

January 31, 2020

MEMO TO: EDB-40 File

A handwritten signature in black ink, reading "Keani Rawlins-Fernandez".

F R O M: Keani N.W. Rawlins-Fernandez, Chair
Economic Development and Budget Committee

SUBJECT: **COUNTYWIDE CULTURAL AND EDUCATION GRANT FUNDING**
(EDB-40/ PAF 20-056)

The attached legislative proposal pertains to Item 40 on the Committee's agenda.

paf:ljam:20-056b

Attachment

Resolution

No. _____

AUTHORIZING THE ECONOMIC
DEVELOPMENT AND BUDGET COMMITTEE TO
CONDUCT A FORMAL INVESTIGATION OF THE
USE OF THE FUNDS GRANTED TO THE KAUPU
COMMUNITY ASSOCIATION FOR THE
CONSTRUCTION OF INFRASTRUCTURE
IMPROVEMENTS AT THE OLD KAUPU SCHOOL
PROPERTY

WHEREAS, Section 3-6(3) of the Revised Charter of the County of Maui, as amended ("Charter"), authorizes the Council to investigate the operation of any department or function of the County, and any subject that the Council may legislate on; and

WHEREAS, as part of its investigation, the Council or Council committee is authorized by Section 78-9, Hawaii Revised Statutes, to compel persons elected to or appointed or employed in County government to testify regarding the government, property, or affairs of the County; and

WHEREAS, the Council is concerned that funds granted under the Fiscal Year 2019 Budget for construction of infrastructure improvements at the Old Kaupu School property were instead used for demolition and reconstruction; and

WHEREAS, Exhibit "A" includes the following documents that provide information on the use of funding for construction of infrastructure improvements:

- Economic Development and Budget Committee agenda for meeting of June 20, 2019;
- Economic Development and Budget Committee Report 19-65;
- County Communication 18-349; and
- a newspaper article, dated January 18, 2020, entitled "Kaupu School demolished during restoration project"; and

WHEREAS, the Council finds that, as the legislative body of the County, it is the Council's duty to ensure that funds authorized are in accordance with appropriations duly made and under such procedures and policies as established by ordinance; and

Resolution No. _____

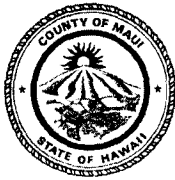
WHEREAS, the Council finds that to ensure the Council is fully informed of the relevant facts and circumstances, a formal investigation is required; now, therefore,

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

1. That it authorizes its Economic Development and Budget Committee to conduct a formal investigation of the use of funds granted to the Kaupo Community Association for the construction of infrastructure improvements at the Old Kaupo School property;
2. That upon lawful notice or process, the Committee may summon any person elected, appointed, or employed in the County who is necessary to complete the formal investigation;
3. That a formal investigation may be conducted on the use of Fiscal Year 2019 appropriation for construction of infrastructure improvements at the Old Kaupo School property; and
4. That certified copies of this resolution be transmitted to the Mayor, the Planning Director, and the Kaupo Community Association.

APPROVED AS TO FORM AND LEGALITY

Department of the Corporation Counsel
County of Maui



PUBLIC MEETING NOTICE

COUNCIL OF THE COUNTY OF MAUI

www.MauiCounty.us/EDB

Committee Chair
Keani N.W.
Rawlins-Fernandez

Committee
Vice-Chair
Kelly T. King

Voting Members:
Riki Hokama
Tasha Kama
Alice L. Lee
Michael J. Molina
Tamara Paltin
Shane M. Sinenci
Yuki Lei K. Sugimura

ECONOMIC DEVELOPMENT AND BUDGET COMMITTEE

Thursday, June 20, 2019

9:00 a.m.

MEETING SITE:

Council Chamber
Kalana O Maui Building, 8th Floor
200 South High Street
Wailuku, Hawaii

AGENDA

PROPOSED FISCAL YEAR 2020 BUDGET FOR THE COUNTY OF MAUI (EDB-1)

Description: The Committee is in receipt of County Communication 19-191, from the Director of Finance, transmitting the Fiscal Year 2020 certification of net taxable real property valuation for the County, in accordance with Sections 3.48.135 and 3.48.580, Maui County Code.

Status: The Committee may consider whether to recommend the filing of County Communication 19-191 and other related action.

[County Communication 19-191.pdf](#)

AFFORDABLE HOUSING FUND PROGRAM ANNUAL PLAN (FISCAL YEAR 2019 (JULY 1, 2018 TO JUNE 30, 2019)) (EDB-13(1))

Description: The Committee is in receipt of County Communication 19-117, from the Budget Director, transmitting the following:

- 1.A proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING APPENDIX A OF THE FISCAL YEAR 2019 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO PART II, SPECIAL PURPOSE REVENUES - SCHEDULE OF REVOLVING/SPECIAL FUNDS FOR FISCAL YEAR 2019, AFFORDABLE HOUSING FUND (HALE MAHAOLU EWALU PHASE II)." The purpose of the proposed bill is to amend Appendix A, Part II, Special Purpose Revenues - Schedule of Revolving/Special Funds, Fiscal Year 2019 Budget,

MORE →

EXHIBIT "A"

Affordable Housing Fund, by adding a proviso for \$850,000 for the Hale Mahaolu Ewalu Phase II project.

- 2.A proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING APPENDIX A OF THE FISCAL YEAR 2019 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO PART II, SPECIAL PURPOSE REVENUES - SCHEDULE OF REVOLVING/SPECIAL FUNDS FOR FISCAL YEAR 2019, AFFORDABLE HOUSING FUND (KA HALE A KE OLA, WESTSIDE STAIRCASE)." The purpose of the proposed bill is to amend Appendix A, Part II, Special Purpose Revenues - Schedule of Revolving/Special Funds, Fiscal Year 2019 Budget, Affordable Housing Fund, by adding a proviso for \$442,040 for the Ka Hale A Ke Ola, Westside Staircase project.
- 3.A proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING APPENDIX A OF THE FISCAL YEAR 2019 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO PART II, SPECIAL PURPOSE REVENUES - SCHEDULE OF REVOLVING/SPECIAL FUNDS FOR FISCAL YEAR 2019, AFFORDABLE HOUSING FUND (KA HALE A KE OLA, RENEWAL PROJECT PHASE III BUILDING 7)." The purpose of the proposed bill is to amend Appendix A, Part II, Special Purpose Revenues - Schedule of Revolving/Special Funds, Fiscal Year 2019 Budget, Affordable Housing Fund, by adding a proviso for \$199,213 for the Ka Hale A Ke Ola, Renewal Project Phase III Building 7.

