

**DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND
PLANNING COMMITTEE**
Council of the County of Maui

MINUTES

October 30, 2024

Online Only via Teams

CONVENE: 1:35 p.m.

PRESENT: VOTING MEMBERS:

Councilmember Tamara Paltin, Chair
Councilmember Nohelani U‘u-Hodgins, Vice-Chair
Councilmember Tom Cook, Member
Councilmember Tasha Kama, Member (In 1:54 p.m.)
Councilmember Keani N.W. Rawlins-Fernandez, Member (In 1:45 p.m.;
Out 4:24 p.m.)
Councilmember Shane M. Sinenci, Member
Councilmember Yuki Lei K. Sugimura, Member (Out 4:24 p.m.)

NON-VOTING MEMBERS:

Councilmember Alice L. Lee, Member

STAFF:

Jarret Pascual, Legislative Analyst
James Krueger, Senior Legislative Analyst
Megan Moniz, Legislative Attorney
Yvette Bouthillier, Senior Committee Secretary
Jean Pokipala, Council Services Assistant Clerk
David Raatz, Director of Council Services (In 4:33 p.m.)

Zhantell Lindo, Council Aide, Moloka‘i Residency Area Office
Roxanne Morita, Council Aide, Lāna‘i Residency Area Office
Mavis Oliveira, Council Aide, East Maui Residency Area Office
Bill Snipes, Council Aide, South Maui Residency Area Office
Jade Rojas-Letisi, Council Aide, Makawao-Ha‘ikū-Pā‘ia Residency Area Office
Christian Balagso, Council Aide, West Maui, Office of Recovery at Lahaina
Gateway

ADMIN.:

Mimi DesJardins, First Deputy Corporation Counsel, Department of Corporation
Counsel
Cynthia Lallo, Chief of Staff, Office of the Mayor (DRIP-2(23))
Josiah Nishita, Managing Director or Representative (*Office of Recovery*)
(DRIP-2(23))
Lesley Milner, Budget Director, Office of the Mayor (DRIP-2(23))
Marcy Martin, Director, Department of Finance DRIP-2(23))
Maria Zielinski, Deputy Director, Department of Finance DRIP-2(23))

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

Danny Dias, Planning Program Administrator, Department of Planning (DRIP-2(24))
Shayne Agawa, Director, Department of Environmental Management (DRIP-2(24))
Richard (Remi) Mitchell, Director, Department of Housing (DRIP-2(24))
Clyde (Buddy) Almeida, Housing Administrator, Department of Housing (DRIP-2(24))
Patrick McCall, Director, Department of Parks and Recreation or Representative (DRIP-2(24))
John Stufflebean, Director, Department of Water Supply (DRIP-2(24))

OTHERS: Desmond Cabiles
No'eau Patao
Mark Clemente
Meredith Miller (DRIP-2(23))
Pane Meatoga II (DRIP-2(24))
Malama Minn, Executive Director, Hawai'i Construction Alliance (DRIP-2(24))
(30+) additional attendees

Resource People

Charles Slaton, Chief Executive Officer, Critical Access Healthcare Management, LLC (DRIP-2(23))
Jo Anne Johnson Winer, President, West Maui Hospital Foundation, Inc. (DRIP-2(23))
Pam Bunn, Maui Ocean View, LP (DRIP-2(24))

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

CHAIR PALTIN: . . .*(gavel)*. . . Will the Disaster, Resilience, International Affairs, and Planning Committee meeting of October 30th come to order. The time is now 1:35. And if everyone can please silence their cell phones or other noi...noisemaking devices, that will help our cause. Members, in accordance with the Sunshine Law, if you are not in the DPS, which stands for Department of Personnel Services, Conference Room, located on the 6th floor of the Kalana O Maui Building, please identify by name who, if anyone, is in the room, vehicle, or workspace with you today. Minors do not need to be identified. Also, please see the last page of the agenda for information on meeting connectivity. And just for the viewing public's information, this is a special meeting held on our regularly-had off-meeting week. So, thank you very much for all the Members who were able to come today, and thank you to Chair Lee for authorizing this special Committee meeting. My name is Tamara Paltin, and I will be your Chair for today's Committee meeting. I have with me one unidentified minor human, one unidentified minor canine, and one adult canine Kingy Poo Paltin-Vierra. And next up we have Committee Vice-Chair Nohelani U'u-Hodgins. Konnichiwa and aloha 'auinalā.

VICE-CHAIR U'U-HODGINS: Konnichiwa, Chair. Aloha, everyone. Can you all hear me?

CHAIR PALTIN: Yes.

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

VICE-CHAIR U'U-HODGINS: Okay, good. I...as you can tell by this camera, I'm in the DPS room with a few other Councilmembers. I'm looking forward to this meeting. Thanks Chair.

CHAIR PALTIN: Thank you. And next up we have Councilmember Tom Cook. Konnichiwa and aloha 'auinalā.

COUNCILMEMBER COOK: Kochina [sic] . . . *(laughing)* . . . and aloha. Good afternoon. There's currently no testifiers at the Kihei regional office, and I'm here ready to work.

CHAIR PALTIN: Thank you. Thank you. Tasha Kama, I do not see her online. So, I'll have her excused at this time. Member Rawlins-Fernandez texted that she's trying to log on from a different...computer. So we'll come back to her.

. . . *(audio feedback)* . . .

CHAIR PALTIN: Next up we have Councilmember Shane Sinenci. Konnichiwa and aloha 'auinalā.

COUNCILMEMBER SINENCI: Aloha and konnichiwa genki desu ka *(phonetic)*. Here at my home office. I'm here with one unnamed minor canine, and an adult canine named Roscoe *(phonetic)*, and there are no testifiers at the Hāna District Office.

CHAIR PALTIN: Oh, your canine should call my canine so they can get together and have a little canine playdate.

COUNCILMEMBER SINENCI: Canine party, yeah.

CHAIR PALTIN: And last, but not least, we have Councilmember Yuki Lei Sugimura. Konnichiwa, ikaga desuka, and aloha 'auinalā. *(silence)* We see her.

COUNCILMEMBER SUGIMURA: Oh, you see me? Okay.

CHAIR PALTIN: And now we hear you.

COUNCILMEMBER SUGIMURA: Okay. Konnichiwa, and we're getting set up still, but thanks.

CHAIR PALTIN: I desu ne. Okay. And our Non-Voting Committee Member, we have Council Chair Alice Lee. Konnichiwa, and aloha 'auinalā.

COUNCILMEMBER LEE: Konnichiwa, and aloha 'auinalā, Chair. I'm home alone in my workspace, looking forward to your meeting. Thank you.

CHAIR PALTIN: Okay. And our other Non-Voting Committee Member, Councilmember Gabe Johnson, is not required to be here, but he's welcome to join us at any time. I am getting a text from also former Member Jo Anne Johnson. She is having hard time to sign into

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

Teams. If Staff maybe can send her the phone number...the phone number to get on the meeting, that would be helpful.

MR. ABE: . . .*(inaudible)*. . .

CHAIR PALTIN: I will...I will forward the contact info for former Member Johnson to our Staff at this time. And then moving on, this meeting of the Disaster, Resilience, International Affairs, and Planning Committee of the Maui County Council is located on the traditional 'āina of Kānaka 'Ōiwi, who never ceded their sovereignty to the United States. We recognize that Her Majesty Queen Liliuokalani yielded the Hawaiian Kingdom to the U.S. in duress under threat of violence to avoid the bloodshed of her people. We further recognize that Hawai'i remains an illegally-occupied nation-state by the U.S., as is documented in a 2021 scholarly article for the National Lawyers Guild Review by Andrew Reid, Adjunct Professor of Law, at the University of Denver Sturm College of Law. Generations of Kānaka Maoli and their knowledge systems have sustainably cared for Hawai'i, and continue to do so. We are grateful to occupy this space and learn the ways in which we can contribute as a Committee. We seek to support the varied strategies that the indigenous peoples of Hawai'i are using to protect their land and their communities, and commit to dedicating time and resources to working in solidarity. So, we have two items on this agenda from the Administration. The resources we have for the first item, DRIP-2(23), is Cynthia Lallo, Chief of Staff, Office of the Mayor; Josiah Nishita, Managing Director/Acting Mayor, Department of Management; Lesley Milner, Budget Director, Budget Office; either Marcy Martin or Maria Zielinski, who are the Director and Deputy Director of the Department of Finance. For DRIP-2(24), we have Shayne Agawa, Director, Department of Environmental Management; Remi Mitchell, Director, Department of Housing; Clyde Almeida?...or maybe Buddy, Housing Administrator, Department of Housing; Pat McCall, Director, Department of Parks and Recreation; Danny Dias, Planning Program Administrator, Department of Planning; John Stufflebean, Director, Department of Water Supply; Mimi Desjardins, First Deputy, Department of the Corporation Counsel; and other resources. Members, without objection, I will designate the following individuals as resource persons under Rule 18(A) of the Rules of the Council due to their knowledge and expertise on today's items. Jo Anne Johnson Winer, President, West Maui Hospital Foundation DRIP-2(23)...Foundation, Inc., sorry; Charles Slaton, Chief Executive Officer, Critical Access Healthcare Management, LLC, DRIP-2(23); Kai Nishiki and Sarah Freistat Pajimola, Executive Directors, Maui Nui Resiliency Hui, DRIP-2(24); Paul Chang and Pam Bunn, Maui Ocean View LP, DRIP-2(24). We also invited the State Department of Budget and Finance, but Director Luis Salaveria informed us that they had another meeting to attend today. If there are any questions we would like to ask State Budget and Finance, we can send it to them in a follow-up letter.

COUNCILMEMBERS: No objections.

CHAIR PALTIN: Thanks. Our Committee Staff. Today we have Committee Secretary Yvette Bouthillier; Senior Legislative Analyst James Krueger; Legislative Analyst Jarret Pascual; Legislative Attorney Megan Moniz; and Assistant Clerk Jean Pokipala. Today's agenda, we have two items: DRIP-2(23), Discussion on the Establishment of the West

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

Maui Hospital and Medical Center Through the Guarantee of State Special Purpose Revenue Bond Issuance; and DRIP-2(24), Discussion on Proposed Change in Zoning for Pulelehua. For each item, we'll take testimony after opening remarks or presentations. Oh, and I see Councilmember Keani Rawlins-Fernandez. Konnichiwa, and aloha 'auinalā. Glad your computer is working.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aloha 'auinalā. No, I'm actually on my phone. . . .*(laughing)*. . . Aloha 'auinalā kākou. 'E kala mai for my tardiness. I am at the Moloka'i District Office, alone on my side of the office. There are currently no testifiers here, and I am...I'm joining on my phone right now because I can't get my laptop to work, 'e kala mai. I am working on it, but I'll just be on my phone for now until I can get it going. Sorry.

CHAIR PALTIN: Okay. All right, sounds good. So, Members, the game plan today is to either adjourn if we get through all the items by 4:30, or recess hopefully to the next regularly-scheduled DRIP meeting date. But we may need a Committee...or a Council Rules waiver because the next DRIP Committee meeting date is beyond two weeks. So, either we would need to waive Council Rules, or adjourn, or have another special meeting, but I don't think anyone wants another special meeting. But we'll...we'll cross that bridge when we come to it. I really would like to get through the hospital item so that Members can make an informed decision, or we can follow up with the State if we need to. Do you guys feel like we need to have a two-minute testimony, or should we go with the standard three minutes? I'm open to three minutes. Three minutes? Okay. Three minutes. Okay. So, for the first item, what we'll...we do have a presentation, I believe, from Mr. Slaton. The first item is DRIP-2(23), Discussion on the Establishment of the West Maui Hospital and Medical Center Through the Guarantee of State Special Purpose Revenue Bond Issuance. Under Rule 7(B) of the Rules of the Council, the Committee intends to discuss matters relating to the establishment of the proposed West Maui Hospital and Medical Center. The Committee may receive a presentation from Jo Anne Johnson Winer, President, West Maui Hospital Foundation, Inc., and Charles Slaton, Chief Executive Officer, Critical Access Healthcare Management, LLC, on the establishment of the proposed West Maui Hospital and Medical Center, the financing of the proposed West Maui Hospital through State special-purpose revenue bonds and other related matters. No legislative action will be taken. If Members remember, we left this item on the Clerk's desk to be voted on at the next regularly-scheduled Council meeting. And so, this is an opportunity for Members to find out more about the resolution, what it's about, ask questions to the resources and to the Administration. So, that's why this was scheduled. So, if we could receive opening comments. And Mr. Slaton, if it's okay to keep it under ten minutes, that'd be fabulous. And then, we'll start with him, go to the Mayor's Office, Management, Budget Office, and Finance after that. But I understand Mr. Slaton does have a presentation. So, at this time, Mr. Slaton, if you can begin your presentation? And Members, if you do have any questions for the presenter--sometimes we skirt the line between clarifying and discussion--so if you could write down any questions for when we get to the discussion phase. Okay. Take it away, Mr. Slaton.

