative Analyst; Pauline Martins,

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Senior Committee Secretary. And you can see the last page of the agenda for information on meeting connectivity. Thank you, Members, for attending today's BFED meeting.

**ITEM 10: BILLS 150 (2025) AND 151 (2025), AMENDING THE FISCAL
YEAR 2026 BUDGET: CAPITAL IMPROVEMENT PROJECTS,
DEPARTMENT OF WATER SUPPLY (COUNTYWIDE WILDFIRE
DISASTER RELIEF PROJECTS)**

CHAIR SUGIMURA: And we only have one item on the agenda, which is BFED-10, Bill 150 and 151 (2025), amending the Fiscal Year '25 [sic] Budget, Capital Improvement Projects, Department of Water Supply (Countywide Wildfire Disaster Relief Projects). And I think we have testifiers, I see, right? So, before I do testimony, I wanted to, with your permission, go over the presentation from the departments to talk about the items on the agenda...the item on the agenda today. So, Deputy Director Landgraf, would you like to lead us in this portion?

MR. LANDGRAF: Mahalo, Chair. So, today we're trying to amend our budget because we have some funds that are available from the State of Hawai'i drinking water State Revolving Funds for loan for the wildfire disaster relief projects. So, it's basically so we can accept the money from the State into our budget, so we can do our projects in the West Side.

CHAIR SUGIMURA: Okay.

MR. LANDGRAF: And I also have Kim Pugel, who is really good at our water funding. She's helped us a lot, and that's why we're so far along as we are.

CHAIR SUGIMURA: Okay. From Stantec, right?

MR. LANDGRAF: Yes, Stantec.

CHAIR SUGIMURA: So, would you like to do your presentation now?

MS. PUGEL: Yeah.

CHAIR SUGIMURA: Okay.

MS. PUGEL: Thank you.

CHAIR SUGIMURA: Thank you. Members, you all got copies, hard copies, or you got copies of this, and it's on Granicus. Thank you.

MS. PUGEL: Oh, thank you. Thanks.

CHAIR SUGIMURA: Oh, it's not yet on Granicus.

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MS. PUGEL: Yeah, great. Okay.

CHAIR SUGIMURA: It is? Okay. I'll refresh. Thank you. Please proceed.

MS. PUGEL: Okay. Just once everyone gets slides. Great. Okay. Yeah, so it's a short presentation. We didn't know exactly what types of questions you'd have, so there's a little bit of background information, summary about the use of funds, and how this aligns with some of the broader funding efforts, but happy to answer any questions about specific projects. And if we can't answer them today, certainly follow up and get more information for you all. So, I've been warned of the delay. There we go. . . .*(laughing)*. . . Okay. So, the...these bills will authorize the County to secure around \$64-1/2 million from the Environmental Protection Agency. The funds would be used for drinking water system improvements that support the wildfire recovery, and they play an important role in helping to fill the bucket for the entire infrastructure recovery need. That's alongside, but not duplicating, other really important funds, like FEMA Public Assistance Hazard Mitigation Grant Program, the HUD CDBG-DR, and other Federal funds. So, these are complementary to, and in support of, but not duplicating those other funds. Specifically, the funds are Environmental Protection Agency funds that were authorized and passed by Congress in December 2024 through the Disaster Supplemental Appropriation. It's also called the American Recovery Act. The...and since last December when the funds were authorized, the Department of Water Supply, the Office of Recovery has been working really closely with the State Department of Health to secure these funds. It's been a long process. There's been lots of back and forth, figuring out different eligibility of different projects, not...you know, not wanting to duplicate other funds. So, lots of back and forth. And just this past August, the State Department of Health did receive their allotment for the Maui Department of Water Supply from the EPA. So, they have the funds. The...the mechanism for the County to secure these funds is through a State Revolving Fund Loan through the Drinking Water SRF. And there's some specific requirements that the State has put on the funds, but it's all pretty routine or standard. It's through similar mechanisms that they're using...they haven't used yet here in Maui, but they have used with the Board of Water Supply in Honolulu and the Hawai'i Department of Water Supply on the Big Island. So, the mechanisms are pretty straightforward, but yes, it's through a programmatic financing agreement with the State Department of Health Drinking Water State Revolving Fund loan. And these...this...these bills and the borrowing resolution that they would authorize allows the County to enter into that agreement and receive the funds. Okay. A little bit on the funding terms. So, these...this is coming as a subsidized loan. The exact interest rate is still...would still be determined at the time of the loan, but it's...it is heavily subsidized. It would...and it's proposed to be up to 90 percent principal forgiveness. And for the full \$64,469,830 of funding that would be offered if the full 90 percent principal forgiveness is received, and that's about a \$58 million principal forgiveness loan, which is essentially a grant. And then the remaining \$6-1/2 million would be offered at a subsidized interest rate over a 20- to 30-year repayment term. I did take some screenshots from the draft intended use plan, which is how the State Revolving Fund outlines how certain funds will be used. This is from August and was a draft, but the final did just get posted last week. So, I can also provide an updated version of this, but nothing has changed from