Status: The Committee may consider whether to recommend the filing of County Communication 19-117 and other related action.

County Communication 19-117.pdf

AMENDING THE FISCAL YEAR 2019 BUDGET: OFFICE OF THE MAYOR (KAUPO COMMUNITY ASSOCIATION, INC.) (EDB-175)

Description: The Committee is in receipt of County Communication 18-349, from the Budget Director, transmitting the following:

1. A proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2019 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES; OFFICE OF THE MAYOR, ECONOMIC DEVELOPMENT PROGRAM; TOTAL OPERATING APPROPRIATIONS; AND TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)." The purpose of the proposed bill is to amend the Fiscal Year 2019 Budget by 1) increasing Carryover/Savings from the General Fund by \$475,000; 2) amending Section 3.B.9.c.(3), Office of the Mayor, Economic Development Program, Grants and disbursements for culture, arts, and tourism, by adding an appropriation for the Kaupo Community Association, Inc. under Category B (Operations) in the amount of \$475,000 for the construction of infrastructure improvements

MORE →

COUNCIL OF THE COUNTY OF MAUI
ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE

July 5, 2019

Committee
Report No. 19-65

Honorable Chair and Members
of the County Council
County of Maui
Wailuku, Maui, Hawaii

Chair and Members:

Your Economic Development and Budget Committee, having met on May 16, 2019, and June 20 2019, makes reference to County Communication 18-349, from the Budget Director, transmitting the following:

1. A proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2019 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES; OFFICE OF THE MAYOR; ECONOMIC DEVELOPMENT PROGRAM; TOTAL OPERATING APPROPRIATIONS; AND TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)."

The purpose of the proposed bill is to amend the Fiscal Year ("FY") 2019 Budget by 1) increasing Carryover/Savings from the General Fund by \$475,000; 2) amend Section 3.B.9.c.(3), Office of the Mayor, Economic Development Program, Grants and disbursements for culture, arts, and tourism, by adding an appropriation for the Kaupo Community Association, Inc. under Category B (Operations) in the amount of \$475,000 for the construction of infrastructure improvements at the old Kaupo School property; and 3) adjusting the totals accordingly.

2. A Certification of Additional Revenues for FY 2019, dated September 28, 2018, for \$475,000 in Carryover/Savings from the General Fund.

COUNCIL OF THE COUNTY OF MAUI
**ECONOMIC DEVELOPMENT AND
BUDGET COMMITTEE**

Page 2

Committee
Report No. 19-65

Your Committee noted the appropriation has been incorporated into the FY 2020 budget.

Your Committee voted 8-0 to recommend filing of the communication. Committee Chair Rawlins-Fernandez, Vice-Chair King, and members Kama, Lee, Molina, Paltin, Sinenci, and Sugimura voted "aye." Committee member Hokama was excused.

Your Economic Development and Budget Committee RECOMMENDS that County Communication 18-349 be FILED.

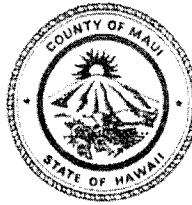
This report is submitted in accordance with Rule 8 of the Rules of the Council.



KEANI N.W. RAWLINS-FERNANDEZ, Chair

edb:cr:19175aa:jmr

ALAN M. ARAKAWA
MAYOR



RECEIVED
KEITH A. REGAN
MANAGING DIRECTOR

2018 SEP 28 AM 9:50

OFFICE OF THE MAYOR

Ke'ena O Ka Meia
COUNTY OF MAUI - Kalana O Maui

OFFICE OF THE
COUNTY CLERK
REFERENCE NO. BD-BA 19-33

September 28, 2018

Honorable Alan Arakawa
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

For Transmittal to:

Honorable Michael White, Chair
and Members of the Maui County Council
200 South High Street
Wailuku, Hawaii 96793

Alan Arakawa 9/28/18
Mayor

Dear Chair White:

SUBJECT: AMENDMENT TO THE FISCAL YEAR 2019 BUDGET

On behalf of the Office of the Mayor, I am transmitting the attached proposed bill for the purpose of amending the Fiscal Year 2019 Budget by adding a \$475,000 grant appropriation to Kaupo Community Association, Inc. for the construction of infrastructure improvements at the old Kaupo School property.

A grant appropriation to the Kaupo Community Association was included in Mayor Arakawa's FY 2019 proposed budget, but was removed by Council due to site control issues. These issues have since been resolved. A description of the project has been provided by the association as is attached for your review.

Also attached is a Certification of Additional Revenues for Fiscal Year 2019 certifying the availability of General Fund carryover/savings to fund this request.

Thank you for your attention in this matter. Should you have any questions, please feel free to contact me at ext. 7212.

Sincerely,

Sananda K. BAZ
SANANDA K. BAZ
Budget Director

Attachments (3)

cc: Keith Regan, Managing Director
Mark Walker, Director of Finance
Teena Rasmussen, Economic Development Coordinator

COUNTY COMMUNICATION NO. 18-349

ORDINANCE NO. _____

BILL NO. _____ (2018)

A BILL FOR AN ORDINANCE AMENDING
THE FISCAL YEAR 2019 BUDGET FOR THE COUNTY OF MAUI
AS IT PERTAINS TO ESTIMATED REVENUES;
OFFICE OF THE MAYOR,
ECONOMIC DEVELOPMENT PROGRAM;
TOTAL OPERATING APPROPRIATIONS; AND
TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)

BE IT ORDAINED BY THE PEOPLE OF THE COUNTY OF MAUI:

SECTION 1. Ordinance No. 4861, Bill No. 57 (2018), as amended, "Fiscal Year 2019 Budget", is hereby amended as it pertains to Section 2, Estimated Revenues, by increasing Carryover/Savings from the General Fund in the amount of \$475,000; and by increasing Total Estimated Revenues in the amount of \$475,000, to read as follows:

"ESTIMATED REVENUES

FROM TAXES, FEES AND ASSESSMENTS:

Real Property Taxes	321,907,576
Circuit Breaker Adjustment	(421,854)
Charges for Current Services	149,631,691
Transient Accommodations Tax	23,484,000
Public Service Company Tax	7,500,000
Licenses/Permits/Others	39,500,999
Fuel and Franchise Taxes	24,311,000
Special Assessments	7,602,000
Other Intergovernmental	18,425,000

FROM OTHER SOURCES:

Interfund Transfers	38,485,216
Bond/Lapsed Bond	71,755,000
Carryover/Savings:	
General Fund	[19,654,424] <u>20,129,424</u>
Sewer Fund	4,241,008
Highway Fund	10,318,711
Solid Waste Management Fund	3,135,751
Golf Fund	419,510
Liquor Fund	945,163
Bikeway Fund	11,733
Water Fund	<u>17,385,400</u>

TOTAL ESTIMATED REVENUES	[758,292,328] <u>758,767,328"</u>
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SECTION 2. Fiscal Year 2019 Budget is hereby amended as it pertains to Section 3.B.9.c.(3), Office of the Mayor, Economic Development Program, Grants and disbursements for culture, arts, and tourism by adding a B – Operation and Total appropriation for a grant to Kaupo Community Association, Inc., in the amount of \$475,000, to read as follows:

	<u>A - Salaries</u>	<u>B - Operations</u>	<u>C - Equipment</u>	<u>Total</u>
"9. Office of the Mayor				
a. Administration Program	1,328,445	149,640	9,945	1,488,030
(1) Provided, that disbursement for salaries and premium pay is not restricted by Section 5.				
(2) Provided, that \$664,223 from Category A shall be reserved for expenditure until after 12:00 noon on January 2, 2019. Further, provided, that funds available for the period of July 1, 2018 through 12:00 noon on January 2, 2019 shall not be used to pay for any increases in salary over the amounts per position, established on July 1, 2018, as presented in the FY 2019 budget.				
(3) Provided, that \$74,820 from Category B shall be reserved for expenditure until after 12:00 noon on January 2, 2019.				
(4) Grant to Akaku: Maui Community Television	0	80,000	0	80,000
b. Budget Program	395,497	29,137	5,055	429,689
(1) Provided, that disbursement for salaries and premium pay is not restricted by Section 5.				
(2) Provided, that \$201,307 from Category A shall be reserved for expenditure until after 12:00 noon on January 2, 2019. Further, provided, that funds available for the period of July 1, 2018 through 12:00 noon on January 2, 2019 shall not be used to pay for any increases in salary over the amounts per position, established on July 1, 2018, as presented in the FY 2019 budget.				

	<u>A - Salaries</u>	<u>B - Operations</u>	<u>C - Equipment</u>	<u>Total</u>
(3) Provided, that \$14,568 from Category B shall be reserved for expenditure until after 12:00 noon on January 2, 2019.				
c. Economic Development Program				
(1) General	804,738	352,137	4,921	1,161,796
(i) Provided, that disbursement for salaries and premium pay is not restricted by Section 5.				
(ii) Provided, that \$402,369 from Category A shall be reserved for expenditure until after 12:00 noon on January 2, 2019. Further, provided, that the funds available for the period of July 1, 2018 through 12:00 noon on January 2, 2019 shall not be used to pay for any increases in salary over the amounts per position, established on July 1, 2018, as presented in the FY 2019 budget.				
(iii) Provided, that \$176,068 from Category B shall be reserved for expenditure until after 12:00 noon on January 2, 2019.				
(2) Grants and disbursements for business development and technology				
(i) Business Research Library	0	70,000	0	70,000
(ii) Wailuku Economic Development and Cultural Programs	0	140,000	0	140,000
(1) Provided, that \$25,000 shall be for Aloha First to produce the Maui Makahiki Festival.				
(2) Provided, that \$25,000 shall be for the Maui Historical Society for the Hula and Oli Festival.				

	<u>A - Salaries</u>	<u>B - Operations</u>	<u>C - Equipment</u>	<u>Total</u>
(3) Provided, that \$25,000 shall be for the Living Pono Project for the Canoe Crop Festival.				
(4) Provided, that \$20,000 shall be for HINA Organic for a natural farming symposium.				
(5) Provided, that \$25,000 shall be for First Friday Events.				
(6) Provided, that \$10,000 shall be for Waimoku for the restoration of `auwai (mauka to makai) on the northern side of Waihe`e Valley.				
(7) Provided, that \$10,000 shall be for marketing town party events.				
(iii) Kahului Economic Development and Cultural Programs	0	140,000	0	140,000
(1) Provided, that \$50,000 shall be for Maui Economic Development Board, Inc. for the Maui County Healthcare Partnership Mentoring/Career Awareness Pilot Program.				
(2) Provided, that \$20,000 shall be for the Barrio Fiesta.				
(3) Provided, that \$30,000 shall be for the Maui Fil-Am Foundation for heritage festivals.				
(iv) East Maui Economic Development and Cultural Programs	0	140,000	0	140,000
(v) Friends of Old Maui High School	0	65,000	0	65,000

	<u>A - Salaries</u>	<u>B - Operations</u>	<u>C - Equipment</u>	<u>Total</u>
(vi) Haiku-Paia-Makawao Economic Development and Cultural Programs	0	140,000	0	140,000
(vii) Pukalani-Kula-Ulupalakua Economic Development and Cultural Programs	0	140,000	0	140,000
(viii) Ka Ipu Kukui Fellows Leadership (1) Provided, that funds shall be made available to encourage participation from Molokai and Lanai.	0	25,000	0	25,000
(ix) Lanai Economic Development and Cultural Programs (1) Provided, that \$25,000 shall be for the expansion of the Hui O Wa`a Kaulua program to include Lanai.	0	130,000	0	130,000
(x) Made in Maui County Festival	0	100,000	0	100,000
(xi) Ma Ka Hana Ka Ike, Inc.	0	95,000	0	95,000
(xii) Maui Economic Development Board, Inc. (1) Provided, that \$25,000 shall be for science and technology programs for Molokai Schools.	0	810,000	0	810,000
(xiii) Maui Economic Development Board, Inc., for Maui High School Program Model (1) Provided, that the program model is available to all Maui County High Schools.	0	45,000	0	45,000
(xiv) Maui Economic Opportunity, Inc., for Microenterprise Program (1) Provided, that funds shall be made available to provide a full-time position for a Molokai Loan Manager.	0	265,000	0	265,000

