

# MINUTES

of the

## COUNCIL OF THE COUNTY OF MAUI

May 18, 2012

THE REGULAR MEETING OF THE COUNCIL OF THE COUNTY OF MAUI, STATE OF HAWAII, WAS HELD IN THE COUNCIL CHAMBER, KALANA O MAUI BUILDING, WAILUKU, HAWAII, ON FRIDAY, MAY 18, 2012, BEGINNING AT 9:06 A.M., WITH CHAIR DENNIS A. MATEO PRESIDING.

CHAIR MATEO: Council of the County of Maui regular meeting of May 18, 2012 will come to order.

Mr. Clerk, may we have the roll call please.

### ROLL CALL

PRESENT: COUNCILMEMBERS GLADYS C. BAISA, ROBERT CARROLL, ELEANORA COCHRAN, DONALD G. COUCH JR., MICHAEL B. WHITE, AND CHAIR DENNIS A. MATEO.

EXCUSED: COUNCILMEMBERS G. RIKI HOKAMA, MICHAEL P. VICTORINO, AND VICE-CHAIR JOSEPH PONTANILLA.

COUNTY CLERK JEFFREY KUWADA: Mr. Chairman, there are six Members present and three excused.

CHAIR MATEO: Thank you. Members, this morning, if you look on your agenda for the opening remarks, Mr. Hokama is listed as the individual providing that to the, to the Council this morning. Mr. Hokama is currently attending the Western Interstate Region Conference. This morning Member Cochran will be providing the opening remarks.

Ms. Cochran.

## OPENING REMARKS

The opening remarks were offered by Councilmember Eleanora Cochran.

CHAIR MATEO: Thank you, Ms. Cochran. Will everyone please rise and join us in reciting the Pledge of Allegiance.

## PLEDGE OF ALLEGIANCE

The Members of the Council, and others in attendance, rose and recited the Pledge of Allegiance.

CHAIR MATEO: Thank you for your, your opening remarks, Ms. Cochran.

Mr. Clerk, proceed.

COUNTY CLERK: Mr. Chairman, proceeding with ceremonial resolutions.

## CEREMONIAL RESOLUTIONS

RESOLUTION  
NO. 12-49

CONGRATULATING HANA HIGH AND  
ELEMENTARY SCHOOL ON ITS 100<sup>TH</sup> ANNIVERSARY

CHAIR MATEO: Mr. Carroll.

COUNCILMEMBER CARROLL: Thank you, Chair.

I MOVE THAT, THAT THE PROPOSED RESOLUTION  
ENTITLED "HONORING HANA SCHOOL'S  
100<sup>TH</sup> ANNIVERSARY" BE ADOPTED.

COUNCILMEMBER BAISA:

MR. CHAIR, I SECOND THE MOTION.

CHAIR MATEO: It's been moved by Mr. Carroll and second by Ms. Baisa to adopt the proposed resolution.

Mr. Carroll.

COUNCILMEMBER CARROLL: Thank you, Chair. I would ask that the County Clerk read the resolution in its entirety.

CHAIR MATEO: Mr. Clerk, please do so.

*(The resolution was read in its entirety.)*

CHAIR MATEO: Thank you, Mr. Clerk.

Mr. Carroll.

COUNCILMEMBER CARROLL: Thank you, Chair. I'm a Hana School graduate, 1961; my wife graduated from Hana School; my children graduated from Hana School. I have grandchildren that are going to Hana School. And I'm fortunate enough that when I was young I knew people that went to the school from the beginning, when the school started and many after that. They are no longer here, all of them have passed on. There is nobody alive today when that school was first started. But what they left behind is alive and well with us. It's what they passed on to me and my wife and what we passed on to our children. Hana has always been an isolated area, we have generations in one house that have all gone to this school and graduated from this school.

Lately we've had a lot of people, when I say lately in these last years we've had a lot of students that have gone to college. We didn't have too much of that before, that have left their mark on the world. And we are proud that we have done so much and we have been able to be a part of it.