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my screenshots. This is where it outlines how the American Relief...American Recovery Act, ARA, funds. In general, as the EPA is rolling it out, there's a base of 30 percent principal forgiveness, but what the State is offering Maui County is a 60 percent base principal forgiveness, with an additional 10 percent for each of these three checkboxes that the County can meet. And two of those three checkboxes has already been met. So, this...and this bill, and this borrowing resolution would be the third to allow for that bumping up from 80 percent principal forgiveness up to 90 percent. The...let me see. Yeah, the other two is just submitting of environmental...relevant environmental documents for some of the projects, and then a final project list, which I can pull up...I have on my...my next slide. Okay. And then this is my last slide. So, just noting some of the projects that have been intent...that the...that this fund would be, or these funds would be used for. So, these are projects that increase water source and infrastructure reliability in the Lāhainā portion of the West Maui water system. So, that includes the Waipuka/Kanaha motor control center upgrades, both the electrical upgrades and the emergency generators. It includes the Lāhainā waterline improvement project, which increases the diameter of some of the waterlines to accommodate fire flow. It would fund the first portion of the Launiupoko aquifer wells project, which is the exploratory and eventually development phase, both in...at the L1 and L3 site. The Mahinahina backup well development and the Honolua Aquifer development, both at the H1 and H2 sites. Those...these are all...so those are projects. I...it seems like there's maybe a little bit...there might be some questions around those projects. So, we're happy to answer some more specifics about those, but in general, these are priority projects. They're all projects aligned with the Long-Term Recovery Plan. They're also being implemented in coordination between the Department of Water Supply and the Office of Recovery, which is in line with the Mayor's Recovery Coordination Directive number 1. The timing of these funds. So, the...this is...since this is one of the last steps to be able to enter into a loan agreement after this borrowing resolution is passed, if it's passed by the Council, the loan execution process can start, which might take a couple months, but would be able to execute the loan in 2026. And then the depart...all the projects that are here on the list are anticipated to encumber those funds by the end of calendar year 2026. And the timing of that is actually really important. I mean, I could talk about this all day, but the...it's essentially allowing some of these really critical projects to move forward while the HUD CDBG-DR infrastructure and mitigation programs are being stood up, and essentially allows...you know, some of these projects are out to bid or just went out to bid. And so, it lets...it's essentially a...yeah, filling that gap until the CDBG-DR funds can hit and come in. It's really critical in timing. And yes, the broader impact. I mean, at the end of the day, all of these projects are projects that increase the reliability of the water system in...in Lāhainā, and the drinking water systems specifically, and then reduces further disaster risk and economic disruption from...from disasters. Mahalo.

CHAIR SUGIMURA: Thank you very much. Deputy Director, anything else you would like to add?

MR. LANDGRAF: No, nothing at this time, Chair.

CHAIR SUGIMURA: Okay. Thank you. So, then at this time then I would open up for public testimony. Do we have testimony? We do, yeah? Okay. So, public testifiers will be

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providing three minutes to provide testimony. And if you don't complete, you will be given another 30 seconds. And you can join online via Teams link, or call in the phone number noted in today's agenda. Written testimony is encouraged and can be submitted via the eComment link at mauicounty.us/agendas as well. Under the Sunshine Law, the Chair will receive oral testimony for agenda item at the beginning of the meeting and as the item is called up. For individuals wishing to testify via Teams, please raise your hand by clicking on the raise-your-hand button. If calling in, please follow the prompt via phone, star-5 to raise and lower your hand, star-6 to mute and unmute. Staff will add names to the testifier's list in the order testifiers sign up or raise their hands for those on Teams. Staff will lower your hand when your name is called. Staff will then call the name you're logged in under, the last four digits of your phone number when it is your time to testify. So, at this time...at this time, Staff will enable your microphone and videos. Please ensure your name appears in Microsoft Teams as the name you prefer to be referred to as anonymous...or if you wish to testify anonymously, if you're in person, please notify Staff that you would like to testify anonymously. Otherwise, please state your name for the record at the beginning of your testimony and any organization you represent. Oral testimony is limited to three minutes. And if you're not done, I'll give you another 3...30 seconds to complete. And once you're done testifying, if...if you do not wish to testify, or...if you view...you can view the meeting online at *Akakū* Channel 53, Facebook Live, mauicounty.us/agendas. We will do our best to take each person up in an orderly fashion. And so, now, will you please call up the first testifier?

MR. KRUEGER: Chair, the first person signed up to testify is The Royal House of Hawai'i, and then they'll be followed by the individual who approached the podium.

CHAIR SUGIMURA: Thank you. Royal House?

. . . OPEN PUBLIC TESTIMONY FOR ITEM 10 . . .

THE ROYAL HOUSE OF HAWAI'I: Aloha.

CHAIR SUGIMURA: Aloha.

THE ROYAL HOUSE OF HAWAI'I: Aloha. This is The Royal House of Hawai'i. I'm a descendant and an allodial land tenant under Kekahuna Hanahana (*phonetic*) Hewahewa Nui. And how...so how are all...and...so these are funds for like the developments and stuff. So, like, how are the developments approved? That's what I want to know. Because as all of your resource...all of the resource people...as you guys should know, Hawai'i is all royal patented, allodial titled, palapala sila nui . . . (*inaudible*). . . Okay. And it's listed under the legal info under the tax map key paperwork. So, it's all historical properties. All of Hawai'i is all historical properties. So, I'm a descendant. I have never got contacted. Never knew this was all going to be happening. And what are your guys' qualifications? Are...are you guys even qualified for this? Because us descendants of the royal patents have not been contacted. Where is your guys' accolades also? I like see all the qualifications. Okay. Because us allodial land tenants never got contacted,

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period, point blank, and that's illegal. And how are these being all approved? Shouldn't these funds be going to the descendants of those lands because those...the descendants of those lands are being frauded because they never even know all of this is happening on top of their land? So, it's fraud. So, shouldn't all the money be going to the descendants? . . .*(inaudible)*. . . But yeah, the money should be going to the descendants too. And they've never even been contacted. And put the legal info back in, the royal patent legal info and the Land Commission Award info because the royal patents last forever. This is the Kingdom of Hawai'i. The original metes and bounds of this country can never be changed. Once a country makes the metes and bounds of a country, it can never be changed. It is nationally recognized, okay, by right by law. So...and building all these, what is that called, wells and stuff like that. There's already wells, naturally-made wells. We just got to regenerate the . . .*(expletive)*. . . land. Hello, it's common sense kine. You guys get the signs of the ahupua'as everywhere. And call the descendants, which you guys are supposed to be doing by right by law because we never get contacted, or let know and notified. And put the legal info back in the paperwork. Hello, we get the...the original paperwork. It says 'em right here, but on online, no show 'em. . . .*(timer sounds)*. . . Change...yeah, so change 'em. Thank you.