	<u>A - Salaries</u>	<u>B - Operations</u>	<u>C - Equipment</u>	<u>Total</u>
(xv) Molokai Economic Development and Cultural Programs (1) Provided, that disbursements shall include, but not limited to, Molokai Ka Hula Piko, Ka Molokai Makahiki, Kulaia Canoe Festivals, Joy to the World Electric Parade, and Molokai 4-H Program.	0	140,000	0	140,000
(xvi) Small Business Promotion	0	50,000	0	50,000
(xvii) South Maui Economic Development and Cultural Programs (1) Provided, that \$25,000 shall be for the Whale Day Festival and Parade. (2) Provided, that \$25,000 shall be for Fourth Friday events in Kihei.	0	140,000	0	140,000
(xviii) West Maui Economic Development and Cultural Programs	0	140,000	0	140,000
(3) Grants and disbursements for culture, arts, and tourism				
(i) Ka 'Ohana O Kalaupapa	0	25,000	0	25,000
(ii) Festivals of Aloha	0	100,000	0	100,000
(iii) Lahaina Boat Day	0	25,000	0	25,000
(iv) Maui Arts & Cultural Center	0	318,000	0	318,000
(v) Maui Arts & Cultural Center, for Capital	0	600,000	0	600,000
(vi) Maui Arts & Cultural Center for Arts in Education and Innovative Programs	0	424,360	0	424,360

	<u>A - Salaries</u>	<u>B - Operations</u>	<u>C - Equipment</u>	<u>Total</u>
(vii) Maui Community Theater	0	53,045	0	53,045
(viii) Maui Film Festival	0	25,000	0	25,000
(ix) Sister City Foundation	0	15,000	0	15,000
(x) Queen Keopuolani Celebration	0	75,000	0	75,000
(xi) <u>Kaupo Community Association, Inc.</u>	<u>0</u>	<u>475,000</u>	<u>0</u>	<u>475,000</u>
(4) Grants and disbursements for Visitors Industry				
(i) Maui County Visitor Association				
(1) Provided, that \$300,000 shall be used for having Maui Nui halau, entertaining musicians, and artists to be ambassadors of Aloha, spreading the Hawaiian culture in the form of hula, music, language, and other arts on behalf of Maui County.	0	4,000,000	0	4,000,000
(ii) Grants and Disbursements for Visitor Education				
(1) Provided, that funds shall be used in campaigns targeted at visitors that will mitigate visitor impacts on infrastructure and the environment. Topics may include, but are not limited to: sunscreen and reef health; safety in and around the ocean and on hiking trails; impacts of illegal short-term rentals on residential housing; identifying illegal vacation rentals; and learning to be respectful guests to culture and the environment.	0	200,000	0	200,000
(5) Grants and Disbursements for Agricultural Promotion	0	250,000	0	250,000
(i) Agricultural Promotion				
(1) Provided, that \$115,000 shall be for the Hawaii				

	<u>A - Salaries</u>	<u>B - Operations</u>	<u>C - Equipment</u>	<u>Total</u>
Farmers Union United, Maui Chapter, Farm Apprentice Mentoring Program.				
(2) Provided, that \$25,000 shall be for the Maui School Garden Network to install school gardens.				
(3) Provided, that \$10,000 shall be for the Molokai Livestock Cooperative.				
(4) Provided, that \$75,000 shall be for the University of Hawaii, College of Tropical Agriculture and Human Resources (CTAHR).				
(ii) Maui County Farm Bureau	0	305,000	0	305,000
(iii) Maui Nui Botanical Gardens, Inc.	0	150,000	0	150,000
(iv) 4-H Upcountry Fair	0	35,000	0	35,000
(v) Molokai and Lanai Agriculture Production	0	100,000	0	100,000
(6) Grants and Disbursements for Water and Environmental Resource Protection and Conservation				
(i) Environmental Protection	0	1,416,000	0	1,416,000
(ii) Maui Soil/Water Conservation District	0	148,000	0	148,000
(iii) Soil/Water Conservation Districts – Molokai and Lanai	0	30,000	0	30,000
(iv) Coqui Frog Eradication Project	0	750,000	0	750,000
(7) Grants and Disbursements for Renewable Energy Program.	0	150,000	0	150,000"

SECTION 3. Fiscal Year 2019 Budget is hereby amended as it pertains to the Total Operating Appropriations to reflect a B – Operations and Total increase of \$475,000, to read as follows:

"TOTAL OPERATING APPROPRIATIONS	189,535,671	[399,614,379]	9,919,486	[599,069,536]
		<u>400,089,379</u>		<u>599,544,536"</u>


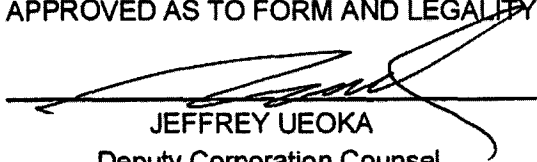
SECTION 4. Fiscal Year 2019 Budget is hereby amended as it pertains to the Total Appropriations (Operating and Capital Improvement Projects) to reflect an increase of \$475,000, to read as follows:

"TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)		[758,292,328]	<u>758,767,328"</u>
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SECTION 5. Material to be repealed is bracketed. New material is underscored.

SECTION 6. This Ordinance shall take effect upon its approval.

APPROVED AS TO FORM AND LEGALITY:

 
JEFFREY UEOKA
Deputy Corporation Counsel

The Kaupo Community Association, Inc. September 2018

Re: Infrastructure for Kaupo School Restoration; Project Description

Kaupo District of Southeast Maui is isolated, and the single road through the area is subject to regular closures due to rain events, fires and rockfalls. There are no public facilities to cater to community needs, or to shelter the thousands of visitors who tour the district daily and are often stranded between flowing rivers.

Kaupo Community Association, Inc. has a lease for the old Kaupo School property in the center of Kaupo, which ceased being a public school in the 1960's, and contains two historic 1923 buildings that are unsafe and in disrepair. Restoration carpentry work and materials for the two school buildings is being paid for by a Hawaii State Grant in Aid for \$975,000, along with \$70,000 from the Freeman Foundation through Historic Hawaii Foundation. These funds have been released, and permits are in process of being issued. A 2016 grant of \$30,000 from the Maui County Office of Economic Development, along with private donations and in-kind services has covered planning, building & septic system design and soft costs, which is complete.

