

BUDGET, FINANCE, AND ECONOMIC DEVELOPMENT COMMITTEE

Council of the County of Maui

MINUTES

May 19, 2026

Online Only via Teams

CONVENE: 9:10 a.m.

PRESENT: Councilmember Yuki Lei K. Sugimura, Chair
Councilmember Kauanoë Batangan, Vice-Chair
Councilmember Tom Cook, Member
Councilmember Gabe Johnson, Member
Councilmember Alice L. Lee, Member
Councilmember Tamara Paltin, Member
Councilmember Keani N.W. Rawlins-Fernandez, Member (arrived at 9:50 a.m.)
Councilmember Shane M. Sinenci, Member
Councilmember Nohelani U'u-Hodgins, Member

STAFF: Kirsten Szabo, Legislative Analyst
Pauline Martins, Senior Committee Secretary
Jarret Pascual, Legislative Analyst
Peter Hanano, Legislative Attorney
Lenora Dineen, Council Services Assistant Clerk
Ryan Martins, Council Ambassador

ADMIN.: Kristie Wrigglesworth, Deputy Corporation Counsel, Department of the
Corporation Counsel
Lesley Milner, Budget Director, Office of the Mayor
Marcy Martin, Director, Department of Finance
Guy Hironaka, Real Property Management Specialist, Department of Finance
Kaponō'ai Molitau, Director, Department of 'Ōiwi Resources
Daniel Shupack, Capital Improvement Program Coordinator, Department of
Management
Paul Barany, Deputy Director, Department of Public Works
Jade Rojas-Letisi, Economic Development Director, Office of the Mayor
Travis "Koa" Hewahewa, Deputy Director, Department of Agriculture
Ana Mejia-Vasconcellos, Grant Coordinator, Department of Agriculture
Tiare Horner, Budget Specialist, Office of the Mayor
Aulani Delatori, Economic Development Specialist, Office of the Mayor
Chastiny Greig, Economic Development Specialist, Office of the Mayor
Emily Bartow, Administrative Assistant, Office of the Mayor
Vanessa Joy Domingo, Secretary, Department of Human Concerns
Michael Peterson, Deputy Director, Department of Environmental Management

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

May 19, 2026

OTHERS: Scotty Miller
 Travis Aaron Liggett
 Dane Maio
 Lala Johnson
 Kahala Johnson
 Kanealii
 Kaniloa Kamanu
 Others (17)

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

CHAIR SUGIMURA: . . .*(gavel)*. . . Good morning, everybody. Welcome to the Budget, Finance, Economic [sic] Development Committee. Today is May 19th, and is...it is now 9:10. Sorry for the delay, we're having some problems connecting with *Akakū*, but I understand it's been repaired or fixed. This is our Budget Committee, and we appreciate all of you who endured going through Budget Committee for the whole month of April, and now we're back to regular Committees. My name is Yuki Lei Sugimura. And this meeting is being conducted in accordance with the Sunshine Law. As a reminder, when your name is called, if you're not in the Chambers, please do address who is with you in your room, vehicle, or workspace with you today. And minors do not need to be identified. Good morning, Vice-Chair Batangan.

VICE-CHAIR BATANGAN: Morning, Chair.

CHAIR SUGIMURA: Good morning. Good morning, Member Cook.

COUNCILMEMBER COOK: Morning, Chair.

CHAIR SUGIMURA: Good morning. Gabe Johnson, welcome back from Japan.

COUNCILMEMBER JOHNSON: Good morning, Chair, Councilmembers, community members. Oh, let me mute this.

CHAIR SUGIMURA: Are you on? Yeah.

COUNCILMEMBER JOHNSON: There's...there's no testifiers at the Lānaʻi District office, and I'm here and ready to work. And ohayou gozaimasu.

CHAIR SUGIMURA: Oh, ohayou gozaimasu.

COUNCILMEMBER COOK: Chair.

CHAIR SUGIMURA: Member Cook.

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

May 19, 2026

COUNCILMEMBER COOK: Thank you. I apologize. There's...the Kihei office is closed today because our aide is on...on at a meeting and a conference. Thank you.

CHAIR SUGIMURA: Okay. Thank you. Member Paltin.

COUNCILMEMBER PALTIN: Aloha kakahiaka, kākou. Streaming live and direct from Hale Anuenue, Hilo. It's a semi-public facility with all-day visiting hours. So I'm not going to say all the nurses and aides --

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

COUNCILMEMBER PALTIN: -- that come in and out and my mom's roommate and like that because I don't know all their names.

CHAIR SUGIMURA: Give our best to your mother. Could Member --

COUNCILMEMBER PALTIN: Oh, Chair.

CHAIR SUGIMURA: Yes.

COUNCILMEMBER PALTIN: I might have to step away at 9:30 for a...other meeting, but I'll...I'll be monitoring.

CHAIR SUGIMURA: Okay. Thank you very much. Member Rawlins-Fernandez will be joining us. Member Sinenci, good morning, nice to see you here.

COUNCILMEMBER SINENCI: Hey, aloha kakahiaka, Chair. No testifiers in Hāna.

CHAIR SUGIMURA: Member U'u-Hodgins.

COUNCILMEMBER U'U-HODGINS: Good morning, Chair. Good morning, everyone.

CHAIR SUGIMURA: Good morning. Okay. Assisting us with today's --

COUNCILMEMBER LEE: Hello.

CHAIR SUGIMURA: Oh, I thought I got to you. Sorry, Chair Lee. Chair Lee with a bright star next to it. Good morning.

COUNCILMEMBER LEE: Yes. Thank you. And I'd like to also send my aloha to...from all of us to Mildred Paltin.

CHAIR SUGIMURA: Yes.

COUNCILMEMBER LEE: Thank you.

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

May 19, 2026

CHAIR SUGIMURA: Thank you. Okay. Assisting us...us with today's meeting are our Office of Council Services Staff, appreciate you a lot. And our invited resource persons from the Administration include the Budget Director, Director of Finance, Director of 'Ōiwi Resources, Deputy Director of Public Works on call virtually, and Economic Development Director on call virtually, Director of...Deputy Director of Ag., Deputy Director of Environmental Management and Deputy Corp. Counsel Wrigglesworth. Please see the last page of the agenda today for meeting connectivity. Today, we have four items on our agenda. One, two, three...oh, five items on our agenda. The first one is...as they are situated here, is Bill 57, Bill 70 (2026), and 80 (2026) Relating to the Halau Of 'Ōiwi Arts. BFED-56, Bill 69 (2026), Amending Section 3.36.190, Hawai'i County Code...Maui County Code, Regarding Upfront Disbursements and Installment Payments for Grant Recipients. BFED-59, Bill 83 (2026), Amending the Fiscal Year Budget: Department Of Environmental Management, Sewer Fund; and Appendix A, Part II, Open Space, Natural Resources, Cultural Resources, and Scenic Views Preservation Fund. Bill 46...BFED-46, Bill 102 (2026) [sic] Amending the Fiscal Year '26 [sic] Budget: Appendix A, Part II, Open Space, Natural Resources, Cultural Resources, and Scenic Views Preservation Fund; and Resolutions [sic] 25-53, Authorizing the Acquisition of Real Property Located at 104A Lower Waiehu Beach Road, Wailuku (Ka'ehu Bay). Bill...BFED-55, Bill 181 (2025), Increasing the Amount of Home [sic] and Long-Term Rental Exemptions From Real Property Tax. So those are the things on the agenda. All right. And what I'm going to do is, I'm going to open it up for public testimony. Do we have people signed up to testify? We do. Okay. So if you are...I'm going to take testimony before we take in...take up all these items. And so, if you are...are a testifier, please do sign up in the lobby. 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 items at the beginning of the meeting and as the item is called up. For individuals wishing to testify via Teams, please name...raise your hands, clicking on the raise-your-hand button. If calling in, please follow the prompts via phone. Star 5 to raise and lower your hand and star 6 to make...to mute and unmute. Staff will add names to the testifier list in the order testifiers stand...sign up and...or raise their hands. For those on Teams, Staff will lower your hand once your name is added, and Staff will then call the name you...you're logged in under the...or the last four digits of your phone number when it is your time to testify. At this time, Staff will also enable your microphone and video. Please enable...ensure your name appears on Microsoft Teams as the name you prefer to be referred to or as anonymous 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. Oral testimony is limited to three minutes per item. And if you're not done, you will be given 30 seconds to complete. Once you are done testifying, if you do wish to test...or you do not wish to testify, you can also view the meeting on *Akakū* 53, Facebook Live, or mauicounty.us/agendas. We will do our best to take each person up in an orderly fashion. We will now call on testifiers wishing to testify at the beginning of the meeting. Please call the testifier, please.

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

May 19, 2026

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

MR. PASCUAL: Thank you, Chair. The first testifier is Scotty Miller, to be followed by Travis Aaron Liggett. (Pause)

CHAIR SUGIMURA: Good morning.

MR. MILLER: Good morning.

CHAIR SUGIMURA: Good morning.

MR. MILLER: Morning, Chair and Councilmembers. Good morning, good morning, good morning. Sorry, I stay working right now. I got to go back to work, so thank you for allowing me. Hold on one second. I know my time is running. Aloha. By the way, aloha, my name is Scotty Miller and my ohana resides from Waiehu. I'm just opposing, I'm opposing...opposing this Bill 102 with the acquisition of...you know, of the shoreline on Waiehu by the County. But anyway, I just here to speak my mind, and, you know, it's kind of hard for me but just gathering my thoughts because Waiehu is a...you know, carries a cultural memory, good practices, fishing knowledge, family history. And just want to say that and mahalo for your time and...and thank you so much. So I guess I can get back to work, ah. Any questions? . . .*(laughing)*. . .

CHAIR SUGIMURA: Thank you. Any questions for the testifier? Seeing none. Thank you very much. Oh, you do? Member U'u-Hodgins.

MR. MILLER: Oh, yeah.

COUNCILMEMBER U'U-HODGINS: . . .*(inaudible)*. . . nice to see you. Thank you so much for testifying. I know you guys have come out before because we've discussed this before.

MR. MILLER: Uh-huh.

COUNCILMEMBER U'U-HODGINS: And I think right now we're trying to figure out what to do because the church wants to sell it. And if it's not to us, then it might be to somebody else. How do you feel about that?

MR. MILLER: No. I just wanted to know...to find out that...you know, how is the church...you know. How did they acquire that land?

COUNCILMEMBER U'U-HODGINS: Sure.

MR. MILLER: -- from --

COUNCILMEMBER U'U-HODGINS: Sure.

MR. MILLER: -- they are the true...you know, true owners of that place.

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

May 19, 2026

COUNCILMEMBER U'U-HODGINS: I don't disagree with that, but if they do sell it --

MR. MILLER: Uh-huh.

COUNCILMEMBER U'U-HODGINS: -- what...what do you think would happen if they were to sell it to somebody else that's not the County?

MR. MILLER: I don't know.

COUNCILMEMBER U'U-HODGINS: Okay.

MR. MILLER: I would...I cannot answer that, but --

COUNCILMEMBER U'U-HODGINS: Okay.

MR. MILLER: -- it's a struggle all over the island that our --

COUNCILMEMBER U'U-HODGINS: I know.

MR. MILLER: -- Kānaka face.

COUNCILMEMBER U'U-HODGINS: Yeah.

MR. MILLER: And I don't know. You seen the places that...where you come from, yeah.

COUNCILMEMBER U'U-HODGINS: Uh-huh.

MR. MILLER: I mean, I can understand that kind other places, like...you know, guys from Hāna, same thing. The whole island is...I mean, it's the same way but --

COUNCILMEMBER U'U-HODGINS: Okay. Thank you.

MR. MILLER: -- but thank you for the question.

COUNCILMEMBER U'U-HODGINS: Thanks for answering my question. Yeah.

MR. MILLER: I hope I went answer them right but.

COUNCILMEMBER U'U-HODGINS: Thank you. No. Your right is right. Thank you.

MR. MILLER: Okay, thanks.

CHAIR SUGIMURA: Thank you very much. Any --

MR. MILLER: Mahalo.

CHAIR SUGIMURA: -- more questions? Seeing...oh. Member Paltin has a question for you.

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

May 19, 2026

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. Miller. Last time they was saying that they were talking to the church about doing the right thing. I was wondering if you had any knowledge if that had progressed at all?

MR. MILLER: No. I don't have any idea. It's --. . .*(inaudible)*. . . --

COUNCILMEMBER PALTIN: Oh, okay. Thank you.

MR. MILLER: the Mormon church, yeah, you talking about?

CHAIR SUGIMURA: Uh-huh.

MR. MILLER: No.

COUNCILMEMBER PALTIN: Yeah, the Mormon church. I think Ms. Johnson was a member, and she said that she was talking. So I...I just was wondering if you had any update on that.

MR. MILLER: No. No, I don't. Sorry.

COUNCILMEMBER PALTIN: Okay. Thank you.

CHAIR SUGIMURA: Thank you.

COUNCILMEMBER PALTIN: Thank you.

MR. MILLER: Mahalo. Thank you.

CHAIR SUGIMURA: Thank you very much. Any more questions? Seeing none. Thank you very much for testifying.

MR. MILLER: Mahalo.

CHAIR SUGIMURA: Mahalo. Next testifier, please.

MR. PASCUAL: Chair, the next testifier is Travis Aaron Liggett, to be followed by Dane Maio.

CHAIR SUGIMURA: Mr. Liggett.

MR. LIGGETT: Good morning, Chair and Members. I just want to congratulate you for navigating that budget season. It's very...so impressive to see how hard you work and the duration. I just want to say thank you. I just...you know, I have this effort where I am engaging in an organized, strategic effort to...this really was a response to Uncle Bobby's testimony that the people who grow food know what to do. It's just a matter of having enough currency to actually . . .*(inaudible)*. . . the plan --

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

May 19, 2026

CHAIR SUGIMURA: Oh, Mr. Liggett, can I interrupt you? What item are you testifying on?

MR. LIGGETT: Yeah. Oh, thank you so much, Chair. 83, Bill 83, I'm proposing a new Section 3, which I have provided in the written comments. And it is just a very simple legal framework that routes philanthropic funding to DEM to 10 focus areas to stabilize, we call it the MLAST, Maui Living 'Āina Sustainability Trust. It's just a very subtle section to a bill that's not really designed for this, and it just creates a plugin for your RV to plug into this grid. All those zeros and ones out there, and maybe there's someone that would swipe right on just investing a lot into DEM. They could disburse it to all these living life support systems because I think Maui is a very good investment. This is on a scale of, like, one data center. You can...you know those zeros and ones have to be watered there too. That's why I would say, you know, the Waiwai (*phonetic*) on Maui, just a very...I know this bill is not designed for that, but this is a legislative body, and you can write the Code as you wish. It's a subtle amendment, and it just allows a place for people to invest in Maui through philanthropy. And DEM, I think, is the agency to build this out because it's a living life support system model. And it just takes all these cultural practices that a lot of Hawaiian women and others have stored for a long time. And it just scales them up through philanthropy and, you know, this model could be expanded to, like a full philanthropy governance, you know, if they so choose. I tried to design it to be very flexible, to create a position called the hermay, not the Mayor, and it just takes all these practices and just fully funds them. You could do stuff like double every salary, double every budget. And really, with the inflation that we're looking at, people like, yeah, that would get me back to where I wish...used to be, double my salary. I know it's out-of-the-box thinking, but, you know, if you can invest that much in a data center...you know the one in Utah is supposed to increase the overnight temperature by 20 degrees statewide, forever. Or . . .(*timer sounds*). . . invest in the idea of Maui. So thank you so much and have a great day. I know this isn't exactly what it's meant to do, but I just wanted to introduce other ideas that are possible. I know this probably won't pass today, but I just want to put it out there as an idea. Thank you.

CHAIR SUGIMURA: Thank you. Any questions? Seeing none. Thank you very much for testifying. Next testifier, please.

MR. LIGGETT: Aloha. Thank you.

CHAIR SUGIMURA: Aloha.

MR. PASCUAL: Chair, the next testifier is Dane Maio, to be followed by Lala Johnson. (Pause)

MR. MAIO: Aloha, Chair and Councilmembers.

CHAIR SUGIMURA: Good morning.