You will not see many people, my wife is here as a graduate in the audience. You would see a lot more but we are having the 100<sup>th</sup> Reunion and most people are in Hana now working to bring about the activities that are going to be going on today and tomorrow and Sunday. If not, they would be here.

But again, those people before us that went, they're not here, but in spirit, they are. And our spirit I hope will continue on through our children and grandchildren and great grandchildren.

And I am honored to be able to bring forth this resolution. I think even if nobody's ever been to Hana, we are part of what makes Hawaii and Maui County great. And I

appreciate all those teachers and all those students that have come to us all these years. Mahalo.

CHAIR MATEO: Thank you, Mr. Carroll.

Ms. Baisa.

COUNCILMEMBER BAISA: Thank you very much, Chair. It gives me great honor and privilege to be able to be part of congratulating Hana High and Elementary today. You know, it's these small country schools that are very, very special, and that make education here in the State of Hawaii special. You know, lately there have been some outstanding scholars coming from Hana. They have achieved national prominence in competition and so obviously, something wonderful is going on in that small school. And so I'd like to offer my congratulations and thanks to everyone who's been a part of it and to the Principal that's here today and all of the staff. Thank you very much.

CHAIR MATEO: Thank you, Ms. Baisa. Members, further discussion? All those Members in favor of the motion to adopt the resolution entitled "CONGRATULATING HANA HIGH AND ELEMENTARY SCHOOL ON ITS 100<sup>TH</sup> ANNIVERSARY", signify by saying "aye".

AYES: COUNCILMEMBERS BAISA, CARROLL,  
COCHRAN, VICTORINO, WHITE, AND  
CHAIR MATEO.

CHAIR MATEO: Those opposed say "no".

NOES: NONE.

EXCUSED: COUNCILMEMBERS COUCH, HOKAMA, AND  
VICE-CHAIR PONTANILLA.

CHAIR MATEO: Motion is carried with six "ayes", three "excused".

Mr. Carroll.

COUNCILMEMBER CARROLL: Thank you, Chair. I'd like to ask the Principal of Hana High and Elementary School, Mr. Paul, to come down and accept a lei and the resolution.

CHAIR MATEO: Thank you.

Mr. Paul, please join us at the podium.

CHAIR MATEO: Mr. Carroll.

COUNCILMEMBER CARROLL: Thank you, Chair. I'd like now to have Mr. Paul give us a few words.

Mr. Paul.

MR. RICK PAUL: Councilmembers, thank you so much for this resolution, it's an honor. We've had the centennial celebration as you know going on all week and it's, it's quite exciting. I think there's a dance tonight and I expect a lot of sore backs from people shaking their tail feathers way too much on the dance floor. But there, as mentioned there are a lot of great things going on in Hana, we're a little secret.

Just this past week, I was surprised in getting a e-mail from the Superintendent that Hana School had won a bronze medal in U.S. News as one of the best high schools, and it was the only one on Maui to receive one. I think there were fourteen in the State. And I think that came from our high minority population, our high reading scores, and the high number of kids that we have taking Running Start courses, which are dual credit courses. They get high school and college credits at the same time. A very high percentage of our kids do that. And so I'm very proud to be a part of that and as mentioned our, we had three Gate Scholars this year, that's not happened, I believe there were seven or eight in the entire State. And so there's a lot of wonderful things going on and we really appreciate that you recognized us.

And there's one thing that I noticed in the reading of the resolution, one thing is still occurring, I, I think there was something about the Principal is deficient in the English language. And so with my southern accent and butchering the Hawaiian language because of my southern accent sometimes they give me a hard time. So, but anyway, I've taken enough of your time. Thank you so much. Keep an eye on Hana because there's a lot of great things going on there, great people, it's really a special place. Thank you so much.

CHAIR MATEO: Thank you, Mr. Carroll.

Mr. Clerk, proceed.

COUNTY CLERK: Mr. Chairman, for the record RESOLUTION 12-49.

Mr. Chairman, proceeding with the presentation of testimony on agenda items. We have received one request from an individual wishing to offer testimony.

CHAIR MATEO: Thank you. Before the Clerk calls up the one individual that had signed up to provide testimony this morning, the Chair would like to just set the parameters for those providing testimony. We welcome anyone wanting to provide your comments to the Council this morning.