This request is for Infrastructure rehabilitation; for a conforming septic system, water storage and purification, PV power, pads and accessible walkways. Two ancient cesspools will be replaced with a permitted commercial septic system.

The Kaupo area has no utility electrical service. These funds will design, provide, install and permit a photovoltaic, stand-alone power system to generate, store, control, and distribute firm electrical power throughout the property. The PV panels will be shed roof mounted on top of two secure 20' storage shipping containers, one of which has been purchased by 2016 Maui County OED funding, and one will be purchased with these funds. These will provide a secure storage and a mounting location for the power system components, landscape and building maintenance equipment, and disaster mitigation supplies.

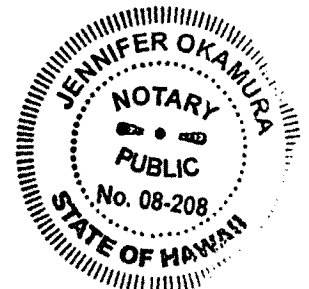
The water system in Kaupo, which services the Ranch and a small number of residences, is a unique non-potable hybrid system operated by Kaupo Ranch LLC. It is limited in size and non-expandable, due to non-compliance with EPA requirements for domestic systems. Most of the resident families do not have any water meters or access to safe drinking water. Kaupo Community Association, Inc. has a 5/8" water meter on this system located at the school property, which is not potable or safe for domestic use.

OED funds will be utilized to transport water from the existing 5/8" meter and from roof rain-catchment to two new 15,000 gallon lined, covered galvanized water storage tanks. This system will include adequate fire-flow reserve and standpipe for fire requirements. There will also be a small pressure tank and demand pump for rain-catchment water, a filtration bank of canister filters down to 1 micron, and ultraviolet contactor treatment to provide limited quantities of safe drinking water which is currently not available anywhere in the Kaupo district. Mahalo!

Kaupo School Building Restoration and Infrastructure Project Funding Requirements

	fy2019 Maui County	State Of Hawaii	Historic Hawaii	Maui County 2016	Private Grants	
Description of Proposed Activities	Funds Requested	GIA Released	Released	OED Finalled	Received	Total
Archeological Assessment & Monitoring	\$5,000					\$5,000
Insurance, Bookkeeping					\$8,000	\$8,000
Architectural, Planning, Engineering	\$20,000			\$20,000	\$14,000	\$54,000
Construction Document & Bid Preparation	\$5,000	\$30,000				\$35,000
Surveying				\$2,000		\$2,000
Permitting	\$5,000	\$12,000				\$17,000
Landscaping	\$5,000					\$5,000
Rehabilitation of Classroom & Teachers' Cottage		\$913,000				\$913,000
Concrete pad & accessible walkways	\$20,000					\$20,000
Project/Const/Grant Management	\$10,000	\$20,000				\$30,000
Septic System Engineering Design & Permits				\$2,500		\$2,500
Septic System Construction	\$85,000					\$85,000
Septic, Water & Power Lines & Trenching	\$15,000					\$15,000
Water Tanks, Pumps, Filtration, UV Contactor	\$120,000					\$120,000
Power, PV, Inverters, Batteries, Controls	\$135,000					\$135,000
2 Storage Containers for Tools, PV	\$5,500			\$5,500		\$11,000
Shed Roof over Containers/PV panel Support	\$45,000					\$45,000
Kaupo School Historic/Cultural Study					\$8,000	\$8,000
Replacement Windows & Doors			\$70,000			\$70,000
Project Cash Total	\$475,500	\$975,000	\$70,000	\$30,000	\$30,000	\$1,680,500





The Maui News

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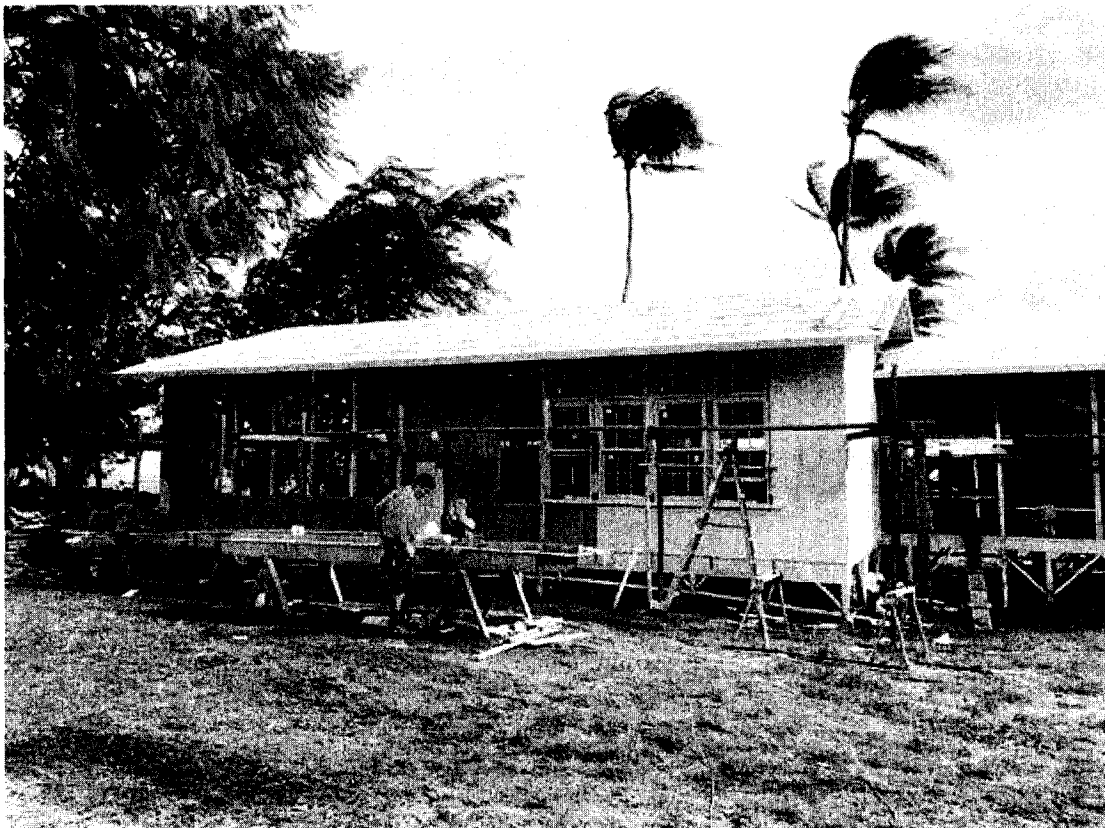
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BREAKING NEWS