CHAIR SUGIMURA: Thank you. Any questions for the testifier? Seeing none. Thank you very much.

THE ROYAL HOUSE OF HAWAII: Correct me...correct me if I'm wrong too, please. Mahalo. Correct me if I'm wrong.

CHAIR SUGIMURA: Thank you very much. Next testifier?

MR. KRUEGER: Chair, the last person we have signed up to testify was the individual who approached the podium.

MR. LAW: Thank you, James. Jasee Law from Kula Uka, Waiako Ahupua'a. Ohayō, Luna Ho'omalū Yuki Lei Kashiwa Sugimura. And thank you for the previous testifier. And Lili'uokalani sends her love. And thank you, all the County workers. And thank you, Lei, for the pencil. Nā papahana Ho'okanaaho pōpilikia ahi hihū a puni ke Kalana. This week, I've been up there 12 years, and yeah, last...that...that fire up there, that was kind of scary. So, I noticed the agenda doesn't say Upcountry projects on there. But that's one thing that Chair Sugimura and I agree on is, some improvements on the Upcountry water. Don't forget us. I save the rest of my time for the Hawaiians.

CHAIR SUGIMURA: Thank you. Any questions for the testifier? Seeing none. Thank you very much.

MR. KRUEGER: Chair --

CHAIR SUGIMURA: Yes.

MR. KRUEGER: -- there's currently no one else signed up to testify on this item. So, we'll do a last call. If there is anyone else who'd like to testify on item BFED-10, please identify

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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 else has identified themselves as wishing to testify.

CHAIR SUGIMURA: Thank you. With your permission, I'd like to close public testimony.

COUNCILMEMBERS: No objections.

. . . CLOSE PUBLIC TESTIMONY FOR ITEM 10 . . .

CHAIR SUGIMURA: Thank you very much. So, as you know, we have only one item on the agenda, which is Bill 150 and 151, relating to the Countywide wildfire disaster relief projects for the Department of Water Supply. Bill 150 amends Fiscal Year '26 Budget to increase estimated revenues, other governmental [sic] by \$64,467,830, appropriate the same amount in the new CI...capital improvement project entitled Countywide Wildfire Disaster Relief Projects, and include the projects in Appendix C. Bill 151 authorizes to...authorizes the Mayor to enter into an intergovernmental agreement with the State Drinking Water Revolving Fund to finance the project. These funds will be used for design and construction for projects, including Waipuka and Kanaha wells motor control center and electrical upgrades with emergency generator, Lāhainā waterline improvement project, Launiupoko L1 and L3 exploratory and development...development phase, Mahinamahina [sic] backup well development, and Honolua H1 and H2 exploratory and developmental [sic] phase. The Administration...Administration requests final action on these bills by December 31st, 2025, to be eligible for 90 percent principal forgive...forgiveness on the loan. I already introduced who's joining us, and we received the opening comments. So, Members, at this time, I'd like to open it up for your questions. Chair Lee, you first. I'll just go down here --

COUNCILMEMBER LEE: Thank you.

CHAIR SUGIMURA: -- and then go online.

COUNCILMEMBER LEE: Mr. Landgraf, just checking. When did we apply for this money?

MR. LANDGRAF: I think it was like the end of 2024, beginning of 2025.

COUNCILMEMBER LEE: And so, you didn't know that we were going to receive it?

MR. LANDGRAF: Yeah, we didn't know we were going to receive it.

COUNCILMEMBER LEE: Yeah, because it's not in the regular budget, so I just wanted...

MR. LANDGRAF: Right. So, we never knew if we're going to get it because it was part of that disaster relief that the Federal put out for the three...I think it was Maui, and North Carolina and Florida, I think. So, we were all part of that. But we never know if

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we were going to get any of it or not. So, we never found out. I think it was...I like to say the ending of...I like to say December 20...2024, we found out we might get it, but we still had to work through the process, and figure out how the State was going to implement.

COUNCILMEMBER LEE: Okay. So, in other words, we knew we had these projects to do, but we weren't sure where the source of the funding was coming from?

MR. LANDGRAF: We asked for several. Correct.

COUNCILMEMBER LEE: Yeah. Because if you didn't get this funding, you would have used the CDBG-DR funds?

MR. LANDGRAF: Possibly, yes. Or some...we were still looking for other funding from other sources, but if we had to, we would use CD...yes.

COUNCILMEMBER LEE: Okay. Because I just wondered if you...if by doing it this way, you freed up additional CDBG funds for other projects?

MR. LANDGRAF: We will, yes.

COUNCILMEMBER LEE: Okay. Thank you.

CHAIR SUGIMURA: Thank you very much. Next Member Paltin, three minutes. *(pause)*

COUNCILMEMBER RAWLINS-FERNANDEZ: You're on mute, Member Paltin.

COUNCILMEMBER PALTIN: Thank you. On the funding term slide, it said zero percent interest, but I thought I heard audibly that we aren't sure what the interest is yet. So, just checking, which one is it, the audio or the visual?

MS. PUGEL: Yeah, thanks. That's my mistake when I made the slides. It's potentially zero percent, but the...it would be set. In general, the...the Hawai'i State Revolving Fund sets their interest at like 1 or 2 percent. It's...it's dependent on the current rate, but...so it's not zero percent. I made a mistake in the slides.

COUNCILMEMBER PALTIN: Okay.

MS. PUGEL: Thanks.

COUNCILMEMBER PALTIN: Next question, the Mahinahina backup well, is that like another well we're going to drill that we can't use, like the Kahana wells that are drilled that we can't use?

MR. LANDGRAF: Well, I sure hope we can use them, but Mahinahina is the backup well in the same area as Kahana Well.

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COUNCILMEMBER PALTIN: So, it's in the Honokōwai Aquifer?

MR. LANDGRAF: No. I believe it's in Honolua.

COUNCILMEMBER PALTIN: Oh, okay. It's in Honolua Aquifer.