MR. MAIO: Okay. My name is Dane Maio. I'm here again regarding the Waiehu property, connected to my family for generations. At the last meeting, I was actually continuing reviewing and connecting our family historical chain of title records. Since then, I spent countless hours going through the old deeds and Hawaiian language documents,

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

May 19, 2026

conveyances and historical land records continuing...connecting our family and historical property. I...on...I want to... I want to be honest and...and take this time to say that it's a process right now, and it's just mainly me and my girlfriend conducting research with formal and...without formal or legal title training. However, even with the work completed so far, I have already located deeds and historical conveyances connected to our families that predates the 1938 chain currently being relied upon. I...I also listened carefully to the prior Committee discussion where the question[sic] were raised regarding how the title passed before Wailuku Sugar Company. And it was acknowledged that fully researching...that the early historical chain of title could take months or even years. To me that confirms that there is still unresolved historical title questions surrounding this property. Because of that, I respectfully do not believe the County should move forward with spending public funds to purchase this property while those issues are still active and being researched and investigated. This fight over our family land did not start with me. My papa spent years fighting in the courts and trying to protect what he believed strongly to our family before he passed away earlier this year. And now, even after losing him, the fight still continues. My daughter is here with me today, and she is only one years old, but she...she grows up connecting to this 'āina, going to the beach, swimming in the rivers, picking up rocks and learning to love this place the same way we did growing up. I don't want her generation to spend their lives still fighting over this land the way my papa had to. I just want the true...the truth and fully investigated before this [sic] decisions are made that could affect our...our family generations to come. Mahalo for your time.

CHAIR SUGIMURA: Thank you very much. Any questions for the testifier? Member U'u-Hodgins.

COUNCILMEMBER U'U-HODGINS: Thank you, Chair. I'm just wondering if you would like to be a resource when the item comes up because --

CHAIR SUGIMURA: Yes.

COUNCILMEMBER U'U-HODGINS: -- I don't necessarily have any clarifying questions.

CHAIR SUGIMURA: Okay. Thank you.

COUNCILMEMBER U'U-HODGINS: Thank you.

CHAIR SUGIMURA: Would you be available?

MR. MAIO: Yes.

COUNCILMEMBER U'U-HODGINS: Thank you.

CHAIR SUGIMURA: Thank you very much.

MR. MAIO: All right. Thank you.

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

May 19, 2026

CHAIR SUGIMURA: Anymore questions for the testifier...who will wait on that. Thank you. Next testifier, please.

MR. PASCUAL: Thank you, Chair. The next testifier is Lala Johnson, to be followed by Kahala Johnson.

MS. JOHNSON: Aloha mai, kākou, Chair and Councilmembers. O Lala Johnson, ko inoa, from Waiehu. I come here respectfully. I urge the Council to seriously consider what happens after the County acquires lands, such as 104A Lower Waiehu Beach Road under Bill 102. The public is repeatedly told that these appropriations protect land. But what is often left unsaid is that the actual burden of caring for these places continues to fall on the shoulders of the community, especially the kuleana families and lineal descendants who already mālama these lands without compensation, recognition, or institutional support. If the County just deletes the original 1.3 million appropriation tied to the Lahaina property and only spends approximately 500,000 on the Waiehu parcel, the remaining 800,000 does not disappear. It remains within the Open Space, Natural Resources, Cultural Resources, and Scenic Views Preservation Fund to be used for future acquisition elsewhere. That means the County retains the purchasing power to acquire more land. But the people already protecting the land receive no direct support to continue doing the work. This reveals a deeper systemic issue within the County's approach to preservation. The fund prioritizes acquisition but not stewardship. Kuleana families clear brush, remove invasive species, maintain access, restore auwai, monitor shoreline conditions, and protect cultural sites with their own labor, tools, fuel, and time. Yet, when the Government acquires these lands, there's often no dedicated management plan, no maintenance funding, and no direct support for the very people who have sustained these places for generations. Historically, this creates a dangerous cycle. The County acquires land in the name of preservation but without long-term stewardship, infrastructure, these lands can fall into neglect. Invasive species spread, fire risk increase, access becomes restricted or unclear. And once again, community members are left doing the work voluntarily, except now on County-owned property. If this acquisition proceeds, the community deserves more than symbolic preservation language. There must be a transparent, long-term stewardship plan, meaningful consultation with lineal descendant and neighboring families, consideration of formal stewardship or co-management agreements and actual investment in community-based mālama, not just acquisition itself. Protecting land without supporting the people who care for it is incomplete preservation. Land does not stay healthy because Government owns it. Land stays healthy because people, kuleana families, maintain relationships with it every single day. Mahalo for your...for this opportunity to testify.

CHAIR SUGIMURA: Thank you. Anyone have questions? Chair Lee.

COUNCILMEMBER LEE: Did you submit your testimony to the Council? No. If not, can we have a copy, yeah?

MS. JOHNSON: Yeah.

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

May 19, 2026

COUNCILMEMBER LEE: Because you have some really good ideas there. Thank you.

MS. JOHNSON: Mahalo.

CHAIR SUGIMURA: Thank you very much. Any other questions? Seeing none.

MS. JOHNSON: Mahalo.

CHAIR SUGIMURA: Appreciate it. Next testifier, please.

MR. PASCUAL: Thank you, Chair. The next testifier is Kahala Johnson, to be followed by Kanealii.

MR. JOHNSON: [*Speaking Hawaiian*] Aloha, Chair and Councilmembers. My name is Kahala Johnson. I'm here today to demand referral...deferral of Bill 102 and the rejection of its attached resolution pending a facilitated good-faith meeting with our ohana before any future hearings occur. County acquisition of a property using public funds should not move faster than its commitment to due diligence and verification. Bill 102 raises some serious concerns regarding due diligence and public financial risk. The public packet for Bill 102 includes two things I wanted to talk about today, the preliminary title report one and the legal memorandum from Corporation Counsel concerning liability. The preliminary title report, or the PTR, tells you what's found during a preliminary investigation, but it doesn't necessarily tell you whether ownership questions have been fully resolved. In contentious land situations common to Hawai'i, relying on a PTR alone creates public risk if decision makers begin treating the preliminary investigation as a definitive ownership determination. And again, County acquisition of a property using public funds shouldn't move faster than its commitment to due diligence and verification. And I do want to note that folks are trying here. Yeah, I come here today to recognize that. In addition to the PTR, I'm also concerned that the legal analysis provided by Corporation Counsel is being used to justify moving forward before due diligence has been completed. This legal analysis discusses what could happen if another valid title holder later emerged, which includes litigation exposure, quiet title proceedings, title insurance questions, and financial liability. So to be clear, this is a recognition on County's part that future owner disputes could generate quiet title litigation, expenses, cost, disputes, and finances that will be borne by other taxpayers. I don't want this to be used as a contingency plan. I want this to strengthen due diligence moving forward because a contingency plan based on uncertainty is not a substitute for due diligence and the taxpayer should not be forced to underwrite unresolved ownership disputes. And then lastly, to conclude, no one has contacted our ohana. And I know you folks are...you know, busy coming out of budget season. Spreadsheets, probably never want to see another one again. But, you know, we are willing to...to talk about this. You know, as Hodgins...Member Hodgins [*sic*] brought up, there are some options that we have to consider. Our...our ohana is committed to dialog. We are also ready to activate our community defense should calls for due diligence fail. I hope that doesn't come to it. I hope that Bill 102 can be deferred and a facilitators meeting with our ohana can be had so that we can commit ourselves to due diligence moving forward. Mahalo.

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

May 19, 2026

CHAIR SUGIMURA: Thank you. Member Sinenci, Member U‘u-Hodgins. I see any other hands up? Member Johnson.

COUNCILMEMBER SINENCI: Mahalo, Kahala, for your testimony this morning. So you're asking for some discussions with the County.

MR. JOHNSON: If...if possible. You know, I not --

COUNCILMEMBER SINENCI: . . .*(Inaudible)*. . . --

MR. JOHNSON: -- I'm not sure what that looks like.

COUNCILMEMBER SINENCI: Would...would that be prior to purchasing it or --

MR. JOHNSON: Yeah. I...I mean, you know. I know there's timelines and things like that. You folks are so busy with so many things but if possible. prior. I am not assigning blame for, like, not contacting the family. I recognize kuleana is this room, but I...I think it is something that we could discuss, yeah.

COUNCILMEMBER SINENCI: Okay. Thank you.

MR. JOHNSON: Yeah.

CHAIR SUGIMURA: Member U‘u-Hodgins.

COUNCILMEMBER U‘U-HODGINS: Thank you, Chair. And thank you so much for your testimony today. Is...is aunty your mom?

MR. JOHNSON: Yes.

COUNCILMEMBER U‘U-HODGINS: Okay. I was...I was going to ask her a question because the last time we had her in here—and then I started writing notes after her testimony—she was saying she was going to reach out to the church to. I can ask her during break, but do you know what's the status of, maybe, the conversation you folks been having the church?

MR. JOHNSON: With the seller.

COUNCILMEMBER U‘U-HODGINS: Yeah.

MR. JOHNSON: I think that she had reached out to their Corporate Central in --

COUNCILMEMBER U‘U-HODGINS: Yeah.

MR. JOHNSON: -- Utah. I'm not sure what the feedback was from that.

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

May 19, 2026

COUNCILMEMBER U'U-HODGINS: Okay.

MR. JOHNSON: But yeah, maybe that's something that can come up later.

COUNCILMEMBER U'U-HODGINS: I can...I can ask her during break. Thank you so much.

MR. JOHNSON: Yeah. No worries.

CHAIR SUGIMURA: Member Johnson.

COUNCILMEMBER JOHNSON: Chair. Thank you, Chair. Thank you, Mr. Johnson, for your testimony. Clarifying question, you said you wanted to have a meeting with the families before we move forward with this. Do you have a preference of the location where you would...would want to have this meeting?

MR. JOHNSON: I would love you folks come down to Waiehu. . . .*(laughing)*. . . To me, we could have it in maybe a neutral place, like a third...third-party space. But other than that, I think most important for me is just having a discussion. Yeah.

COUNCILMEMBER JOHNSON: Okay. But you mentioned it...it would be nice to have it on the parcel. If you --

MR. JOHNSON: Sure. Yeah. Weather permitting and...yeah. . . .*(laughing)*. . .

COUNCILMEMBER JOHNSON: Okay. All right. Thanks for that. That was my clarifying question.

MR. JOHNSON: Yeah. Thank you. Thank you, Member.

CHAIR SUGIMURA: Thank you. Any other Members have questions? Seeing none. Thank you very much.

MR. JOHNSON: Mahalo.

CHAIR SUGIMURA: Do you have your testimony and...that you could give to us? Oh, thank you. Next testifier.

MR. PASCUAL: Chair, the last individual signed up to testify is Kanealii. If they're able to state which item they're testifying on, that'll be great.

MR. KANEALII: Aloha. Can you folks hear me?

CHAIR SUGIMURA: Yes. We can hear you.

MR. KANEALII: Aloha, my name is Kanealii. I'm testifying on Bill 102 and Resolution 25-53. I'm also testifying for deferral and opposition. I submitted written testimony to all you folks, Corporation Counsel, the Councilmembers, County Clerk, Mayor's Office. I would

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

May 19, 2026

suggest you folks, if you haven't had a chance to read it, read it because it does bring out the fact that there is an unclear title on the part of the church. I'm pretty sure, as you folks know, the entirety of Waiehu is part of Land Commission Award 8559B to William Lunalilo. And as far as Waiehu's...actually it's . . . *(inaudible)*. . . 20 of that Land Commission Award. And in his probate, there is a will. And the will is very explicit that the...the selling of his estates was capped at \$25,000. And I know Auntie Jocelyn Costa has brought this up many times. As well, in the probate, there's also information that Waiehu was under leases during the time of his probate and that those leases didn't expire after his probate was closed. Furthermore, there's accounting of all the lands that were sold by his trustees, and Waiehu is not one of those. So what that indicates is that Waiehu is never sold. It was under lease. The lease was returned back to him because that's what happens after a lease expired, and it cannot be sold because it's locked by the will. And so, the trustees cannot sell Waiehu. And so, there's no indication in the title report from that title guarantee showing their chain of title to Lunalilo's LCA because they cannot because it's...it's locked. And so, in this whole discussion about purchasing properties, the County does need to do its due diligence and realize that they can't purchase the property because the seller doesn't own it. And it can't purchase from the trustees because the trustees are incapable of selling it, and that's just the reality of Lunalilo's estate. And so, using public tax dollars and public funding to make a purchase that is not a clear title is a major liability. And that's a Countywide...that should be a Countywide...you know, not just for Waiehu but everything the County considers in purchasing lands. If we don't have...if they don't have...if the seller doesn't have clear title, why is the County budgeting to purchase lands to inherit . . . *(inaudible)*. . . title. But that's all I needed to say. All the exhibits are provided for you folks . . . *(inaudible)*. . . written testimony. And so, if there's any questions, let me know.

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

MR. PASCUAL: Chair, that's all the individuals signed up to testify. If anyone in the audience or Teams would like to testify, please come up to the mic and begin your testimony or use the raise-your-hand function on Teams, and Staff will unmute you. Here's a brief countdown. Three, two, one. Seeing none. Chair, no one has indicated that they wish to testify.

CHAIR SUGIMURA: Thank you very much. Members, with your permission, I'm going to close public testimony at the beginning of the meeting. And we'll always receive written testimony.

COUNCILMEMBERS: No objections.

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

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

May 19, 2026

CHAIR SUGIMURA: Thank you. Thank you. So we're going to the first item. Ka'ehu Bay is the fourth item on the agenda. So we have a few items before that. So I'm hearing things...I'm hearing my agenda in terms of priority for time sensitivity.

**ITEM 57: BILLS 70 (2026) AND 80 (2026), RELATING TO THE HĀLAU
OF 'ŌIWI ART**

CHAIR SUGIMURA: So the first item is BFED-57, Bill 70 (2025) and 80 (2026), Relating to the Halau of 'Ōiwi Arts [sic]. Remember, this item is...amends Fiscal Year '26 budget by adding 4 million in the bond lapse bond funding, adding a new capital improvement project appropriation for the Halau of 'Ōiwi Arts and updates Appendix C accordingly. Bill 80 is a companion bill, bond bill. It amends Fiscal Year '26 General Obligation Bond Authorization Ordinance to add a \$4 million appropriate for...for the Halau of 'Ōiwi Arts and adjust the totals accordingly. The transmittal share...share that the funding would extend consultant contracts and restore project items that had been removed, including kitchen equipment, telecom and security infrastructure, a rooftop photovoltaic system, audio-visual systems and acoustic treatment for the event space. Assisting us with our discussion today is Budget Director Milner, Director Martin...she must be online, I guess, Director Molitau, Director...I mean, Mr. Shupack, Civil Engineer for the...for the CIP Coordinator because, Members, you know we don't have a CIP Coordinator. Deputy Director Barany is online, available for questions if needed. So at this time can we have the presentation about this bill...or these bills?

MS. WADE: Sure. Thank you, Chair. Good morning. My name is Erin Wade. I'm the Deputy Managing Director. I'm just going to quickly share the website that shows Halau of 'Ōiwi Art [sic] and to give you a quick refresher of the site, its location, and the content of the site. And they're going to get me online in just a second. Just as a refresher, this facility is located in Wailuku at the corner of Vineyard and Church Street. It is a County-owned parcel that was part of the Wailuku Municipal parking lot as well as a couple of additional lots that were purchased in order to construct both the parking structure as well as the Halau of 'Ōiwi Art.

MS. SZABO: Sorry . . .(inaudible). . . oh, there we go.

MS. WADE: Okay. It's about to come up.

MS. SZABO: So close.

MS. WADE: Okay. The facility itself is about 4,700...47,000 square feet in total. It's a two-story structure. It is currently under construction. The project was bid out. We...I guess, previously, the planning efforts, we did reach out for congressional direct spending for this facility as well. We received 11 million in congressional direct spending for this facility. So therefore, all the planning efforts also included the Federal processes, including Section 106 consultation, as well as the NEPAEA. All of that was completed and the project was bid out for construction. This is the website, should anyone be interested in taking a look. This is the wailukulive.com/hoa. It has the narrative about

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

May 19, 2026

the facility. It also has a webcam so that you can see live construction updates on where we're at in terms of construction. So the facility is going vertical at this stage. And Dan can share a little bit with you about how construction methods changed as we value engineered past post bid. Just to zoom in quickly on the facility itself, it does have ground floor retail space intended to act as incubator space and support the mission of Halau 'Ōiwi Art with culturally integrated and Maui-based businesses. It does have space on the second floor for studio and practitioner space. It has a large gathering space that can function both as a performance space as well as community center. There's a connected kitchen tied to that. And the whole facility is designed to be hurricane-rated and function as a shelter as well as our joint information center in the event of an emergency. The...as you can see, on the Wailuku garage itself, there are photovoltaic panels that are planned. That was intended to be part of the operations of the facility and allows us to meet LEED certification...LEED gold certification for the facility. This would be the first in the County to reach that. And knowing that that is also consistent with the values of the planning for this facility, we were striving for a gold-level LEED rating. That is part of the consideration today. So I will turn this over, in terms of why we have a budget amendment today, to Dan to share just the details of the budget itself and happy to provide any background, again, as needed. Thank you.