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

MR. SLATON: Good afternoon. Thank you. Last week, Jo Anne Johnson, who I did just confirm by text, is on the phone, so she's joined...she's been able to join the meeting. But we did a presentation last week, and we're happy to be here today to kind of deep dive on this additional information to the...the DRIP Committee. There were some questions that came out that I'm prepared to address today and try to do a little bit deeper dive on SPRB bonds, and...and the Maui guarantee, and how that would work. I'd love to be able to present that to you and be able to answer any questions that might arise from any of the Members. Chair, can we go...yeah, to the next...stop there, we're right there at the right place. We'll talk a little bit about a short history, prior financing efforts, the special purpose revenue bond issuance, Maui County guarantee, what we see to be the protections and the potential liabilities, and then the use of funds for that...for that bond issuance. Next slide, please. Just...many of you have...well-know the project history on this. This...this started in 2013. The hospital site is five acres in the Kā'anapali 2020 coffee farms. Unit 1 is the hospital site up there amongst five total lots and a fully-entitled project with completed sewer, drainage, water lines, water rights for building development in...within the 14.99-acre medical center development with approved CON. The project has finished...completed architectural engineering plans with Planning Department approvals. These plans do need updated--we'll talk a little bit about that later--for Code changes in the mechanical and HVAC, as well as potential additional energy savings. There's two lots on that project that are for medical office and clinical buildings. Discussions are underway at present with existing providers in West Maui as far as potential replacement clinics for those clinics that were destroyed during the fires. There's been \$20 million spent to date for land and infrastructure by the developer, who is Newport Hospital Corporation. Next slide, please. Our private financing efforts was early in the certificate of need process. There was some limited local funding donations that were used to get through the approval process. But in 2016, we took...with Bank of America as the underwriter, we took an \$80 million tax-exempt bond issuance to New York, to Wall Street, did a full dog-and-pony show there to the large investor groups, which many of you probably have some money in out there, but it was unsuccessful due to the lack of guarantor and governmental financial support. So, we came back without our financing. The four years subsequent to that, we had discussions with the large health systems in O'ahu to see about partnership, or even sale of the property and sale of the CON to one of them to get this project done. We were unable to generate any interest in...in that. In '21, we developed an alternative six-bed model that we thought might be a little bit easier to finance. That estimated about a \$50 million project cost without any land. And then in 2022, we started working closely with the USDA Rural Development Department out of Honolulu. I've previously done three hospital financings with that group successfully. Unfortunately for the...the development budgets are back to a state, so each state has a certain amount of money they can spend on that, and this...this just got too big for the State budget for the USDA. They also wanted to see some more governmental involvement. We were tracking pretty well, and then...and then, the Lahaina fires kind of knocked them off track as far as that was concerned. Right after that, the State Director retired, and we kind of slowed way down on that process. They had proposed a 50 percent direct low-cost loan, and a 50 percent market bank rate loan at that point in time, guarantee, which was, you know, 9 to 10 percent, so that was pretty tough to...to make that work. Next slide, please. In 2023, the State SPRB legislation came forward for \$20 million with the support of this

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

Council and the work of State Representative Cochran and Senator McKelvey. We had lots of support, including from the Governor's office, for that issuance. But an SPRB has to have a guarantee...a guarantor to be marketable. When we talked about the efforts before, back in 2016, we did have an SPRB for that, but unfortunately, we didn't have anybody to guarantee that, and then without a creditor that has assets or credit history, it's very, very difficult to finance. So, we're encouraged that Maui County has stepped up to consider acting as a guarantor to this SPRB. Next slide, please. I'm going to go real quickly through this part, and you'll probably...if you have any questions, you can certainly stop me. But we did pass...had the legislation passed in...for 20 million issuance resolution support at that time from the Maui County Council. Bond Counsel for the County will provide a guarantee document, a draft of which has already been done, to Administration for oversight. Then the Bond Counsel will...would act as the joint counsel for both the County and the West Maui Hospital Foundation, and we've already worked through that with Bond Counsel. Wells Fargo is the issuing and marketing agent for the County and for the Foundation. They will work with us to price the bonds, issue, and market them. Out of the proceeds, there will be issuance expenses and servicing fees, and then there will be the establishment of a bond debt service reserve, which is funded to equal one year's worth of principal and interest. We believe today...the market is very volatile out there, but right now, we believe that the bond principal would be...at the \$20 million, would be priced at around 4 to 5 percent, right in there, so... Next slide, please. The way the guarantee works, and the protections and the possible liabilities, is that Maui County would stand as the guarantor for the West Maui Hospital Foundation, and basically lends the bond rating of Maui County for the bond issuance. The Bond Counsel has issued an informal opinion that there's a low risk of liability for the County in this. West Maui Hospital Foundation establishes debt service reserves to cover one year of principal and interest, which is going to be in the neighborhood of about \$800,000 that would be in this reserve. The County would have lien rights against the \$15 million property, plus additional improvements, which would be paid for, and then that would be against that \$20 million bond debt. Originally calculated at about a \$4.2 million risk that would go to the County if...you know, until additional grants or financing is secured. I think it's going to be a little bit more than that. I had reduced the reserve fund against the net. I think it's probably going to be a little bit closer to \$5 million by the time we get the amortization schedules and all that figured out. So, that will...that will continue until we get grant funding or lender funding obtained. At that point in time, the SPRB bonds could be defeased if the terms allow for that, and paid off, or called and paid off per the terms of the bond issuance. Other governmentals that I've worked on, usually the issuer wants you to hang onto those bonds for a couple of years, two to three years, before they allow them to be defeased so that they can get a little bit of interest off of that. Next . . . *(inaudible)*. . . next slides, next page, I'm sorry, please. Use of the funds that we've got that we're looking at right now is that, as I said earlier, the bond issuance fees and the expenses associated, that would be deducted from the bond proceeds. We're thinking it's probably about \$250,000 right in there, and that's...that's an estimate. It could go higher than that. When we did the \$80 million, those were close to half a million for those fees. Property acquisition would be \$15 million, and we've got an MAIA appraisal on that number. The debt service reserve funds, estimating at 4 to 4-and-a-half for principal and interest for one year coverage on that, that we would have in the bank, ready to make those

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

payments would be about \$800,000. We've got a hard bid on the architectural and engineering permitting approvals at 750. We would be bringing in a strategic donor development staff that would launch a philanthropic effort, a formal philanthropic effort, to...to...to add community funds to...to this project. Final infrastructure and pre-construction, we're estimating about a-million-five, and probably a million dollars on administrative overhead funding, and a small contingency amount makes up that \$20 million. And Madam Chair, that's the end of my presentation. I'm happy to answer any questions.

CHAIR PALTIN: Thank you, Mr. Slaton. We're going to do questions after testimony. Oh, and I do see Councilmember Kama. Aloha 'auinalā, and konnichiwa.

COUNCILMEMBER KAMA: Aloha 'auinalā, Chair, and konnichiwa to everyone out there. Please pardon my tardiness. I think...I thought this was an off week, although I checked with my Staff, they said no, we had you today. I said okay, and then my mind spaced somewhere else, and I ended up in Target. Sorry, Chair.

CHAIR PALTIN: Oh, [Tar-zhey], so much fun. Thank you. Are you alone in your workspace?

COUNCILMEMBER KAMA: I am at my home, and I am alone in my workspace, Chair.

CHAIR PALTIN: Okay, thank you. Okay. And the other resources we have, any opening comments from Cynthia Lallo from the Office of the Mayor?

MR. PASCUAL: Apologies, Chair. They're online. Let me just unmute them right now. Okay, they should be able --

CHAIR PALTIN: Oh, okay.

MR. PASCUAL: -- yeah, enable their microphone.

MS. LALLO: Thank you. No opening comments at this time.

CHAIR PALTIN: Okay. Mr. Nishita, any opening comment, or...is...are you talking for everybody or just yourself?

MR. NISHITA: Thank you, Chair. Well, since I'm Acting Mayor, I guess I'll say I'm talking for everybody. . . .(laughing). . . . But no, pleasure to...to be here today. Just to keep our time short, right now, I won't get into everything. We'll save a lot of stuff for...for question and answers. But I think just a few of the things I wanted to highlight. First and foremost is that, you know, I think you folks are well aware of the draft Long-Term Recovery Plan that came out that was prepared by the County. And we did include the West Maui Hospital as one of the projects in the appendix, you know, that we heard through the community. You know, Mayor Bissen is in support of the private hospital coming to fruition, and you know, we are well aware of the community expressing need for...for care on that side. So, I'll preface everything I say by that. And...and I...you know, I just to apologize upfront too, myself and some others weren't necess...weren't

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

involved in this process in the beginning, so if I get any of the earlier facts wrong, I'd be happy to be corrected, or we can address it later. However, you know, a piece of it, I think before we get into the...too much of the specifics of everything, I think there's some kind of overarching questions, you know, that at least I have, and I think we'll need to address along the way here. A couple of things in the presentation I just wanted to address that came up previously. I'm not aware of our Bond Counsel seeing this as a low-risk investment. In fact, I believe it's the...the opposite. We...we do have correspondence from, you know, our underwriter investment municipal advisor previously when this first came up. And then, you know, when we're talking with our Bond Counsel in other issues, I don't believe that this is viewed as a low-risk investment. The...one of the things I wanted to highlight was on Act 73. So, I think when...when many of you were participating in this process earlier, it was a require...requirement in that bill previously--I believe it was H.B. 1255--for the County to serve as a guarantor if the State was going to release the special purpose revenue bonds. That requirement was pulled out in, I believe it was conference committee for that requirement. And so, for the...I know there's a piece on the marketability of it, but in terms of whether they can access the special purpose revenue bonds, that's not a requirement of the legislation for the County to act as a guarantor. I think one thing that the Council should be considering as we're talking about this is, why the bond issuance isn't marketable without the County stepping in with its assets and whatnot. You know, when you talk about it being a low-risk investment or other things like that, I think there's...there's a reason why you should consider that on, you know, what...what potential it could have on the County and...and finances and whatnot. You know, when Mayor did submit testimony to the legislature supporting H.B. 1255, I think if...if you read his testimony, you'll be able to see over time how the project has changed. I...just highlight a few things. When they initially came in, my understanding was it was for a six-bed facility with a rough cost of about 40, \$50 million. Our understanding was that they were going to be securing a USDA loan or grant in the amount of about \$20 million to cover the difference, and then some private financing. The land, as a part of that, was supposed to be leased at very low cost or significantly below market rates to the hospital, and then the land was to be used as collateral as a part of that transaction, in terms of the County acting as a guarantor in it. Since then, my understanding is that it has changed to a 25-bed facility. My understanding is that either, you know, USDA has told them no, or they are not pursuing the USDA loan grant. And in the most recent communication that we did receive, the cost is up to about \$140 million, it appears like, with all 140 being in some way tied to the County, providing that either \$20 million in guarantee of the special purpose revenue bonds, and then \$120 million potentially in CDBG-DR funding if that's to be received by the County. The proposal has also changed from the land being leased by the individual who owned it, I think...excuse me, I believe it was Newport Hospital Group, to now the land being purchased. We do have some questions and concerns about that. In Act 73, for the special purpose revenue bonds, it specifically states that the financing of costs, that it...it's, you know, approved and authorized to issue the bonds for the purpose of assisting West Maui Hospital Foundation Incorporated, a Hawai'i nonprofit corporation, with financing of costs related to the design and construction of, and equipment for, West Maui Hospital and Medical Center. Our...you know, some of the things that we're trying to evaluate right now is if that...if there's even room in that legislation to allow for the acquisition of property rather than,

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

as it states, related to the design and construction of, and equipment for, the West Maui Hospital. So, that...I think that's a question that needs to be covered. The...there are some debt coverage concerns I believe we have right now. There's no income, you know, being received by the hospital, or some potential...I think, as Charlie mentioned, maybe some private donations or sources being sought. I believe they factored in about one year of potential debt service, but I believe in some of the proforma financial statements, it appears that the hospital will not be potentially seeking...or receiving income, maybe...at least some years down the line past that. So, how coverage for the special purpose revenue bonds will come to that. Some of the other things that, you know, is I think cause for consideration is, we're...we're unsure right now, you know, we're working with our teams and whatnot. You know, our Bond Counsel, I believe, does not feel that there's express authority within the Hawai'i Revised Statutes for the County to serve as a guarantor. We are looking into that in terms of, you know, what possibilities or what...whatnot may be occurring in, you know, the...the legislation that's before us. But I think there's still...there's still questions as to whether or not, you know, the County even has the authority to act as a guarantor for a separate agency, you know, utilizing taxpayer dollars and whatnot, as allowed by Hawai'i Revised Statutes. The proposal has also changed. I think previously, Newport Hospital Group was assisting and/or involved in the process, and my understanding now is that essentially they're divesting their position related to it. And to...to really be a successful medical center, I think, you know, there are concerns about not having that...a hospital support system in place who has done this before, and has experience in those areas to be able to...to...to make it successful. I think, as is stated in the presentation, you know, there's a...there's a reason why--and at least we should consider it--why other hospitals have not agreed to, you know, be a participant in this. So, when we talk about a very-low- or no-risk investment, I think if it was a low- or no-risk investment, there would be definitely more consideration from other entities, like Kaiser, or Queens, or whatnot, to participate. Generally speaking, hospitals are...you know, lose money in the State of Hawai'i, and some of the...the financial statements presented, I think, are...are very, like, optimistic picture, but it gets...remains to be seen whether, you know, that's not necessarily what other hospitals in the State of Hawai'i experience. And then finally, just for this piece right now, and we can talk more about this and other items later is, you know, just regarding what we heard from the community in the development of the Long-Term Recovery Plan and in other areas regarding the West Maui Hospital, the biggest concern related to it was, you know, if, for example, there was an accident on the highway or the long distance needing to be traveled...sorry, Chair, can you clarify if you guys can still hear us? Our TV shut off.

CHAIR PALTIN: Yes, we can still hear you.

MR. NISHITA: Oh, okay, sorry. Our TV just shut off right now, so we'll try to fix that in the interim. But, you know, I think...at least, I'm...I'm not aware of if the West Maui Hospital will include some of those more urgent items, such as...like for...for cardiac patients, stroke, other things like that, or if it will be somewhat of a more...like a urgent care facility, more so. And so, I just want to make sure too, that we're meeting the needs of our community members, and that if the County were to help facilitate something and, you know, the overarching question, I think is, do we want to be in the hospital

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

business? Because, you know, generally, in...in other areas when you serve as a guarantor or whatnot, if there's a default on this, you know, we're going to end up being somewhat in the hospital business, that it's meeting the needs of our community members and what they have expressed and, you know...and addressing the concerns longstanding that...that they've had. So, that's just a summary of things. I'm happy to dive into more detail on a variety of other matters, but really, you know, appreciate the hard work that they've done throughout the years to kind of...especially get to the certificate of need and...and get to this point. And, you know, we hope that there's ways that, you know, they'll be able to facilitate the...the West Maui Hospital and to come to fruition to this. But we just want to make sure that, you know, concerns are addressed and that the overall picture is clear for everyone. Thank you very much, Chair, and happy to answer questions later.

CHAIR PALTIN: Thank you so much, Acting Mayor Nishita, we appreciate. And my understanding is that you spoke on behalf of all of the County resources there, or did anyone else that is there want to add anything for opening remarks? Either Ms. Martin, Ms. Milner, Ms. Zielinski, or --

MR. NISHITA: Yeah. Chair, we don't have anything else for opening remarks. Thank you.

CHAIR PALTIN: Okay, thank you. And then, I think the last is Ms. Winer, who's on telephone. Ms. Former Member Jo Anne Johnson Winer, did you have any opening remarks at this time before we open up for public testimony?

MS. JOHNSON: Can you hear me?

CHAIR PALTIN: We can hear you.

MS. JOHNSON: Can you hear me now?

CHAIR PALTIN: Yes. Can you hear me?