MR. LANDGRAF: It's really close...it's really close to the Kahana Well. In fact, it's drilled already, it just has to be outfitted with the pump.

COUNCILMEMBER PALTIN: Oh, okay. And then the Launiupoko Aquifer exploratory thing, where...if...if we determine that there's water significant enough to drill a well to use the water, where would that water go to meet needs?

MR. LANDGRAF: Into the south system, which is basically...

COUNCILMEMBER PALTIN: So, like Lāhainā Town?

MR. LANDGRAF: Yes, Lāhainā Town, all the way towards Civic.

COUNCILMEMBER PALTIN: So, you...

MR. LANDGRAF: It pretty much can go right and end at Civic.

COUNCILMEMBER PALTIN: Where would you need to lay the transmission, from Launiupoko to Kahoma for water treatment facility, or?

MR. LANDGRAF: It would be closer to the Lahainaluna area, up there. We would connect in at that...that portion.

COUNCILMEMBER PALTIN: And it wouldn't need water treatment facility if you're drilling a well. That's only for surface water?

MR. LANDGRAF: Correct. Correct.

COUNCILMEMBER PALTIN: And Waipuka is in West Maui as well?

MR. LANDGRAF: Yeah. So, Waipuka, there's two wells. It's right below the Lahainaluna High School. On the road as you approach Lahainaluna High School, on the right side, there's a tank, and right below there, there's two wells, Waipuka.

COUNCILMEMBER PALTIN: As you approach Lahainaluna going up --

MR. LANDGRAF: Yes.

COUNCILMEMBER PALTIN: -- the tank is on the left side?

MR. LANDGRAF: On the right side.

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COUNCILMEMBER PALTIN: Or the right.

MR. LANDGRAF: The right side, just before you get to Lahainaluna High School, before you get to the field --

COUNCILMEMBER PALTIN: Oh, okay.

MR. LANDGRAF: -- on the right.

COUNCILMEMBER PALTIN: And...and the money would be used for electrical systems for that?

MR. LANDGRAF: Yes, the upgrades and a generator, which we already got bids back for.

COUNCILMEMBER PALTIN: Because the generator that we have is ending its useful life?

MR. LANDGRAF: We . . . *(timer sounds)*. . . don't have one right now.

COUNCILMEMBER PALTIN: Or we don't have a generator?

MR. LANDGRAF: Correct. No, we don't have a generator there right now, a permanent generator.

COUNCILMEMBER PALTIN: Oh, okay. Okay. Thank you.

CHAIR SUGIMURA: Okay. Thank you. Next, we'll have Member Johnson, followed by Member Rawlins-Fernandez.

COUNCILMEMBER JOHNSON: Thank you, Chair. I'm sorry, I didn't get the name of the person from Stantec. What was her name? I'm sorry.

CHAIR SUGIMURA: Ms. Pugel.

MS. PUGEL: Yeah, Kim...Kim Pugel.

CHAIR SUGIMURA: Pugel.

COUNCILMEMBER JOHNSON: Pugel?

CHAIR SUGIMURA: Pugel.

COUNCILMEMBER JOHNSON: All right. Thank you. Sorry, I didn't get that. So, I...I...I assume this question's for you, but, you know, anyone can answer. The...this money came from the EPA, but right now, we're facing a government shutdown on the Federal level. Is there recordkeeping or anything needed that...or is that money totally into the

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State coffers and we don't need to go back? And I'm just curious if there's any kind of delays or anything related to this money related to the shutdown?

MS. PUGEL: Is it already on? You can't see the green light from this side. Yes, it's already...so the State Department of Health did receive it in August, which was great timing. It took a lot of work between the Department of Water Supply, providing a lot of documents for them to apply to the EPA, but they did receive the funds, it's in their bank, is what they've told us as of --

COUNCILMEMBER JOHNSON: Great.

MS. PUGEL: -- this past August. Yeah. And when...

COUNCILMEMBER JOHNSON: So...so, there's no, like...oh, go ahead.

MS. PUGEL: I was just going to add, there is later next year, the...there may be potential for what's called reallocation funds to...for the Department of Water Supply to request additional funds in case North Carolina or Florida can't use their full allotment. And so, that would require more work from the EPA side.

COUNCILMEMBER JOHNSON: And we won't have a number on that until they don't spend it, or do we have an estimate?

MS. PUGEL: We don't have an estimate. We've been --

COUNCILMEMBER JOHNSON: Okay.

MS. PUGEL: -- communicating the full need, indicating that there's more eligible projects if...that would work within the timing of this funding if more funds became available. But yeah, it would be later, 2026.

COUNCILMEMBER JOHNSON: What is the full need? Do we have a number?

MS. PUGEL: The estimate that we...we went back and forth as the State was, and the EPA were outlining what would be eligible, because the full need is sort of...it's dependent on what they've defined as eligible. And then we would revisit what...you know, any potential project that could fit under that eligibility. But the number that was provided, and that we know the State submitted to the EPA in December, 2024, was around \$250 million for both the water system and the wastewater system.

COUNCILMEMBER JOHNSON: And we got 60 "X" million out of that \$250 million?

MS. PUGEL: Yes. Drinking water was...the full allotment for the Maui wildfire was \$68 million. The State is allowed a certain percentage for their . . .*(timer sounds)*. . . for their own...for administering the program. So, the amount that was offered to the county was 64-1/2. And then there was also, from the Wastewater side separately, there was \$22 million

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that was used for the...for Department of Environmental Management, Wastewater Reclamation Division.

COUNCILMEMBER JOHNSON: Thank you so much for that clarification. Thank you, Chair.