MR. SHUPACK: Thank you, Chair. Thank you, Councilmembers. Thank you, Deputy Managing Director Wade. As...as she mentioned, the project was bid out in the fall of 2023. The original bid amount came out to 52.7 million. At the time, the County, including the Congressionally directed spending, had 46 1/2 billion. So we had a \$6.2 million overage that we had to bring down in order to move forward with the project. So we...we proceeded with the contract with the hopes that we could bring the cost down prior to proceeding with construction. We underwent a value engineering process with the contractor and the many subcontractors in which we were able to achieve the reduction in cost. Some of those reductions included a change of the construction methodology from...just to get, like, slight...slightly technical, sorry. We went from what was going to be 100 percent cast-in-place concrete walls. And the walls you see are...are going up now are actually what...what are called tilt-up panel walls, which are pre-cast. So we went from the cast-in-place to kind of a hybrid approach of mostly pre-cast, tilt-up walls with only a few cast-in-place walls. There was a change in the roofing material from standing . . . *(inaudible)*. . . roof to asphalt shingles. There was some reduction in various architectural features such as elimination of . . . *(inaudible)*. . . windows, exposed wood beams, a stone masonry veneer and kind of finish touches like stamped concrete in the courtyard area. Then there was a...a general reduction in various indoor, interior finished items as well. So that brought the...that brought the cost down 6 point...6.2 million. We were able to proceed with construction. However, there a few end-of-project items which were quoted in the original bid but could not be included in the contract, and that's the bulk of what this budget amendment request is asking, to restore the...some of those end-of-project items, include commercial...commercial kitchen equipment for the commercial kitchen that's being constructed, telecom data and security infrastructure, a rooftop photovoltaic system, and an audio-visual system, and acoustic treatments for the event space that's being built on the second floor. The amount also includes an allowance for materials and labor cost escalations for the add-back items, as well as time extensions for the AE *(phonetic)* and construction

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

May 19, 2026

management contracts with...yeah, that the County has to support the project. Yeah. That...that's everything.

CHAIR SUGIMURA: Thank you very much. Anyone else? Director Molitau, do you have any comments? Oh. We're going to switch out your mic.

MR. MOLITAU: Coming. Okay. Thank you now.

CHAIR SUGIMURA: Oh, okay.

MR. MOLITAU: Thank you. Aloha, Chair. Mahalo. Mahalo nui a kākou . . . *(inaudible)*. . . I was just recalling, a few years back I was in that back corner sitting there amongst all of the other kumu hula with my palms sweating, figuring out...this my first time I'm ever going to be talking to this, this particular hale. And it was about the Halau of 'Ōiwi Art. And coming up here, I had three minutes to emphasize the importance of this amazing opportunity. And here I am now, continuously working towards uplifting our amazing community. And so, to...to continuously add to the thought of all the kumu hula that have been there, it all stems from the Huamakahikina Declaration of hula. And with the guidance of folks like Kumu Pueo Pata, Kumu Hōkūlani Holt, and others this particular kuleana responsibility drove this discussion of opening a Halau of 'Ōiwi Art. And we're very thank...thankful for...at the time being...being a kumu hula on the other side of it, very, very grateful and thankful for the discussion, and I...I thought to myself, oh, man, I don't think I'll ever be able to speak in this Chamber ever again. And e a nowau, here I am, continuously trying to do my best without sweaty palms.

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

MR. MOLITAU: And so, thank you for...for the opportunity to see the Halau of 'Ōiwi Art currently where it's being built. And what the...the amazing efforts it'll be for the community to be able to utilize for hula, for all of the great arts of Hawai'i, and...and to really showcase the best of who we are as Maui nui. And...and really, that is the kahua or the foundational platform of Halau of 'Ōiwi Art. Mahalo, Chair.

CHAIR SUGIMURA: Wow, that's a great story. Thank you very much. Anybody else would like to say something? Okay. So at this time, then, I'm going to open public testimony again. Do we have any new testifiers?

MR. PASCUAL: There...there's no individual signed up to testify. Would you like me to do a last call?

CHAIR SUGIMURA: Yes, please.

MR. PASCUAL: If anyone would like to testify, please come up to the podium or raise your hand on Teams. This is final call. The countdown is three, two, one. Seeing none. Chair, no one has indicated that they wish to testify.

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

May 19, 2026

CHAIR SUGIMURA: Thank you. I'm going to close public testimony and receive written testimony on this item. Thank you.

. . . CLOSE PUBLIC TESTIMONY FOR ITEM 57 . . .

CHAIR SUGIMURA: I'd like to also welcome Member Rawlins-Fernandez. Although I don't see you on my screen, I hear you're on the call, on the...in the meeting.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aloha kakahiaka kākou. Kala mai for my tardiness. I am at my private residence, still on Japan time and alone.

CHAIR SUGIMURA: Thank you. Someone...thank you. Welcome, Member Rawlins-Fernandez. Welcome back from Japan, also. Someone raised their hand right when I was saying we're closing public testimony. So Members, if you would allow, I like to hear from that testifier. Please proceed.

. . . REOPEN PUBLIC TESTIMONY FOR ITEM 57 . . .

MR. PASCUAL: Thank you, Chair. We have one individual online, Kaniloa Kamaunu. And we've unmuted his microphone, so he'll just have to unmute on his end and begin his testimony.

MR. KAMAUNU: Aloha mai, kākou, Council, Committee Chair. Thank you for the opportunity to participate. There are mixed feelings on this subject matter due to the advocacy when I was part of Mālama Kapanilu [sic]. And my purpose for testifying is basically a reminder that through our advocacy we ask that they not continue to build on this area due to knowing there were iwi present. But everything was approved, and the iwi were exposed. So I have a mixed feeling with what is trying to be a compromise to what actually started off as desecration, which you should remember. And now dealing with...now . . .(inaudible). . . but a situation where a parking structure is covering up (audio interference). And to say that the construction of the 'Ōiwi Arts [sic] is to appease what has taken place, I think that's a very mistaken attitude. It is still hewa. That hewa will never (audio interference) because of the desecration that occurred . . .(inaudible). . . that very, which I see each and every day with the encroachment of it being acceptable that because this is put up to appease such actions that it is okay. So may I remind the Council through the advocacy that has taken for many years, especially on this parcel that not all of us are...as being Kānaka, are satisfied with even this approach. So much mahalo. Thank you.

CHAIR SUGIMURA: Thank you very much. Anybody have questions? Seeing none. Thank you very much. Next testifier. Was...that was it, right, that one person?

MR. PASCUAL: Yes, Chair. If you like, I can do a last call.

CHAIR SUGIMURA: Okay. Could you do a last call.

MR. PASCUAL: Yeah. If anyone would like to testify, please come up to the podium or raise

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

May 19, 2026

your hand on Microsoft Teams. This is for BFED-57. This is last call. The countdown is three, two, one. Seeing none. Chair, no one has indicated that they wish to testify.

CHAIR SUGIMURA: Okay. Thank you for very much. So I'll...I'll close public testimony again and will receive written testimony on this item.

. . . CLOSE PUBLIC TESTIMONY FOR ITEM 57 . . .

CHAIR SUGIMURA: So Members, I will open this up for your questions, three minutes a piece. And we'll start off with Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Aloha, Directors, and Deputy Directors, and team. Mahalo for your presentation and for the update. I got really excited when I could see the...the walls over the barrier. Okay. So I guess...I was listening to the presentation before I turned on the video, and I...I didn't fully understand why the 6 million was removed from the beginning of the project and then we're adding it back in. Was it because it was going to delay the start of the project?

CHAIR SUGIMURA: Anybody have an answer? Oh, sorry.

MR. SHUPACK: Yes.

CHAIR SUGIMURA: Mr. Shupack.

MR. SHUPACK: Thank you, Councilmember Rawlins-Fernandez. Thank you, Chair. Yeah. So the...the original budget for the project was \$46.5 million. At the time, that included the...the Federal funding. So the...when we put it out to bid, the lowest bid came out at that 6 million above what we had budgeted, so...and instead of, you know, cancelling the bid or cancelling the project, we...we decided to move forward with the contract with the hopes that the contractor could bring the cost down through value engineering and through kind of eliminating --

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. I got it.

MR. SHUPACK: -- items where possible. Yeah.

COUNCILMEMBER RAWLINS-FERNANDEZ: So I guess my follow-up question to that was, was it because of the...the timing that you didn't come back for the 6 million then? Oh, well, I guess it wouldn't be you but whoever's decision that was.

MR. SHUPACK: Yeah. Thank you for that question. Yes. So I guess just to...just to be clear, that the 6 million that was removed through...through value engineering, most of those items remain as is. So they remain, you know, kind of...you know . . .*(inaudible)*. . . change construction methodology things to cut the cost. So those items remain, I guess, eliminated from the project, I guess, so to speak. The add-backs are other items that we...that we didn't include in the contract that were included in the bid as, like, additive alternates that we just weren't able to include from the start, so...so I guess --

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

May 19, 2026

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh, I...I only have three minutes. So --

MR. SHUPACK: Yeah.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- is the...is there, like, a difference between cast-in and...and pre...pre-cast or...or what you're explaining for the walls because...yeah. I see Member U'u-Hodgins nodding head. So because, like, once that's done you can't, you know, go back and redo that one. So is there...like, what was...what is the difference?

MR. SHUPACK: Yeah. So basically, I guess . . . *(timer sounds)*. . . for cast-in-place, it's just...it's a lot more labor intensive, I guess, to put up forms and --

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh, I just mean, like, the...you know, like the quality. Like, what's the difference in the quality, not the work itself.

MR. SHUPACK: There...there shouldn't be any difference in quality. Just...just a...just a...I guess just a saving. It's...it's a savings in cost, but it takes longer to install. So we...we --

COUNCILMEMBER RAWLINS-FERNANDEZ: The cast-in-place...the cast-in-place was preferred, right?

MR. SHUPACK: Yeah.

COUNCILMEMBER RAWLINS-FERNANDEZ: Because that was what was initially budgeted for, so that --

MR. SHUPACK: Yeah.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- was what was initially budgeted for. So --

MR. SHUPACK: Yeah. It's fast.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- that was what you would have ideally wanted.

MR. SHUPACK: Yeah. It's...it's a faster method. Yeah. So we...we made some allowances with the contractor to allow for the methodology that would take a little bit longer but cost less in terms of, I guess --

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay.

MR. SHUPACK: Yeah.

CHAIR SUGIMURA: Thank you.

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

May 19, 2026

COUNCILMEMBER RAWLINS-FERNANDEZ: And then if the timer went off, I could not hear it.

CHAIR SUGIMURA: Yeah. The timer went off. You couldn't hear it?

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. No. Thanks.

CHAIR SUGIMURA: Okay. Thank you. Next, I'm going to go to Member Cook.

COUNCILMEMBER COOK: Thank you, Chair.

CHAIR SUGIMURA: . . .*(inaudible)*. . . U'u-Hodgins.

COUNCILMEMBER COOK: So there's...the original bid was over...it was...items were deducted. Was part of the savings from value engineering? How much was value engineer savings and how much of it was elimination of components?

CHAIR SUGIMURA: . . .*(Inaudible)*. . . --

COUNCILMEMBER COOK: Broad strokes because we don't have much time.

MR. SHUPACK: Yes. Thank you, Member Cook. Thank you, Chair. Yeah. So basically, the...the 6.2 was all pretty much all value engineering. I think the only item included in the...that was considered value engineering was the...some of the acoustic treatments that are being added back. Yeah. So it was...yeah. That was 6.2 million and that were...that kind of remained...removed from the project or value engineered out of the project.

COUNCILMEMBER COOK: Yeah. Tilt-up instead of cast-in-place is a savings. It's not necessarily a lesser product. It's just different connection details, and we're not getting in the weeds here. It's a substantial savings, and it's also a lot less materials. As far as the...so what is this money for, particularly? I mean, if it isn't the building because the value...the value engineering brought the cost down, and you mentioned things that were in the contract but were accessory. I don't understand what that is. It was either --

MR. SHUPACK: Yeah.

COUNCILMEMBER COOK: -- in the contract, or it's not in the contract.

MR. SHUPACK: Well, yeah. So the contract consists of, you know, the...the base bid items. And then there's a list of additive alternates, which are usually items that if the project comes in under budget, we can add those items in. So the 52 million included basically all the base bid items, and then there were all these additive alternates, of which roughly 4...or about, well, you know, 2.8 million is what we're adding back. And then there's an allowance for escalation and...and whatnot --

COUNCILMEMBER COOK: And so...so my question, ballpark, how many...I'm going to...I'm

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

May 19, 2026

going to call them bolt-on items. The...the appliances, utilities, and sound stuff, things that aren't part of the structural integrity of the building that are a little out...not necessarily the architectural features. How many...how much of that is this money? Because I...I have a little proposal. I just kinda wondering. Go ahead.

MR. SHUPACK: I...I would say pretty much all of it. Yeah. I mean, it's...it's...yeah. It's...it's the kitchen equipment, photovoltaic, infrastructure for telecom and security. It's audio-visual system for the performance space as well as all the acoustical treatments. So, yeah --

COUNCILMEMBER COOK: Cool. So I'll give you my suggestion. If you put...if you put the diamond...I mean, not diamond. If you put the standing seam metal roof back some of the architectural deducts that were things that you're not going to be able to change later. And maybe the County could consider . . . *(timer sounds)*. . . having a list of items...prices and items that the community...they could do a community outreach for as far as, like, we'd really like to have this stamp concrete in this area. It doesn't have to be done until X, and would you be willing to contribute to that. I think it's an opportunity because this is a multigenerational, very dynamic keystone cultural community project, that it seems appropriate to be able to do that type of outreach. And I think it would be very reciprocal, not only financially, but for the community to feel participating. So I just put that out there for the Budget Committee to consider. And I think now is the time to spend money and not buying stuff and having to fix it. So we can do it prudently but not save money superficially and regret it later. Thank you.

CHAIR SUGIMURA: Thank you. Next, testifier, *[sic]* Member U'u-Hodgins, followed by Member Sinenci, then Member Batangan.

COUNCILMEMBER U'U-HODGINS: Thank you, Chair. And thank you so much for being with us today. Oh, sorry. So initially, the bid amount came out at 52, and then you needed to reduce it by 6.2, bringing it to 46.5, yes? And then this is an additional 4 million, making the...like, hopefully, final grand total cost 50 million point 5. Okay. And is that...should that cover all of the anticipated needs? Are you going to be asking us for more money, or this is good to go?

MR. SHUPACK: Thank you, Member U'u-Hodgins. Thank you, Chair. We anticipate this will cover everything. We...we can't say, you know...you know, it's the construction landscape, you know, with cost escalations, and whatnot --

COUNCILMEMBER U'U-HODGINS: Sure.

MR. SHUPACK: -- it's been very...very volatile.

COUNCILMEMBER U'U-HODGINS: Yeah.

MR. SHUPACK: So there is...I mean, you know, there's a little bit of contingency in the project that we have --

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

May 19, 2026

COUNCILMEMBER U‘U-HODGINS: Okay.

MR. SHUPACK: -- currently.

COUNCILMEMBER U‘U-HODGINS: Okay. Good.

MR. SHUPACK: We have about...we have a little bit over...over a million dollars left in contingency.

COUNCILMEMBER U‘U-HODGINS: Okay.

MR. SHUPACK: So we're hoping not burn through all that.

COUNCILMEMBER U‘U-HODGINS: Okay.

MR. SHUPACK: But --

COUNCILMEMBER U‘U-HODGINS: I mean . . .*(inaudible)*. . . --

MR. SHUPACK: Yeah.

COUNCILMEMBER U‘U-HODGINS: -- kitchens are notoriously expensive and as commercial kitchen is extremely expensive. So I was just double-checking, making sure you do have everything you need and some cushion because we have been seeing, over and over again, you folks come back to us . . .*(inaudible)*. . . oh, psych, you know --

MR. SHUPACK: . . .*(laughing)*. . .

COUNCILMEMBER U‘U-HODGINS: -- concrete was more than we thought, right? And, like, we are seeing that constantly. So I just want to make sure you guys are budgeted appropriately. And then when is the anticipated finish date and open date for the Halau of ‘Ōiwi Arts *[sic]*?

MR. SHUPACK: Yes. The expected construction completion is summer of 2027.

COUNCILMEMBER U‘U-HODGINS: Summer '27. Okay. Okay. So you guys have a year. Okay.

MR. SHUPACK: Yeah. Probably move in --

COUNCILMEMBER U‘U-HODGINS: Looking forward to it.

MR. SHUPACK: -- yes, like fall 2027. Yeah.

COUNCILMEMBER U‘U-HODGINS: Oh, you just said summer, now fall.

MR. SHUPACK: Oh, no. Oh, sorry. The...the...oh, sorry.