MS. JOHNSON: Okay. Yes, yes. Yeah. A lot of the things that, you know, in response to what we just heard from the Managing Director/Acting Mayor, I believe that Charlie will be able to explain a great deal of it. Because following the fire, we have been in communication with the CEO for Maui Memorial Hospital, and one of the things that we found through both COVID, as well as the fire, was that the needs of the community were basically...with the original plan for the hospital that we had architectural renderings for--and it was the 25-bed hospital--because of the U.S. Department of Agriculture's advice, we had, you know, considered not doing the 25 beds. And so, that...we may have to go back to the State seeking an amendment. I have no idea if that's possible. However, the original plan was always for 25 beds. We scaled it back due to cost, due to other factors, many of them because we had received advice from U.S. Department of Agriculture or other outside entities. With regard to the actual land purchase, we would prefer not to do that, but because it had been expressed through the Administration that we had no collateral, we were asked if we could actually provide collateral through the purchase of the land. We don't object to that. So, that is an issue

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

that we certainly are open to, and we're more than happy to work with the Administration to answer a lot of the questions. Because I realize in the early inception of this, it was a slightly different discussion when we did not have COVID, when we did not have the fire. And so, that has caused a lot, you know, of...I guess retooling of a lot of our plans, and a lot of the feelings of the Administration. Also, a lot of the concerns of the community because people are having to traverse...you know, traversing to the other side for things that we could do here. Being a critical-access hospital gives us certain benefits that are not available with Maui Memorial Hospital. We do not want to ever have the County or the State be in a position where they're going to have to take over our hospital as well. That is why we worked really, really hard, and we have mechanisms that we can possibly employ to really support that. So, that, to me, is very, very critical. One of the things that I think you should also--and this is to the community as well as the Councilmembers--that it's really important for, I think, everyone to understand that right now, Maui...West Maui, not only because of the fires, but just because of simple things. Like sometimes they're transporting maybe heavy equipment. Our roadways are really very dangerous. It is also traumatic for many of the residents, particularly the elderly, who really--they may not be a Kaiser member, so they can't go to the Kaiser clinic--it's very traumatic for them to go by the burn zone. I mean, even me, today, I'm having to call in on the phone line, principally because it's very difficult for me to get to the other side. So, that is also an issue. One of the questions that was asked was also about Brian Hoyle's participation. One of the requirements, because Brian was deemed a developer in this entire project, was that the U.S. Department of Agriculture required us to basically tell Brian that he could not be on our board. It does not mean that he is not going to be working with this--he's still working with us--but to avoid any conflict of interest, it was their advice to us that we basically take him off the board, and then have him participating not as...you know, in the capacity that he was as a board member. So, he is still going to be the developer, you know, of this property. And Mr. Slaton has built more hospitals and done this professionally for so many years. So, I understand Josiah and some of the Administrations' lack of continuity with information because over the last year, I think they have had many things on their plates, and that's one of the reasons why we're here. It's one of the reasons why I requested an actual dialogue through means of the resolution, so that we could all be on the same page. Because right now, that was not occurring. And I don't blame the Administration. There were a lot of things that were going on since the fire occurred that are deemed to be higher priorities. I know housing is really critical. However, we have the community clearly behind us. We also, I believe, have the financial wherewithal within our community, as well as the other fundraising efforts, that we will be able to do. You know, I...I think to many of the people--and they have expressed it to me many times--West Maui has been the bread and butter for a lot of Countywide projects for many, many years--South Maui, West Maui--through the revenue that we generated, basically because of tourism. And so, we have provided for many of the things. And we have really, you know, over the years, I have to say, yes, we've gotten some benefits, but the one thing that the community, even when I was a Councilmember, that we always asked for was a hospital. We always asked for it. So rather than do...you know, come begging to the County for, you know, \$45 million or \$50 million to build the hospital, we took it upon ourselves to do this. And I believe that once the community understands that we have both the will, and we have the public

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

behind us, and we have the passion to really see that this can be done, I believe that they will also understand how important it is, you know, to all of us to get this concluded. Because we haven't asked for much. And now, you know, we're on the other side where it seems like, you know, a lot of other projects might get held back because we have to give to West Maui. So, we...we always try to be respectful of the needs of the entire island, of Moloka'i, Lāna'i, Hāna...every area. But this is a time when I really believe we need to come together, prove to the community, yes, the County is on board, the State is on board. Those were the two missing things that we have heard repeatedly from every organization, and it was the one thing that U.S. Department of Agriculture said we were missing. It was the one thing that bond markets said we were missing, is where is the buy-in? And that's why we're here today. So, I will thank you for your time. And I hope I've been able to shed a little bit of light on some of the, you know, inconsistencies. But because the infrastructure is contained within the land, there may be room for us to actually acquire the land and still remain within the, you know, Act 73 directives. So, thank you very much for your time.

CHAIR PALTIN: Thank you, Former Member Jo Anne Johnson. I think that is all of our resources' opening remarks for this item. So, we will now move on to public testimony for DRIP-2(23), Discussion on the Establishment of the Proposed West Maui Hospital and Medical Center Through the Guarantee of State Special Purpose Revenue Bond Issuance. Written testimony is encouraged, and can be submitted via the eComment link at mauicounty.us/agendas. Testifiers wanting to provide oral testimony should join the online meeting via the Microsoft Teams link printed on today's agenda, or call in to the phone number, which is also on today's agenda. For individuals wishing to testify via Teams, please raise your hand, and--and not like this, but there's an actual button that you press to raise your hand near the top right of your screen. For those calling in, please follow the prompts...prompts via phone. Staff will add names to the testifier list in the order testifiers sign up or raise their hands. For those on Teams, Staff will lower your hand once your name is added. Staff will then call the name you're logged in under, or the last four digits of your phone number, when it is your time to testify. At that time, Staff will also enable your microphone and video. If you wish to testify anonymously, please notify Staff. Otherwise, please state your name for the record at the beginning of your testimony. Oral testimony is limited to three minutes. If you are still testifying beyond that time, I will kindly ask you to complete your testimony. Once you're done testifying, or if you do not wish to testify, you can view the meeting on *Akakū* Channel 53, Facebook Live, or mauicounty.us/agendas. And before we move on to the next step, I just have a disclosure. One adult male has come home from work to...well, I'm in the kitchen, so his name is George Vierra. And then, at this time, we will call on testifiers wishing to testify on DRIP-2(23). Staff, can you please call the first testifier for DRIP-2(23)?

MR. KRUEGER: Chair, The first person we have signed up to testify is Desmond Cabiles, to be followed by No'eau Patao.

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

. . . BEGIN PUBLIC TESTIMONY ON ITEM 2(23) . . .

VICE-CHAIR U‘U-HODGINS: Do you guys want to testify on this item or the next?

UNIDENTIFIED SPEAKER: Next.

CHAIR PALTIN: Thank you.

UNIDENTIFIED SPEAKERS: . . .*(inaudible)*. . .

VICE-CHAIR U‘U-HODGINS: Okay, cool.

MR. CABILES: Aloha, everyone. My name is Desmond Cabiles --

CHAIR PALTIN: Aloha.

MR. CABILES: -- with the Hawai‘i Regional Council of Carpenters, and we just strongly support this project. Mahalo.

CHAIR PALTIN: Thank you. Members, any questions for the testifier? Seeing none. Thank you for your testimony. Staff, can you call the next testifier waiting to testify?

MR. KRUEGER: Chair, the next person we have signed up to testify is No‘eau Patao, to be followed by Mark Clemente.

MR. PATAO: Aloha, Chair Paltin and Councilmembers.

CHAIR PALTIN: Aloha.

MR. PATAO: My name is No‘eau Patao. I am also with the Hawai‘i Regional Council of Carpenters, and I am also in strong support of this project. I know that the West Side community is in dire need of a medical facility. Thank you for your time.

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

MR. KRUEGER: Chair, the next person we have signed up to testify is Mark Clemente, to be followed by Meredith Miller.

CHAIR PALTIN: Go ahead, Mr. Clemente. *(silence)* I see Mr. Clemente’s hand up. Has he been unmuted?

MR. CLEMENTE: Hi. Can you hear me, Chair?

CHAIR PALTIN: Yes, we can.

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

MR. CLEMENTE: Aloha, Chair, Vice-Chair. Mark Anthony Clemente, testifying on behalf of the Hawai'i Regional Council of Carpenters. Like the previous two testifiers, we are in strong support. I do want to mention that there are several compelling reasons why West Maui needs a hospital and medical center. Most of all, because the...the community needs it, right? So, I'm thrilled to hear that the Long-Term Recovery Plan does have that in there. But, you know, also comprehensive services, economic benefits, public health...health initiatives, and continuity of care, these are all compelling reasons why a hospital is needed in the area. Thank you.

CHAIR PALTIN: Thank you, Mr. Clemente. Any clarifying questions for the testifier, Members? Seeing none. Thank you for your testimony. I do see Ms. Miller. I believe you were next. We're ready to hear your testimony, but you would just need to unmute yourself. There's a little microphone icon in the upper right, and just press that.

MS. MILLER: Okay, I'm unmuted. Aloha, everyone. Thank you to the Council for...for taking the time to hear this important discussion. I just want to clarify that, like Jo Anne, I am on the West Maui Hospital Foundation Board, so it...that...just for complete transparency. I'm also a physician. I'm retired. I am a board-certified neuropathologist. So, I wanted to address one of the questions, or one of the comments that the Acting--(*sneezes*) excuse me--that the Acting Mayor had, and I believe you were questioning whether the hospital would be sort of like a glorified urgent care, or if it would actually treat things like stroke. And I know there have been discussions on Nextdoor, and there's, of course, a lot of medical naivete about exactly, you know, what would happen in a situation where you would have a stroke or something like that. And it's generally not the case that you would need surgery right away, but what you do need are very particular drugs. And so, if you have...if you have a stroke because you're bleeding, you want to give one kind of drug that's going to stop the blood cells from spasming, and it's one particular treatment. The more common stroke would be what we call an ischemic stroke, where the blood vessel is occluded. And in that case, you want to give a medicine that's going to open up the blood vessel. Now, how do you know which one to give? You have to have a scan to see if there's blood or no blood in the brain. That's why it's imperative for the treatment to have a radiology department with, you know, all that kind of equipment. And then the patient can be given the treatment, which is not surgery, it's a...it's a medicine. So, I hope that that clarifies some of the confusion about whether we could or could not treat those acute situations. Then once a patient is stabilized, the patient could be then transported to wherever they might need to go. And...and that's all I wanted to say. And of course, I support the hospital.

CHAIR PALTIN: Thank you, Ms. Miller. Members, any clarifying questions for the testifier? Seeing none. Thank you for your testimony. Staff, is there anyone else here to testify on this item?

MR. KRUEGER: Chair, we currently do not have any other individuals signed up to testify on this item. So, we'll do a last call at this time. If there are any individuals who would like to testify on DRIP-2(23), please identify yourself now. On Teams, you can do that by using the raise-hand function in the upper right-hand side of the screen. We'll do a

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

countdown...three, two, one. Chair, no one has identified themselves as wishing to testify.

CHAIR PALTIN: Members, is there any objections to closing oral testimony and accepting written testimony into the record at this time?

COUNCILMEMBERS VOICED NO OBJECTIONS.

. . . CLOSE PUBLIC TESTIMONY ON ITEM 2(23) . . .

CHAIR PALTIN: Thank you. Okay, Members, how do you guys feel? You want to...I guess we can't take a recess right now, but you want to go through one round?

COUNCILMEMBER KAMA: Yeah.

CHAIR PALTIN: Do you think three minutes would be good for this first round? Yes? Okay. All right. I'm just going to go in order that it is on...oh, did you want to start, Member Kama?

COUNCILMEMBER KAMA: Yeah. I just had a real quick question that has just been bothering me since, you know, I got on. So, Chair...but whatever you want to do, Chair, is okay. If you wanted to go in order somehow.

CHAIR PALTIN: Well, if you have a burning question --

COUNCILMEMBER KAMA: Yeah.

CHAIR PALTIN: -- I don't know if Member U'u-Hodgins would yield? Oh, she would. Okay, go ahead. We don't want to have any burning questions sitting.

COUNCILMEMBER KAMA: Yeah. Thank you.

CHAIR PALTIN: Okay, Staff? Three minutes. Thank you. Go ahead, Member Kama.

COUNCILMEMBER KAMA: Thank you. So, my question is for Mem...Member Johnson...Mrs. Johnson Winer. So, my question is, you know, we heard our Managing Director talk that, you know, to be a grantor [sic], or at least what others are looking at in terms of other hospitals, was the was...what's he called?...was a low-risk. So, I wanted to ask if you could respond to that comment that was made, that being the grantor [sic] that you all might be a low-risk for that to occur?

CHAIR PALTIN: Is...is that question for --

COUNCILMEMBER KAMA: Ms. Johnson Winer.

CHAIR PALTIN: Oh, Ms. Johnson Winer, okay. Ms. Johnson Winer?

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

COUNCILMEMBER KAMA: I wanted to hear her response.

MR. PASCUAL: Apologies, Chair, this is Staff. Ms. Johnson would just have to unmute her...her microphone.

CHAIR PALTIN: Oh, okay. And that's star-6, you said?

MR. PASCUAL: Correct. Oh, yeah, I see it now.

MS. JOHNSON: Okay, I just unmuted it. Okay. Thank you, Tasha, for that question. I...initially, when we had visited with Bond Counsel, we--and I believe Scott Teruya was there from the beginning--and the initial conversation that we had prior to any of the other things going on, and the inflation, and all of that, we were under the impression...and Scott had said that, yes, it wasn't a serious risk to the County because they were not having to put up any of the money initially. I--and Charlie Slaton may be able to shed a little bit additional light on that because I don't usually, you know, address all of the...the financial aspects--but because the bond market has changed so much because of the inflationary pressures that exist now, I...my thinking would be if that is what the Managing Director is saying now, or that's what the Bond Counsel is saying now, because of the increase in costs and every other factor, that may have changed. And I know it's not really an answer because markets change, even the interest rates have changed. The price for our construction is going to change. So, even if we were to go with the smaller facility now, that still is going to be considerably more expensive than it was originally when it had been first proposed. So, Charlie may be able to answer a little bit more about that, but...yeah. I...I think it is conceivable that from those initial comments made that Bond Counsel's position, given . . .(timer sounds). . . what's going on in the world, that may have actually changed.

COUNCILMEMBER KAMA: Okay. I heard the bell, Chair. Thank you.

CHAIR PALTIN: Okay. Did you want to hear an answer from anyone else?

COUNCILMEMBER KAMA: Well, I was going to ask Charlie about that in terms of the...the Bond Counsel, if they've ever changed their mind at some point in time.

CHAIR PALTIN: Mr. Slaton, do you have a quick answer for Member Kama?

MR. SLATON: I certainly do. The comment from Bond Counsel that was relayed to me came from a prior Managing Director. We had had several meetings and teleconferences with the County's New York Bond Counsel, and it was communicated to me by the Managing Director at that time that it was the Bond Counsel's opinion, after review, that it was considered to be, quote/unquote, "a low-risk deal", so...but that's...that's where that information came from.

CHAIR PALTIN: Thank you. And can you clarify if that Managing Director was Mr. Keku Akana?

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

MR. SLATON: Where this...this would have been...this would have been about maybe a year and a half to two years ago. So, whoever was sitting in the chair at that point.

CHAIR PALTIN: And...and you're sure it was the Managing Director at that time, not the Finance Director?

MR. SLATON: I don't believe I heard that directly from Scott. I heard that from Managing Director, so...

CHAIR PALTIN: Okay. All right, thank you. Okay. Going back into the order, Committee Vice-Chair Nohe U'u-Hodgins.

VICE-CHAIR U'U-HODGINS: Thank you, Chair. I'm going to follow up on Member Kama's line of questioning. Sorry, they're lowering the volume in the conference room. This question is for Managing Director. I wanted to give him an opportunity to kind of discuss this low-risk deal, as he is now the current Managing Director, and kind of hopefully clarify some things for us. Thank you, Chair.

