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Mayor

**MOANA M. LUTEY**  
Corporation Counsel

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**DEPARTMENT OF THE CORPORATION COUNSEL  
COUNTY OF MAUI**

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August 25, 2021

**MEMO TO:** Mike Molina, Chair  
Government Relations, Ethics, And Transparency Committee  
(GREAT)

**FROM:** Moana M. Lutey, Corporation Counsel 

**SUBJECT:** Litigation Matters – Settlement of Claims by Gulsons, LLC

Pursuant to Section 3.16.020B of the Maui County Code, our department hereby requests authorization to discuss settlement of the aforementioned claim. It is anticipated that an executive session may be necessary to discuss questions and issues pertaining to the powers, duties, privileges, immunities, and liabilities of the County, the Council, and the Committee. We would respectfully request that this matter be heard at the earliest scheduled Government Relations, Ethics, And Transparency Committee meeting. This matter is not time sensitive.

The proposed Resolution is enclosed. We request that a representative from Finance be in attendance during discussion of this matter. If you have any questions, or concerns, please do not hesitate to contact me.

cc: Scott Teruya, Director Department of Finance  
Enclosure

LF Risk 2016-0640

# Resolution

No. \_\_\_\_\_

## AUTHORIZING SETTLEMENT OF CLAIM BY GULSONS, LLC

WHEREAS, Gulsons, LLC, a limited liability company submitted a demand letter on May 11, 2021 the County of Maui for rent, alleged to be owed pursuant to the Lease for premises identified as Suites 102 and 400 at 35 Lunalilo Street, Wailuku, Maui, Hawaii (the "Premises") vacated by the County of Maui on, November 30, 2018; and

WHEREAS, the County of Maui vacated the Premises due to concerns over employee health and building maintenance issues; and

WHEREAS, the Lease between Gulsons, LLC, and the County of Maui was scheduled to terminate on June 30, 2021; and

WHEREAS, Gulsons, LLC, alleges that the County of Maui improperly vacated the Premises and is obligated to pay rent for the entire lease period; and

WHEREAS, the County of Maui, to avoid incurring additional expenses and the uncertainty of a judicial determination of the parties' respective rights and liabilities, will attempt to reach a resolution of this matter by way of a negotiated settlement; and

WHEREAS, the Department of the Corporation Counsel has requested authority to settle this case under the terms in an executive meeting before the Government Relations, Ethics, and Transparency Committee; and

WHEREAS, having reviewed the facts and circumstances regarding this case and being advised of attempts to reach resolution of this case by way of a negotiated settlement by the Department of the Corporation Counsel, the Council wishes to authorize the settlement; now, therefore,

BE IT RESOLVED by the Council of the County of Maui:

1. That it approves settlement of this matter under the terms discussed in an executive meeting before its Government Relations, Ethics, and Transparency Committee;

2. That it authorizes the Mayor to execute a Release and Settlement Agreement on behalf of the County in this case, under terms and conditions as may be imposed by the Corporation Counsel consistent with the Council's settlement approval;

**Resolution No. \_\_\_\_\_**

3. That it authorizes the Director of Finance of the County of Maui to satisfy settlement of this case, under terms and conditions as may be imposed by the Corporation Counsel consistent with the Council's settlement approval; and

4. That certified copies of this Resolution be transmitted to the Mayor, the Director of Finance, and the Corporation Counsel.

APPROVED AS TO FORM AND  
LEGALITY

A handwritten signature in black ink, appearing to read 'M. Lutey', is written over a horizontal line.

MOANA M. LUTEY  
Corporation Counsel  
Department of the Corporation Counsel  
County of Maui