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

May 19, 2026

COUNCILMEMBER U'U-HODGINS: Okay. Which is it?

MR. SHUPACK: Construction completion summer '27

COUNCILMEMBER U'U-HODGINS: Okay. Summer and then going be open...grand opening, fall.

MR. SHUPACK: Yes.

COUNCILMEMBER U'U-HODGINS: Okay. We heard it here first folks. Thank you.

ALL: . . .*(laughing)*. . .

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

COUNCILMEMBER U'U-HODGINS: That's it, Chair. Thank you.

CHAIR SUGIMURA: Okay. Very good. Member Sinenci, followed by Member Batangan.

COUNCILMEMBER SINENCI: Oh, okay. Thank you. Just for...for Budget Director, the 4 million would be coming out of the Bond Fund?

MS. MILNER: Thank you, Chair. Thank you, Councilmember Sinenci. Yes. This would be bond funding.

COUNCILMEMBER SINENCI: And...and we're still within the...the percentage of use of bond funding?

MS. MILNER: Thank you, Chair. Thank you, Councilmember Sinenci. Yes. We're still under our percentage, and we're also under the loan transfer amount currently allowed by the general budget provision.

COUNCILMEMBER SINENCI: Oh, okay. All right. Just checking. Thank you. Thank you.

CHAIR SUGIMURA: That's it?

COUNCILMEMBER SINENCI: Yeah.

CHAIR SUGIMURA: Thank you. Member Batangan, followed by Chair Lee.

VICE-CHAIR BATANGAN: Thank you, Chair. So I have a question on the additional alternative scope. How much of that scope was part of the initial project that was pitched to this Council when they approved funding for the project?

CHAIR SUGIMURA: Who would that be?

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

May 19, 2026

MS. WADE: Thank you. So...so everything that you see was the original request. So when Council authorized the budgeted funds, and we put it out to bid, everything that was identified in the bid docs.

VICE-CHAIR BATANGAN: So I guess back to Member Rawlins-Fernandez about why didn't come back. So you...the initial bid came in at about 11 percent over what was approved, over the funding that was approved by this Council. But I think that number is a little suspect because if you had things that you told this Council were going to be in the project but included them as optional, I think that should've been captured as part of the overage as well, and the Body should've had an opportunity to then weigh in again. And so, I guess I'm trying to figure out, like, that was represented to this Body and to the public when you knew that it wasn't going to be able to be provided? Because the way it's been described, it sounds like you knew from before you signed the contract that this additional alternative work was not going to be able to be provided. And I...I see some head nodding, so I'm going to take that as an appropriate assumption. But then, now I'm asking if you knew for years that you were going to need this budget amendment, why did the request come to us during the budget cycle with a request for action on the floor? Like, this shouldn't have been a time...a time-sensitive request if you've known since before you signed the contract that you weren't going to be able to provide what you represented to the Body when we first approved this project.

MS. WADE: So let me clarify that, you know, piece of this is working with the contractor to see how much of the contingency that we can use, and that is why we put the add alternates in the bid, so...because it gives us the flexibility. It allows us to have the pricing for those bid items to be made public in the bid. And then if there is savings that happens during the construction process, we can reallocate some of the funds within the existing contract because it was already bid out. So that conversation did happen --

VICE-CHAIR BATANGAN: But if you knew, because the bids all came in over, when it was appropriated, that there weren't going to be savings then you knew from the beginning that none of these items were going to be able to be constructed with the...with the initial appropriation, no?

MS. WADE: I can't say that we knew that none of them would be. Like I said, there was a decent size contingency that we thought could be allocated. And since then, because of the fire, because of cost escalations, because we worked with them to determine different methods of construction where we did find savings, we weren't 100 percent when . . . (timer sounds). . . that would be. And I think, in terms of a project management perspective, we would much rather be able to keep the budget at...at where the Council has set it for us in terms of a limitation and try to build to that and be responsible with those funds, and then come back when we know we need it and not necessarily allow a contractor access to that...or just keep changing the bar for the contractor because that continues to push up prices that we get in from our bids because the assumption from the contractors' community, then, is we can just continue to come back and ask for more money, so...

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

May 19, 2026

VICE-CHAIR BATANGAN: Thank you. And thank you, Chair. I heard the timer.

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

COUNCILMEMBER LEE: No questions. Thank you.

CHAIR SUGIMURA: Member Paltin, followed by Member Johnson.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Administration. I'm sorry I missed the presentation. I didn't see anything in the meeting details about additional alternative scope. Is that being provided in the presentation, in writing?

CHAIR SUGIMURA: Deputy Director Wade, is that you?

MS. WADE: I'm not sure if it's on the agenda, the specifics that were listed. But the...the four items, the commercial kitchen, the telecom data, security infrastructure, the rooftop photovoltaic and the audio-visual system, if you want more details, we can submit that in writing if you prefer.

COUNCILMEMBER PALTIN: Thank you. That's sufficient for me. My question centers around that this is also an emergency evacuation shelter and was it being built to Category 3 standards?

MS. WADE: Yes, that's correct. Category 3.

COUNCILMEMBER PALTIN: And with this being, like, some sort of Godzilla El Nino, would people be sheltering there if it was Category 4 or 5 coming at us?

MS. WADE: I would need to --

COUNCILMEMBER PALTIN: And what is...what is the capacity of the shelter? How many people could it accommodate?

CHAIR SUGIMURA: Are you asking...oh.

MR. SHUPACK: Not offhand, I need to --

MS. WADE: We can follow up with that information.

COUNCILMEMBER PALTIN: Okay. The...where...would people be able to shelter there in terms of a Category 4 or 5, and what is the total capacity of humans or...and their pets that--oh, thank you--that could be housed in the shelter? And, like, have we started planning for use as a shelter? Because I know predominantly, this is for events and things like that, but, you know, with this summer gearing up to be, like they said in 1877, El Nino lasted two years, and four percent of the population died. So I just was hoping that we would pre-plan the need to pivot as we're in construction.

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

May 19, 2026

MS. WADE: Thank you for that question. We are actually in the process of developing a management plan for the facility because we have multiple users. As you know, Kaunoa is also a user of the facility. So both the management and maintenance as well as the emergency operations of the facility is going to be developed into a document that we'll bring back for you folks as well. And I know the details aren't in the --

COUNCILMEMBER PALTIN: Oh, great. I'd love to know more about the *(audio interference)* --

MS. WADE: I was just going to say, I know --

COUNCILMEMBER PALTIN: Oh, sorry.

MS. WADE: -- the details of the operation . . .*(timer sounds)*. . . as a shelter is in the environmental assessment document. So we can pull that and share that with you as well.

CHAIR SUGIMURA: Thank you.

COUNCILMEMBER PALTIN: Okay. My other question was going to be about maintenance. I met someone from Wyoming, I think, where they said that they have a contingency fee for maintenance, repair, and upkeep built in. Are we looking to do anything like that? Because, you know, when it's brand new, it's brand new. But as we know, there's plenty of old stuff that we're having to now fund. So it...it may be a good idea, like, as we rent it out or allow for usage, that some of the money that is generated through it be put into an upkeep and maintenance for the facility itself because, like Member Cook said, generations to come.

CHAIR SUGIMURA: Go ahead.

MS. WADE: Yeah. Thank you for that. That will all be in the management plan. And then as fees are set, that will come before you folks in a fee schedule as well.

CHAIR SUGIMURA: Thank you.

COUNCILMEMBER PALTIN: Thank you. I think I heard the bell. Was that the bell?

CHAIR SUGIMURA: Yeah. Yeah, the...well --

COUNCILMEMBER PALTIN: Okay.

CHAIR SUGIMURA: -- a little while ago, but yeah. Thank you . . .*(inaudible)*. . . --

COUNCILMEMBER PALTIN: Yeah. It was kind of soft but --

CHAIR SUGIMURA: Soft.

COUNCILMEMBER PALTIN: -- got it. Thanks.

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

May 19, 2026

CHAIR SUGIMURA: Okay. We'll make the bell louder. Thank you. Member Johnson. Then I'm going to take a break.

COUNCILMEMBER JOHNSON: Okay. Thank you, Chair. I'll just have one quick question because many of my questions have been answered already, and it was a follow-up on Councilmember Paltin's lines of questioning about the management plan. Do we have a ETA on when we'll be able to see that?

MS. WADE: Thank you. Yes. That's in development right now. The hope is that later this summer we'll have a draft available. We certainly have a lot of groups and stakeholders to be reaching out and making sure that it both meets their needs as well as it meets our facility's maintenance needs. So I'd like it quite a bit further along before we bring it to you folks, but end of summer is likely.

COUNCILMEMBER JOHNSON: And --

CHAIR SUGIMURA: . . . *(Inaudible)*. . . --

COUNCILMEMBER JOHNSON: -- certainly it would before the summer of next year, right?

MS. WADE: It will be because the intention is...as in particular for the tenant spaces, that they have an opportunity to do interior build-outs before the end of the facility completion. So we would like to be renting those spaces out as the facility is, like, six months --

COUNCILMEMBER JOHNSON: Yeah.

MS. WADE: -- before completion.

COUNCILMEMBER JOHNSON: Great. Thank you for your response. Thank you, Chair, no further questions.

CHAIR SUGIMURA: Okay. We're seeing this unfold. Appreciate it. So I...I just...oh, I'm going to make one statement, then I'm going to call a recess. I can tell this is not going to big enough, right? And if you look at all the thing...all the halaus that came and testified when Director Molitau said that he was sitting in that corner, I was there, I was present. Not all of you were present but many of you. And I will tell you that the excitement in the room, which I remember, it was kind of like, finally, right? That was finally this is happening. And what I remember you saying, Deputy Director, is that you...I remember you saying one day, the community is asking for this. As this Council tried to kill this portion of the municipal parking lot and took away funding for this event thing that has now turned into this. So, congratulations on that achievement. I remember that. But now as I'm sitting here, I'm thinking this is not big enough, you know, for the needs that are going to appear and what the community really was wanting. I think once everybody moves in, we're going to say, uh, not big enough. But thank you very much. So anybody want to make a statement about that?

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

May 19, 2026

COUNCILMEMBER U'U-HODGINS: I just have one more question, Chair --

CHAIR SUGIMURA: Oh.

COUNCILMEMBER U'U-HODGINS: -- before we move on.

CHAIR SUGIMURA: Okay. Sure.

COUNCILMEMBER U'U-HODGINS: Sorry. Thank you. I know Member Rawlins [sic]--the--do you have a statement? Do you want to go?

COUNCILMEMBER RAWLINS-FERNANDEZ: Yeah.

COUNCILMEMBER U'U-HODGINS: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: Because I was the one that killed the previous project, the civic center. There was going to be a Wailuku Civic Center, and we defunded it.

CHAIR SUGIMURA: Yeah.

COUNCILMEMBER RAWLINS-FERNANDEZ: And then there was \$40 million, and I passed the resolution to support the Huamakahikina Declaration. And from out of that was born the Halau of 'Ōiwi Arts [sic] --

CHAIR SUGIMURA: Yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- and we approved that. And what I said then, and I'll say it again now, is that this wasn't meant to be the only one. It was meant to have one in every district, the way we have baseball fields, swimming pools, gyms. There should be a Halau of 'Ōiwi Arts [sic] in every district. Mahalo, Chair.

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

COUNCILMEMBER U'U-HODGINS: Thank you. Can you please provide me a quick breakdown on how the \$4 million will be spent for all the things listed? So you have a \$1 million condition...or contingency fund. How much do you think the commercial kitchen is going to cost?

CHAIR SUGIMURA: . . .*(Inaudible)*. . . --

MR. SHUPACK: Thank you, Member U'u-Hodgins. The kitchen equipment, the original bid amount was \$670,000.

COUNCILMEMBER U'U-HODGINS: Okay.

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

May 19, 2026

MR. SHUPACK: And then we added in contractor escalation and overhead profit, and it came out to around 770,000.

COUNCILMEMBER U'U-HODGINS: 770. Okay. And then what about the PV?

MR. SHUPACK: PV. Originally...the original bid amount was 463,000.

COUNCILMEMBER U'U-HODGINS: Okay.

MR. SHUPACK: With the...with the markup in escalation, was 532.

COUNCILMEMBER U'U-HODGINS: 532. Okay. And what about audio?

MR. SHUPACK: That was 905 in the...905,000 --

COUNCILMEMBER U'U-HODGINS: Uh-huh.

MR. SHUPACK: -- in the original bid. And with markup, it's 1.04 million.

COUNCILMEMBER U'U-HODGINS: Okay. And security?

MR. SHUPACK: That was 567 in the original bid.

COUNCILMEMBER U'U-HODGINS: Uh-huh.

MR. SHUPACK: And with the markup, 652.

COUNCILMEMBER U'U-HODGINS: Okay. Is there anything else that I missed?

MR. SHUPACK: Oh, yeah. And then there's professional services contract extensions totaling around 800 and...854,000.

COUNCILMEMBER U'U-HODGINS: Okay. Okay. Okay. Thank you. That's all I had.

MR. SHUPACK: Oh, sorry. There was the acoustic treatments, and...and that was 1...169, originally, with the markup, 194.

COUNCILMEMBER U'U-HODGINS: Acoustic. Okay. Thank you so much.

CHAIR SUGIMURA: Okay. Thank you.

COUNCILMEMBER U'U-HODGINS: I'm pau, Chair. Thanks.

CHAIR SUGIMURA: Thank you very much. So for first round I'm going to now call a recess. And can we come back at like 10:40? Is that all right? . . .(gavel). . .

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

May 19, 2026

RECESS: 10:23 a.m.
RECONVENE: 10:42 a.m.

CHAIR SUGIMURA: . . .*(gavel)*. . . Welcome back to the Budget, Finance, Economic [sic] Development Committee. Thanks for letting me take a short break. We are back to Bill 70 and 80 regarding the Halau of 'Ōiwi Arts [sic]. And Members, I'm going to ask for the Administration to come back with a detailed breakdown of all the expenses that were talked about to Member U'u-Hodgins, and I think Member Batangan had questions regarding the expenses and questions on construction, which was...Member Cook had questions. But I'm going to ask you if you could come back with some more detailed information for second reading. And Staff, you do have the questions to ask, right? So at this time...oh, Member Sinenci, you have questions?

COUNCILMEMBER SINENCI: Thank you, Chair. Just a...this is not time sensitive or anything, Director?

CHAIR SUGIMURA: It is.

COUNCILMEMBER SINENCI: Huh?

CHAIR SUGIMURA: It is.

COUNCILMEMBER SINENCI: Oh. So you're going to bring it back up when, Chair?

CHAIR SUGIMURA: Oh. I'm...oh, you...you want me to ask...you're asking what my recommendation is?

COUNCILMEMBER SINENCI: Or...yeah, if --

CHAIR SUGIMURA: Okay.

COUNCILMEMBER U'U-HODGINS: For second reading.

CHAIR SUGIMURA: Yeah, for second --

COUNCILMEMBER SINENCI: Oh, for second reading. Oh, okay. Thank you.

CHAIR SUGIMURA: Oh, I was making you nervous?

COUNCILMEMBER SINENCI: Yeah.

CHAIR SUGIMURA: . . .*(laughing)*. . . Because we're sitting at the end of the Fiscal Year. So Members, at this time, then, Staff is going to send written...the questions that you have. Does anybody else have any more questions on this before I make my recommendation? Oh, Member Batangan, go ahead.

VICE-CHAIR BATANGAN: Thank you, Chair. Yes. Staff, can I ask that you also transmit the

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

May 19, 2026

following questions? Will use of the money for the...for the halau be used to do any improvement to the parking garage? And then, can I get...ask for a commitment that no operational dollars will be needed for construction? And then I don't know exactly what the wording of your question is going to be, but I would like a breakdown of the full 50 1/2 million dollars rather than just the breakdown of the...the additional money that's going to be needed. Thank you, Chair.

CHAIR SUGIMURA: Okay. Okay. Anybody else have questions, Members? Seeing none. All right. So at this time...Member Paltin, do you have a question?

COUNCILMEMBER PALTIN: Chair, you...you...you got the ones that I had earlier, yeah?

CHAIR SUGIMURA: Okay. Do --

COUNCILMEMBER PALTIN: The one about the Category 4 and 5, if they're going to shelter there and the capacity --

CHAIR SUGIMURA: Emergency.

COUNCILMEMBER PALTIN: -- of...of the...yeah.

CHAIR SUGIMURA: Okay. So you got that, right? Okay. All right. So my recommendation is...I'm going to recommend passage on first reading, Bill 70 (2026) and Bill 80 (2026) incorporating any nonsubstantive revisions.

COUNCILMEMBER U'U-HODGINS: So move.

COUNCILMEMBER SINENCI: So move. Second.