First images released from Inouye Solar Telescope

Kaupo School demolished during restoration project

Contractors say old Kaupo School was too far gone
to fix



The old Kaupo School building is being rebuilt with new materials in this photo taken Tuesday. Photos courtesy of Jonathan Starr

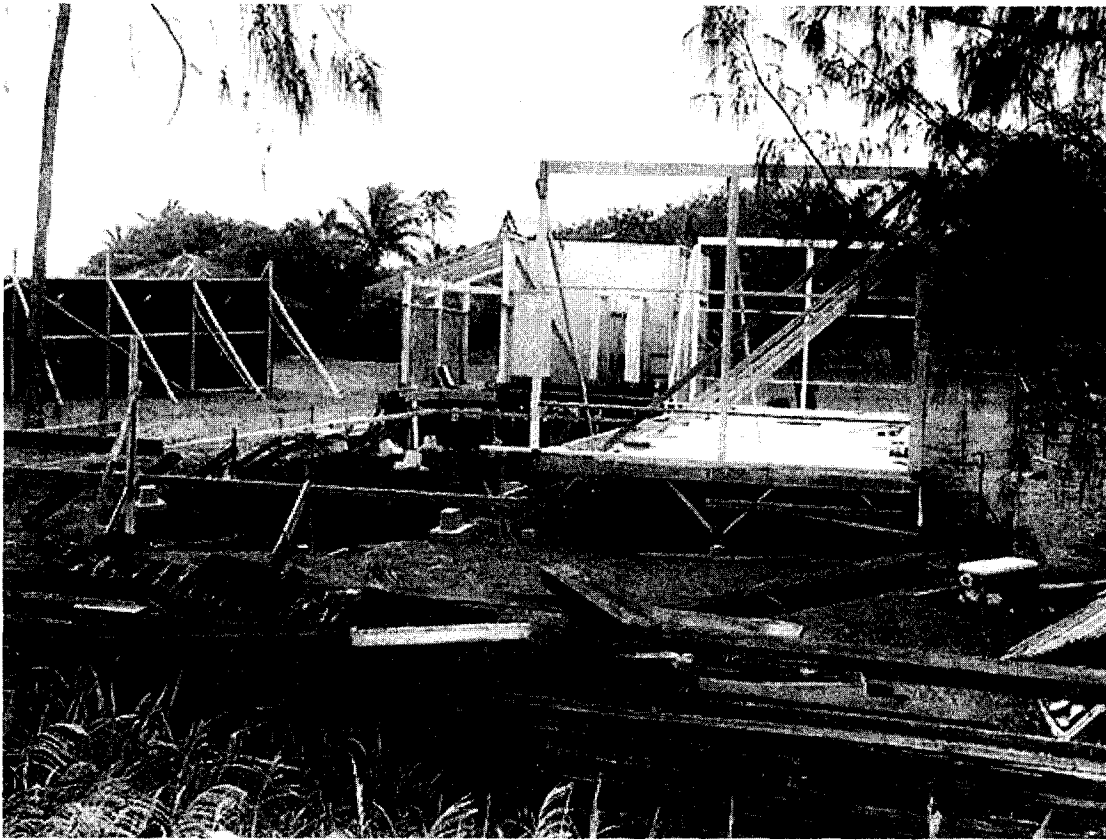
A century-old schoolhouse in Kaupo that was slated for restoration has instead been “*effectively demolished*,” putting the property’s historic status in jeopardy and upsetting community members who said they’ve lost a piece of their history.

“What was supposed to be a very exciting restoration project for the community turned into a historical disaster,” said Jade Alohalani Smith, Kaupo representative on the Aha Moku Maui Island Council.

But Kaupo Community Association officers and project contractors said the building was beyond saving — something they didn’t realize until they started taking it apart.

“The building had been neglected for so long that it was not an option,” project architect Jim Niess said. *“We had to do what we did, and it did upset some folks in the community, I understand. But I also understand that there were many community meetings along the way, and our drawings, if anybody read them carefully, left this option open.”*

County officials, meanwhile, have ordered the work to stop while they and the community decide the best way forward.



In this photo taken in October, most of the old Kaupo School building has been taken down. Community members are upset with the project, saying they expected a restoration that instead became a demolition. The Kaupo Community Association and contractors say the building was too deteriorated to be saved. Photo courtesy of Jade Alohalani Smith

The single-story, two-room schoolhouse and a two-bedroom teacher's cottage were built around 1923 to serve the small East Maui community, according to Kaupo School's listing on the National Register of Historic Places.