You will be allowed to speak for three minutes on any of the items posted on today's agenda. When your name is called, please advance to the podium, state your name clearly for the record. If you represent a group or organization, please so state the name of that group or organization as well.

A lighting system on the podium is there to assist you with your testimony. At the start of your comments the green light will be lit. At the two minute thirty second mark the yellow light will be lit. And at the three-minute mark, the red light will be lit letting you know you will need to conclude. An additional minute will be provided should you need the additional time to end your remarks.

And for those of us with cell phones or other noise-making devices, this would be a good time to please turn them off or set them on the silent mode to avoid disruptions. Decorum in this chamber will be maintained.

Mr. Clerk, call up our testifier, please.

COUNTY CLERK: Calling Thomas Croly. Mr. Croly will offer testimony on Bill 35.

### PRESENTATION OF WRITTEN OR ORAL TESTIMONY

MR. THOMAS CROLY [testifying on Bill No. 35 (2012)]:

Aloha, Chair. I'm Thomas Croly, I'm speaking on behalf of the Maui Vacation Rental Association. And I'm here today to again ask for your support and that of the entire Council for the short-term rental ordinance.

I thank you, Chair for what you had to say at first reading and I concur that like them or not, there is a need for these types of accommodations. I understand that not everyone thinks allowing this is a good thing. County Council's and City Council's

across the country as diverse as Rapid City, South Dakota and New York City have taken up this issue in just this past year.

And I'm proud to say that Maui County has taken the lead here in Hawaii, and, in addressing this important part of our visiting, visitor industry with this legislation. I believe that this bill strikes the right balance between outright permissibility and outright prohibition. It takes into account neighborhood input, strict, and creates strict operating regulations to insure that these properties will fit seamlessly into the places they are permitted. It also includes provisions to make enforcement in this area easier.

I've been honored to have provided my input in the creation of this ordinance and I look forward to helping in its successfully implementation. Thank you.

CHAIR MATEO: Thank you. Members, is there a need to have any part of the testimony rephrased? Thank you, Mr. Croly.

Mr. Clerk.

COUNTY CLERK: Mr. Chairman, we have received an additional request to offer testimony from Catherine Clark. Ms. Clark will offer testimony on Bill 35.

MS. CATHERINE CLARK [testifying on Bill No. 35 (2012)]:

Aloha, Chair Mateo and County Councilmembers. I had a difficult time sleeping last night just thinking that today could be the start of a legal vacation rental industry. I almost have to pinch myself to believe that it's real.

The discussion started in the eighties and continued until the B&B ordinances were adopted in the late nineties and again in early 2009. But the STR properties went through ups and downs, from periods where they were encouraged, to times when they were closed down, until this Council took up the STR ordinance last year. It was a brave move and this Council is to be commended for the fair and balanced approach that you applied. It creates a reasonable process for the homeowner while at the same time provides safeguards for the neighborhoods.

Neighbors will have a clear avenue to protest any rental that is not playing by the rules. It will weed out the bad operators and it will make it difficult for any rental to operate without a permit. I want to be sure that you know that we at MVRA will take our responsibility seriously. We will encourage owners to apply, and assist them through the process. We will strive for a fully legal industry.

On behalf of the many service providers, thank you. They are looking forward to working. On behalf of the STR property owners, thank you. They want to operate legally and hold their heads high. They want to be valuable members of the community. On behalf of the owners that currently hold B&B or conditional permits, thank you. They are looking forward to leveling the playing field, as non-permitted properties will be required to remove their advertising.

And personally a huge mahalo to each of you. I feel that I've come to know some of you and I value the effort that you've put into this ordinance. You took a thoughtful approach and considered all sides of the issues. You have done a truly amazing job. Mahalo.

CHAIR MATEO: Thank you. Members, is there a need to have any part of the testimony rephrased? Thank you, Ms. Clark.

Mr. Clerk.

COUNTY CLERK: Mr. Chairman, Ms. Clark's testimony concludes the testimony of all individuals who have submitted requests.