CHAIR PALTIN: Thank you. Acting Mayor/Managing Director/Deputy Managing Director Nishita?

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

MR. NISHITA: Thank you, Chair. So, like I said, I wasn't involved in this in the beginning, so I only can speculate. But my guess is, what they're referring to is, you know, like let's say that the Council were to authorize \$20 million in GO bonds? As a matter of like debt service obligation to the County, that's...that's a fairly low amount in the scheme of like the overall debt issuance that we have. So, I don't know what was communicated to them in terms of, you know, low-risk, but what it may have related to is that, you know, a \$20 million bond issuance, per se, in the scheme of bond issuances for the County, is a fairly low amount. So, in the scheme of that, maybe that's what they were referring to. But in...I guess in the context of what we're talking about now, you know, the concern is a piece on the...the issuance, one being the...you know, if there was a default on the issuance, the...the collateral that's secured in relation to that, you know...and then, in terms of the...the risk, there's also, as I kind of alluded to earlier, the County...you know, if there was a default ultimately on this, and we're the...the main funder of the hospital, we will become in the hospital business. So, there's significant liability, as well as financial needs and whatnot, to, you know, build a hospital, operate a hospital, you know, insurance requirements and all kinds of stuff that puts a huge amount of liability on the County that the County does not...we're not in the health care business right now. And so, you know, given that, as well as the current financial position of the West Maui Hospital, my understanding is there's relatively no assets, no income proceeds, things like that. So, you know, in terms of a risk profile for being able to actually repay the loan, the risk profile is pretty high, considering too that there's no vertical construction or whatnot on the property.

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

VICE-CHAIR U‘U-HODGINS: Okay, thank you. And then, I have . . .(timer sounds). . . another question for the Foundation...oh. The bell just rang.

CHAIR PALTIN: I can come back around.

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

CHAIR PALTIN: Member Cook, your opportunity?

COUNCILMEMBER COOK: I have a question, I believe, for Mr. Slaton. And we can just sort of bullet points. What’s the net total cost to open and provide services for the facility? I’ve heard different numbers, but I mean, actually opening from...providing services. What’s the projected net cost?

MR. SLATON: Yes, sir. The predict...there’s two different...there’s two different costs associated. One is the cost of construction, which would take probably somewhere in the neighborhood of about 18 months or so. If we wind up at the 25-bed model, which yields a much more benefit to the community, as well as to Maui Memorial and makes it much more profitable, we’re talking somewhere in the neighborhood of about \$100 million to \$120 million. The second component of cost would be the...as the hospital opens up, it doesn’t make a profit on day one, so we have to provide working capital for that hospital. You’re probably talking about in the 5, \$6 million range for that.

COUNCILMEMBER COOK: So, that was my second question. What’s the projected annual operating costs for the facility?

MR. SLATON: Our projected --

COUNCILMEMBER COOK: And again...there again, sir, estimate. Go ahead.

MR. SLATON: Oh. Well, you know...and I apologize, I don’t have that number right in front of me. I didn’t...I think we’re probably talking about in the region of 5, 6, \$7 million right in there someplace.

COUNCILMEMBER COOK: Okay. And --

MR. SLATON: And I’d be happy to provide you with a proforma on that. We had a proforma done by an outside entity. I just don’t have...I don’t have it where I can lay my hands on it right this second.

COUNCILMEMBER COOK: I understood that, that’s why I was doing bullet points. So, the County would be guaranteeing \$20 million through this. What’s the...where and how is the balance of the capital costs being handled?

MR. SLATON: The balance of the capital costs would be handled through private donations from the community, from USDA or other Governmental lenders, and/or through a

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

grant from the Federal Government through the Community-Based Disaster Relief Fund.

COUNCILMEMBER COOK: So, there may be a...that's where the time lag between breaking...purchasing the property or starting the project, getting the groundwork done, doing the vertical work, getting it operational, could be three to four years?

MR. SLATON: Correct. Yes.

COUNCILMEMBER COOK: So, I think it's part of the...possibly part of the County's concern is the debt service for that portion during that period of time when no income is being generated?

MR. SLATON: You have . . .*(timer sounds)*. . . .*(inaudible)*. . .

COUNCILMEMBER COOK: One year? Correct? The 800,000?

MR. SLATON: I'm sorry, was that a question to me? This is Charlie.

CHAIR PALTIN: Yes.

COUNCILMEMBER COOK: Yes.

MR. SLATON: Yeah. And what we would anticipate is that community...community philanthropy would be able to support that \$800,000.

COUNCILMEMBER COOK: Okay. For a period of...period of years, three to four years?

MR. SLATON: Correct.

COUNCILMEMBER COOK: So, anyway, that's...that's my question. Thank you. I'm supportive of the project, I'm just trying to see how we can make it work. But West Maui needs and deserves a hospital. Thank you, Chair.

CHAIR PALTIN: Thank you, Member Cook. Looks like County of Maui also had a response. Would you like to hear their response?

COUNCILMEMBER COOK: Yes.

CHAIR PALTIN: Okay. I'm not sure --

MR. NISHITA: Thank you, Chair. Oh, yeah.

CHAIR PALTIN: And Acting --

MR. NISHITA: Thank you, Chair. No, just...just for context, I just, you know, when you talk about timelines, I just wanted to make sure you folks are aware. My understanding of

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

the property is right now that it's a...it's CPRed. So, you know, there's...there's a lot of land-use issues we're going to have to go through to rectify that before construction can occur. And then...so, you know, there would be subdivision needed. And then my understanding is it's still State land-use Ag, in which case I think our understanding is a District Boundary Amendment may be needed. And so, you know, happy...I see Charlie maybe shaking his head no, so happy to...if we're incorrect in any of that. But we just had a meeting with our Planning Department yesterday to identify current land-use entitlements. So, at the...at the very least, the CPR subdivision piece...and my understanding, like I said, is on the State land-use Ag, but happy to get further information on that. But you need to add that to the construction timeline as well. Thanks.

CHAIR PALTIN: Thank...thank you. Okay. Let's see. Next up, we have Mem--oh, we already went to Member Kama, burning question--Member Rawlins-Fernandez? *(silence)*

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Sorry, I am in two meetings at the same time. I...*(echoing)*...oh, I heard an echo. I will wait for after our recess to ask my questions.

CHAIR PALTIN: Okay. Let's see. Member Sinenci, your opportunity?

COUNCILMEMBER SINENCI: Yeah, I can wait until after the recess as well, Chair. Thank you.

CHAIR PALTIN: Okay. Member Sugimura.

COUNCILMEMBER SUGIMURA: Thank you. So, I wanted to just get clarification based upon listening to the resources. I think...I...*(audio interference)* Finance Director, and I see Maria Zielinski with the...with the Managing Director, but I wonder if we could ask for the special revenue...if the Council can ask for clarification of what the current Bond Counsel is...their position on this. Because Scott Teruya is no longer *(audio interference)* Directors of the Bond Counsel at the time, and I think the circumstances for the *(audio interference)* 25-bed, I don't know at what point the information was...was being reviewed. So, if we could get a...our current Bond Counsel to give us an opinion about this project with the information we currently have. And also, if we could get...we could not get today, the Finance...the State Budget and Finance Director or somebody from the State to be here, and I wonder if we could get their statement about what they're saying about this special revenue bond, and the 20 million, and whatever the communications were at the time when this came up.

CHAIR PALTIN: Thank you, Member Sugimura. You were a little bit cutting in and out for those of us online, but what I heard was you wanted to hear from the current Finance Department and the current Bond Counsel, their opinion on the risk factors...project, and --

COUNCILMEMBER SUGIMURA: Yeah, the project as it is today because it may have been different when they were talking to Scott Teruya initially, or that...you know, that

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

Administration and Bond Counsel. So, if we could get...to find out what the risk is based upon what it is...the project is today, as well as hear from State Budget and Finance as to what they are planning...or what their position is on this 20 million special revenue bond.

CHAIR PALTIN: We couldn't get them today, but Jarret did speak to them in anticipation of them not coming today. So, he can relay what was relayed to him. And if that's not sufficient, we can take down any other question that you have in writing and transmit it to them. Mr. Pascual, are you prepared to relay what Mr. Salaveria relayed to you?

MR. PASCUAL: Thank you, Chair. So, Director Luis Salaveria...Salaveria contacted Staff yesterday morning to note that they weren't able to attend today's DRIP meeting. But he did say that for special purpose revenue bonds . . . *(timer sounds)*. . . the issue here is if the County is doing a guarantee...or acting as the guarantor, it's something that the County or the Administration and Council would have to work out. The State is just a conduit. But he did welcome any questions that we can send over his way. Thank you.

CHAIR PALTIN: Okay. And then from the Department of Finance, did you hear -- *(echoing)*

MR. NISHITA: Thank you, Chair. We were getting some feedback in here, so I'm not sure if...okay, there, that's better. Yeah. So, our...our understanding from the State, like I relayed earlier, is that...you know, that guarantor portion got removed, so the County is not required to be a guarantor on the special purpose revenue bonds. And like I alluded to earlier, our understanding is that the special purpose revenue bonds are for financing of costs related to the design and construction of, and equipment for, West Maui Hospital and Medical Center, which I...I still am unclear of if that includes land acquisition and kind of debt service proceeds. In my plain reading of it, I'm not a lawyer, but that doesn't sound like that would be incorporated. In terms of the question on Bond Counsel, they...I'll...I'll just read a short excerpt. Of course, this is very preliminary, you know, like further in-depth analysis would need to be done if that was requested. But they did research this question. They did not...well, my preliminary answer, I'm just reading from it, is that "I did not find express statutory authority for Maui to guarantee a debt of another entity. So, in short, if I were asked to provide an unqualified opinion on this County guarantee being valid, I could not do so at this time because I have not found any express statutory authority for Maui to enter into the guarantee." So that's straight from our Bond Counsel--maybe, I don't know, yesterday --

UNIDENTIFIED SPEAKER: Yesterday.

MR. NISHITA: -- or a few days ago--in relation to this question. Now, you know, we can do further analysis if...if that's needed and whatnot, but, you know, I think I...I'd just get back to my earlier comments. I think overarching is like can this funding even be used for the acquisition? And if not, then really, kind of the rest of this is moot at this point on whether the County should act as a guarantor and whatnot.

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

CHAIR PALTIN: Okay, thank you. Member Sugimura, did you want that question that our Acting Mayor/Managing Director and Deputy Managing Director posed to be transmitted to the State in writing?

COUNCILMEMBER SUGIMURA: . . .*(inaudible)*. . .

CHAIR PALTIN: Looked like she nodded her head. So, I'll take that as a yes. Staff, are you...did you hear our Acting Mayor/Managing Director and Deputy Managing Director's question that he put out there? If the things that were proposed to be done with this \$20 million SPRB is allowed to be done, given what was passed in Act 73, I believe?

MR. KRUEGER: Thank you, Chair. We have it noted.

CHAIR PALTIN: Thank you. Awesome. Okay. Chair Lee?

COUNCILMEMBER LEE: Okay. I have a question for Josiah. Mr. Nishita, I think we heard of every conceivable reason why this can't be done. Now tell us how it can be done, okay? We know that there is a need. We have to have this faci...the medical facility. How do we do it? There's got to be a way. That...there's no...no...it's not acceptable to say it's impossible. It is possible. So, let's put our heads together and figure it out. What do you need? What do you need for us to move to the next step?

MR. NISHITA: Thank you, Chair. And thank you, Chair Lee, for the question. To Chair Paltin, I'd just add you forgot Recovery Manager and CTO as well.

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

MR. NISHITA: But in any case, the...as I said, you know, I haven't been involved with this from the beginning. We did include it in the Long-Term Recovery Plan because we do believe that this is a project that the community is asking for and...and does need. I think it...it's going to depend on a lot of factors, I mean, you know, on what is possible here. As I stated earlier, what I would personally like to see, from what I've heard from the community, is to be able to address the concerns that they have. I mean, I know I heard a testifier earlier state some specifics about a stroke and whatnot, which I have no experience in. I didn't hear if the hospital could provide those services or not. But there's, you know, additional questions as to...and I think the expectation upon residents when they hear that there will be a West Maui Hospital, I think is different than what our understanding is of what will be provided. And so, you know, like cardiac patients, trauma care, things like that, want to make sure that, you know, if the County is to invest significant amounts of resources and/or liability into a private project such as this, then at the very least, from...my request, would be that we're meeting the actual needs of the community of what they're expressing. You know, the group did submit a--I think what they're entitling as a feasibility study--I...personally, I feel that's inadequate to actually identify the challenges ahead and how we're going to meet the challenges. So, I would highly encourage a updated feasibility study done by, you know, professionals in the field who run hospitals, and who build hospitals, and whatnot, as well as financial forecasts and other things. There's...you know, when we talk about on

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

the financial statements, I think there's concern too, about the allocation of income. There's a heavy, heavy indication . . . *(timer sounds)* . . . on private insurance as --

COUNCILMEMBER LEE: Okay, Josiah, you're taking really long to answer the question. All I want to know is like for instance, does it take collateral on the land to satisfy you guys, or what?

MR. NISHITA: Well, like I said --

COUNCILMEMBER LEE: We know there's a need.

MR. NISHITA: When they were first --

COUNCILMEMBER LEE: We want to --

MR. NISHITA: Yeah, as I identified earlier, when Mayor agreed to this early on was that the land was being leased to the hospital. They were going to come up with the remaining funding, and the land would be used as collateral as a piece of this, to lower the risk profile of the County. Now, a lot of the details on that has changed since then, which are going to need to be rectified and worked through, which we relayed to the...the group that...you know, that this issue wasn't ready to come prime time to Council yet, to allow us to get further information and work through some of those issues, so that when it does come to Council, it's in a form that can be approved and, you know, is ready to be worked through. In...in...I guess, in my layman's assessment, if we were to do this purely for the acquisition of property, I would say it would be a lower risk profile for the County to just buy the land than it would be to serve as a guarantor on the loan.

COUNCILMEMBER LEE: Let's do it.

MR. NISHITA: And so, you know, happy to work through different types of options, but as being presented, I can't recommend that to Mayor or the Council as...as it's currently presented.

COUNCILMEMBER LEE: Okay, that's fine. I'll...the idea is that we have all these minds right here at the table. Surely we have enough capacity and intelligence to figure out a solution. And I think this might be one suggestion that we should pursue, and maybe somebody else will have other suggestions. But I see a hospital in West Maui right on par with evacuation routes. I mean, we need something, and we need something right away. Thank you. Thank you, Chair.

CHAIR PALTIN: Thank you. So, I kind of just wanted to go back to basics. Mr. Slaton, what is...do you know what is the zoning of the parcel that the hospital is going to be built on?

MR. SLATON: There's a special...special district out there that's a wellness district, and the property is fully entitled. And I'm not quite sure what the disconnect is between...between the information that...that we're all seeing. But it's my

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

understanding as well that it's already been in subdivision, and we're happy to put Brian Hoyle, who is the developer, on this. He's been working for 13 years on this project to get the certificate of need done. At the point in time when we pulled back in 2016, Planning Department was ready to issue permits, so...