CHAIR SUGIMURA: Thank you. Next, we have member Rawlins-Fernandez, followed by Member Cook.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aloha, Deputy Director. Aloha, Ms. Piquel [sic]. Mahalo for being with us today and answering our questions. Okay. So, I am looking at the Drinking Water Treatment Revolving Fund final posted FY 2026 and Federal Fiscal Year 2025 appropriation. And I'd love for that to be posted to Granicus. I can send the...the link to Committee Staff to get that posted. So, I was looking at Appendix A, and I see that there's other...I'm just trying to understand better. And of course, I support receiving \$64 million. I'm not...yeah. So, no question about that, just trying to understand the...the process. So, 68 million was granted from the EPA through this emergency fund, where Florida and North Carolina that also suffered disasters received funding from the EPA. The 68 million was received by Department of Health, and it was combined with the other revolving fund money...because I see projects for Honolulu, different projects on O'ahu. And then I also see the area where it talks about the different interest rates, and then there's like a fee rate. So, there's like a 1.5...1.15 interest rate, and a 1.5 fee rate for municipal project-based loans. I guess for the 30 or 40 years...so that was 20 years, 30 or 40 years is 1.4 for interest rate, and 1.5 for the fee rate, for a total annual loan rate of 2.9 percent interest and fee together. And that would be on the \$6.4 million that we would be accountable for as the 10 percent matching? Is...is...am I understanding that correctly?

MS. PUGEL: Yes. Thanks for the question. So, the full intended use plan that you're looking at that outlines this appropriation, it's administered through the annual program, which there...so, the annual Drinking Water State Revolving Fund receives some much smaller amounts from the EPA every year, and that is allowed to fund water infrastructure projects across the whole State. So, that's the full list that you're seeing. They...what they did . . . *(timer sounds)* . . . in an attempt to make it a little bit easier administratively was that they just folded this in. They use an acronym SA-HMW. So, if you Control-F in that document for that, it'll give you just the list of projects. And that's the full \$250 million list that we told them is potentially eligible if they ask for more money. So, that's the list of just these projects. There will be other lists for other...for other counties. And then also...the Department of Water Supply will also have some projects through the annual program as well that are not disaster relief specific. And then...

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo.

MS. PUGEL: Yeah. And then your second question on the interest rate, we don't know. So, it...it would probably be the like 2 to 3 percent. We just haven't received guidance yet from them. They do have the ability to potentially offer lower or more subsidized interest rates just for the 10 percent remaining, and it...but we won't know until we're able to actually start the loan execution process.

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COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. And I did see the SA code in Exhibit A. Mahalo for answering my questions. Mahalo, Chair.

CHAIR SUGIMURA: Thank you. Member Cook, followed by Member U'u-Hodgins, then Member Sinenci.

COUNCILMEMBER COOK: Thank you, Chair. Thank you for being here, and for all your work. So, am I...do I understand it correctly that checking box number 2 qualifies for another 10 percent? So, today is like a \$6.4 million meeting? That's a good day's work, people. We're doing good.

UNIDENTIFIED SPEAKERS: . . .*(laughing)*. . .

COUNCILMEMBER COOK: So, my...my questions...this is really exciting, and congratulations on everything that we're working for and making happen. These projects, getting this meeting and this qualification done by December, and then encumbering the funds by next year, December 2026, what does it take to get the funds encumbered for this list of projects? I'm curious because, I mean, we have wells, tanks, pumps...it's a whole menu of projects, which are great, but they all have a different timeline. Or is it when they're designed, when they're...any clarification on what encumbered means for this menu of projects?

MS. PUGEL: Yeah. Thanks, Councilmember Cook. It's a good question. So...and I...there's, I think, two bits of information. So, one is that part of the way that the State is structuring this loan, giving the full list, gives the Department of Water Supply a lot of flexibility. They're calling it a programmatic financing agreement, which essentially means that whenever a project is ready to go out to bid and encumber funds, they don't have...the Department of Water Supply does not have to go to the State for approvals necessarily to approve that amount. So, that's why it's...it's a huge...yeah, that flexibility is hugely beneficial.

COUNCILMEMBER COOK: That is huge.

MS. PUGEL: Yeah. So, there's no...yes, from the State side, there's no...yeah, there's no waiting on that side. And then for the Department of Water Supply, as they develop the projects, which is, I think, your actual question of what does it mean to encumber the funds. So, these are projects that have been in development for years. Many of them are at full design and have already gone out to bid. Some of those bids just closed last week. And so, essentially, what the...the engineers at Department of Water Supply are waiting on is, you know, they don't have this much money in their accounts, but they've been working on these projects for a long time. So, when they go to execute their contracts with the contractors, they would...once these funds are received, they would be able to just use it as a fund code and...and encumber the funds.

COUNCILMEMBER COOK: It sounds like all the planets are in alignment for the Department of Water Supply, finally.

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UNIDENTIFIED SPEAKER: . . .*(laughing)*. . .

COUNCILMEMBER COOK: It's really great to be able to have the projects in the queue and being able to execute them. My last question is, if the 90 percent of the funds is not forgiven, how will the County pay for it? I guess, under what conditions would it not be forgiven? . . .*(timer sounds)*. . .

MR. LANDGRAF: We just need Council to agree, and that's it.

UNIDENTIFIED SPEAKER: . . .*(laughing)*. . .

MR. LANDGRAF: If Council agrees, then we'll get the 90 percent principle forgiven.

COUNCILMEMBER COOK: Okay. And that's what, our 6 million bucks today? We're going to...

MR. LANDGRAF: Yeah.

COUNCILMEMBER COOK: Okay. I think that's a deal. Thank you very much for your hard work. I'm really excited for the Department, and thank you for your expertise making this happen. Mahalo.

MS. PUGEL: Thank you. I just wanted to add, the additional 10 percent is the bills currently being considered by Council, but the...the entire...like if you think...the 90 percent principle forgiveness is...is uncommon. Normally, the Department of Water Supply in the past has qualified for around 40 or 50 percent, depending on the service area. So, the actual amount, if you...yes, this is one box that gets an additional 10 percent, but really, this is the next and one of the final steps to receive the full 90 percent, which is more math than I can do right now, but 90 percent of 64 is a lot. So, yeah, it's...it's a huge...yeah, it's going to be super important for these projects.

COUNCILMEMBER COOK: Thank you, Chair. Thank you.