CHAIR SUGIMURA: So move Member U'u-Hodgins, second by Member Sinenci. Any more discussion on this? Seeing none. All in favor raise your hand, say "aye".

COUNCILMEMBERS: Aye.

CHAIR SUGIMURA: This looks like nine ayes. Motion carries.

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

May 19, 2026

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

NOES: **None.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **None.**

MOTION CARRIED.

ACTION: **Recommending FIRST READING of Bills 70 (2026) and 80 (2026).**

CHAIR SUGIMURA: Thank you very much. Thank you very much, everybody.

COUNCILMEMBER U‘U-HODGINS: Thank you.

CHAIR SUGIMURA: Nice seeing you.

ITEM 56: BILL 69 (2026), AMENDING SECTION 3.36.190, MAUI COUNTY CODE, REGARDING UPFRONT DISBURSEMENTS AND INSTALLMENT PAYMENTS FOR GRANT RECIPIENTS

CHAIR SUGIMURA: So we're going to go to the next item on the agenda, which is BFED-56, Bill 69 (2026), Amending Section 3.36.190, Maui County Code, Relating to [sic] Upfront Disbursements and Installment Payments for Grant Recipients. Bill 69 amends Section 3.36.190, Maui County Code, to provide more flexibility in the grant disbursement process. As drafted, the bill would allow County agencies, based on a determination of need, to provide advanced disbursements of 10 percent or more, installment payments, or both. This item continues the Committee's broader work on how County grants are administered and disbursed. Assisting us with our discussions today is Budget Director, Director Martin for Finance, Economic Development Director Rojas-Letisi. Deputy Director Hewahewa is available virtually, as I don't see him here, and Deputy Director Peterson is available virtually if there are questions. Because Councilmember Johnson introduced this bill, I would like to first recognize him for any opening comments. And after his comments, I will ask for comments from the Chief of Staff, then Budget Director, then Finance. Thank you very much. Member Johnson.

COUNCILMEMBER JOHNSON: Thank you, Chair. Thank you, Members. And thank you, Departments, for all helping out with this bill. I think the key word was mentioned in...in Committee Chair Sugimura's opening remarks about having flexibility. And

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

May 19, 2026

that's...that's a good thing. The folks, our nonprofits who are doing this kind of work are under all kinds of deadlines, and they're...you know, they're nonprofit. So they're working on very small budgets. I think...you know, working with the grantees, working with the Administration, as well as the public and the grantees on how the grant disbursements need...needed to be improved, flexibility came up time and time again. If you recall, Members, this...the survey we put out really showed that there is work to be done on our end. And I'm so happy that the Department is here to kind of add to this because this wasn't done just solely by me, the introducer. This was working hand in hand with the Department. So that's my opening remarks on that. And if everybody has any questions, everybody is here to answer them. Thank you, Chair.

CHAIR SUGIMURA: So did a survey of, you know, different grantees, and you put a lot of effort into this. So, thank you very much. And your patience because I think we tried to take this up maybe three times already.

COUNCILMEMBER JOHNSON: Yeah. Well, no good deed goes unpunished.

ALL: . . .*(laughing)*. . .

CHAIR SUGIMURA: Okay. So next, does the Department or Administration have any comments?

MS. MILNER: Thank you, Chair. Yes. And I'd like to echo Councilmember Johnson. We really appreciate his efforts on this. He convened a meeting with all of us, as well as some of the nonprofits, so we were able to get their perspective as well, which was very helpful. This is the result of that meeting, as well as meetings with the grant manager working group and the Budget, Finance, and Corporation Counsel working group; that's how this all came together. I really appreciate everyone's input. This really was a group effort, and I think it shows the result of these cross-departmental conversations that we've been having over the last...over a year now, I think. I...I think breaking down those silos is really making a difference in allowing us to come together with solutions that benefit both our County employees and our nonprofit partners. One thing I did want to mention, I did want to make it clear that the reduction from 25 percent to 10 percent is not intended to, across the board, reduce it. That was a request. We have several partners who don't want a disbursement as high as 25. They prefer to take a 10 percent disbursement, so we just wanted to put that in the Code. As the Councilmembers are aware, we do disbursements ranging from 10 percent to 90 percent. So that's not intended to cap at 10 percent, that is the floor. So I just wanted to flag that and happy to answer any questions that the Body may have. Thank you, Chair.

CHAIR SUGIMURA: Next, we have Director Martin of Finance. Any comments? I don't see her, so she must be online, right?

MS. MARTIN: Oh, my camera. Yes. Thank you, Chair. The Department of Finance has reviewed this bill, and we would like to thank everyone, all of our partners, for working on this bill. We appreciate being included in the conversation, and we look forward to

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

May 19, 2026

improving the process, so thank you.

CHAIR SUGIMURA: Thank you. Economic Development Director Rojas-Letisi.

MS. ROJAS-LETISI: Morning, Chair. Good morning, Members of the Council. No opening comments from my end. Thank you.

CHAIR SUGIMURA: Okay. Deputy Director Hewahewa had to log off, so he has Ana Mejia-Vasconcellos. Director...Department of Ag., any comments?

MS. MEJIA-VASCONCELLOS: No. Just wanted to thank the Council and their County Departments. We are definitely in support of the proposed language. Thank you.

CHAIR SUGIMURA: Okay. Deputy Director Peterson. You appeared in person. Thank you very much.

MR. PETERSON: Thank you, Chair. Thank you, Councilmembers. DEM and EP&S in full support of this bill. Like everyone else, we'd like to thank everyone for their hard work and helping to make this grant process a little easier and smoother for everyone. Thank you.

CHAIR SUGIMURA: Okay. Thank you. Thank you very much. Nice seeing you here, by the way. And thanks for being here all morning waiting for us to take up this item. I also want to hear, especially, from Chief of Staff.

MS. MILNER: Thank you, Chair. Chief of Staff is out of the office this week, so she was unable to attend. But she's been involved in these conversations with the nonprofit partners and with our grant managers. And OED is in support of the bill. Thank you, Chair.

CHAIR SUGIMURA: Okay. And Member Johnson has spoken. So at this time, I would like to open up for public testimony. Anybody?

. . . OPEN PUBLIC TESTIMONY FOR ITEM 56 . . .

MR. PASCUAL: Chair, there's no individual signed up to testify. Would you like me to do a last call?

CHAIR SUGIMURA: Please do.

MR. PASCUAL: This is the last call for oral testimony. Please come up to the podium or raise your hand on Teams if you would like to testify. The countdown is three, two, one. Seeing none. Chair, no one has indicated that they wish to testify.

CHAIR SUGIMURA: Thank you. Okay. At this time, then, I'd like to close public testimony on this item and receive written testimony, Members.

COUNCILMEMBERS: No objections.

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

May 19, 2026

CHAIR SUGIMURA: Thank you. Thank you very much.

. . . CLOSE PUBLIC TESTIMONY FOR ITEM 56 . . .

CHAIR SUGIMURA: So at this time we'll take questions from all the Members, and it'll be three minutes per. I'll start off with Chair Lee. Chair Lee, then go down this way, Member Paltin, Member Johnson.

COUNCILMEMBER LEE: I...I really don't have any questions. I am in support.

CHAIR SUGIMURA: Okay. Member Paltin.

COUNCILMEMBER PALTIN: I just had a question about...like, okay, say we do the minimum of 10 percent. Is it a one-time thing? Like, what if they take out the 10 percent, they use it as described, and then they're ready for the next step. Can they take out another 10 percent, use it as described, through...through to the whole 100 percent? Or is it one-time, upfront disbursement?

CHAIR SUGIMURA: Director Milner.

MS. MILNER: Thank you, Chair. Thank you, Councilmember Paltin. This bill provides a possibility for either. There's an option for installment payments or for a one-time disbursement. That will be a discussion between the Department and the grantee to determine what would be best for their needs. Generally, we do withhold the last 10 percent until all documentation is received as part of that allotment process. But other than that, it can be either. Thank you, Chair.

COUNCILMEMBER PALTIN: And...and just clarifying that by installments you mean multiple upfront disbursements?

MS. MILNER: Thank you, Chair. Thank you, Councilmember Paltin. Yes.

COUNCILMEMBER PALTIN: And then what is the recourse if, say, like, we do that, perhaps, and by the fourth upfront disbursement, you know, whatever happens...like, I guess in one case it could be like, you know, we've had COVID, we've had the fire, potentially, like, the nonprofit, like, scraps and disbands, or somebody passes away. What is the recourse if things go wrong with the upfront disbursements?

MS. MILNER: Thank you, Chair. Thank you, Councilmember Paltin. I'll speak briefly, and then I'll ask Director Martin to chime in as well. But that's part of the reason we don't disburse that final 10 percent, to allow us some leverage, maybe. I guess that's a harsher word that I would prefer to use. But it...it allows us . . .*(laughing)*. . . to . . .*(laughing)*. . . exactly...no. It...it allows us the opportunity to make sure all of the paperwork is in alignment before anything happens. Now, if we do have a situation where a grantee takes the money and doesn't provide the documentation, at that point we would need to go to them to ask for repayment, which can lead to litigation, but I...I

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

May 19, 2026

will let Director Martin speak to that. Thank you, Chair.

CHAIR SUGIMURA: Director.

MS. MARTIN: Yeah. Thank you, Chair. So in the event that the grantee is unable to return the money we...we basically start engaging with the grantee, start talking with them. Sometimes, you know, we can work things out with them. The...the reason why we worked on this bill was to create installments, and in creating . . . *(timer sounds)*. . . those installments we're going to create installments that are appropriate for the grantee so that we don't run into this situation.

COUNCILMEMBER PALTIN: Okay. And then, like...oh, I think the bell rang, but my follow-up would've just been on, like, cases out of people's control. Like, you know, what if you were doing work in Lahaina when the fire happened or...like, we wouldn't hold that against them, like that's a freaking freak show . . . *(inaudible)*. . . El Nino situation, we wouldn't, like, try to put people in jail for that, right?

CHAIR SUGIMURA: Director Martin.

COUNCILMEMBER PALTIN: *(Audio interference)* take them to court.

MS. MARTIN: Thank you. So if...if there are unforeseen circumstances, it may result in the grant being amended to address those situations.

COUNCILMEMBER PALTIN: Okay.

MS. MARTIN: So they...they're going to work with the...you know maybe with...because of the fire would be extending the performance grade of the grant. Then they would work with their grant manager, who would...we would amend the grant, to, you know, receive the benefit that we originally engaged for.

COUNCILMEMBER PALTIN: Okay. I think I heard the bell, and I'm sure that my fellow Members will cover whatever I left off. Thank you so much.

CHAIR SUGIMURA: Thank you. Next, Member Johnson, followed by Member Rawlins-Fernandez and Cook.

COUNCILMEMBER JOHNSON: I don't have any questions. I just support the bill. Thank you.

CHAIR SUGIMURA: Thank you. Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Same, full support. Mahalo, Member Johnson and everyone in Admin., for working hard on this.

CHAIR SUGIMURA: Thank you. Member Cook.

COUNCILMEMBER COOK: Thank you, Chair. I don't have any questions. I'm just...I'm

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

May 19, 2026

supportive, and I'm hoping that some of the...as it's moving forward, some of the things that are working and not working, we can kind of know what's going on so we can be of assistance. A lot of people reach out to our offices regarding issues, and we're not managing it. But if we can kind of have a clue, if there's some aspect of it that's problematic and working on it, then we could relay that to them. So anyway, I'm glad that these grantees are going to be able to provide services. Thank you.

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

COUNCILMEMBER U'U-HODGINS: Thank you, Chair. I'm super supportive of this as well, but I would love some details to...to be provided. So the...based on determination of need for the agency when they're able to qualify for upfront disbursements, what's the policy? How are people going to make that decision?

MS. MILNER: Thank you, Chair. Thank you, Councilmember U'u-Hodgins. Yes. We're working with the Departments to develop guidelines around that.

COUNCILMEMBER U'U-HODGINS: Okay.

MS. MILNER: Currently, I can say, at least for OED, we asked...we ask the grantee to just submit a request stating what the funds will be used for and why they need them upfront rather than as a reimbursement, to demonstrate --

COUNCILMEMBER U'U-HODGINS: Financial need?

MS. MILNER: Say we need to pay our payroll, and we don't have \$20,000 in our pocket right now, so --

COUNCILMEMBER U'U-HODGINS: Okay.

MS. MILNER: -- we need this upfront. And generally, those requests have been granted, for the most part.

COUNCILMEMBER U'U-HODGINS: Okay.

MS. MILNER: We just ask that they're solid justification, not just the Code says so. Thank you, Chair.

COUNCILMEMBER U'U-HODGINS: Sure. Okay. And then that's going to be part of your...your guidelines are going to be part of your Admin. Rules, and then that's going to be something you folks discuss when you have your meetings with the grantees and saying, here's what we will need from you to determine need?

MS. MILNER: Thank you, Chair. Thank you, Councilmember. Yes. That will be provided to the grantees.

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

May 19, 2026

COUNCILMEMBER U'U-HODGINS: Okay.

MS. MILNER: And I will, just briefly, since you brought them up, the Admin. rules are with Corporation Counsel right now for final review. So we hope to have . . . *(inaudible)*. . . --

COUNCILMEMBER U'U-HODGINS: Oh, great. Are those --

MS. MILNER: -- update for all of you soon.

COUNCILMEMBER U'U-HODGINS: Thank you. That was going to be my next question. And then, let me see. What other questions do I have because I am supportive, but we've heard, as Member Johnson has said, how difficult this can be sometimes. So I wanted to at least try to ask some of these questions. How many days does the grantee have to submit paperwork including the invoices and the proof of payment?

MS. MILNER: Thank you.

COUNCILMEMBER U'U-HODGINS: Is this going to be codified?

MS. MILNER: Thank you, Chair. In our current general terms and conditions that are attached to the grant, it's 30 days. We have talked to Finance and Corporation Counsel and starting in Fiscal Year '27, that will be 90 days.

COUNCILMEMBER U'U-HODGINS: Okay. Fiscal '27. Oh, '27 is going to be a big year for everyone. Okay. I think that's it for now. But I will look forward to having the Admin. rules so we can figure out. And I...I would appreciate...and I know you folks will do exactly this but be extremely consistent so that people don't feel like some people are getting the better deal than the others.

MS. MILNER: Thank you, Chair. Thank you, Councilmember U'u-Hodgins. Yes. Standardization is something that we're really trying to hone in on as we move forward.

COUNCILMEMBER U'U-HODGINS: I hear it.

MS. MILNER: We want it to be a consistent experience across the County.

COUNCILMEMBER U'U-HODGINS: For sure. Thank you so much. Thanks. Thank you, Chair.

CHAIR SUGIMURA: Thank you. Member Sinenci --

COUNCILMEMBER SINENCI: Thank you.

CHAIR SUGIMURA: -- followed by Batangan.

COUNCILMEMBER SINENCI: Thank you, Chair. I'm supportive. Thank you.

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

May 19, 2026

CHAIR SUGIMURA: Thank you. Member Batangan.

VICE-CHAIR BATANGAN: Thank you, Chair, also supportive. I had two questions, one of which Member U'u-Hodgins just largely covered. Can I get additional details on the installments? How frequently and how large of an increment within the grants are...have you guys discussed?

MS. MILNER: Thank you, Chair. Thank you, Councilmember Batangan. There are a few different approaches we take to the installment payments. I think the most common is a quarterly installment of 25 percent for the first three quarters and then 15 percent for the last quarter, with the final 10 percent as a reimbursement.

VICE-CHAIR BATANGAN: Wait, try that again. So 10 percent upfront, potentially.

MS. MILNER: Oh, 25 percent upfront. Sorry.

VICE-CHAIR BATANGAN: Sorry.

MS. MILNER: So our...our most common is 25 percent first quarter, 25 percent second quarter, 25 percent third quarter, 15 percent fourth --

VICE-CHAIR BATANGAN: And then final payment.

MS. MILNER: -- and then final 10.

VICE-CHAIR BATANGAN: Well, so how does it work when somebody chooses the advanced . . . *(inaudible)*. . . disbursement?

MS. MILNER: The advanced disbursement. Yes. So if it's just advanced disbursement, you get that one-time disbursement --

VICE-CHAIR BATANGAN: Of 10 percent. And then --

MS. MILNER: Ten percent or above.

VICE-CHAIR BATANGAN: Oh, I see.

MS. MILNER: Yes. We've done up to 90 percent.

VICE-CHAIR BATANGAN: Okay. And the determination of need has not yet been adopted into Admin. rules.

MS. MILNER: Correct.

VICE-CHAIR BATANGAN: Okay. Has there been discuss...so I know Section 4 of the bill is that the ordinance takes effect upon approval. Has there been discussion about having it take effect upon completion of those Admin. rules?