CHAIR MATEO: Thank you. The Chair will offer the opportunity for anyone in the gallery wanting to provide testimony to the Council that had not already done so, please advance to the podium at this time. Members, seeing no one advance, with no objections, we will close public testimony for the day. Any objections?

MEMBERS VOICED NO OBJECTION.

CHAIR MATEO: Thank you, so ordered. Members, in addition, we are in receipt of written, written testimony. With no objections, we will receive them into the record. Any objections?

MEMBERS VOICED NO OBJECTION.

CHAIR MATEO: Thank you, so ordered.

THERE BEING NO OBJECTION, WRITTEN TESTIMONY RECEIVED FROM THE FOLLOWING WERE MADE A PART OF THE RECORD OF THIS MEETING:

1. Lesley and Pawel Czechowicz;
2. Al and Jeanne Worden; and
3. Jim Smith.

CHAIR MATEO: Mr. Clerk, let's proceed.

COUNTY CLERK: Mr. Chairman, proceeding with Committee Reports.

## COMMITTEE REPORTS

### COMMITTEE REPORT

NO. 12-52 - POLICY COMMITTEE:

Recommending that the correspondence dated April 20, 2012, from Council Chair Danny A. Mateo, transmitting a correspondence dated April 18, 2012, from the Department of the Corporation Counsel, requesting an opportunity to discuss the status of Hawaii Wildlife Fund, Sierra Club – Maui Group, Surfrider Foundation, and West Maui Preservation Association v. County of Maui, Civil 12-00198 SOM BMK, be FILED.

CHAIR MATEO: Thank you.

Mr. Carroll.

COUNCILMEMBER CARROLL: Thank you, Chair.

ON BEHALF OF THE CHAIR OF THE POLICY COMMITTEE, I  
MOVE TO ADOPT THE RECOMMENDATION IN POLICY  
COMMITTEE REPORT 12-52.

COUNCILMEMBER BAISA:

MR. CHAIR, I SECOND THE MOTION.

CHAIR MATEO: It's been moved by Mr. Carroll, second by Ms. Baisa to adopt the recommendations in Committee Report No. 12-52. Further discussion?

COUNCILMEMBER CARROLL: No further discussion?

CHAIR MATEO: Members, further discussion? All those in favor of the motion to adopt the recommendations in Committee Report No. 12-52, signify by saying "aye".

AYES: COUNCILMEMBERS BAISA, CARROLL,  
COCHRAN, VICTORINO, WHITE, AND  
CHAIR MATEO.

CHAIR MATEO: Those opposed say "no".

NOES: NONE.

EXCUSED: COUNCILMEMBERS COUCH, HOKAMA, AND  
VICE-CHAIR PONTANILLA.

CHAIR MATEO: Motion is carried with six "ayes", three "excused".

Mr. Clerk.

COMMITTEE REPORT  
NO. 12-53 - POLICY COMMITTEE:

Recommending that Resolution 12-50, entitled "APPROVING THE APPOINTMENT OF THE MAUI COUNTY COUNCIL'S REPRESENTATIVE AND ALTERNATE REPRESENTATIVE AS OFFICERS ON THE HAWAII STATE ASSOCIATION OF COUNTIES EXECUTIVE COMMITTEE FOR FISCAL YEAR 2013", be ADOPTED.

CHAIR MATEO: Thank you.

Mr. Carroll.

COUNCILMEMBER CARROLL: Thank you, Chair.

ON BEHALF OF THE CHAIR OF THE POLICY COMMITTEE, I  
MOVE TO ADOPT THE RECOMMENDATION IN POLICY  
COMMITTEE REPORT 12-53.

COUNCILMEMBER BAISA:

MR., MR. CHAIR, I SECOND THE MOTION.

CHAIR MATEO: It's been moved by Mr. Carroll and second by Ms. Baisa to adopt the recommendations in Committee Report No. 12-53. Mr. Carroll, further discussion?

COUNCILMEMBER CARROLL: No further discussion.

CHAIR MATEO: Members, discussion? All those in favor of the motion to adopt the recommendations in Committee Report No. 12-53, signify by saying "aye".