CHAIR SUGIMURA: Very exciting. All right. Member U'u-Hodgins, followed by Member Sinenci.

COUNCILMEMBER U'U-HODGINS: Thank you, Chair. Aloha, Deputy Director. And thank you, Ms. Pugel. I hope I said your name correctly. I really have no questions for right now. My questions were mainly about the interest, which have already been asked and answered. So, thank you so much. I appreciate your hard work. Thank you, Chair.

CHAIR SUGIMURA: Thank you. Member Sinenci?

COUNCILMEMBER SINENCI: Thank you, Chair. My question for Deputy Landgraf was, looking at the list of projects--and I wasn't sure if I missed it or not--was there like a priority list for you guys to pick from? And I guess I just want to preface my question

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with, you know, were you looking at applications where there would be a need maybe for potential public housing projects? I don't know if there was any...it has Launiupoko, but I wasn't sure if Launiupoko was a private system in Launiupoko.

MR. LANDGRAF: Thank you for the question, Councilmember. So, no. So, Launiupoko L1, L3, and Honolua H1 and H2, and the Mahinahina backup well are all water service projects under the Department...that the Department controls. It's not anything private.

COUNCILMEMBER SINENCI: Oh, and...oh, nothing is private?

MR. LANDGRAF: No, there's nothing...it's...not for Launiupoko. It's just the well is in the Launiupoko Aquifer system.

COUNCILMEMBER SINENCI: Oh, just the...okay. Got it. And then, we do have some potential housing projects. I don't know, we...we spoke about, Pulelehua not having water. Are those...would those qualify or be near any, you know, water source projects to provide source for...not just that project, for some other public housing projects?

MR. LANDGRAF: So, both H1 and H2 and the Mahinahina backup are all part...all close to that area.

COUNCILMEMBER SINENCI: Oh, okay. All right. Okay. And then, again, this is just for our system, nothing to do with any private or any of the resort, hotel projects, anything like that?

MR. LANDGRAF: No, this is all part of the County of Maui Department of Water Supply system.

COUNCILMEMBER SINENCI: Okay. All right. Thanks, Chair. Happy to support.

CHAIR SUGIMURA: Thank you. Good questions. So, I have a question. So, of the projects that you have listed--I guess it's a question for Stantec--but what is the progress...or maybe we need to send you a letter. Like where are we in terms of making sure that the projects get done? And so, is there a current status for each project that you can tell us now or later? And then, will you therefore encumber the funds? That's what I'm trying to get to, right, by the deadline for 2026.

MS. PUGEL: Yeah, I'm also happy to provide a written in response to a letter, but in general, so Waipuka/Kanaha wells, motor control center, electrical upgrades, and emergency generators, those bids closed a couple of weeks ago, and so there are...there is pricing for that. Those would be able to be encumbered as soon as this loan is executed, and...or potentially before. But that...so, those are ready to construct. The Lāhainā waterline improvements project, the...the increasing the sizing for fire flow requirements, that...the bids closed. It put out...it was put out to bid this past spring. Bids closed in July, and that contract is executed with the...with the construction company. There were some internal County funds that went to the first portion, about half of the waterlines, and then the remaining portion that there was not funding for, those are ready to be encumbered as soon as the funds are available.

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Launiupoko L1 and L3 exploratory phase, those bids closed, I think, just last week. So, there's pricing for those, and again, would be ready to construct as soon as the funds are available. Mahinahina...so the last two on the list are the ones that have not yet been put out to bid, but are in design, and would be put out to bid in 2026. So, those would be able to be encumbered by the end of 2026. The project timing and the readiness of all these was one of the largest factors in selecting the projects, both on eligibility through a lot of back and forth with the EPA, Office of Recovery, and the State, but readiness was one of the most critical, essentially being able to fund projects that are ready to go right now. Yes, so most of these, but happy to provide more of a detailed status update.

CHAIR SUGIMURA: Okay. So, Staff, can we send them a letter so that we can have it as part of the record? Because important, right? Okay. Thank you on that. And where is the money coming from?

MR. LANDGRAF: Where the money is coming from? It's coming from the State.

CHAIR SUGIMURA: Well, EPA.

MR. LANDGRAF: EPA through the State, and then through...to us.

CHAIR SUGIMURA: Okay. And I know that when you presented all the plans for the Lāhainā rebuild, this was part of it, to get State revolving loan funds, and the interest we talked about. And...okay. All right. So, we'll go through one more round. Chair Lee?

COUNCILMEMBER LEE: I'm ready to vote.

CHAIR SUGIMURA: Okay. Member Paltin?

COUNCILMEMBER PALTIN: Can you explain a little bit more about the Lāhainā waterline improvement project? Is that...that's for...this is all for drinking water?

MR. LANDGRAF: Yes, it's all for drinking water, Councilmember. It's also...it's all in the Lāhainā...you know, through the burn area, all the...it's in that area that all the piping is getting upsized.

COUNCILMEMBER PALTIN: What...what...from what size to what size?

MR. LANDGRAF: It depends on what street, but it's bringing everything up to the standard. So, you know --

COUNCILMEMBER PALTIN: What's the standard?

MR. LANDGRAF: -- we can go from 6 to 8, 8 to 12, something...you know, stuff like...basically sizes like that, or 4 to 6, or 4 to 8. It's just depending on the street, but we're bringing it all up to the current standards.

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COUNCILMEMBER PALTIN: What is the current standards?

MR. LANDGRAF: I can't give you the...I would have to talk to the engineer, the exact current standards, but what the current standards that all the municipalities use right now in sizing their waterlines.

COUNCILMEMBER PALTIN: And the purpose of that is to...because people are building back bigger?

MR. LANDGRAF: Not necessarily, it's just to bring the flow and all the...the flows up to standard so we can have more water flow and water volume in the pipes.

COUNCILMEMBER PALTIN: And this was a problem before the fire, and what was the result of it as a problem? Like, people would have low pressure?