CHAIR PALTIN: Okay. Mr. Nishita, I'm on the real property tax map website, and it does say the tax classification for the 14.99 West Maui Hospital and Medical Center condo master, 14.99 acres. Zoning is project district, but tax class is Agricultural. So *(audio interference)* --

MR. NISHITA: Yeah, I'm not sure what the...the question is specifically, but all I can relay is the information that I have is the property is CPRed, subdivision would be required, and that it's State land-use Ag. Now, that may be incorrect, and happy to, you know, get...follow up on that to make sure that, you know, we're relaying the same information. But what Charlie indicated is correct, that is a...there's a project district zoning on the property. And just related to this too, maybe somewhat related to what Chair Lee was asking about earlier, is my understanding the certificate of need--and I could be corrected--but it is not tied to the parcel itself. And...and if...if that's the case, you know, some of the other options that I was trying to think through that could be potentials includes like working with some of our other partners, like Kamehameha Schools, or others, where maybe there's more feasibility in terms of what they're requesting, you know, for the acquisition price of the property and some of the other barriers that are in place...that maybe if those are barriers to entry here, that there could be potential options with other partners to kind of minimize the risk assessment in that. Now, I haven't talked to any of those partners, but I'd just float that out there as potential options since my understanding is their certificate of need is not tied to the individual parcel.

CHAIR PALTIN: Okay. I don't know if the State land-use is Agriculture or not, but the County land-use zoning looks like project district. Mr. Slaton, is the acreage of the ...*(timer sounds)*... hospital parcel less than 15 acres? Is it 14.99 total?

MR. SLATON: That's correct.

CHAIR PALTIN: So, the County --

MR. NISHITA: Yeah. So, sorry, Chair Paltin. Thanks for reminding me on that. Yeah, it wouldn't be a State land-use DBA, it would be a...we could run it through the County. I'm sorry. That's what Planning Department said is, it is State land-use Ag, but since it's under 15 acres, it would have to be run through the Maui County Council, but there would still be an entitlement process to that. Apologies for that. Thanks.

CHAIR PALTIN: Okay. So...well, we got one thing clarified, yay, and we went everyone through the first round. Are Members okay with a ten-minute recess? Okay. All right. The time is 3:03, so I'll give you 12 minutes, guys. We'll return at 3:15. Recess until 3:15. ...*(gavel)*...

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

RECESS: 3:03 p.m.

RECONVENE: 3:17 p.m.

CHAIR PALTIN: . . . *(gavel)* . . . Will the Disaster, Resilience, International Affairs, and Planning Committee meeting of October 30th return to order. The time is now 3:17. Picking up where we left off...Member Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Okay. And so, I missed a little bit of the opening remarks, so I was trying to catch up during the recess. Act 73...oh, sorry, and we've...do we have anyone here to answer questions about the correspondence...the Granicus item 2?

CHAIR PALTIN: Can you specify what item that was?

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh. Act 73, A Bill for an Act Relating to Special Purpose Revenue Bonds.

CHAIR PALTIN: Not that I'm aware of, unless Ms. Johnson Winer or Ms. Slaton...Mr. Slaton had any further insight into Act 73.

COUNCILMEMBER RAWLINS-FERNANDEZ: And then I'll ask my question, and then if maybe either of them have information, then we can try. Okay. So, in Section 1, the third paragraph...oh, where'd it go? Shoot. It was the fourth paragraph. Anyway...oh, here. Queens North Hawai'i Community Hospital. So, the third paragraph references Hawai'i Island, Queens North Hawai'i...Hawai'i Community Hospital was granted a certificate of need. So, in...in referencing that hospital, and comparing it to the need of West Maui to have a hospital and medical center, did they...did the Legislature...State do something similar with the Queens North Hawai'i Community Hospital in being...in the County being a guarantor?

CHAIR PALTIN: Mr. Slaton or Ms. Johnson Winer, are you aware if, in granting the certificate of need for Queens North Hawai'i Community Hospital, the State or the County needed to be a guarantor?

MR. SLATON: I...I don't believe so. And this is just...this is just knowledge that I have from operating in the Honolulu market over there--I'm actually on the board of one of the hospitals over there--is that...that they relied...Queens routinely accesses SPRBs for all kinds of projects, including them stepping in and taking over for Queens North. There was a buyer that was lined up, and the State wanted Queens to come in instead. They were going to turn it into a for-profit and--long answer, I'm sorry--but there was...as...I think...I think Queens has got a substantial enough credit rating that they didn't have to have any --

CHAIR PALTIN: Guarantors.

MR. SLATON: -- guarantor.

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo. That was...that was actually going to be my follow-up question, if...if the State has done that with any other hospital. So, they've only done that with Queens? Do you know if they've done it with any other hospital facility with a need for a guarantor?

MR. SLATON: It's...it's my understanding...it's my understanding that the . . .*(timer sounds)*. . . as far as SPRBs are concerned, that Hawai'i Pacific Health has done that in the past, and as well, the State through their HS...Health Services...I can't remember the acronym associated with the organization the State has for a lot of the rural hospitals, but that the State routinely participates in those hospitals that are in there...in that collection of facilities that are managed by that quasi-public Governmental entity, so...

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Mr. Slaton. Mahalo, Chair.

CHAIR PALTIN: Thank you. Member Sinenci?

COUNCILMEMBER SINENCI: Thank you, Chair. Just a clarifying question for Acting Mayor Nishita. So, I guess my question was that...to clarify, the County can be the grantor [*sic*]? Or...or you're saying that things need to be changed before we do that?

MR. NISHITA: Thank...thank you, Chair. Thank you, Councilmember Sinenci, for the question. The...that the guarantor piece, I think...you know, I read --

COUNCILMEMBER SINENCI: Guarantor.

MR. NISHITA: -- yeah, I read from our, you know, Bond Counsel that they're not aware of any express authority for us to do so. Now, I can't say...and just in complete transparency, I can't say that that means that we're not able to, it's just that, you know, we would have to do further research into it and whatnot. But at the surface, it doesn't appear that we have the authority to do so. I'm not aware of any other county serving as a guarantor for a hospital in the State of Hawai'i. I'd be happy to be corrected if I'm incorrect on that, but I'm not aware of that happening previously. And then...and then, kind of overarching to that, you know, I guess even if we are able to, I guess, then the question really is, can the financing even be used for the purposes? Is...are...are we all comfortable with the risk profile of it and the risk assessment? And then, you know, whether any changes and/or additional studies and whatnot should be done, or even changes to the structure of the West Maui Hospital to better meet the needs of the community and the County if the County were to step into this role. Thank you.

COUNCILMEMBER SINENCI: And Mr. Nishita, when you say that we don't have the authority, what authority are you referring to?

MR. NISHITA: The County has authority to, you know, issue and/or guarantee debt based on explicit provisions in the Hawai'i Revised Statutes. We're just unaware of that...there's no express authority for the County to step in to guarantee a debt of another entity. So...so, like I said, there's further research and whatnot that needs to take place

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

regarding that, but in--the unqualified opinion provided from our Bond Counsel was that there appears to not be any express authority for the County to do so.

COUNCILMEMBER SINENCI: And when you say another entity, are you specifically, like, to a private entity like the West Maui Hospital?

MR. NISHITA: Yeah. I mean, you know, like we have authority to issue debt for our own purposes, you know, CIP projects for stuff related to...or ...*(timer sounds)*... the services that the County is required to provide to our taxpaying public. We're not aware of any provision in there that allows us to guarantee debt of a separate entity from the County of Maui.

COUNCILMEMBER SINENCI: Okay. Thank you for those explanations. Thank you, Chair.

CHAIR PALTIN: Thank you, Member Sinenci. Did...we do have Ms. DesJardins on the line. Did you also want to ask to Corp. Counsel?

COUNCILMEMBER SINENCI: Sure, if the Chair would allow it. Thank you.

CHAIR PALTIN: Okay. I did see her pop up, so go ahead.

MS. DESJARDINS: Can you hear me, folks? I just want to make sure my mic is on.

CHAIR PALTIN: Yes.

MS. DESJARDINS: Okay. Just real quick. I don't want to belabor this because I think most of it's been said to this point, but there was a time when a version of this bill required the County to be a guarantor. And by the time this bill passed out and became law, that requirement had been removed, I think at the request of one of our legislators from Maui at the time, back in June of 2023. So, any attempts prior to this to draft guarantee agreements were premised on the fact that it was still assumed that it was mandatory, that if this money was going to be provided from the State, that we would have to guarantee it, and that is no longer the case. So, I think in my brief email discussions with Bond Counsel--we have new Bond...Bond Counsel, obviously since the...originally, this...this project started heating up--it would behoove us to get some kind of formal opinion from him about that. But both...he and I both agree, just like Managing Director Nishita just mentioned, we don't see any legal authority at this point, short of a mandate like this, that says that we can guarantee a third-party debt. Because this isn't bonds we are issuing, right? We're all clear on that. That's all that I have to say in addition to this. But otherwise, I think it's all been said.

COUNCILMEMBER SINENCI: Okay. Thank you, Mimi.

CHAIR PALTIN: Thank you. Okay. Second round. We'll begin with Committee Vice-Chair U'u-Hodgins.

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

VICE-CHAIR U‘U-HODGINS: Okay. Thank you, Chair. I only have one quick question. Who would manage this hospital?

MR. SLATON: There would be a --

VICE-CHAIR U‘U-HODGINS: I think this is probably...there we go.

MR. SLATON: For...this is Charlie. Yeah. We would...we...we would put a proposal together that my company, Critical Access Healthcare Management, would manage that. I've had profit-and-loss experience for over 50 hospitals in my career, from 25 beds to 1,000, so we're well-versed in the management of small hospitals like this. Currently have management agreements for two of them right now in the same size category.

VICE-CHAIR U‘U-HODGINS: Thank you. I have no further questions. Thank you, Chair.

CHAIR PALTIN: Okay. Next up, we have Councilmember Tom Cook. *(silence)* Member Cook, if you are talking, we can't hear you. He is talking? He's not talking? No.

COUNCILMEMBER COOK: I'm talking. Okay.

CHAIR PALTIN: Okay. . . .*(laughing)*. . .

COUNCILMEMBER COOK: My --

CHAIR PALTIN: We can hear you.

COUNCILMEMBER COOK: -- camera's not...my camera's going in and out. Thank you very much. So, my question was for our Mr. Nishita, the Man With Many Titles. And I guess it's not really a question, it's sort of a statement and wanting to get a response. This West Maui Hospital project could be a model for State and County to address land-use project approvals and collaborations. This...the way he described it, the potential delays that we see in the approval and implementation to enable this project to be...have all of the land-use issues and permitting issues, every month the delay increases the risk and the cost of the critical health care infrastructure. I suspect possibly other hospitals' resistance could be maybe due to Maui County's reputation, and how long it takes, and the amount of obstacles that are quite common in our infrastructure. So, could you kind of give me some feedback on...and this isn't...I'm not playing a blame game, I'm just pointing out that this...this is something that I think everybody agrees is needed *(audio interference)* -- did...oh, I --

CHAIR PALTIN: Oh, Member Cook, we lost you --

COUNCILMEMBER COOK: -- *(audio interference)* getting a hospital on the West Side --

CHAIR PALTIN: -- for a second.

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

COUNCILMEMBER COOK: -- has been talked about for years. Okay. I probably talk too much anyway. So, Mr. Nishita, any response?

CHAIR PALTIN: I...I just wanted to try and clarify. Member Cook, like are you talking about like when the project got its project district zoning, why we didn't do the State zoning at the same time? Is that what you were asking, or more broad?

COUNCILMEMBER COOK: More broad. It's basically that it's (*audio interference*).

CHAIR PALTIN: Basically...we kind of lost you after basically.

COUNCILMEMBER COOK: I'm sorry. This isn't (*audio interference*) it's basically being done in collaboration so that when it's an important infrastructure project to help that they're more motivated as the...as the Administration to be enabling and advocating for it. And when there is a...when there is an approval that's necessary, it be like identified, and the Administration helping push it through.

CHAIR PALTIN: Okay.

MR. NISHITA: Okay, Chair? Chair, I'll do my best. I...sorry, I broke up a lot, so I apologize if I'm not going to catch everything, or the...the context in which it was described. I think what I was hearing is kind of essentially exactly what I'm advocating for, is that the County be responsible for like what our actual responsibilities, and activities, and jurisdiction is. Like if there's a need for assistance with offsite infrastructure, like that's something that the County, you know, does. If it's assistance with like permitting and things like that, like that's stuff that we can help step in the gap for. What is being asked here is something that the County has never done before, and the ramifications of which we just all need to be aware of in terms of is the County going to get into the hospital business? You know, the...the State, we face tremendous amounts of criticism at times regarding the County utilizing funds for State, private, or...or other purposes, especially when we're seeking funding sources for actual County needs, like infrastructure and whatnot. So, I...I guess on the surface, how the County should be assisting is when they have a financial plan together, have, you know, financial backing and equity into the project when it's, you know, determined to be feasible and moving forward, that the County should absolutely step up to the plate to . . . (*timer sounds*). . . assist in pushing permits and other entitlements through, as well as if there's assistance needed with offsite infrastructure. Those are things that can be looked at and addressed that the County does have jurisdiction and authority over.

COUNCILMEMBER COOK: Thank you. Thank you, Chair.

CHAIR PALTIN: Thank you, Acting Mayor/Managing Director/Deputy Managing Director/Recovery Manager and CTO Nishita. Is it fair to interpret that to mean that you guys would be pursuing a State change in zoning...since it's under 15 acres, that you guys are going to initiate that?

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

MR. NISHITA: Chair, it's...you know, I just learned about this yesterday in terms of the entitlement issue. I think it's something we'll have to talk about internally. And, you know, obviously, you want to make sure that the...the project is feasible, and that--you know, that there is the ability to move forward with it too, if we're going to ask the Council to, you know, change land-use entitlements to a property that, you know, could affect the overall valuation of it. Especially if the Council does determine with the Mayor that the County wants to move forward into assisting hospitals in this nature, you know, we just would want to make sure that, you know, in the County's interests are overall protected, such as like what I...I alluded to earlier. It would honestly be in our best interest, if we were going to provide support, such as acquiring the land in this deal, to do any type of entitlement process after acquisition.

CHAIR PALTIN: Okay. Thank you. I just was following up on Member Cook. Chair Lee, I see you have your hand up.

COUNCILMEMBER LEE: Charlie...is your last name Slaton?

MR. SLATON: Yes.

COUNCILMEMBER LEE: Okay. So, the Managing Director says that it may be, I suppose, more acceptable to...for the Administration to participate with the acquisition of the land. Would that be helpful, and could that be instead of being a guarantor of the 20 million?

MR. SLATON: Oh, most certainly something like that would work. I will...I will ask you to keep in mind as well that there are other uses on that statement of uses that require us to update architectural and engineering plans and those types of things, bring in a philanthropy team to...to get started, that we would...would not be covered in the funding just the purchase of the land. So, that would still be a --

COUNCILMEMBER LEE: Okay.