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

May 19, 2026

MS. MILNER: Thank you, Chair. Thank you, Councilmember Batangan. We're hoping to put this into place. We don't want to hold the allotment payments and...because there's some Departments that were doing allotment payments previously, and a lot of grantees has become accustomed to that. So we would like the allotment payments to be able to continue, which is why it's on passage. We want those to be able to go into effect right away at the beginning of FY'27.

VICE-CHAIR BATANGAN: Okay. So couldn't the Section 4 then read that this ordinance takes effect upon July 1st, 2026?

MS. MILNER: Thank you, Chair. If that's the preference, that's fine.

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

CHAIR SUGIMURA: Yeah. Very good. Okay. So what you're doing today is going to impact the grants that are existing right now?

MS. MILNER: Thank you, Chair. The largest impact, I think, will be on the Fiscal Year '27 grants. We have already issued the agreements for the large majority of the Fiscal Year '26 grants.

CHAIR SUGIMURA: Okay. And so, we're here...we're still...I know...I know this is about, you know, the installments and whatever, but we're still hearing concerns about the grants being delayed, or waiting, or they're asking for new...new documents. And we hear all kinds of different, you know, rationale. So your rules that you're coming up with, which is going to be about this, are you also addressing some of the bigger problems that we're hearing about?

MS. MILNER: Thank you, Chair. The Admin. rules are intended to act as an overarching structure for the County when it comes to grants. And then there will be more specific policies and procedures that sort of fall under those. Excuse me. I don't know what, specifically you'd like them to address. I don't know if it's a timeline concern. I know, right now, everyone has to submit an application. Whether you're a line item or a competitive grant, you need to reach a certain level on your score, I believe. I know for OED, it's a score of 70 or higher. If you don't reach that score, the Staff will reach out and work with you to try and get you to that score or get the paperwork they need and do everything we can to get the funds distributed as intended. But things like that do cause delays. If the Councilmembers are aware of any delays, I absolutely welcome that they reach out to myself and the appropriate Department so that we can provide additional information on the status of those grants.

CHAIR SUGIMURA: Okay. Sorry. I'm getting a little bit off the subject. So I'll look for your Admin. rules...will cover most...mostly of what you just said.

MS. MILNER: Thank you, Chair. Some will be in the Admin. Rules, and some will be in the policies and procedures.

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

May 19, 2026

CHAIR SUGIMURA: Which is different?

MS. MILNER: Thank you, Chair. Yes.

CHAIR SUGIMURA: Okay. Any other questions, Members? Chair Lee.

COUNCILMEMBER LEE: Director Milner, on the Admin. rules, until you have Admin. rules, are you not going to process grants?

MS. MILNER: Thank you, Chair. Thank you, Chair Lee. No. We are not going to delay grants until the implementation of the Admin. rules, although we are hopeful the Admin. rules will be in place by July 1st.

COUNCILMEMBER LEE: Okay. Thank you.

CHAIR SUGIMURA: Okay. So that sounds like your motion, right, that Member Batangan wants. Any other questions? Seeing none. All right. So...so who decides is the question. Then each Director then decides what this will...how this will be implemented, the 10 percent or more?

MS. MILNER: Thank you, Chair. That will be on a case-by-case basis, based on discussions with the grantees and the requests that are received from those grantees.

CHAIR SUGIMURA: Okay. And standard documentation, which would be in the Admin. rules?

MS. MILNER: Thank you, Chair. Yes, standard documentation. We are working on putting that into place across the County as soon as possible.

CHAIR SUGIMURA: Okay. Any other questions, Members? Member Batangan.

VICE-CHAIR BATANGAN: Thank you. So following up on the documentation. That's not in the grant agreement itself?

MS. MILNER: Thank you, Chair. The requirement for reporting is included in the grant agreement itself. We don't include templates as part of the grant agreement, necessarily. That's something that's provided as part of the application and a word process.

VICE-CHAIR BATANGAN: Okay. And then can you talk a little bit more about advance payments on the higher end? So, like, give an example or two of ones that were over 50 percent of the grants.

MS. MILNER: Thank you, Chair. Thank you, Councilmember Batangan. That's primarily for situations like the Department of Agriculture, MEO Agriculture Micro Grants because they're sub awarding those funds out. They need to have them in hand in order to be able to grant those awards. Thank you, Chair.

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

May 19, 2026

VICE-CHAIR BATANGAN: Okay. Thanks, Chair. Thank you, Budget Director.

CHAIR SUGIMURA: Okay. So Members, no other questions? You're fine, Chair Lee? Okay. I'll entertain a motion to recommend passage on first reading of Bill 69 incorporating any nonsubstantive revisions.

COUNCILMEMBER JOHNSON: So moved.

CHAIR SUGIMURA: Thank you. Thank you, Member Johnson. And second by Chair Lee. Any other discussions? Member Batangan.

VICE-CHAIR BATANGAN: Yes, Chair. So my preference, and I'm okay if the Body disagrees with me on this one, would be to have this ordinance take effect upon the new Fiscal Year so that we close out this current year with the rules currently in place, and then we start a new Fiscal Year with a clean slate and a new set of guidance for our grantees.

CHAIR SUGIMURA: Okay.

VICE-CHAIR BATANGAN: So I would like to make a motion to change Section 4 to this ordinance taking effect upon July 1st.

CHAIR SUGIMURA: Okay. Is there a second? Second by Member Cook. So, motion made by Member Batangan and second by Member Cook. And this would then amend this to take...take effect on July 1, 2026. Any...any further discussion? I think I heard...oh, who's...oh, Member Johnson.

COUNCILMEMBER JOHNSON: Thank you, Chair. You know, I...I heard that, you know, Director Milner said she has no problem with it. You know, in...in times of emergency I think I would write...I would like to have it be ready to go upon approval, like right now. We're really cutting the...we...we got to go through first reading, second reading and stuff. And we're really getting close to the actual Fiscal Year anyways. But we're talking about a El Nino summer, and if there's some kind of fire or some kind of emergency, I would like for those funds to be ready to go, right away, as opposed to waiting for July 1st. So I...I...at this point, I'm...I'm open to more discussion, but I...I kind of want...would rather have it just be ready to roll right now because we are dealing with disaster after disaster after disaster. They're talking about how El Nino might come and really affect our islands. I...I would like to give, flexibility being the key word. So, thank you, Chair.

CHAIR SUGIMURA: Okay. Member Batangan.

VICE-CHAIR BATANGAN: Thank you, Chair. I appreciate that, Member Johnson. I guess for the Administration, then, two questions. One, can you give us a sense of when the Admin. rules might be adopted? Because my hope for delaying it until the new Fiscal Year wasn't just so that we could start with a clean slate but in part because, you know, my assumption was that the Admin. rules would be ready at that time. And then the second question would be, if any...and if an emergency comes up, you know, say El Nino

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

May 19, 2026

causes massive destruction, are there mechanisms in place for rapid deployment of funds for response and recovery?

MS. MILNER: Thank you, Chair. Thank you, Councilmember Batangan. Yes. I have a meeting with Corporation Counsel and Finance tomorrow where I'm hoping to get an update on the status of the Admin. rules. As I said, our target date is no later than July 1st. So hopefully before that, but I...I...I will, obviously, send notification to Council when that's posted for the 30-day period so you know.

VICE-CHAIR BATANGAN: And then just to help me understand the difference between, you know, the amendment I'm proposing and what would happen upon approval. Okay. So if it's first...if the...if it passes out of Committee today, first reading would be when and second reading would be when?

CHAIR SUGIMURA: On . . . *(inaudible)* .

MS. MILNER: Thank you. Thank you, Chair.

VICE-CHAIR BATANGAN: Oh, okay. So we're only talking about a difference of, like, a week and a half.

MS. MILNER: Yes.

VICE-CHAIR BATANGAN: Then I will withdraw my motion. I am sorry, guys. I don't think I...I didn't realize how close we were cutting it, and I thought this was going to be more of a material difference.

CHAIR SUGIMURA: Okay. So you're withdrawing your motion?

VICE-CHAIR BATANGAN: Yes, if Member Cook will withdraw his second.

CHAIR SUGIMURA: Okay. Okay. And Corp. Counsel, you want to tell us when you're going to have the Admin. rules reviewed?

MS. WRIGGLESWORTH: Thank you, Chair. I know First Deputy is working on those Admin. rules, and we talked about it at our C&D meeting yesterday. I think we're doing final review right now.

CHAIR SUGIMURA: Okay. Will that get posted somewhere that we could see it?

MS. MILNER: Thank you, Chair. Yes. It will be posted publicly, and I will make sure that as soon as it's posted, the link is sent to all of the Councilmembers so it can be distributed.

CHAIR SUGIMURA: Okay. Great.

MS. MILNER: Thank you, Chair.

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

May 19, 2026

CHAIR SUGIMURA: Great. Chair Lee.

COUNCILMEMBER LEE: Wouldn't the Admin. rules require a public hearing? Yeah. Okay. So that's when everybody will know.

CHAIR SUGIMURA: So that'll delay the implementation, then. How soon will you have the public hearing?

MS. MILNER: Thank you, Chair. It has to be posted for 30 days before the public hearing, so --

CHAIR SUGIMURA: Oh, before.

MS. MILNER: -- 30 days after it is posted we will have the public hearing.

CHAIR SUGIMURA: Oh, so it's going to go into the month of July. Oh, it's...it's going to be delayed anyway. You're kind of right on.

VICE-CHAIR BATANGAN: True, but I don't want to be picking arbitrary dates based on when I think these are going to pass, right? Like, I could pick it to the beginning of the Fiscal Year because, you know...and...and there was rationale for it. You know, it'd be a new slate, people are now going to be applying for grants on the budget we just approved. Delaying it past that just feels like picking dates at random, and I don't...I prefer not to go down that route.

CHAIR SUGIMURA: Okay. All right. Member Paltin, did you have your hand up? Sorry. I didn't see you.

COUNCILMEMBER PALTIN: No. I was just illustrating muddying the waters.

CHAIR SUGIMURA: Oh. Oh. ...*(laughing)*... She's getting...okay. All right. Members --

COUNCILMEMBER PALTIN: That's my sign language for muddy waters.

CHAIR SUGIMURA: Okay. All right. Members, are you guys ready to vote, then? All right. So I did that some...so Member Johnson and second was by Member Sinenci; is that right? Oh, it was Chair Lee. Oh, this is a AL *(phonetic)*. All right. Any more discussion? All in favor, raise your hand, say "aye".

COUNCILMEMBERS: Aye.

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

May 19, 2026

CHAIR SUGIMURA: Okay. That looks like nine ayes. Motion carries.

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

NOES: **None.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **None.**

MOTION CARRIED.

ACTION: **Recommending FIRST READING of Bill 69 (2026).**

CHAIR SUGIMURA: Very good.

COUNCILMEMBER JOHNSON: Mahalo, Members.

CHAIR SUGIMURA: Thank you. Thank you. Thank you very much, Member Johnson, for working on this. More to come, right?

COUNCILMEMBER JOHNSON: Yes.

CHAIR SUGIMURA: More to come.

ITEM 59: **BILL 83 (2026), AMENDING THE FISCAL YEAR 2026 BUDGET: DEPARTMENT OF ENVIRONMENTAL MANAGEMENT, SEWER FUND; AND APPENDIX A, PART II, OPEN SPACE, NATURAL RESOURCES, CULTURAL RESOURCES, AND SCENIC VIEWS PRESERVATION FUND**

CHAIR SUGIMURA: Okay. So the third item on our agenda is Bill 83, Amending Fiscal Year '25 [sic] Budget: Department of Environmental Management, Sewer Fund; and Appendix A, Part II, Open Space, Natural Resources, Cultural Resources, and Scenic...Scenic...Scenic Review Preservation Fund. The bill would amend Fiscal Year '26 budget by transferring \$372,933 from the Sewer Fund to the Open Space, Natural Resources, Cultural Resources, and Scenic Review Preservation Fund for TMK (2)-3-8-005-023. According to the transmittal, the property was purchased in '23 with Open Space money for 5.2 million. During the planning of the Central Maui Wastewater Facility, it was determined that about seven percent of the parcel will be needed for the project and 372,933 is the pro rata amount for that portion. Because the Open Space

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

May 19, 2026

Fund is restricted to Charter Section 9-19 and...and Chapter...Chapter 3.88, Maui County Code for open space and related land conservation purposes. If part of this parcel will instead be used for wastewater infrastructure, the bill would repay the fund for that portion of the land that will be used for the new facility. Today, we have with us Deputy Director Peterson, the Budget Director, Director Martin from Finance. And I will ask for opening comments first from the Department of Environmental Management, then Finance. Mr. Peterson, do you have any comments?

MR. PETERSON: Thank you, Chair. Thank you, Councilmembers. No. No opening comments.

CHAIR SUGIMURA: Okay.

MS. MILNER: Thank you, Chair. As Councilmember Paltin says, math is fun so . . .*(laughing)*. . . I mean, come on, it's great. So I just wanted to provide. I know we said approximately 7 percent, but it's 7.13 percent. So that's 14.9 acres out of 209. The original purchase price was \$5,231,075. So the pro rata cost is 372,933. Thank you, Chair.

CHAIR SUGIMURA: Thank you. Any other comments? Did you have...Director Martin wanted to say a few words?

MS. MARTIN: No comments. Thank you.

CHAIR SUGIMURA: Okay. Thank you. So this time, I'm going to open this up for public testimony. Anybody signed up?

. . . OPEN PUBLIC TESTIMONY FOR ITEM 59 . . .

MR. PASCUAL: Oh, Chair, there's no individual signed up to testify. If anyone would like to testify on this item, please come up to the podium or raise your hand on Teams. This is last call. Three, two, one. Seeing none. Chair, no one has indicated that they wish to testify.

CHAIR SUGIMURA: Thank you very much. So I'm going to close public testimony, receive written testimony on this item. Any objections, Members?

COUNCILMEMBERS: No objections.

CHAIR SUGIMURA: Seeing none.

. . . CLOSE PUBLIC TESTIMONY FOR ITEM 59 . . .

CHAIR SUGIMURA: All right. So now we can take questions from the Members. And we'll start with Member Sinenci, and we'll go down this way. Member Sinenci.

COUNCILMEMBER SINENCI: No questions, Chair. Thank you.

CHAIR SUGIMURA: Member U'u-Hodgins.

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

May 19, 2026

COUNCILMEMBER U'U-HODGINS: No questions. Happy to support. Thank you, Chair.

CHAIR SUGIMURA: Member Cook. Member...Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. We're on the Waiehu parcel.

CHAIR SUGIMURA: No. We're on the second item...third item.

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh, Waiehu Beach Road. Okay.

CHAIR SUGIMURA: Yeah. The Ka'ehu one is next.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Okay. No questions.

CHAIR SUGIMURA: Okay. Member Johnson.

COUNCILMEMBER JOHNSON: I don't have questions at this time, Chair.

CHAIR SUGIMURA: Thank you.

COUNCILMEMBER LEE: No questions.

CHAIR SUGIMURA: Okay. Member Paltin. Oh, she's going like this again. Hand motions today. No questions. Member Batangan.

VICE-CHAIR BATANGAN: No questions, Chair.

CHAIR SUGIMURA: Okay. Wow. So my questions, you answered it. Thank you very much. So at this time, I'd like to entertain a motion for passage on first reading of Bill 83, incorporating any nonsubstantive revisions.

COUNCILMEMBER COOK: So move.

CHAIR SUGIMURA: Member Cook. Second by Chair Lee. Any...any further discussion? Seeing none. All in favor, raise your hand, say "aye".

COUNCILMEMBERS: Aye.

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

May 19, 2026

CHAIR SUGIMURA: This is a nine ayes. Wow, very good. This was very fast. Keep it up folks. Motion carries.

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

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: None.

MOTION CARRIED.

ACTION: Recommending FIRST READING of Bill 83 (2026).

CHAIR SUGIMURA: Thank you very much. Thank you very...everybody...thank you for being here this whole time.