AYES: COUNCILMEMBERS BAISA, CARROLL,  
COCHRAN, VICTORINO, WHITE, AND  
CHAIR MATEO.

CHAIR MATEO: Those opposed say "no".

NOES: NONE.

EXCUSED: COUNCILMEMBERS COUCH, HOKAMA, AND  
VICE-CHAIR PONTANILLA.

CHAIR MATEO: Motion is carried with six "ayes", three "excused".

Mr. Clerk.

COUNTY CLERK: For the record RESOLUTION 12-50.

COMMITTEE REPORT  
NO. 12-54 - POLICY COMMITTEE:

Recommending that Resolution 12-51, entitled "AUTHORIZING SETTLEMENT OF LILIA CARDONES AND NOEL CARDONES V. COUNTY OF MAUI, ET AL., CIVIL NO. 11-1-0293(1)", be ADOPTED.

CHAIR MATEO: Thank you.

Mr. Carroll.

COUNCILMEMBER CARROLL: Thank you, Chair.

ON BEHALF OF THE CHAIR OF THE POLICY COMMITTEE, I  
MOVE TO ADOPT THE RECOMMENDATIONS IN POLICY  
COMMITTEE REPORT 12-54.

COUNCILMEMBER BAISA:

MR., MR. CHAIR, I SECOND THE MOTION.

CHAIR MATEO: It's been moved by Mr. Carroll and second by Ms. Baisa to adopt the recommendations in Committee Report No. 12-54. Mr. Carroll, further discussion?

COUNCILMEMBER CARROLL: No further discussion.

CHAIR MATEO: Members, discussion? All those in favor of the motion to adopt the recommendations in Committee Report No. 12-54, signify by saying "aye".

AYES: COUNCILMEMBERS BAISA, CARROLL,  
COCHRAN, VICTORINO, WHITE, AND  
CHAIR MATEO.

CHAIR MATEO: Those opposed say "no".

NOES: NONE.

EXCUSED: COUNCILMEMBERS COUCH, HOKAMA, AND  
VICE-CHAIR PONTANILLA.

CHAIR MATEO: Motion is carried with six "ayes", three "excused".

Mr. Clerk.

COUNTY CLERK: For the record RESOLUTION 12-51.

COMMITTEE REPORT

NO. 12-55 - POLICY COMMITTEE:

Recommending that Resolution 12-52, entitled "PROPOSING AN AMENDMENT TO THE REVISED CHARTER OF THE COUNTY OF MAUI (1983), AS AMENDED, RELATING TO VACANCY IN OFFICE", be PASSED ON FIRST READING and be ORDERED TO PRINT.

CHAIR MATEO: Thank you.

Mr. Carroll.

COUNCILMEMBER CARROLL: Thank you, Chair.

ON BEHALF OF THE CHAIR OF THE POLICY COMMITTEE, I  
MOVE TO ADOPT THE RECOMMENDATIONS IN POLICY  
COMMITTEE REPORT 12-55.

COUNCILMEMBER BAISA:

MR. CHAIR, I SECOND THE MOTION.

CHAIR MATEO: It's been moved by Mr. Carroll and second by Ms. Baisa to adopt the recommendations in Committee Report No. 12-55. Mr. Carroll, discussion?

COUNCILMEMBER CARROLL: No further discussion.

CHAIR MATEO: Members, discussion? All those in favor of the motion to adopt the recommendations in Committee Report No. 12-55, signify by saying "aye".

AYES: COUNCILMEMBERS BAISA, CARROLL,  
COCHRAN, VICTORINO, WHITE, AND  
CHAIR MATEO.

CHAIR MATEO: Those opposed say "no".

NOES: NONE.

EXCUSED: COUNCILMEMBERS COUCH, HOKAMA, AND  
VICE-CHAIR PONTANILLA.

CHAIR MATEO: Motion is carried with six "ayes", three "excused".

Mr. Clerk.

COUNTY CLERK: For the record RESOLUTION 12-52.

CHAIR MATEO: Thank you.

COUNTY CLERK: Mr. Chairman, Mr. Chairman, proceeding with County Communications.