MR. SLATON: -- problem.

COUNCILMEMBER LEE: Because...because I think...I think that...I'm not sure what I think. I think the Council would like to participate and be a part of this project, but we're not sure exactly which role to take. But let's not fool around with all the things that we can't do, let's look at the things we can do, and then move forward from there. Because my concern is that complacency is the enemy, you know. If we lose a sense of urgency, what if another emergency happens, you know? So, let's not stop now, let's keep moving. And I'm hoping that my...my colleagues agree that we want to participate. We want to help. We want to get this hospital up. Thank you, Chair.

CHAIR PALTIN: Thank you. I did see Member Kama, followed by Member Sinenci.

COUNCILMEMBER KAMA: Thank you, Chair. And thank you, Managing Director, et cetera, et cetera, et cetera, et cetera Josiah, for your response. So...so, what I'm understanding

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

is that the County is willing to do anything within our wheelhouse that we know how to do well, and what we don't know how to do is this hospital. But that we are--well, I know I am willing, and I'm sure many of my colleagues are willing too--to also do whatever it takes to be able to get this hospital up, but then looking for someone else to be the grantor [sic]...because that seems to be the kukū (*phonetic*) in this. Are there any suggestions from any of our resources here that who else could be a grantor [sic] if not us?

CHAIR PALTIN: My understanding was they wanted the County mainly so it could show County buy-in. But we already had a resolution of support. I think they want some sort of fiscal thing. Mr. Slaton, I think Member Kama was saying...I don't know. Is there any other entity that could be the guarantor besides the County since that got removed from the State bill? Or, you know, if the County purchases the land, is that us...us...show that the County is --

COUNCILMEMBER KAMA: Assurance.

CHAIR PALTIN: -- assurance?

MR. SLATON: I would think so, yes. I would think that the County would step in and make the purchase, that...that would show that the County would be committed in that...in that way. We struggle in the State of Hawai'i because we don't have the structures that they do in a lot of other places, like hospital districts and some of those tax assessment districts. We don't have those entities. In those places, the County delegates that to a Governmental entity that has taxing authority, and that is easy to make those things work. It's a little bit harder here.

COUNCILMEMBER KAMA: Um-hum.

CHAIR PALTIN: Okay. Did...did you know of any other entity that could be a guarantor besides the County?

MR. SLATON: One of the reasons that we started working with the USDA was because the USDA does serve as a guarantor on some of the financing. So, that...that was the reason that we went that direction. You don't have the same thing with HUD. They don't quite step in that way, but USDA will guarantee those...will guarantee the bonds and those types of things, so... But besides that, there wouldn't be another entity that would be available.

COUNCILMEMBER KAMA: So, I guess we're all going to go after USDA, Chair?

CHAIR PALTIN: Something. Okay. Does that conclude your opportunity --

COUNCILMEMBER KAMA: I just had one more...one more question for Mr. Slaton.

CHAIR PALTIN: Okay.

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

COUNCILMEMBER KAMA: You know, hospitals historically have actually never made money, and that's why I think the State went and did privatization. But in the event that, you know, your clinic or hospital could not cover the cost of operation . . .*(timer sounds)*. . . because you can't collect enough fees, who...who...who would cover that cost?

MR. SLATON: Well, this is structured as a 501(c)(3), it's a not-for-profit community foundation. And the...the answer to that question is that if...if the foundation could not...the 501(c)(3) could not cover its costs, and it became illiquid, that...that it would sell its assets, and there's a...basically a form of bankruptcy that we go through in that regard. So, it would...yeah, and there are...there are hospital districts that have...I mean, there are hospital foundations that have done that in the past, so...

COUNCILMEMBER KAMA: Thank you. Thank you, Chair.

CHAIR PALTIN: Okay. Member Sinenci?

COUNCILMEMBER SINENCI: Sorry, Chair, I didn't mean to cut in line, but I just wanted to...my neighbor has the...the blower out. So, I couldn't hear Chair Lee, and I was just wanting to clarify what Chair Lee said was, are you...did Chair Lee propose that the County acquire the...the property?

COUNCILMEMBER LEE: Yes.

CHAIR PALTIN: Chair Lee?

COUNCILMEMBER LEE: If that's a viable...yes.

COUNCILMEMBER SINENCI: Okay. All right. I just wanted to clarify that. Okay. And then lease...then lease it to West Maui Hospital?

COUNCILMEMBER LEE: Yes.

COUNCILMEMBER SINENCI: Okay.

COUNCILMEMBER LEE: If...if...if trying to be a guarantor is too difficult, let's do something else to help the project.

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

CHAIR PALTIN: Okay. And then, I was wondering, Mr. Nishita Of All The Hats, can...can you clarify...or are...are you going to have continuing discussions with Ms. Johnson Winer and Mr. Slaton? And, you know, what you were saying about what the community expects out of a West Maui Hospital, from our community outreach and engagement for the purposes of the Long-Term Recovery Plan? Are you...has that been transmitted to this West Maui Hospital group of what is expected?

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

MR. NISHITA: Okay, thank you, Chair. Well...so, all the public feedback and whatnot will be published, you know, later. And of course, we're receiving public feedback now in terms of the draft Long-Term Recovery Plan. In all honesty, because so much time and effort has been spent on this current arrangement as being presented here today by Council, it...in all honesty--in my mind anyway--would behoove us a lot more to be looking at...instead of, I guess, beating a dead horse in this sense, unless we can get a lot of these stuff addressed, is to look at different ways that might actually be feasible with other partners and other ways to make the project a better overall project. You know, which...you know, land acquisition could be a piece. I would still advocate to work with our other partners, like Kamehameha Schools and others, where, you know, it may be more advantageous for the community and for, you know, the County to be able to, you know, accomplish that. But my...my overall request...because, you know, I did make a promise to the community that this whole recovery process would be community-led and Government-supported, is that the way I'm being told that, you know, how they're leading, to my knowledge anyway, the...the current setup of the hospital is not meeting those needs. And so, I just want to make sure that we can refocus discussions on ensuring that the community's needs are being met, especially if public financing, and assistance, and whatnot is being requested.

CHAIR PALTIN: Okay. And would that be through this Committee, or what...how do you envision that?

MR. NISHITA: Thank you, Chair. I mean, I guess for...for me personally, I guess I would have hoped we could do this stuff out of the public's view, just with the entity itself and us to rectify some of the stuff so that, you know, we can come with like unified fronts as opposed to trying to address questions and whatnot in this format. I'd be happy to . . . *(timer sounds)* . . . work with whatever Committee is necessary, and we can come back to DRIP or...or any other Committee as needed to provide updates as the Council, you know, wishes. But if we can refocus on other efforts, you know, it...it would, you know, be able to move the needle, I think, in...in a more positive direction.

CHAIR PALTIN: Okay. So, what I heard you say is, you'd rather not do this in the Committee format, right?

MR. NISHITA: It would...Chair, I'd rather be able to work with the West Maui Hospital Foundation directly, and especially if we can, you know, shift on how we're moving forward with this project or whatnot so that, you know, when we do come before Council--and...and...and I understand, you know, that there's...there may be time constraints that they're under, and...you know...you know...you know, other feasibility issues that they, you...you know, may be under that either we're not aware of or, you know, our own needs are kind of butting up against. But, you know, I did relate to them that, you know, I didn't think it was at a point where we would be able to, you know, bring it to Council and...and provide a recommendation in this matter. And anticipation was that that would occur next term sometime.

CHAIR PALTIN: Okay. So, let me just clarify. If we were to pass the resolution, it's just an urging resolution, and you guys would say, yeah, we tried it...discussing it and talking

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

it out, and we don't feel that we have the authority to be a guarantor for a third-party entity. And so, it wouldn't happen, even if the nine of us unanimously passed the resolution. Is that accurate to say?

MR. NISHITA: Well, Chair, I mean, if we can't legally do something, we're not going to do it, regardless of, you know, whatever the...the...an urging reso's put forward. I...I guess the only thing I would just personally advocate for, just being former Staff member on Council and working with Council for some years, is that, you know, if you're putting something forward, like urging us to...to do something, I mean, it...it...it should be, you know, thought out and actually indicative of that the Council is supporting the current measure that's before us. And...you know, and if it's not, then we should come back to the table to have something that can be supported by everyone. Thanks.

CHAIR PALTIN: Okay. Well, there's that. Does Members need to ask more questions on this item? Any...oh, Member Lee.

COUNCILMEMBER LEE: Yes. So, Josiah, how much time...you said in the next term. When in the next term? Because, you know, you may have just gotten involved, but we've been on this for over six months, and so this is not something new. Only now we're finding out about being a guarantor may not be allowed, but this has been going on for a long, long time.

MR. NISHITA: Well...so --

COUNCILMEMBER LEE: You know, we need...we need some assurances that if we let this go for now, or put it on pause, that...that you're going to come back with something, you know, like you said, feasible that can move. Because I don't think this can just hang out there, you know, languish...because it has been languishing for a very, very long time.

MR. NISHITA: Thank...thank you, Chair. You know, I think that's...honestly, part of my concern is that the project has been going on for so long, and that this is kind of, you know, where it's at, or the...the information that has been, you know, compiled as far as that. I would have expected it to be a lot further along in the process, and especially in the development of, you know, financial forecasting, business planning, and proformas. So, you know, I...I can't honestly give you a time frame that I could come to you and recommend it, but we are definitely willing to work with them to see what path could be for, you know, to move forward. And ultimately, if...you know, I guess if there's a divergence of opinion or whatnot, I'd also be happy to come back with them to the Committee to be able to present again on, you know, maybe any stalling...you know, issues that are creating, stalling in the process.

COUNCILMEMBER LEE: Charlie, how long do you have?

MR. SLATON: I'm sorry?

CHAIR PALTIN: What's your time frame?

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

COUNCILMEMBER LEE: What...yeah, what's your time requirements?

MR. SLATON: As far as getting this done? I mean, we've been working on this...Chairman Lee, you all know we've been working on this for 13 years, and I well understand the concern that it's taken this long to get to this point. We are tenacious, we continue to work through these things and try to get them done.

COUNCILMEMBER LEE: Okay. So, February, March, April? Give us a time.

MR. SLATON: That would be appropriate, yes.

COUNCILMEMBER LEE: Okay.

MR. SLATON: February or March.

COUNCILMEMBER LEE: Yeah. Because if it's...nothing's done, we're going to come back at the Administration, is what I'm saying.

MR. SLATON: Well, I understand. And...and I...and I do understand the concerns, especially when somebody is brand new to something that's been going on for so long, has been going on for so many arrangements. There have been . . . *(timer sounds)*. . . professional feasibilities done. There has been...the State has come in through the certificate of need process and ruled on whether this hospital is needed or not, and the services that will be delivered, so...

COUNCILMEMBER LEE: My time is expired.

MR. SLATON: So, I appreciate your comments. Thank you.

CHAIR PALTIN: Okay. I saw Member Kama, and Member Sinenci had their hand up.

COUNCILMEMBER KAMA: Yeah. Thank you, Chair. So, this is for Mr. Nishita. So, when you say that you'd be willing to work with the hospital folks, were you looking at something like every other month? Every quarter? You know, and just kind of like, you know, meeting and then figure out what they need to go do, and then they go do it and come back, and figure out what the next step would be? I mean...so, you'd meet how often about?

MR. NISHITA: Chair. Well, I mean, I guess for...for me personally, my schedule is typically booked about three to four weeks in advance, but...I mean, I'd be happy to meet with them, and have team members and whatnot meet with them, you know, as needed, leading up to, you know, whatever date Council would like an update on. You know, we'll...we'll do what we're...we're able to do within that time frame. Obviously, you know, that we have a tremendous amount of other issues going on, especially related to housing, and infrastructure, and whatnot. So...you know, but we'll do what we can with the time provided to be able to work with them.

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

COUNCILMEMBER KAMA: Okay. Thank you. Thank you, Chair.

CHAIR PALTIN: Okay. So, Members, what it is sounding like to me is, when we have our next Council meeting, instead of attempting to pass the resolution, maybe what we should do is refer it to this Committee--unless anyone else wants it--and then, you know, maybe we can amend the resolution, or through that vehicle we can ask for updates if it gets agendized...when the parties are ready to update us. Does that sound like a okay path forward, or is there an alternative suggestion? Looks like no alternative suggestions, so that'll be our pathway forward. Any closing remarks from anyone? Oh, Member Sinenci.

COUNCILMEMBER SINENCI: Thank you, Chair. And I just wanted to mahalo Mr. Nishita for, you know, agreeing or, you know, trying to work with us. I know when the Office of Recovery came out with their list of...the long-term list of recovery for Lahaina, I did not see the...the hospital. And I think, you know, for those civic buildings that need to be part of this rebuild, I think the...the...the hospital should be one of...one of those priorities, especially...especially in memory of those residents and kūpuna that lost their lives in the tragic fires. I think, I mean, if anything, we should prioritize...prioritize that civic...civic building. Thank you, Chair.

CHAIR PALTIN: Thank you, Member Sinenci. Any other closing remarks from anyone? Seeing none...oh, Member Lee.

COUNCILMEMBER LEE: Yeah. I just want to remind everybody that this is in the West Maui Community Plan, so it is a priority. The community came in force supporting this with regard to the community plan. Thank you.

CHAIR PALTIN: Thank you. Okay. Seeing no other requests for closing remarks. *(silence)* Sorry, guys, I got to pull up the notes. *(silence)* Members, if there are no objections, the Chair will defer this item.

COUNCILMEMBER KAMA: No objections, Chair.

COUNCILMEMBER COOK: No objections.

COUNCILMEMBERS VOICED NO OBJECTIONS.

ACTION: DEFER pending further discussion.

CHAIR PALTIN: Okay. For Staff or Corporation Counsel, I need some guidance on how to go forward. I see that we have about half an hour left. If we start this next item with the presentation, and we start testimony, but we don't get through all the testimony, is it okay to keep testimony open and recess? Or what would be your recommendation for how to move forward?

MS. MONIZ: Thank you, Chair. That sounds like a good plan. If we can get through all the testifiers, which I believe there are not too many, and we close testimony and get into

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

the discussion piece, we're kind of in the clear there. But if you'd like to recess to keep discussion open...or to keep testimony open, that's that other option you had that you talked about at the beginning of the meeting.

CHAIR PALTIN: Okay. Let me poll the Members on what their preference is. Do you want to recess right now? Do you want to start the next item? Do you want to...how do you want to do it? Member...Committee Vice-Chair U'u...

VICE-CHAIR U'U-HODGINS: I prefer to start the next item. We had some testifiers in person. I don't know if they're still here, but out of respect for their time being here, I would love to start the next item, and then we can see where we are at about 4:30. But that's only my suggestion. Thanks, Chair.

CHAIR PALTIN: Any objection to the Vice-Chair's recommendation of how to proceed?

COUNCILMEMBER COOK: No objections.