ITEM 46: BILL 102 (2025) AMENDING THE FISCAL YEAR 2026 BUDGET: APPENDIX A, PART II, OPEN SPACE, NATURAL RESOURCES, CULTURAL RESOURCES, AND SCENIC VIEWS PRESERVATION FUND; AND RESOLUTION 25-53, AUTHORIZING THE ACQUISITION OF REAL PROPERTY LOCATED AT 104A LOWER WAIEHU BEACH ROAD, WAILUKU (KA'EHU BAY)

CHAIR SUGIMURA: Next, we have the fourth item on the agenda. Did we have a resource person who was standing by? Okay. We did have somebody, yeah, from the family. So this is the item that takes up Ka'ehu Bay, which is Bill 102 (2025) and Resolutions [sic] 25-53, relating to the proposed acquisition of 104A Lower Waiehu Beach Road in Wailuku, also known as Ka'ehu Bay. Bill 102 would amend Fiscal Year '26 budget by adding half a million dollars for this acquisition and deleting the portion, prior year, 1.3 million appropriation for 131 Shaw Street in Lahaina. Resolutions [sic] 25-53 would authorize acquisition of 0.41 acres at 104A Lower Waiehu Beach Road for an amount not to exceed \$480,000 plus expenses. Members, you may recall this matter first came before the Committee on February 18, 2025, under Bill 8 for the Fiscal Year '25 budget and then returned on March 10, 2026, for the Fiscal '26 budget. And this item was deferred while the Committee want...awaited an updated title report and appraisal report. After those materials were received, the item was rescheduled. And at the March 10th meeting, members of the family and community testified in opposition of the acquisition. This item is before the Committee again as Members can receive an updated

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

May 19, 2026

record of the proposed acquisition. Before the Committee decides whether to recommend action, I would like to hear whether the Administration still supports the acquisition, whether the prior due diligence issues have been resolved, and whether any community or family concerns remain unresolved. So, assisting us with today's discussion is Director Milner as well as Director Martin. I don't...she must be online. Opening comments.

MS. MILNER: Thank you, Chair. I'll let Director Martin start.

MS. MARTIN: Thank you, Chair. You know, again, that the bill has been deferred, and we're just here to, you know, support this Body in making a decision. Guy Hironaka is also online to support the discussion. And, you know, we will...this is a policy decision, so we'll defer to the decisions of this Body. Thank you.

CHAIR SUGIMURA: Is that your opening comments, Director?

MS. MARTIN: Yes. Yes.

CHAIR SUGIMURA: Wait. Let's hear the opening comments, and then we can do questions next. Director Milner. Oh, yes.

COUNCILMEMBER LEE: Clarifying question to the Director.

CHAIR SUGIMURA: Oh, yeah. After we get their opening comments --

COUNCILMEMBER LEE: Oh, after. Okay.

CHAIR SUGIMURA: -- and yeah...yeah. Okay. Director Milner, you have comments?

MS. MILNER: Thank you, Chair. I haven't been directly involved with the negotiations on this property, so I can't speak to any discussions with the family. But I would just like to reiterate what was stated at the last meeting, that the Administration has made a commitment that if the court determines that County-owned land belongs to a local family, the land will be handed over to the family. So I just wanted to state that for the record. And we are here to answer any questions you may have going forward. Thank you, Chair.

CHAIR SUGIMURA: Okay. So that's Administration's comments. So I'm going to open for public...wait, didn't we have part of the family waiting? Oh, he left. Oh, he left. Okay. So no member of the family is present. Open for public testimony.

. . . OPEN PUBLIC TESTIMONY FOR ITEM 46 . . .

MR. PASCUAL: Chair, we have one individual signed up to testify, Kaniloa Kamaunu.

VICE-CHAIR BATANGAN: Chair, didn't he testify on this item already?

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

May 19, 2026

MR. PASCUAL: I believe he testified --

VICE-CHAIR BATANGAN: Oh . . . *(inaudible)*. . . okay.

MR. PASCUAL: -- on the Halau of 'Ōiwi Arts [*sic*] item.

CHAIR SUGIMURA: Okay. Yes, he did. All right. Please proceed.

MR. KAMAUNU: Wasn't that under 'Ōiwi?

CHAIR SUGIMURA: You did testify under 'Ōiwi. Did you want to testify on this Ka'e'hu Bay property? It's a new item for you.

MR. KAMAUNU: Yes. Yes.

CHAIR SUGIMURA: Please testify.

MR. KAMAUNU: Yes, if that's possible.

CHAIR SUGIMURA: Yes, please start. Three minutes.

MR. KAMAUNU: Okay. Mahalo, Kaniloa Kamaunu. Being actually in the advocacy of this area, the...the thing is, there are claims that are...that the County doesn't have, really, any power over, which is the Land Commission Awards in these areas even though they are clouded with the...the tax map key, which they have tax to it. Really, those rules don't apply because the actual foundation of the creation of the Land Commission Award was done in another format, which this Body does not have the authority to speak on because it still holds its original titles by way of the Land Commission awardee, which is still the only title holder. So the thing is, I would like clarity on where you're...if this project is found to be clear, as far as title, where that information came from and whether or not the original title awardee has been discontinued because the only way that the County can actually claim interest is that if they have clear title. Thank you.

CHAIR SUGIMURA: Questions? Seeing none. All right. Any other testifiers?

MR. PASCUAL: Chair, that's all the individuals signed up to testify. If anyone in the audience or on Teams would like to testify, please come up to the mic and begin your testimony or use the raise-your-hand function on Teams, and Staff will unmute you. Here's a brief countdown. Three, two, one. Seeing none. Chair, no one has indicated that they wish to testify.

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

COUNCILMEMBERS: No objections.

. . . CLOSE PUBLIC TESTIMONY FOR ITEM 46 . . .

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

May 19, 2026

CHAIR SUGIMURA: Okay. Thank you very much. So Members, for deliberation, I am going to start with Member Sinenci and go down, end up with Member Batangan.

COUNCILMEMBER SINENCI: Thank you, Chair. In light of Director Milner's response from the Administration, my feeling is to support the acquisition. I...I...I know I don't want to speak against the family, but I...I feel that if...if the County doesn't assist them in this process and...and if the church goes and sells it to somebody from out of state, I...I strongly feel that the family will have a harder time in presenting their...their case should they go to court or anything for the property. So that's my feelings at this point. Thank you, Chair.

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

COUNCILMEMBER U'U-HODGINS: Thank you, Chair. I really wish Mr. Maio was here because that's how I feel as well, as what Member Sinenci said, too. I don't want to put them in a lose-lose situation where they feel like we have to buy it. But I don't disagree that if somebody else does buy it, then their ability to hopefully reclaim what is theirs will be more difficult than what we could hopefully offer them. And if the opportunity doesn't arise where we get to present them back with their 'āina, then I would like to see us work with them to provide easements, and access, and see what would work best for them to reclaim their space even if it's just physically and not necessarily on title, and I wanted to hear their opinion on that. So I can support this if we do have the assurance that if they can prove that it's theirs, that we give it back. And if not, if they don't come up with the paperwork and the palapala needed, that we work with them to ensure that they have a right of entry and some access and all of those things. Thank you, Chair.

CHAIR SUGIMURA: Okay. Thank you. Do you want Administration statement?

COUNCILMEMBER U'U-HODGINS: She can, but I think she's going to agree with me. So if she wants to say that for the record. . . .(laughing). . . I'm obviously putting pressure on you Director but go ahead.

MS. MILNER: Thank you, Chair. Thank you, Councilmember U'u-Hodgins. Yes. As you know, we do work with a conservation group in that area already, so we would continue to work with them but also work with the family for any necessary access for historic and cultural purposes. Thank you, Chair.

CHAIR SUGIMURA: Okay. Member Cook.

COUNCILMEMBER COOK: I'm in agreement with the same.

CHAIR SUGIMURA: Okay. Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Yeah. It sounds like we're all basically on the same page, so...and my office can, you know, reach out to the ohana and try to help, you know, facilitate discussions as we move forward.

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

May 19, 2026

CHAIR SUGIMURA: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair.

CHAIR SUGIMURA: Thank you. Member Johnson.

COUNCILMEMBER JOHNSON: I don't have any questions at this time.

CHAIR SUGIMURA: Thank you. Member Paltin.

COUNCILMEMBER PALTIN: Thank you. My question would be I heard what Director Milner said that we could buy it and give it to the family, what...what is required on their part to make that happen?

MS. MILNER: Thank you, Chair. Thank you, Councilmember Paltin. Yes. We would just...a ruling that the title resided with them. So it would need a court process.

COUNCILMEMBER PALTIN: If they had the title that resided with them, could they not just show that to the church and get it right now?

MS. MILNER: Thank you, Chair. Thank you, Councilmember Paltin. My understanding is that's part of the issue. I don't know if they've located that paperwork.

COUNCILMEMBER PALTIN: Shucks, I didn't get a chance to listen to all the testimony. The only thing I remember saying...hearing them say was that they didn't want us to buy it. I feel similarly to Member Sinenci and U'u-Hodgins. And I'm...I'm glad if it goes forward, but at this time, I would just listen to the family's personally, although I disagree with it because I...I do think we're the safer option. But, you know, that's with all of us in our seats right now. It could go like Donald Trump any day, anything, November whatever. So I'll just, in this case today, I guess, listen to the family.

CHAIR SUGIMURA: Okay. Chair Lee.

COUNCILMEMBER LEE: Director Milner, whose idea was to buy this...to help buy this property?

MS. MILNER: Thank you, Chair. Thank you, Chair Lee. My first discussion with this was with Managing Director Nishita.

COUNCILMEMBER LEE: So you...has he changed his mind?

MS. MILNER: Thank you, Chair. Thank you, Chair Lee. No. I don't know that we've changed our mind. We're still open to acquiring the property, but we understand that a lot of things have been raised over the last couple of years that have raised concerns. So --

COUNCILMEMBER LEE: Yeah.

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

May 19, 2026

MS. MILNER: -- if we don't want to proceed at this time, we have no objection to that either.

COUNCILMEMBER LEE: Yeah. I think that's a good idea, is not to proceed with this. Thank you.

CHAIR SUGIMURA: Okay. Member Batangan.

VICE-CHAIR BATANGAN: Thank you, Chair. You posed a few questions in your opening statement that I don't think I heard answers to. Can I ask that you repeat them. And, I mean, those are, essentially, what I'm interested in getting a resolution on. Can I ask that you repeat the question?

CHAIR SUGIMURA: Oh, me.

VICE-CHAIR BATANGAN: Yeah. The...the --

CHAIR SUGIMURA: I thought you were talking about --

VICE-CHAIR BATANGAN: -- the questions that you had stated --

CHAIR SUGIMURA: Yeah.

VICE-CHAIR BATANGAN: -- in your opening remarks on this.

CHAIR SUGIMURA: Okay. About when this matter has come up and in...in February of 2025 as well as March 10th, '26. And as well as the title, we were wondering about the title. And after those materials were received...were received, the item was rescheduled at the March 10th meeting. Members of the family and community testified in opposition of the acquisition. This item is before the Committee again so Members can receive the updated record on the proposed acquisition. And before the Committee decides whether to recommend action, I would like to hear whether the Administration will support the acquisition, whether the prior due diligence issues have been resolved, and whether any community or family concerns remain unresolved.

VICE-CHAIR BATANGAN: Thank you, Chair. So I guess, Director Martin, those last three questions, would you be able to respond?

MS. MARTIN: The conversations with the family have been on the...the floor here. I'm not aware that we have had conversations with the family. Our engagement has been with the...the seller. We have done the traditional due diligence. And again, Corp. Counsel has responded to questions regarding that. But, you know, we...we've listened to the family and, you know, we...we hear their concerns, and their concerns are valid. Thank you.

VICE-CHAIR BATANGAN: Thank you, Director. I had hoped that there would have been additional conversations with the family themselves. I guess I'm a little torn, you know,

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

May 19, 2026

their desire for us to table the matter. I...I wish we had had more information on that. I do agree with the sentiments shared by Members Sinenci and U'u-Hodgins, though, that, you know, it may not be what they're asking for, but I do think that the...if...if they are able to show claim to the land that they would more easily be able to reclaim that land if we are the ones holding it rather than a different entity. Thank you, Chair.

CHAIR SUGIMURA: Thank you. Any other comments? Member Sinenci.

COUNCILMEMBER SINENCI: Thank you, Chair. I believe Ms. Johnson provided her testimony with some possible conditions, if we could amend the bill, should we make a motion to accept, but she did have some conditions in her testimony, Chair.

CHAIR SUGIMURA: Chair Lee, you have your hand up. I...I guess I need to get her testimony to know what conditions you're talking about, and Chair Lee.

COUNCILMEMBER LEE: I think that she left it with the Staff. But anyway, I don't think that we have time to work on this all day, you know. Let's defer it. Defer it and work on it another time.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER LEE: Thank you.

CHAIR SUGIMURA: It's getting a little more involved. I want to make a statement, and I was hoping the Administration would say this. So when we were in recess...thank you...Guy Hironaka came up, and he said that the church...and I wish the Administration would say this because it should come from them, not from us. The Administration...what Guy did, he...he reached out to the church, and the church is saying that they have an offer...or they...or they're going to put it out to the open market. So they're going to sell this, you know, which is...it's their land, and they've been holding off doing anything for us because of the dates that I gave you and hearing, you know, the family and their concerns, out of consideration for that. So the church is now saying, and they're going to send a letter to Administration, that if we don't take action, then they're going to put this out for the open...to the open market. So it'll get, you know, whoever, will not be us. Chair Lee.

COUNCILMEMBER LEE: To do this justice, I think we need to take it up another time when we have --

CHAIR SUGIMURA: More time.

COUNCILMEMBER LEE: -- more time. Yeah, because look, you know, we have another meeting. I have a 12:00 appointment.

CHAIR SUGIMURA: And we have . . . *(Inaudible)*. . . --

COUNCILMEMBER LEE: Then we have a 1:30 meeting.

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

May 19, 2026

CHAIR SUGIMURA: Yeah.

COUNCILMEMBER LEE: So, you know, to...to see...to make us make a decision in 15 minutes is not fair. Thanks.

CHAIR SUGIMURA: Okay. Agree. So Members, what is your sentiment? I hear some saying they're supportive, now we're hearing maybe defer to the next meeting, BFED meeting. Member U'u-Hodgins.

COUNCILMEMBER U'U-HODGINS: I'm okay to defer. I'm okay to support this if this what can work best with the family, but I don't want to put them in a spot either. I'm okay to defer. I do...I also have a 12:00 meeting that I need to drive to. I would...I would...I wanted them to be here so that we could honestly have this discussion and so they...we can talk about potential issues if it does, like you said, go to the open market. Because I don't want to take that away from them either, but I wanted them to be here. Can we schedule this on another day, and then have them come, and reach out to them, and have them sit with us again? And I know we did that the last time, but I wanted that to happen again, and I wish they were here, so I'm okay to defer.

CHAIR SUGIMURA: Yeah. Too bad they're not here.

COUNCILMEMBER U'U-HODGINS: And I wish we had more...the luxury of time. Thank you.

CHAIR SUGIMURA: So this is a Fiscal Year '26 item. So we need to take action within this Fiscal Year. Do we see another option of scheduling?

MS. SZABO: Chair, it is a Fiscal Year '26 budget, and this is the last BFED Committee meeting in which it could still get two readings. But that doesn't prevent the Administration from resubmitting a Fiscal Year '26 budget amendment.

CHAIR SUGIMURA: Okay. Administration.

MS. SZABO: Pardon me, Fiscal Year '27 --

CHAIR SUGIMURA: Yeah.

MS. SZABO: -- because I don't like to move forward.

CHAIR SUGIMURA: Administration, what is your position going to be? I mean, we...this is really Administration's position that we're trying to accommodate here. So are you open to doing that?

MS. MILNER: Thank you, Chair. Yes. We're open to submitting a budget amendment if the Committee would like more time.

CHAIR SUGIMURA: Okay.

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

May 19, 2026

MS. MILNER: Thank you.

CHAIR SUGIMURA: And we'll take our chances, then, on what the church and the realtor is going to do. Member Paltin.

COUNCILMEMBER PALTIN: Sharing that they are putting it on a open market and weren't able to have conversation with the family. If Chair Lee is open to it, I would vote to move it forward and have part of the Committee work being done on the floor with the invitation of the family as it could be time sensitive. I'm open to listening to the family. But, like Chair....Member U'u-Hodgins said, the dialogue is the key part, and...and I can vote yes today knowing that it's not my final answer. There's still first and second reading. And I don't want to have us cut off any option that we can't go back on because communication with the family is key. And even if we could just...not we, nine of us. But maybe key people from us that doesn't violate the Sunshine Law can meet --

CHAIR SUGIMURA: Uh-huh.

COUNCILMEMBER PALTIN: -- with the family and the Administration together to try and iron it out before first reading so we don't do Committee work on the floor. I would be supportive of that. I don't think it should be me but, you know, somebody else. I just voluntold somebody to do work, but that's...that's how I feel. I'll...I can vote to move it forward today under some sort of plan like that.