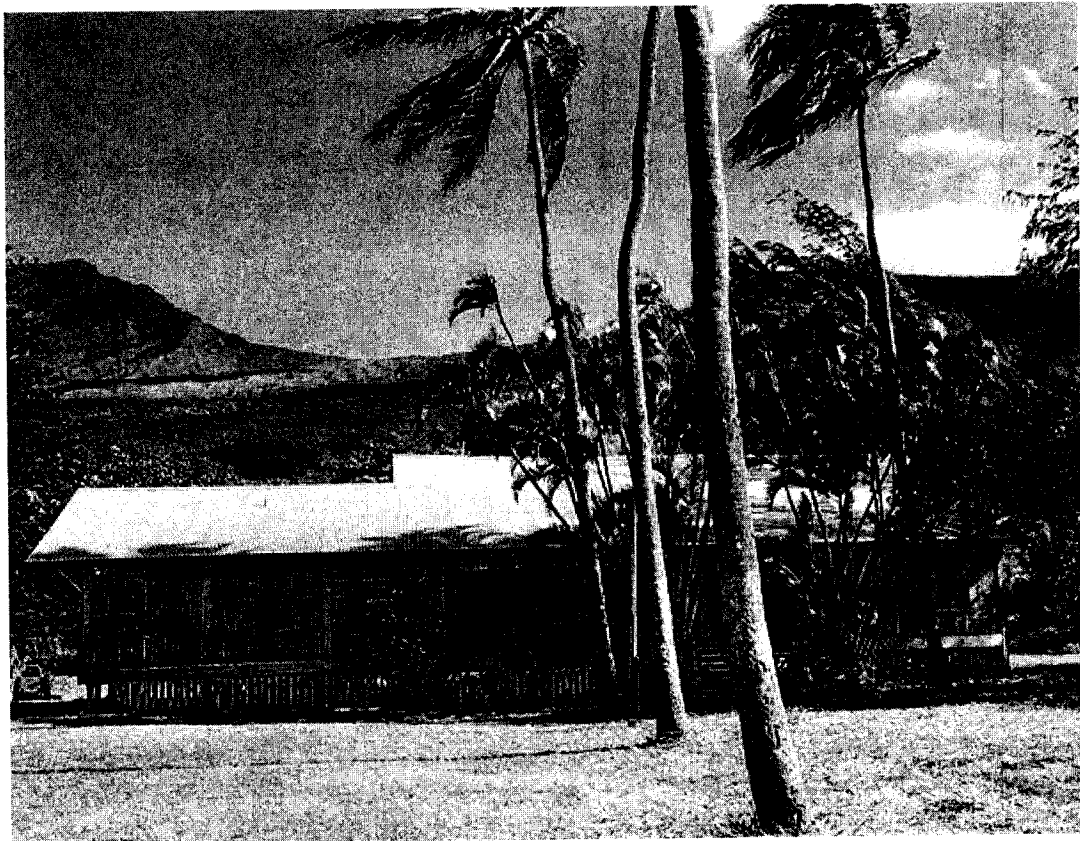
A road from Kipahulu to Kaupo was built and opened to traffic in 1937, and as many people began moving to bigger towns, population in the area declined in the 1950s and '60s.

In 1964, Kaupo School had to close after enrollment fell to five students, who instead were sent to Hana School about 20 miles away. But after a series of landslides in 1982 blocked the road to Hana, Kaupo School reopened briefly.

Once the road was safe to drive again, the school sat vacant except for a few community uses, while the teacher's cottage continued to be rented

out. Eventually, both buildings fell into disrepair. Restoration projects over the years have included the addition of restrooms, as well as replacement of the floors and roof of the schoolhouse nearly 20 years ago.

As one of the few buildings in the area, the schoolhouse became a gathering place for weddings, funerals and baby luau, as well as for stranded travelers seeking shelter during storms, according to a state Department of Land and Natural Resources report.



Kaupo School is pictured in 2017. Photos courtesy of Jonathan Starr

Smith, who served as secretary of the Kaupo Community Association from 2006 to 2008 and president from 2013 to 2015, said residents have been wanting to restore the schoolhouse for a long time. In 2014, the association got a permit from the state to maintain the property. Eventually, they wanted to see the schoolhouse become a community center.

In 2018, the state approved a 55-year lease of the land to the Kaupo Community Association, paving the way for use of the school as a

community center, according to DLNR documents. Control and management of the property was assigned to Maui County.

Restoration work kicked off with a community blessing in August. Smith said residents expected restoration to take several months to a year, possibly longer. They were shocked to see the old building torn down just a couple of months later.

"To me, it's hard because we've all worked for the restoration purpose," said Smith, who noticed the work when she drove by in October. *"We could've had it reconstructed a long time ago if we went that route. But we didn't want to. We wanted it restored as is."*

John "Johnny V" Voxland was driving by the schoolhouse when he noticed black construction tarps around the site. He went to check it out and discovered the school had been *"leveled."*

"I couldn't believe it," Voxland said. *"That was just a big surprise."*

Voxland was upset at first because he had been involved in the previous restoration that replaced the old corrugated tin roof and the rotting foundation. He does stone restoration work in South Maui and said if the schoolhouse were beyond saving, *"I wouldn't have put the time in the roof."* However, he added, community members had known for a long time that lead paint was an issue.

"I got to thinking about it and if it wasn't the tear-down, it would've been the lead paint that would've been the demise," Voxland said.

Linda Domen runs the Kaupo Store and was a part-time substitute teacher at Kaupo School back in the early 1980s, when her kids were among the dozen or so students in grades 1 through 8. During the 2002 restoration, as treasurer of the association, she helped secure about \$50,000 worth of grants for the project. She said the kupuna were so happy to see the building restored and hoped to have a reunion in it once it was finished.

"There's such a wonderful significance in having an old historic building standing in a community, especially a small remote community as Kaupo," Domen said. "It represents the unique and lively past that has on the most part slipped away, except for in the memories of those who are left living that remember the activities and importance of that building."

Domen said many of the community members *"were saddened when we realized that it was to be completely dismantled and replaced with a brand-new building."*

"We didn't have the information in our community meetings that it would be a possibility that it couldn't be restored," she said. "The word used was always 'restoration,' never 'tear down and replace.' It would have been nice if the community would have been informed and given a chance to be included in the decisions and for it to not have come as a surprise, when it was too late to change or do anything to help save the historic building."

'It just became impossible to save'

Originally, Niess said, *"the intent was just to maybe patch and repair certain places"* and bring the building up to code. They were hoping the walls had enough integrity to be restored. However, once they started removing the *"belly band"* that retains the siding boards to the floor, they realized just how extensive the deterioration was.

"The walls were rotted. . . . Not only that but because the floor was out of level, the walls weren't perfectly vertical," Niess said. "So the window frames weren't square anymore. One thing leads to another, and it just gets impossible to bring back something that's been neglected for so long."

Niess said the scope of the damage *"wasn't as apparent when we did the drawings,"* though they knew it was a possibility and had left the option open. As he's done with many other buildings, Niess crawled underneath the schoolhouse and poked around the wood, revealing more issues under

the floor. Within three or four weeks of starting the project, *"it was obvious"* the building couldn't be restored.

"Long story short, it just became impossible to save any pieces of the building, so yes, the historic building came down, and it's being replaced," said Niess, who has about 50 years of experience in architecture and historical preservation.

When asked if contractors had told the county before tearing down the building, Niess said, *"Well, no. By then, the decision had been made."* However, he said they believed they were in conformance with the building permit and emphasized that *"the building is being reconstructed exactly as it was."*

"It will have a historic visual feel, but they're right," he said of residents who felt that a piece of history was gone.