MR. LANDGRAF: Not necessarily low pressure. You could have low pressure, but you would have sometimes less volume. And because Lāhainā was built out over such a long period of time, as they were doing it, I guess they didn't upgrade things along the way.

COUNCILMEMBER PALTIN: So, what would be the consequence of not upgrading it?

MR. LANDGRAF: There will be less volume available in the piping.

COUNCILMEMBER PALTIN: And is this the fire hydrant system as well?

MR. LANDGRAF: Yes. It's all part of the fire system. Because all of...there's only one system that is mostly for fire protection and for domestic use. It's all on one system.

COUNCILMEMBER PALTIN: But even with the upgrades, if something like August 8th was to happen again, it would still not have water because the pressure would be gone as subdivisions burn down?

MR. LANDGRAF: Well, August 8th was...what can I say? That was very unusual, and it would be very hard to support some kind of fire for anybody's system with what happened. It just was...

COUNCILMEMBER PALTIN: So, this was...go ahead.

MR. LANDGRAF: Yeah. This was so much broken lines and stuff that it's very hard just to maintain what was happening at the time.

COUNCILMEMBER PALTIN: So, this upgrade wouldn't change the outcome?

MR. LANDGRAF: I cannot say.

COUNCILMEMBER PALTIN: Do you know how many linear feet of waterline improvement --
...*(timer sounds)*...

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MR. LANDGRAF: It's --

COUNCILMEMBER PALTIN: -- through this?

MR. LANDGRAF: -- probably around 15,000.

COUNCILMEMBER PALTIN: Thank you.

CHAIR SUGIMURA: Thank you very much. Next, Member Johnson, followed by Member Rawlins-Fernandez. Oh, Member Johnson.

COUNCILMEMBER JOHNSON: Thank you, Chair. My questions have been answered, and I'm in full support.

CHAIR SUGIMURA: Thank you. Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. A follow-up question regarding when you expect to execute the loan documents?

MR. LANDGRAF: By the first quarter of 2026.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Great. And then, you know, regarding that fee that I referenced, it's a 43-page document, and I haven't read it through thoroughly in the past few minutes. I was hoping that you would be able to explain what that 1.5 percent fee is.

MS. PUGEL: Yeah, not with certainty, unfortunately. In general, the State also...I think, that they use that. It's like a...it's what they use to be able to administer the program, so for their own staffing and...yes, being able to administer the program. I don't...but we could ask them for more of a detailed breakdown. I don't know the exact answer.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Mahalo. And I...it may be in the document, and I haven't, you know, been...been able to find that section to explain. So, the State is taking 4 million from the 68 million, plus charging...potentially charging a 1.5 fee over the 30 years and an interest rate, potentially?

MS. PUGEL: Potentially, and that's why I had said earlier, and I'm sorry that I didn't put it in the slides, but that we don't know the interest rate. I think that that is a really fair point, and that's part of the execution process, is determining what the...the interest rate would be, and then if that fee applies, or if...you're right, if that's covered by the administrative set-aside that they already allocated for themselves. Yeah.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. All right. And then...so, just to confirm what I thought I heard and understood earlier, the 64 million is just for West Maui, and the Department may have applied for more outside of West Maui and disaster relief, outside of the 64 million? I didn't read the whole Exhibit A yet. Sorry.

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MS. PUGEL: Yeah. There was...there were some original lists when we didn't know what was going to be eligible uses. You know, when the...when we first were informed of the potential for the EPA to pass a disaster supplemental through Congress and get money to support water infrastructure needs in Maui, North Carolina, and Florida, we kind of gave them a whole...a big list of all potential things. The drinking water SRF and this line of EPA funding . . .(timer sounds). . . specifically is...already has some standard eligibilities, so we just went with anything that could potentially fit, and then slowly worked with them to iterate. And what the final determination we received, and the guidance we received from both the EPA and the State, pretty much limited the projects to West Maui, Lāhainā specifically, so that's why these projects were there. Some of the larger list moved beyond that, but, yeah, what...what we were told is that the...what would be eligible for this first allotment is just Lāhainā and drinking water.

COUNCILMEMBER RAWLINS-FERNANDEZ: Yeah. So, my question was in regard to the 64 million. It was regard to...you said they get like 280 million from the EPA, and so 64 million was set aside for disaster relief, and then beyond the--I can't do the math right now--so \$220 million would be for everything else that the EPA for...regarding drinking water. So, did Maui County receive anything outside of West Maui from the 220 million?

MS. PUGEL: Yeah, I would...I would have to look through it to know specifically. It's my understanding that they received...so they only received 68 million from the EPA for...under this allocation--they took the 4 million for themselves, so the amount offered is the 64.5. I think what they got for their annual program, like the amount that they'll get as a...it's called a capitalization grant every year from the EPA, I think it was something on the...it's something on the order of 20 to \$30 million, and that's what applies to the whole program. I would have to double check. I'm not sure what the 220 is, but the full ask, our original ask was for the full 250-something million. Again, I can get specifics if you want. That was to demonstrate that there was a large need, and essentially was used by the State and by our contacts at the EPA to try to get as...you know, as close to that 250 as possible, but then all that they received in this first allotment is the 68. And then the reallocation, which would be later next year, essentially the...the State and our partners at the EPA would go back to headquarters and say, if there's additional left over from Florida or North Carolina, look, we've already encumbered our full 64.5 million, and there's more need remaining...so we could use those funds if there's any left over. And that would start to build towards the larger 250 need that was in like that full project list. I hope that answered your question. I'm also happy to dig into it a bit more and find out what the 220 is.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Mahalo for that. And then, Chair, I did email Committee Staff the link to that revolving fund plan, so if it can be uploaded to Granicus for the public to be able to access. Mahalo.

CHAIR SUGIMURA: Did you get it? Staff, did you get it? Yeah, you did get it. Okay. Can you upload it to Granicus?

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COUNCILMEMBER RAWLINS-FERNANDEZ: After the meeting. After the meeting. Yeah, no rush. I just...you know, just for future reference. Mahalo, Chair.