CHAIR SUGIMURA: Okay. Member Rawlins-Fernandez, your hand is up.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Yeah. I...I volunteered my office . . .*(laughing)*. . . earlier to...to work the...Member Paltin will pick up on that. I...I also want to say that I...I do believe that this 'āina belongs to the ohana that came here. And it...you know, it's not uncommon that Kānaka are constantly losing ancestral 'āina because of paperwork. And it's...it's...it's really frustrating that this is the system that we are in. I...you know, I...I agree and believe with the...about the will, Lunalilo's will, and, you know, like that...that process and recognize that we're under the colonizer's court. And...and we're occupied by America, and it's...it's their laws that they're enforcing. So I'm...I'm also...when this first came up, I was hopeful that as members of the LDS Church that the LDS Church would have made good with their members on this. And I'm...I'm really disappointed that they have not because I believe their story, that they let the church build their hale pule on their 'āina and didn't give it to the LDS Church. And then for the LDS Church to then make a profit off of stolen 'āina, that...that's just hewa. But I...I also recognize we're under this system, that the LDS Church is going to put it on the market and, you know, again, profit off of land that doesn't belong to them and just take that profit. And so, I...I would want to, you know, prevent that from happening. So I would be supportive of voting to move this forward out of Committee and then continue discussions, first and second reading. Mahalo, Chair.

CHAIR SUGIMURA: Okay. Chair Lee.

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

May 19, 2026

COUNCILMEMBER LEE: I can't support that because I believe that, as the Budget Director said, this can come back as an amendment. And my...my feeling is that since it...since the family believes it has a good case, that the church cannot sell the property. So if it can't sell the property and...and cannot convey title, then that transaction is not going to happen. But at least we'll have time and not working stuff on the floor because this is very intense. And...and we...the family deserves our complete attention. So this item should be set aside, by itself, so we can work on it all day. And I'm really disappointed, actually, in the Administration because this is their proposal. They should not have done a half-baked job on this. Thank you.

CHAIR SUGIMURA: Director Martin, can you provide the title report? And does it...does this property have clear title? That was part of why we were waiting.

MS. MARTIN: We have provided the current title report. And Corporation Counsel did provide an opinion on that title report.

CHAIR SUGIMURA: Corporation Counsel.

MS. WRIGGLESWORTH: We...we did suggest getting a more up-to-date title report in our correspondence.

CHAIR SUGIMURA: Okay.

MS. SZABO: Chair, I think there is a Granicus that has that updated title report that Finance provided. Let me find that Granicus number for us.

CHAIR SUGIMURA: Okay. So we do have clear title, then.

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair. Chair.

CHAIR SUGIMURA: Chair. I'm sorry. Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Yeah. Most land in Hawai'i does not have clear title. Title searches just go to when it was first sold, or it doesn't go all the way back. And...and land is sold all the time with cloudy title, and it...it...unfortunately, the burden is on the ohana who either, you know, lack funding to pursue it in court or, you know, are without the documents to...to prove in the colonizer's court that it is their 'āina.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: So, I mean, we know that there's no clear title.

CHAIR SUGIMURA: OCS.

COUNCILMEMBER PALTIN: Chair, is there a recess date for this meeting to next week so that

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

May 19, 2026

we can spend more time on this?

CHAIR SUGIMURA: This is my last BFED meeting for this Fiscal Year.

MS. SZABO: Chair, sorry.

COUNCILMEMBER PALTIN: We still have --

CHAIR SUGIMURA: Go ahead.

COUNCILMEMBER PALTIN: -- one more item, though, and it's getting to 12:00, and we got to leave. So are you going to defer that last item?

CHAIR SUGIMURA: I will end up --

COUNCILMEMBER PALTIN: I mean --

CHAIR SUGIMURA: -- I will end up deferring that. I can take it up next year, next Fiscal Year. Go ahead.

COUNCILMEMBER PALTIN: Oh.

MS. SZABO: Chair, that Granicus item --

COUNCILMEMBER PALTIN: I mean.

MS. SZABO: -- is item 16. I apologize, Councilmember Paltin.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER PALTIN: No problem. I...I'm open on Friday if you guys want to defer it until Friday to give the family the time --

CHAIR SUGIMURA: Chair Lee.

COUNCILMEMBER PALTIN: -- that Chair Lee was saying.

CHAIR SUGIMURA: Chair Lee, you want to --

COUNCILMEMBER LEE: . . .*(inaudible)*. . .

CHAIR SUGIMURA: -- defer to Friday?

COUNCILMEMBER LEE: . . .*(inaudible)*. . .

COUNCILMEMBER U'U-HODGINS: There's no Council meeting on Friday.

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

May 19, 2026

COUNCILMEMBER LEE: Oh, this Friday?

CHAIR SUGIMURA: This Friday?

COUNCILMEMBER LEE: It's up to you . . . *(inaudible)*. . . --

CHAIR SUGIMURA: I will. I don't have my...I don't have my calendar. I don't know what's on my calendar. Go ahead.

COUNCILMEMBER U'U-HODGINS: As much as --

COUNCILMEMBER LEE: I have no objection to deferring it to Friday.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER U'U-HODGINS: As much as I would love to participate in this conversation on Friday, it's my son's Lā 'Ohana day and then my niece is graduating 8th grade from Doris Todd. So I'm busy on Friday, but I trust you folks will make the best decision.

CHAIR SUGIMURA: So you're not available. Anybody else Friday?

COUNCILMEMBER COOK: I'm not here on Friday.

CHAIR SUGIMURA: You're not here, so that's two.

COUNCILMEMBER SINENCI: Chair, I would like to just pass it today and then have the discussion as Member Rawlins-Fernandez said...had suggested her...her office reaching out to the family.

CHAIR SUGIMURA: Okay. Member Johnson.

COUNCILMEMBER JOHNSON: I...I echo Councilmember Sinenci's statements. I am very busy on Friday.

CHAIR SUGIMURA: Okay. You're not available.

COUNCILMEMBER JOHNSON: I have meetings on Lāna'i. That's why.

CHAIR SUGIMURA: Oh.

VICE-CHAIR BATANGAN: I'm also not available on Friday.

CHAIR SUGIMURA: Okay. So we don't have quorum to recess this meeting.

COUNCILMEMBER SINENCI: I can make that motion.

CHAIR SUGIMURA: Okay. So Members, I'm hearing that what you want to do is take action

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

May 19, 2026

on this bill and possibly have discussions with the family and get clarification from Administration. I...I...I just want to make a statement, that I think...I don't want a confusion over this, that then the County buys the land, and we will give it to the family. It...it has to go through a legal process, right --

COUNCILMEMBER SINENCI: Right.

CHAIR SUGIMURA: -- Director? Is that what you inferred?

MS. MILNER: Yes, Chair.

CHAIR SUGIMURA: Okay. So it's not going to be, we buy the land today, and then they say they found their paper, and we're going to give it them. So that I just want the family to understand that we've been delaying this because we wanted them to have a voice.

COUNCILMEMBER PALTIN: No. If they get their paper, then we'll give it to them. If they have the clear title paper, then we give it to them, if they find the paper.

CHAIR SUGIMURA: And --

COUNCILMEMBER PALTIN: It's not, we'll buy it, and we'll give it to them without the paper, I think you meant.

CHAIR SUGIMURA: Correct. But I just want the Administration to be clear about how this process will happen.

COUNCILMEMBER SINENCI: Well, Chair, may I? And...and I think when Mr. Nishita, when he came and presented this, it was to expand the Ka'ehu coastline management area by adding this because it's...it neighbors, that...that piece of property, Chair.

CHAIR SUGIMURA: Right. Correct. Director Milner, can you please clarify? So there won't be confusion from the family. I think the family is, you know, actively trying to resolve this.

MS. MILNER: Thank you, Chair. Thank you, Councilmember Sinenci. Yes. You're correct about the Ka'ehu Bay area. And yes, no, it's not a matter of we acquire the property and immediately hand it over. There needs to be clear title or some sort of court process to solidify that, in order for that to occur.

CHAIR SUGIMURA: Okay. Okay.

COUNCILMEMBER SINENCI: Make a motion.

CHAIR SUGIMURA: So you made a motion to approve . . . *(inaudible)*. . . --

COUNCILMEMBER SINENCI: Move to pass.

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

May 19, 2026

CHAIR SUGIMURA: -- is that what you...to pass this bill?

COUNCILMEMBER SINENCI: Chair, move to pass Bill 102 on first reading.

CHAIR SUGIMURA: Okay. And it's for Motion to recommend passage on first reading of Bill 102 and adoption of Resolutions 25-53 incorporating any nonsubstantive revisions. Member Sinenci, is there a second?

COUNCILMEMBER JOHNSON: Second.

CHAIR SUGIMURA: Second by Member Johnson. I can tell this is roll call. Anybody else wants to talk about this? Chair Lee.

COUNCILMEMBER LEE: Yeah. I...because I resent having to be pressured into something like this. It's quite evident that we do support the family. Now, if we take a vote and say no, it sounds like we don't. But the fact is we...we're not giving this sufficient time to vet all the details, and we do not have all the details. And I do not like making decisions on the fly. I mean, it...like other people.

CHAIR SUGIMURA: Okay.

COUNCILMEMBER LEE: So I will be voting no. Thank you.

CHAIR SUGIMURA: Okay. Anybody else? Any comments? Member U'u-Hodgins.

COUNCILMEMBER U'U-HODGINS: Sorry, Chair, I saw Member Paltin has her hand up too. I would just like to thank Member Rawlins-Fernandez in advance for reaching out to the family, and then hopefully we'll get some idea of what we can do before first reading. I feel very similarly to Chair Lee, but I don't want this opportunity to be missed on behalf of the family either. So I feel --

CHAIR SUGIMURA: Torn.

COUNCILMEMBER U'U-HODGINS: I don't know. It's...it's not necessarily super muddy, like Member Paltin was saying, but it's slightly opaque, and I'm not super comfortable. Yeah, maybe only one hand. But I can do it now and then, you know, as we always do, reserve the right to change our vote in first reading if...if the family is, like, please, please, please, which they already did, don't do this, but we don't have the opportunity to discuss with them, to discuss other options if in case it goes to the open market. Thank you.

CHAIR SUGIMURA: Okay. Member Batangan.

VICE-CHAIR BATANGAN: Thank you, Chair. You know, I said earlier that I heard the family, that they didn't want us to move forward with this but thought that we would still be making a, you know, prudent decision by acquiring it so that it'd be more easily recouped. After hearing the discussion, I personally think the water is more muddy than opaque and will be joining Chair Lee in voting no on that. Thank you, Chair.

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

May 19, 2026

CHAIR SUGIMURA: Okay. Okay. Oh, Member Paltin.

COUNCILMEMBER PALTIN: Yeah. For what it's worth, I'll be voting aye with reservations, same as...kind of Member U'u-Hodgins, which reservations don't mean much, but I reserve the right to change my vote at first reading after Member Rawlins-Fernandez has a chance to discuss with the family. If, ultimately, they still want it to be the way they say . . .*(inaudible)*. . . I vote to honor their choice.

CHAIR SUGIMURA: I hear a voice.

COUNCILMEMBER PALTIN: . . .*(Inaudible)*. . . two more chances to vote. Oh, sorry, that's my mom's roommate getting consultation.

CHAIR SUGIMURA: Oh. Oh, okay. I thought it was...oh, sorry about that. I thought it was from one of the open mics. Okay. So let's do...man, I...I have to say, for myself, that because I've been talking to grandpa, now who has passed away, and I know he has strong sentiments, and he was...I asked him to please talk to the church so we can get this resolved at that level so that we will be taken out of this position. And it...it's a lot more involved. So I have to...I'm going to side with Member Batangan and Chair Lee because I believe that more information is needed, and I'll gladly take this up again if we have to but, okay. At this time, roll call.

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

COUNCILMEMBER COOK: Aye.

MR. PASCUAL: Councilmember Gabe Johnson.

COUNCILMEMBER JOHNSON: Yes.

MR. PASCUAL: Council Chair Alice Lee.

COUNCILMEMBER LEE: No.

MR. PASCUAL: Councilmember Tamara Paltin.

COUNCILMEMBER PALTIN: Aye with reservations.

MR. PASCUAL: Councilmember Keani Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aye.

MR. PASCUAL: Councilmember Shane Sinenci.

COUNCILMEMBER SINENCI: Aye.

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

May 19, 2026

MR. PASCUAL: Councilmember Nohelani U‘u-Hodgins.

COUNCILMEMBER U‘U-HODGINS: Aye.

MR. PASCUAL: Committee Vice-Chair Kauanoe Batangan.

VICE-CHAIR BATANGAN: Nay.

MR. PASCUAL: Committee Chair Yuki Lei Sugimura.

CHAIR SUGIMURA: No.

MR. PASCUAL: Chair, you have six ayes, three noes. Motion passes.

**VOTE: AYES: Councilmembers Cook, Johnson, Paltin,
 Rawlins-Fernandez, Sinenci, and U‘u-Hodgins.**

**NOES: Chair Sugimura, Vice-Chair Batangan, and
 Councilmember Lee.**

ABSTAIN: None.

ABSENT: None.

EXC.: None.

MOTION CARRIED.

**ACTION: Recommending FIRST READING of Bill 102 (2025) and
ADOPTION of Resolution 25-53.**

CHAIR SUGIMURA: Okay. Okay. So this will then to move onto you for first reading and between...Member Rawlins-Fernandez, thank you very much for reaching out to the family as well as Administration. You will work with Director Milner, right? So you're...you or Finance will work with the family also because it sounds like we haven't talked to the family. I, too, am frustrated that the Administration did not do that, which I think it would be something that would be recommended because it was, you know, their concern, and you brought this forward.

**ITEM 55: BILL 181 (2025), INCREASING THE AMOUNT OF THE HOME
 AND LONG-TERM RENTAL EXEMPTIONS FROM REAL
 PROPERTY TAX**

CHAIR SUGIMURA: All right. So I have five minutes. I just want to talk about a bill...what Bill 181, a bill for an ordinance amending Chapter 3.48, Maui County Code, increasing the amount of home and long-term rental exemption from real property tax. So during

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

May 19, 2026

Fiscal '26 budget session we talked about whether to adjust the home exemption. I introduced Bill 181 in RPTR, thank you, Chair Lee and Vice-Chair Rawlins-Fernandez for that Committee, so we could have a focused policy discussion about increasing the homeowner exemption...home exemption and corresponding changes to the long-term rental exemptions. When we discussed in the...what we discussed in the RPTR Committee, Director Martin suggested that we wait to see he certified real property tax information, which we did when we...when we received that during the budget process. And I would like to hear from Director Martin about the bill's estimated financial impact when I understand it's just under 5 million per year. So I guess I will not proceed with this. I have four minutes. You guys feel like we could finish this in four minutes? Or I'm going to defer this to the next meeting.

VICE-CHAIR BATANGAN: Chair, but since we --

CHAIR SUGIMURA: Oh, I need to take testimony.

VICE-CHAIR BATANGAN: -- you made remarks, I think we got to take testimony.

CHAIR SUGIMURA: Testimony, that's right. Okay. Open for testimony. Sorry about that, trying to rush.

. . . OPEN PUBLIC TESTIMONY FOR ITEM 55 . . .

MR. PASCUAL: Thank you. Oh. Thank you, Chair. There is no individual signed up to testimony. So if anyone would like to testify, please come up to the podium or raise your hand on Teams. This is last call. The...the countdown is three, two, one. Seeing none. Chair, no one has indicated that they wish to testify.

CHAIR SUGIMURA: Thank you. Sorry. I was trying to rush through this in...in the five minutes but...so we had public testimony. I'm going to receive...close public testimony and receive written testimony with your approval.

COUNCILMEMBERS: No objections.

CHAIR SUGIMURA: Okay. Thanks.

. . . CLOSE PUBLIC TESTIMONY FOR ITEM 55 . . .

CHAIR SUGIMURA: So we're not going to finish this. I respect this...I'm going to send this. And for my next Committee meeting, I am of the opinion that I would like to recommend this for homeowners as we're seeing our assessment values rise, and it's been a concern, which we've heard before we got our Fiscal Year '27 budget appraisals from Real Property or...and from Finance. There was a concern that maybe the RPT rates, the RPT assessments would be decreasing, but it didn't. So I want to proceed with this, and I will take it up at the next meeting.

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

May 19, 2026

COUNCILMEMBERS VOICED NO OBJECTIONS.

ACTION: DEFER.

CHAIR SUGIMURA: So at this time, Members, this meeting is now adjourned.
... *(gavel)* ...

ADJOURN: 11:57 a.m.

bfed:min:260519:

Transcribed by: Tricia Higa

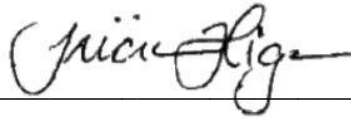
BUDGET, FINANCE, AND ECONOMIC DEVELOPMENT COMMITTEE MINUTES
Council of the County of Maui

May 19, 2026

CERTIFICATION

I, Tricia Higa, hereby certify that pages 1 through 65 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 2nd day of June 2026, in Mililani, Hawaii

A handwritten signature in cursive script, appearing to read "Tricia Higa", is written over a horizontal line.

Tricia Higa