"From a preservation community point, it's a loss," Niess said.

"Sometimes, you just have to face reality. What's the future and what's the goal here? The goal is to make a community center that's going to be structurally safe and serve for 40 or 50 years before it needs substantial maintenance."

Project manager and Kaupo Community Association member Jonathan Starr said *"it was kind of a surprise to have people complain."* He said that the plans were finalized about a year ago and that they had been presented to the community.

"I don't understand it at all because what we're doing is exactly what's in the plans that were approved by the county," Starr said. *"We have been showing everybody for over a year."*

Starr also said the building *"wasn't torn down"* but was actually taken down section by section and replaced. He pointed out that the school hasn't been safe to enter for years, and that the new one they're building will match the old one in design, though much safer and with American with Disabilities Act accessibility.

"The building was basically falling down," Starr said. "So we designed it so the work would be safe and so it would meet code, but otherwise the building is exactly as it was in the mid-30s."

Association President Linda Clark also said the plans were made available to the community, and that the association always gave updates at its quarterly meetings.

"I think we all have different perspectives of how the restoration rehabilitation would've, should've happened," she said. "I really think that it's just that. I feel like I trusted our architect and our contractors to do it according to the plans."

Clark is a fourth-generation Kaupo resident and said she understands the significance of the school.

"I just want to see the project completed, and I hope it doesn't affect the historical status," she said. "I have two board members that went to that school, and my dad went to that school. We have a lot of connection to it."

She said the project was supposed to be finished in March, but now *"we'll have to wait and hear from the county."*

County steps in

In the eyes of the county Planning Department, one thing is clear — the building has been torn down.

"If original materials could not be used, it means the whole building had to be demolished and rebuilt using new materials," Planning Director Michele McLean said in an email. "This is, in fact, what happened because there is nothing left of the original structure."

McLean said the schoolhouse *"was in poor condition but was nonetheless able to be restored."*

"Instead of being restored, which is how the building permit and the use of the property were approved, it was effectively demolished," McLean

said. *"That was a decision made and an action taken without our input or approval. It is not clear to us who made that decision; we hope to find out."*

McLean said the department first heard about the issue on Oct. 25. Planning officials spoke to Kaupo residents, the architect and others involved in the project, and conducted site visits shortly after and into mid-November. They also attended a community meeting on Dec. 28.

"We are issuing a notice of warning, and they must stop work," McLean said. *"We have to figure out how the property can be used, because a community center is not a permitted use in the ag district. Restoration of a historic building is a permitted use, which is how we could approve the building permit. Now that the historic building is gone, it's not clear what the permitted use can be."*

McLean said that the department also will likely issue a notice of violation and levy fines.

She added that the entire property is listed as a historic site, *"and this action has threatened that status."*

Like the community, county cultural resources planner Annalise Kehler believed the school was going to be rehabilitated, not rebuilt. The original building permit issued in July describes the project as *"repair/ALT"* or alteration, and the project was called the *"Rehabilitation of Kaupo School."*

"The whole time this was represented as a rehabilitation, not a reconstruction," Kehler said. *"The two actions have very different meanings. Rehab involves preserving as much of the original material and architectural features as possible, repairing what can be repaired, and replacing only the materials and elements that are so rotted they cannot be repaired."*

"Reconstruction involves replicating, through new construction and materials, a building that no longer exists."

McLean said that contrary to the association's claims, *"They did not follow the approved plans."*

"When they realized that the building could not be saved — which we question, and which we did not have an opportunity to investigate ourselves (and we have an expert, Annalise, on staff) — they should have amended the building permit scope to demolition and reconstruction," McLean said.

If they had amended the permit, the county would have consulted with the State Historic Preservation Division on *"appropriate mitigation,"* since the schoolhouse was listed on the National Register of Historic Places.

"That mitigation, which would have included specific types of photographs and architectural drawings, would have had to occur before demolition," McLean said. *"Now, it cannot be done."*

The Maui News also reached out to the DLNR, which oversees the State Historic Preservation Division. DLNR spokesman AJ McWhorter said that *"this has become an active investigation that we can't further comment on."*

Future of the site

While residents may disagree over what happened with the schoolhouse, they are united in wanting it to become a community center.

Charles Aki, who was born and raised in Kaupo, attended the school from 1947 to 1953. He said there were more than 20 students at the time, and he remembered lining up every morning to salute the American flag before sitting down for English lessons, spelling and arithmetic. Aki, whose father also attended Kaupo School, said it was *"very important"* to the community, which back then relied on one school, one store and one post office.

"To me, I feel it's good to repair and all that, and to make use of 'em instead of just letting 'em sit there and get all rot," he said. "Can use it as a community center or something like that."

However, it's unclear whether that can still happen. McLean said the property is zoned agricultural, and one of the permitted uses includes *"retention, restoration, rehabilitation or improvement of buildings, sites, or cultural landscapes of historical or archaeological significance."*

"A school or community center is not a permitted use, but restoring a historic site (and using it) is," McLean said. "So we informed them that the use of the building as a community center could be allowed if it were done through this historic preservation provision. Now that the building has been demolished, there is nothing historic to retain, restore or rehabilitate, so a reconstructed building could only be used for other lawful uses in the agricultural district."

McLean added that funding for the project *"may also be in jeopardy since the funding requests were also for historic preservation."* The association had secured about \$1.1 million, mostly from the state Legislature as well as from the county, a Historic Hawaii Foundation grant and community donations.

Residents, meanwhile, are saddened by the loss of the old schoolhouse, another hint that the Kaupo of old is fading away.

"The school was a touchstone; a window to the past," Domen said. "It was a significant artifact of the history of Kaupo. When people would enter the building, they would have a very nostalgic feeling. There were so many memories encapsulated within those walls."

"Old buildings," Domen added, "are like a kupuna, to be treasured and honored."

Voxland lives in Waiehu but spends weekends in Kaupo, where he purchased property 20 years ago.

"To me, having that school come down was the end of a tiny treasure of 'unchange' on Maui," Voxland said. "You go through the little hamlet of Kaupo, and everything was the same as what it was 100 years ago. So it was like a little museum to me, a little time warp that you'd pass through in five minutes. . . . Now that the school is gone and it's going to be a new building, time has finally caught up to Kaupo."

* Colleen Uechi can be reached at cuechi@mauinews.com.