### COUNTY COMMUNICATIONS

NO. 12-94 - DANILO F. AGSALOG, DIRECTOR OF FINANCE,  
(dated May 1, 2012)

Transmitting 35 contracts/grants for March 2012.

CHAIR MATEO: Mr. White.

COUNCILMEMBER WHITE: Thank you, Chair.

I MOVE TO FILE COUNTY COMMUNICATION 12-94.

COUNCILMEMBER BAISA:

SECOND.

CHAIR MATEO: It's been moved by Mr. White and second by Ms. Baisa to file County Communication No. 12-94.

Mr. White.

COUNCILMEMBER WHITE: Thank you, Chair. Mr. Chair, this communication from the Finance Director transmits a summary report listing 35 issued contracts and grants during March 2012. The referenced transmittal items are for filing with the Office of the County Clerk and are available for review. Any Member with concerns over any of these contracts or grants may refer the concerns to the Council Chair for consideration. And at the request of Budget and Finance Committee Chair Pontanilla, I wish to file this County Communication.

CHAIR MATEO: Thank you, Mr. White. Members, further discussion? All those in favor of the motion to file County Communication No. 12-94, signify by saying "aye".

AYES: COUNCILMEMBERS BAISA, CARROLL,  
COCHRAN, VICTORINO, WHITE, AND  
CHAIR MATEO.

CHAIR MATEO: Those opposed say "no".

NOES: NONE.

EXCUSED: COUNCILMEMBERS COUCH, HOKAMA, AND  
VICE-CHAIR PONTANILLA.

CHAIR MATEO: Motion is carried with six "ayes", three "excused".

Mr. Clerk.

NO. 12-95 - DAVID TAYLOR, DIRECTOR OF WATER SUPPLY,  
(dated May 3, 2012)

Transmitting copies of the Department of Water Supply's Monthly Source Report and Groundwater Use Report for the month ended April 2012.

CHAIR MATEO: Thank you.

Mr. White.

COUNCILMEMBER WHITE: Thank you, Chair.

I MOVE TO FILE COUNTY COMMUNICATION NO. 12-95.

COUNCILMEMBER COUCH:

SECOND.

CHAIR MATEO: It's been moved by Mr. White and second by Mr. Couch to file County Communication No. 12-95.

Mr. White.

COUNCILMEMBER WHITE: Thank you, Chair. This communication from the Department of Water Supply transmits their Monthly Source Report and Groundwater Use Report for the month ending April 12, I'm sorry April 2012. Any Member with concerns may refer them to the Council Chair for consideration, and at the request of Water Resources Committee Chair Victorino, I wish to file this County Communication and its associated reports.

CHAIR MATEO: Thank you, Mr. White. Members, further discussion? All those in favor of the motion to file County Communication No. 12-95, signify by saying "aye".

AYES: COUNCILMEMBERS BAISA, CARROLL,  
COCHRAN, VICTORINO, WHITE, AND  
CHAIR MATEO.

CHAIR MATEO: Those opposed say "no".

NOES: NONE.

EXCUSED: COUNCILMEMBERS COUCH, HOKAMA, AND  
VICE-CHAIR PONTANILLA.

CHAIR MATEO: Motion is carried with six "ayes", three "excused". Thank you.

Mr. Clerk.

COUNTY CLERK: Mr. Chairman, proceeding with communications. The following county communications are recommended for referral to the following Committees as noted:

NO. 12-96 - DAVID C. GOODE, DIRECTOR OF PUBLIC WORKS,  
(dated May 3, 2012)

Transmitting a proposed bill entitled, "A BILL FOR AN ORDINANCE AMENDING SECTION 10.60.042, MAUI COUNTY CODE, RELATING TO THE ESTABLISHMENT OF A CROSSWALK ON A PORTION OF KANALOA AVENUE AND ON A PORTION OF WELLS STREET, WAILUKU, MAUI, HAWAII".

The recommended action is that County Communication No. 12-96 be referred to the Infrastructure Management Committee.

NO. 12-97 - MICHAEL P. VICTORINO, COUNCILMEMBER,  
(dated May 7, 2012)

Relating to Upcountry Water Meter Issuance.