CHAIR SUGIMURA: Thank you.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Staff.

CHAIR SUGIMURA: Thank you. Member Cook, any more questions?

COUNCILMEMBER COOK: No more questions, Chair. I just want to thank the Department and everybody for their work on this effort. This is huge. It's a lot of money, a lot of capital improvement projects, huge improvements to the Lāhainā water system, and good job.

CHAIR SUGIMURA: Yeah. Member U'u-Hodgins?

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

CHAIR SUGIMURA: Thank you. Member Sinenci?

COUNCILMEMBER SINENCI: Okay. Chair, just a follow-up from the report. It looks like the Department of Water Supply, this grant is just specific to the Lāhainā wildfire projects. However, there were other projects that the Department had qualified for through this grant?

CHAIR SUGIMURA: Is that a question for the Department?

COUNCILMEMBER SINENCI: Yes.

CHAIR SUGIMURA: Okay.

MS. PUGEL: Yeah. Thank you for the question. I think what you may be referring to are several of the projects that were put forward for the normal annual program. So, that's...you know, every year, the EPA allocates a certain amount of money to every single state across the country. It's based off of the drinking water needs assessment. The State of Hawai'i, I believe--but I can get a real number--it's also in that intended use plan that Councilmember Rawlins was...had sent around, but I think it's around 20, 30 million. That's in the form of a grant that the State receives that they then lend out. And then as the terms of those loans come up, they start getting...or like as the terms...or as the projects are implemented and repayment starts, it all feeds back into one big bank that the State continues to lend out every year. And that is for all public water systems in the whole State. So, I believe that there's two or three or maybe four, but a handful of other...other projects around the County of Maui that the Department of Water Supply is...had applied for the annual program. So, there's some granular activated carbon centralization happening up in the Nāpili/Honokahua Wellfield. There's some chlorination upgrades at the Olinda Water Treatment Plant, and there's a water tank going in in Kihei at the Lipoa site for the Tech Park. All of those

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qualify for the annual program. So, those are submitted. So, you might see those listed as well that are separate from the wildfire relief projects.

CHAIR SUGIMURA: Fabulous.

COUNCILMEMBER SINENCI: Okay. Great. Thank you for that explanation. Thank you, Chair.

CHAIR SUGIMURA: Yeah, great. Thank you very much. Because my question was going to be, will you be applying for Upcountry also. But I think you just answered it in the annual funds.

MS. PUGEL: Yes. There are annual funds, and the annual funds don't have as good of terms as these. Those are ones that, depending on the...the specific fund that the State uses for a project. So, like the Nāpili granular activated carbon project, the centralization, that uses...that qualifies for some like also higher subsidies because of the...the way that it was received from the EPA, was from the bipartisan infrastructure law for emerging contaminants. So, it was a specific fund so that that project has higher levels of principal forgiveness. The others are...the level of principal forgiveness is calculated on the service area. So, the terms of the...of this wildfire relief funds are much, much better than the annual program, although the annual program is still a subsidized loan, has repayment terms that are really favorable for water infrastructure projects. So, it's a great fund. It's...the Department of Water Supply has a good relationship with the annual program, and does apply every year. So, the Upcountry projects, like, when they're ready to...and if...if that's the most favorable terms that they can consider, you know, not getting grants from anywhere else, then it would be a viable funding option for Upcountry projects.

CHAIR SUGIMURA: Yeah, good. We will look forward to hearing more then, about future projects. I appreciate that. So, Corp. Counsel, do you have anything you want to add to this...this discussion? None? Okay. So, authorization of the application...this is the authorization of the application. If the project is selected by the State revolving...revolving fund, then an IGA will be executed. And that is when the information related to the eligibility for the loan forgiveness would be included. Do you have anything else to add? I think this came from Kristina in an earlier conversation dated October 31st.

MS. WRIGGLESWORTH: Nothing else to add that...that this loan is forgivable. So, it's a great situation for the County, to help with the recovery of Lāhainā after the fire.

CHAIR SUGIMURA: Okay. So, are we looking forward to an IGA in the future, intergovernmental agreement, or something further once this goes...gets approved?

MS. WRIGGLESWORTH: Sorry, I have to look into that.

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CHAIR SUGIMURA: Okay. Okay. We'll send a letter, a follow-up letter to Corp. Counsel. Thank you. All right. Members....Member Paltin, who else possibly has a question? Member Paltin, do you have any more questions?

COUNCILMEMBER PALTIN: No, thank you.

CHAIR SUGIMURA: Okay. Member Johnson, I think you're fine. Member Rawlins-Fernandez, do you have any more questions?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. No further questions. I'm ready to vote in support.

CHAIR SUGIMURA: Okay. Great. Member Cook, you look like you're ready to vote, as well as U'u-Hodgins. And Member Sinenci, do you have any more questions? Okay. We're good. All right then. Fabulous. So, at this time, I'd like to entertain a motion to recommend the passage on first reading on Bill 150 (2025), and Bill 151 (2025), incorporating in any nonsubstantive revision.

COUNCILMEMBER COOK: So moved.

COUNCILMEMBER U'U-HODGINS: Second.

CHAIR SUGIMURA: Thank you. Second? Second by Member U'u-Hodgins. Thank you, Member Cook and Member U'u-Hodgins. Is there any discussion? Okay. Seeing none. So, at this time, then, I'd like to do...all in favor, raise your hand and say "aye."

COUNCILMEMBERS: Aye.

CHAIR SUGIMURA: And I think who's not here is Member Lee. I think everybody else is present. Okay. So, that makes it seven "ayes" and one excused. Thank you. Motion carries.

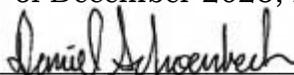
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CERTIFICATION

I, Daniel Schoenbeck, hereby certify that pages 1 through 25 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 17th day of December 2025, in Wailuku, Hawai'i



Daniel Schoenbeck