COUNCILMEMBERS: No objections.

CHAIR PALTIN: Okay. I can go to about 4:45-ish, 5:00. We do have kind of an important community meeting tonight, but we can keep going as long as we have a minimum of four Committee Members until about 4:45-ish or so. So then let me find my notes, because it seems like people are amenable to keep going.

ITEM 2(24): DISCUSSION ON PROPOSED CHANGE IN ZONING FOR PULELEHUA (RULE 7(B))

CHAIR PALTIN: Okay, DRIP-2(24), Discussion on Proposed Change in Zoning for Pulelehua. Under Rule 7(B) of the Rules of the Council, the Committee intends to discuss matters relating to a proposed conditional change in zoning to West Maui Project District 5 (Pulelehua) for real property identified as tax map keys (2) 4-3-001:082 and 083, collectively comprising 304.255 acres in Mahinahina, Kahana, Lahaina, Maui, Hawai'i. Committee may discuss the proposed conditional change in zoning, but no legislative action will be taken. So, this item was scheduled. We did move it forward to the Planning Commission, but we're scheduling the item to have a discussion on it so that the Planning Commission kind of knows what the discussion was on the item. So, that was on October 25th. Please note that Section 8-8.6 of the Revised Charter of the County of Maui, 1983, as amended, provides a 120-day period after receipt of the referral within which the Planning Commission must make its report. If no report of the referral is made within that time frame, under the Charter, the Council may pass the revision without the Planning Commission's review and report by an affirmative vote of at least two-thirds of the Council's entire membership. And in the Code, it does request a hearing within 60 days. So, at this time--and if we can keep it a little bit tight because of the time frame--I would request opening presentation from resource personnel...Maui Ocean View LP; Maui Nui Resiliency Hui; Water Supply; Housing;

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

Planning; and Parks. Okay, I see Ms. Bunn, and I believe we can hear you. So, have at it.

MS. BUNN: Thank you. And aloha, Chair, Councilmembers, and thank you for scheduling this time today to be with you. I'm appearing on behalf of Maui Ocean View, LP, on agenda item number two. And notwithstanding the title on the agenda, my understanding is that it relates to the resolution heard by the Council this past Friday, Resolution 24-174, which would amend Ordinance 3889, that's a 2011 ordinance, to remove Condition 2. I'm going to address that first. Condition 2 provides that the developer of the Pulelehua project, which is now MOV, but used to be MLP, shall provide potable and nonpotable water source, storage, and transmission improvements necessary to serve Pulelehua in accordance with the requirements of the County of Maui Department of Water Supply. That's what Condition 2 is. That condition has been a roadblock to the development of the Pulelehua project. Pulelehua has several reliable sources of water. But as you all know, the designation of most of West Maui as a groundwater and surface water management area now means that the Water Commission has received hundreds of applications for water uses, and it's going to take time for them to process them. They have been...they've had those applications for just over a year now, and my understanding is they have not yet started to process them. MOV has pending permit applications for water use from both its two groundwater wells that it dug, as well as the surface water from Honokōhau ditch that it's entitled to receive pursuant to a water delivery agreement with MLP. Time is needed not only for the use applications to be processed, but also, time is needed for the development of the infrastructure to treat the water. That is going to be...the...the appropriate treatment is going to be different depending on whether the Water Commission approves surface water or groundwater. So, we're not even going to know what treatment is required until those permits are processed. In order to move the project forward, MOV asked if Department of Water Supply would provide temporary service, but it declined. Two of the reasons that it cited were Condition Number 2 to Ordinance 3889, which it interpreted as meaning that it couldn't serve us, and its assumption that the temporary service would wind up becoming permanent. I note that MOV will not need actual water until the 240 units that are part of Phase I--and these are all affordable rental units--we won't need water until those are habitable, which would be approximately two years from when we start construction. We certainly hope to receive the water use permits from the Water Commission and be able to complete the construction of the appropriate infrastructure before that. However, that's...that is not within MOV's control, that's purely within the control of the...the Water Commission. I also note the Department of Water Supply has been willing to serve numerous temporary housing projects for a period of five years each. Condition 2 is unnecessary because it is, for the most part, completely redundant of the Show Me the Water Law. That law has been in effect for many years. It's found at Title 14, Section 12.010. And without quoting the whole thing, what it does is, "Establishes a policy that requires verification of a long-term, reliable supply of water before applicable subdivisions are approved." MOV is not asking for any special treatment, or to jump ahead of others in terms of water service. If Condition 2 is omitted from the Ordinance, Section 14.12.010 would still be applicable. It would still be there. The difference, however, is that there are exceptions to the Show Me the Water Law, and two of the exceptions apply to the whole...the Pulelehua project.

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

It depends on whether you are viewing the affordable housing project as, you know, looking through the lens of it being Phase I, or if you're looking at the entire project. Even looking at the entire project, the exemption found in Section 14.12.030(E) would apply. It applies to the project as a whole. It provides an exception for residential workforce housing units developed by a qualified housing provider under Chapter 2.96, and are within the service area of the Department's Central or West Maui Water system. Now, Chapter 2.96 requires that 25 percent of the housing be affordable. Pulelehua, as a whole, will have 50 percent affordable housing. Phase I of Pulelehua will have 100 percent affordable housing, and it will all be rental housing. So, if you're looking at just Phase I, it also qualifies under the next exception, which is in 14.12.030(F), and that's for residential development projects with 100 percent affordable housing units within the service area of DHS. So, unlike other developers of affordable housing, MOV cannot utilize these exceptions because of Condition 2. It just wants to be treated equally, which would be the case if Condition 2 were removed. Now, I understand that there has arisen an issue about payment of prevailing wage. And let me just make clear I am not a labor attorney. I will do my best. My understanding is that the issue of...excuse me, prevailing wages arose in late 2023, when there was a letter to the DLIR asking for an opinion whether the project was required to pay prevailing wages. The Director's response was expressly conditioned on, "The information provided in your letter." I haven't seen that letter, I don't know what information was provided, and I...I can't comment on it because I just don't know what the information was that the Director was relying on. So, I want to stick to what I actually know. And I actually know that...that MOV has made one grant request, you know, for...for reimbursement under the grant. And that's...that's how the grant works, you know, the developer pays first and seeks reimbursement. And that's the...the \$18 million grant. The reimbursement request was made in February of 2023, and was for approximately \$395,000. Presumably, the Department of Housing went through that request with a fine-tooth comb before approving the request. And I've looked at the request as well, and none of the funds that were reimbursed pursuant to that request were for work that is subject to prevailing wages. It was, for the most part, predominantly for architectural work. There was engineering work. There was surveying work. It was all the type of work that did not require laborers or mechanics to do. I...I think the issue is something that happened outside of the grant. Outside of the grant, MOV graded the 8-acre...it's...it's not a parcel because we don't have subdivision, but it graded the 8-acre area that is slated to be Phase I. It did that in order...in...in connection with its request for subdivision, partially so the surveyors would have access. There were no County funds spent on that work. The developer paid for that himself. It was not part of the grant request, and the work was entirely done prior to the grant contract being executed in December of 2022. That's what I understand is in contention here. And I have to say, Chapter 104 is...is far from clear on whether that work is subject to its provisions. As I said, I'm not a labor attorney. I did briefly review Chapter 104, but then I...I went and looked at the--I don't know if you can see it--Chapter 104 for dummies basically, the DLIR's Frequently Asked Questions and *Guide for Contractors, Contracting Agencies, and Workers*. And I don't know if you've been provided with the flow sheet from that, but...does everybody have the flow sheet? Yeah? Okay. I mean, just looking at the flow sheet, you know, it divides things that are clearly within the statute and things that are tentatively or conditionally within the statute. It doesn't mention grading anywhere.

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

The...the things that may or may not be within the statute include such things as landscaping and excavation, which are the closest things I found to grading, and...and whether those require the payment of...of prevailing wage depends on whether the activity is an integral part, or in conjunction with, a construction contract. At the time, and as far as I know today, there is no construction contract, so I...I don't have a definitive answer. What I would hope though, and what MOV would...would certainly prefer, is to schedule a meeting with the Director of Housing and DLNR...DLIR, excuse me...and get this clarified and hopefully resolved before the Planning Commission, you know, weighs in and has a hearing on this. I mean, it does clearly need to be resolved. I...I don't think it's that clear. The thing I am absolutely clear on is that nothing that has been paid out of the grant has gone for work that's subject to the terms of the statute. I do want to point out as well that, you know, this work was done in conjunction with trying to obtain subdivision approval. MOV still does not have subdivision approval today, and that's also tied to Condition 2 of Ordinance 3889. The Show Me the Water Law requires a long-term, reliable water source before a subdivision can be approved. And again, it has the exceptions for workforce and affordable housing, which Pulelehua fits, but cannot use. You know, Condition...oh, these...these conditions, apparently a previous County Council thought that affordable housing was important enough to exempt it from the Show Me the Water Law. But with Condition 2 in place, it's effectively hamstringing MOV's efforts to move forward on the project. Because unless it's removed, we are not only unable to get water service while we're waiting for our own water source to be approved, but we're unable to get subdivision approval to start putting in infrastructure. So, that is the gist of my presentation. I would urge...I noticed...well, I haven't looked at the testimony since yesterday, but I noticed there were many heartfelt appeals from displaced fire survivors asking that affordable housing be taken care of quickly, and we would like to do that as well. So, thank you.

CHAIR PALTIN: Thank you, Ms. Bunn. Anyone from the Administration group would like to provide opening comments? Director Stufflebean, Director McCall, Director Molina? Oh, I seen Director Stufflebean, and then, Mister...Director McCall. Go ahead.

MR. STUFFLEBEAN: Yeah, I guess my only comment is that...that we have no objections to revising the section that...the zoning section. So, we have no objections to it. Thank you.

CHAIR PALTIN: Okay. All right. Thank you. Director McCall?

MR. MCCALL: Microphone is not on.

CHAIR PALTIN: Oh, we can hear you, Director McCall. Oh, now we can't hear you, Director McCall. Staff, did you unmute Director McCall?

MR. PASCUAL: Yes, Chair. His mic is enabled. Oh, it's unmuted now.

MR. MCCALL: Okay.

CHAIR PALTIN: Okay. We hear you.

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

MR. MCCALL: Again, thank you...thank you, Committee Chair Paltin. The Parks Department, you know, understands the need for housing. We also know the importance of parks in the area, and...and in all development. I'm not sure if it's a matter of semantics, but we're removing this from the Code, and it's already been fulfilled. So, I don't I don't know if it needs to be removed. I think we can state that it's been fulfilled, and we could go forward from there.

CHAIR PALTIN: Okay. Thank you for those opening remarks. I did want to say that Director Agawa had to leave the call, but he has texted. "The proposed amendment to the bill does not affect the agreement that the Department of Environmen--"... "Environmental Management has with Paul Chang. Pulelehua committed to construct and fund the wastewater collection system to the Lahaina Wastewater Reclamation Facility, and the R-1 reuse line back to their project from the Wastewater Reclamation Facility. They agreed to take up to 100 percent of R-1 water, equal to the amount of wastewater generated by their housing project. Department of Environmental Management Wastewater Reclamation Division is currently working on drafting the MOU, MOA"--I guess either/or, between the County and Pulelehua--"to memorialize"... "memorialize this agreement." Oh, and just to clarify, I think Director McCall was speaking on the condition regarding the 50-acre park, and that we had put money towards purchasing that, and the deal has been completed. Is there any other resources that wants to speak...make opening comments? Not seeing any. Okay, we can move on to testimony. It's the same spiel as the first testimony. Testimony is limited to three minutes, and it's on DRIP-2(24). Staff, can you call the first testifier?

. . . BEGIN PUBLIC TESTIMONY ON ITEM 2(24) . . .

MR. KRUEGER: Chair, the first person signed up to testify is Desmond Cabiles, to be followed by No'eau Patao.

CHAIR PALTIN: Thank you.

MR. CABILES: Aloha, everyone.

CHAIR PALTIN: Aloha.

MR. CABILES: My name is Desmond Cabiles. I'm a field representative for the Hawai'i Regional Council of Carpenters. I want to express our opposition to the Pulelehua project. While we recognize the urgent need for permanent housing, we have concerns about this project. Firstly, we should be cautious about rushing into an agreement with an out-of-state developer, especially one with a troubling background with past development projects. We must ask ourselves if this is the right partner for a project that our community desperately needs. Currently, 33 million has already been approved from the 50 million requested by this developer. Yet, what have we received in return? We are facing a critical issue. There's no water available for this project. The developer's water on site is tainted and unsuitable for the use. Now the developer

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

is asking the County for access to water, but we need to question the source. The water we have available is already allocated for temporary housing and the rebuilding of Lahaina. How can we advance this project without a reliable water source? It is also essential to emphasize that any construction project in Hawai'i financed by public funds is legally required to pay livable wages under H.R.S. 104, adhering to prevailing wage and related labor laws. Unfortunately, the developer has failed to comply with these requirements. No certified payroll documents have been submitted to the Department of Labor for work already conducted on the Pulelehua site. This raises serious concerns about accountability and transparency regarding the use of our tax dollars. Furthermore, can we genuinely trust this developer? What guarantees are there that local residents and wildfire victims will be first in line for affordable housing, rather than outsiders who have only lived here for a short period? We also need clarity on whether the developer will utilize our local workforce for the construction of the Pulelehua project. While local workers may be employed for the affordable housing component, what about the market rate units? An out-of-state developer with an out-of-state contractor and workforce often leads to cheap labor, resulting in overpriced homes that benefit the developer. Mahalo.

CHAIR PALTIN: Thank you. Members, questions for the testifier? Seeing none. Thank you for your testimony. Staff, can you call the next testifier?

MR. KRUEGER: Chair, the next person signed up to testify is No'eau Patao, to be followed by Pane Meatoga, III.

MR. PATAO: Aloha, Chair Paltin and Councilmembers. My name is No'eau Patao, I'm also with the Hawai'i Regional Council of Carpenters. And unfortunately, I have to be in opposition to this project right now, and I hope everyone can understand my position. Yes, we definitely do need these types of projects, and we do need affordable housing for our community, especially for the West Side community that is in dire need of it. But the questions that I have to ask myself is, where is the accountability, and where is the transparency? Much of what Desmond had just shared, all of that stuff, I do believe that people can change, but I believe that when they have intentions and they don't change, and they continue to keep making the same decisions, great intentions never come to fruition. And I'm afraid that there might be ulterior motives here. And so, that's why my position on this is to oppose this. What happened to all of the things that were going on on that project regarding wells dug, water? We've seen that the Department of Water Supply had denied the request. And also, we see a lot of things being done on that project that are flying under the radar. And also, what happened to these monies that were given from all of these taxpayers? And so, that's why I stand here, and I have to oppose this project. Thank you, guys, for your time. I appreciate you guys listening.

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

MR. KRUEGER: Chair, the next person signed up to testify is Pane Meatoga, III, to be followed by Mark Clemente.