The recommended action is that County Communication No. 12-97 be referred to the Water Resources Committee.

CHAIR MATEO: Thank you. Members, is there a request for consideration at this time? Members, with no objections, each of these communications will be referred to the appropriate committee as, as recognized by the Clerk. Any objections?

MEMBERS VOICED NO OBJECTION.

CHAIR MATEO: Thank you, so ordered.

Mr. Clerk, proceed.

COUNTY CLERK: Mr. Chairman, proceeding with unfinished, unfinished business, ordinances, second and final reading.

UNFINISHED BUSINESS

ORDINANCES

ORDINANCE NO. \_\_\_\_\_  
BILL NO. 35 (2012)

A BILL FOR AN ORDINANCE AMENDING TITLE 19, MAUI COUNTY CODE,  
RELATING TO SHORT-TERM RENTAL HOMES

CHAIR MATEO: Thank you.

Mr. Couch.

COUNCILMEMBER COUCH: Thank you, Mr. Chair.

I MOVE TO PASS BILL NO. 35 ON SECOND AND FINAL  
READING.

COUNCILMEMBER BAISA:

MR. CHAIR, I SECOND THE MOTION.

CHAIR MATEO: It's been moved by Mr. Couch and second by Ms. Baisa that Bill  
No. 35 (2012), pass on second and final reading.

Mr. Couch.

COUNCILMEMBER COUCH: Thank you, Mr. Chair.

This proposed bill incorporates amendments to Title 19 and creates a new Chapter 19.65, relating to Short-Term Rental Homes. And Mr. Chair, I want to thank the Members for working very long and hard on this, this bill. It, it took a long time and there was also a small group of people that got together, that were on opposite sides of the issue, and they got together and hammered out an agreement that everybody was happy with.

This bill allows for really strong neighborhood input and support of, of short-term rentals. If the neighborhood doesn't support it, it isn't going to happen. This bill also allows for extremely better enforcement. Right now it's really hard to enforce and

takes a long time, this lays out the law, the list of things that you have to comply with and if you don't, you could lose your permit.

This should encourage people to come forward, get their, their permit and be good citizens. Most of these things are good, good neighbors and this bill allows for the, the County to enforce upon anybody who's not.

One of the things that was requested by Chair Mateo as a member of the committee was to have a two year revisit required. So we did put in there a revisit in two years that the Council shall take a look at this and if it works great, if not, let's fix it or lose it. So, with that Members, I certainly encourage your continued support on this and passing this on second and final reading. Thank you.

CHAIR MATEO: Thank you. Thank you, Mr. Couch.

Ms. Baisa.

COUNCILMEMBER BAISA: Yes, thank you very much Chair. Chair, I am so excited that we've reached this point in time. This has been a long, long work in progress. In fact the six years I've been on the Council this has been kind of in the middle of the desk and I really am very, very grateful to Chair Couch that he has taken this up and spent all the time and energy and the Members who have worked so hard in trying to deal with all the issues that have been raised.

I want to thank the community, they've been wonderful in coming out and being very cooperative in trying to find solutions to the issues that arose. I understand that you know, there are people on both sides of it; however, I truly believe that this is an important part of having alternative accommodations for folks who come to Hawaii and Maui particularly, who, you know desire this kind of accommodation. We want them here, they may not stay in the traditional hotels but they are out there in the community, they will participate in our economy, they're going to go to our restaurants, they're going to go to our shops, they're going to rent cars and they're going to do all the things that everybody else does.

I myself participate in a B&B when I travel and I like it, I, I find it very conducive to relaxing like you were at home. And some of us are looking for that, we just want to get away and relax, we don't want to be in a whirlwind of activity. So I think this is really exciting and I really am excited that Maui County of course is right there in the front again.

It, it's, it's really wonderful, you know, we're known for this and I am very happy also as Chair Couch mentioned that we do have a two year review built in. I think that's a very wise thing. We need to take a look at it and evaluate and see if it's working,

then we leave it alone, if it needs to be fixed, then we fix it. You know there is nothing wrong with saying we did this but now we think we do it a little better, it's okay.