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

MR. MEATOGA: Hajimemaste, to Chair Paltin. Meatoga Pane [*speaking Japanese*]. Aloha, everyone. Pane Meatoga from Operating Engineers, Local 3. I'm the Deputy Political Director. Thank you for this opportunity to testify. I believe you have my written test...written testimony from my boss, and I just wanted to add onto that here in person. You know, I've had the opportunity to go around the State and testify on all types of affordable housing projects--from the Big Island, to even on Maui, to Kaua'i, to O'ahu--and for some reason, this project is very different. It seems like the developer is trying to skirt the laws, they're trying to make excuses to not follow H.R.S. 104. We've had our departments looking into this. Why aren't they following it? We just heard testimony that grading and grubbing is not an integral part of the project, which I would say that that is not their call to make, that is up to the DLIR. For a nonlabor lawyer to have...make that assertion, I think, is wrong. State agencies do need to get involved. Grading and grubbing is an integral part of developing. That's what you use to clear the land, whether that's for the surveyors or, you know, for...for laying out the project. That's integral. There was also no comments from the developer that once they did take the money that they would be...that they would follow H.R.S. 104. I think that needs to be said in public because that's an issue. Right now, we're seeing everyone...we see them trying to skirt around this law. You know, in Hawai'i, we do need affordable housing, especially for Maui, but let's do it the right way. I work with developers from the mainland and here, and they do it the right way, and everything works out great. The people of...the workers are getting taken care of, they're workers from here, they're getting paid the correct wages. They're not getting paid cheaper wages, they're getting paid the correct wages for Hawai'i, which means that Hawai'i workers can live here, strive to...I mean, thrive and be here. We have big issues with this project, and at this juncture, we cannot support it. Thank you.

CHAIR PALTIN: Thank you. Members, any question...oh, Member Sinenci.

COUNCILMEMBER SINENCI: Mahalo, Chair. And mahalo, Mr. Meatoga.

MR. MEATOGA: . . .(*inaudible*). . .

COUNCILMEMBER SINENCI: I just had a clarifying question. Are you for the housing project, or are you against the project, or are you against the contractor...potential contractor that wouldn't be paying prevailing wages?

MR. MEATOGA: Well, I would say from the beginning of my testimony, I'm opposed to the developer of this project, and the project that is currently...as it currently stands.

COUNCILMEMBER SINENCI: So...so the...the project, and not the contractor? Okay. Thank you for that clarification.

CHAIR PALTIN: Any further questions for the testifier? Seeing none. Thank you for your testimony. Staff, can you call the next testifier?

MR. KRUEGER: Chair, the next person signed up to testify is Mark Clemente, to be followed by the individual signed in under the name Hawai'i Construction Alliance.

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

MR. CLEMENTE: Aloha, Chair, Vice-Chair, Members of the Committee. Mark Anthony Clemente, on behalf of the Hawai'i Regional Council of Carpenters. Strong opposition to this project. I want to echo the sentiments of the previous three testifiers, but I want to make one point very clear. If a developer doesn't know whether Chapter 104, whether prevailing wages apply to any stage of a construction project, that developer has no business doing any developing in Hawai'i. Thank you.

CHAIR PALTIN: Does that conclude your testimony?

MR. CLEMENTE: I'll stand on my written testimony. I just wanted to make that one point.

CHAIR PALTIN: Thank you. Okay, Members, any questions for the testifier? Seeing none. Thank you for your testimony. Staff, can you call the next testifier?

MR. KRUEGER: Chair, the last person we currently have signed up to testify is the individual logged in under the name Hawai'i Construction Alliance.

CHAIR PALTIN: Go ahead. If...if you want to say your name --

MS. MINN: Hi, I'm Malama Minn. Aloha, everyone.

CHAIR PALTIN: Aloha.

MS. MINN: Can you hear me?

CHAIR PALTIN: Yes.

MS. MINN: Hi. I'm Malama Minn, I'm the new Executive Director of the Hawai'i Construction Alliance. Aloha, Chair Paltin, and Vice-Chair U'u-Hodgins, and Members of the Committee. The Hawai'i Construction Alliance is comprised of the Hawai'i Regional Council of Carpenters, the Operative Plasterers and Cement Masons, the International Union of Bricklayers and Allied Craftworkers, the Laborers International Union of North America, and the Operating Engineers. You just heard from my counterpart there, Mr. Meatoga. And together, the member unions of the HCA represent over 15,000 working men and women in the basic crafts of Hawai'i's construction industry. The HCA supports the building of new construction, the building of new residential housing, especially in West Maui. We support the concept of the Pulelehua project. However, we do not support the use of nonunion contractors and labor for this, or any other project. The developers of the Pulelehua project are subject to the requirements of H.R.S. 104 in our opinion, and therefore, should be paying prevailing wage. It...it would be very tragic for Maui to have an affordable housing project built by laborers and...who cannot afford those houses. The prevailing wage is set in place to ensure a living wage and a middle class for Hawai'i. Allowing developers to skirt these requirements is not good for our community, it is not good for our economy, and it is not good for Hawai'i. So, we...we are of the opinion that they should be made to comply with H.R.S. 104 immediately, and have had many years to comply, and they are not...or they should be replaced with

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

a contractor who is already in compliance with the law. Thank you for the opportunity to testify.

CHAIR PALTIN: Thank you. Member Sinenci has a question for you, Ms. Minn.

COUNCILMEMBER SINENCI: Mahalo...mahalo, Ms. Minn, for your testimony. You mentioned a company that does have prevailing...that does do prevailing wages. Do you have any suggestions of those companies that would provide prevailing wages?

MS. MINN: There are several --

COUNCILMEMBER SINENCI: Contractors?

MS. MINN: -- signatory contractors on Maui that can do this work, and do do this work all the time. You know, we have Goodfellow there, we have Nan, Inc. We have several other contractors that do the same work as the existing contractors, but they are union signatories, and they pay prevailing wage and benefits. So, we would encourage the Council to explore this issue because it is important. And we also echo the comments that were made by the representatives from the Hawai'i Regional Council of Carpenters, as well as the Operating Engineers.

COUNCILMEMBER SINENCI: Okay. Mahalo, Ms. Minn. Thank you, Chair.

CHAIR PALTIN: Thank you. Members, any further clarifying comment...or, sorry, questions for the testifier? Seeing none. I had a question. You said that you don't support the developer, but you would support another developer that complied. My understanding is the developer is the landowner. So, how...how...how does that work?

MS. MINN: The landowner isn't actually doing the construction. The landowner hires contractors to do the construction. And we would encourage them to hire a contractor that is in compliance with Section 104, or that could be in compliance immediately.

CHAIR PALTIN: Okay. So, like, retroactively pay Alpha, you mean?

MS. MINN: Well, that's up to them. That's for them to sort out as to how they can become...come into compliance. If *(audio interference)* would like to request a --

CHAIR PALTIN: Oh --

MS. MINN: -- . . .*(inaudible)*. . . alliance and its member unions to discuss how they could become...how they could come into compliance, we're open to that.

CHAIR PALTIN: Sorry, it got a little garbled. Do you mind repeating?

MS. MINN: Sorry. Yeah, if...we would be open to having a meeting or some other kind of forum to discuss how they can be made to come into compliance. But we don't want to bother

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

the Council with that. I'm sorry, somebody is knocking on my door--because I'm getting kicked out of my office, it's 4:30. . . .*(laughing)*. . .

CHAIR PALTIN: Just clarifying. So, you're saying a meeting with the...oh, she's gone. . . . *(laughing)*. . . All right. I guess that's it for that. I did see Director Raatz pop up. Did you want us...or...oh, the DRIP Committee has that? Oh, okay. I see Ms. Minn again. I just wanted to --

MS. MINN: Sorry, I'm getting kicked out of my office just because it's 4:30.

CHAIR PALTIN: Okay. I just wanted to clarify. When you said you're open to a meeting, did you mean between the developer and you guys without us?

MS. MINN: We're open to suggestions. If you folks would want to be involved in that meeting, we can do that. But we...we...we would like to see this issue resolved immediately.

CHAIR PALTIN: Okay. So maybe have the developer contact you, and then you guys can resolve it immediately. Okay. All right. Cool. I see Mr. Raatz. I'm not sure...and then I saw the DRIP Committee with their hand up. Is there something pressing information that --

MR. RAATZ: Yes. Thank you, Chair. Staff would suggest this would be a good time to consider recessing this meeting --

CHAIR PALTIN: Oh, okay.

MR. RAATZ: -- to another date, please?

CHAIR PALTIN: Okay. Members, is that okay with you guys, to recess to the next regularly scheduled Committee meeting? We would need a waiver of our Council Rules...or we can recess to a date 14 days from now, which wouldn't require a waiver, but it's not a standard Committee week. So, I'm open to either. The next Committee meeting I have, I think, is still yet before the next Council meeting; is that correct, Staff?

MR. PASCUAL: Chair, the next regularly scheduled DRIP meeting would be on November 20th, Wednesday, at 1:30 p.m.

CHAIR PALTIN: And the next Council meeting is the 22nd; is that correct?

MR. PASCUAL: It is actually on November 15th.

CHAIR PALTIN: Oh, okay. Okay, Members, what is your preference? Is it okay to recess to November 20th, or did you want to come back sooner than that?

COUNCILMEMBER KAMA: I have no objections, Chair.

CHAIR PALTIN: To November 20th?

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

COUNCILMEMBER KAMA: To November 20th, yeah.

CHAIR PALTIN: Is...is everyone okay --

COUNCILMEMBER COOK: I have no objections.

CHAIR PALTIN: -- with November -- oh, Committee Vice-Chair U'u-Hodgins?

VICE-CHAIR U'U-HODGINS: Thank you. Do you know when Planning Commission is planning on hearing this?

CHAIR PALTIN: No, I do not know. But they, by Code, have 60 days. That's usually not enforced, but they have 120 days to come back to us. Is the...oh, I see Mr. Dias.

MR. DIAS: Thank you, Chair. Good afternoon, Councilmembers. Right now...so, there's only three more Planning Commission meetings for the rest of the year. It's...it's...you know, it's too late to schedule it for the next meeting. So, we're basically down to, I think, November 26th and December 10th. So, we're going to try and schedule this on December 10th.

CHAIR PALTIN: December 10th?

MR. DIAS: Yeah.

CHAIR PALTIN: Oh, okay. December 10th, Members, is the tentative Planning Commission date.

VICE-CHAIR U'U-HODGINS: Okay. Then, if that's the case, I'm okay with the 20th of November in your next DRIP meeting.

CHAIR PALTIN: Okay. So, I think we'll need to waive Council Rules because our own Council Rules says that we can recess a meeting for two weeks, and that is just shy of two weeks, unless a Monday wants to switch or something. And that might be...wait, what is today, the 30th? No, that's still not going to work, I don't think. So...

COUNCILMEMBER KAMA: So, move to waive Council Rules, Chair.

VICE-CHAIR U'U-HODGINS: . . .*(raising her hand to second the motion)*. . .

CHAIR PALTIN: Okay, cool. So, it's been moved to waive Council Rules by Member Kama, and seconded by Member U'u-Hodgins. And so, we will recess to November 20th. And location...Jarret, do we have a location?

MR. PASCUAL: Chair, we have confirmed the Kalana Pakui Conference Room, the Planning Conference Room.

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

CHAIR PALTIN: Okay. So, we'll recess this meeting to the regularly scheduled meeting of November 20th at 1:30 at the Planning Conference Room. And Members, we're keeping testimony open until we reconvene. Is that all right with everyone?

MR. PASCUAL: And Chair, this will be using the same Teams meeting link.

CHAIR PALTIN: We'll be using the same Teams meeting link for the recessed meeting of November 20th. Chair Lee, you had a question?

COUNCILMEMBER LEE: Yeah, I think you need six votes.

CHAIR PALTIN: Oh, six votes, okay.

COUNCILMEMBER LEE: Can you check...can you check with David?

MR. PASCUAL: Chair, I believe we would need two-thirds vote.

COUNCILMEMBER LEE: Yeah, so six --

CHAIR PALTIN: Of the Committee?

MR. PASCUAL: Correct.

COUNCILMEMBER LEE: You only got five here.

CHAIR PALTIN: I'm a seven-Member Committee. Would it be five of the Committee?

COUNCILMEMBER LEE: No, it's six vote...it's six votes. Yeah.

CHAIR PALTIN: One, two, three, four, five...oh, did Member --

COUNCILMEMBER KAMA: The seven --

CHAIR PALTIN: Oh, we see Mr. Raatz.

MR. RAATZ: Yeah, thank you, Chair. Sorry for the confusion. It would be two-thirds of the voting Members to which the Committee is entitled --

COUNCILMEMBER LEE: Oh.

COUNCILMEMBER KAMA: So, it's seven. Seven.

MR. RAATZ: So...so five out of seven would get --

COUNCILMEMBER LEE: Five.

MR. RAATZ: -- the job done for you.

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

COUNCILMEMBER LEE: Okay.

CHAIR PALTIN: Okay. Are we ready to vote? Do we need to state which Rule it is we're waiving, Mr. Raatz?

MR. RAATZ: No. And technically, it's suspension. So, you can just say suspending the Rules for purposes of the recess that you just announced. Thank you.

CHAIR PALTIN: What he said. All those in favor, raise your hand and say "aye."

COUNCILMEMBERS: Aye.

CHAIR PALTIN: I have five "ayes," two excused, and one nonvoter.

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

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmembers Rawlins-Fernandez and Sugimura.

MOTION CARRIED.

ACTION: APPROVE

CHAIR PALTIN: This meeting will be in recess until November 20th, 1:30, same Teams link, into the Planning Conference Room because we don't have the Chambers back until November 25th.

UNIDENTIFIED SPEAKER: Chair?

CHAIR PALTIN: Any parting remarks? I'll be going to the Wednesday night community meeting. For anyone who's watching, the location has changed. We're no longer at the Civic, neither the gymnasium or the social hall, we're at Lahaina Intermediate School cafeteria. Okay. Thanks, guys.

COUNCILMEMBER COOK: Thank you, Chair. Bye, all.

CHAIR PALTIN: Oh, and Happy Halloween, everyone.

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

COUNCILMEMBER LEE: Oh, yeah, that's right.

CHAIR PALTIN: This meeting is adjourned.

MR. PASCUAL: Chair, I think this is in recess.

COUNCILMEMBER KAMA: Recess.

CHAIR PALTIN: Oh, shoot. I meant this meeting is in recess. . . .*(gavel)*. . .

RECESS: 4:39 p.m.

APPROVED:



TAMARA PALTIN, Chair
Disaster, Resilience, International Affairs,
and Planning Committee

drip:min:241030min:kr

Transcribed by: Kaliko Reed

DISASTER, RESILIENCE, INTERNATIONAL AFFAIRS, AND PLANNING COMMITTEE MINUTES
Council of the County of Maui

October 30, 2024

CERTIFICATION

I, Kaliko Reed, hereby certify that pages 1 through 51 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 December 2024, in Wailuku, Hawai'i



Kaliko Reed