And so I want to really encourage my colleagues to support this and again say thank you and all my best wishes to everyone in the industry. Thank you.

CHAIR MATEO: Thank you, Ms. Baisa. Members, further discussion?

COUNCILMEMBER COCHRAN: Chair.

COUNCILMEMBER COUCH: Go ahead, after you.

CHAIR MATEO: Go ahead, Ms. Cochran.

COUNCILMEMBER COCHRAN: Sorry, I guess myself and Mr. Hokama were the two "noes" and I'm the one here so I shall speak on my own behalf. I've pretty much said my piece throughout this process, it was long and very grueling. And at this point I, I love your revisit in two years so at that point, yes we shall see how this rolls out and see if there's any concerns or adverse impacts and thereby at that time we can address it and, and take care of it. So, that's all I have to say. Thank you, Chair.

CHAIR MATEO: Thank you, Ms. Cochran.

Mr. White.

COUNCILMEMBER WHITE: Thank you, Chair.

I think it's a, a very good start and this is an important bill for my district because much of the economy of the North Shore is based on these transient, these short-term rentals. And, this, these are the people that support many jobs including those in restaurants and retail outlets in the, along the North Shore. So, this has been a long slog, and I know that there are those that feel that this is not enough. But it's a very good start and I think it's a very responsible bill for all that we know now. And as Ms. Baisa has said that, you know we can come back and fix things that may not be exactly right.

But for me this is a very important thing to bring the people that have been in the shadows out into the open, give them an opportunity to do something that they've been having to hide to some degree. This also gives us the, the important opportunity to enforce the laws on those that decide to stay under the radar and take their chances. And I think this is an, an important part of the County's responsibility is to support those that are doing legitimate business and to take action against those

that are not. And also this bill does provide a very reasonable way of enforcing the, the law so that it is protecting people whose lives are being disrupted by people who are not acting responsibly.

So, I, I give Mr. Couch a, a lot of credit for persevering on this and I thank everybody for their efforts. Mahalo, Chair.

CHAIR MATEO: Thank you, Mr. White.

Mr. Couch.

COUNCILMEMBER COUCH: Thank you, and I thank you for all the comments, I thank all the Members for their comments. One, one last thing is that, you know, Mr. Chair, it, it says we should revisit it in two years and we shall.

I also, you know, having received some very strong support and strong evidence that there are communities that are defined communities and they say in their CC&R's we, there shall be no short-term rentals. I propose that I'm going to revisit this before the end of the year to just allow for those kind of communities to give, give us their input and then, you know, exclude them if necessary from, if it's well defined, why not, you know, make sure everybody is protected.

So, Members, thank you for all your comments and I look forward to working on this in the future. Thank you.

CHAIR MATEO: Thank you, Mr. Couch. Members, further discussion?

The Chair would just like to share my own opinions and comments regarding this particular bill. For myself this has been a very difficult bill to deal with. I come from a very small community and our community is just not a subdivision. Our community is the island of Molokai, which is very small and very rural. And for me, looking at imposition, or visitor accommodations in rural communities such as ours became a very difficult pill for me to swallow.

But our community does not have the Kalua Koi Resort. Our community does not have the Pau Hana Inn. These and does not have the Lodge up in Maunaloa. So we lost a lot of visitor accommodation units. We heard through various testimonies and for myself through e-mail and phone calls from operators on Molokai that this is the business, this is the opportunity for us to still provide accommodations for all of our visitors coming into Molokai because we just do not have ample hotel accommodations to take care of this specific need. So personally, I've heard our operators saying there is a need both for the visitor and the kamaaina alike who does utilize such services.

So for me a compromise is the understanding that in two years, we will revisit, we will take a look at, you know potential impacts and if there are we will adjust them. If there are none, then fine, the bill can continue as is. But I needed to be sure that there was a mechanism in place that provided us the opportunity to revisit.

And I too would like to recognize Mr. Couch, for moving this particular bill forward and I will close by saying that the popular thing is always the easy thing to do, the right thing is not. So I will, I will be supporting the motion on the floor.

COUNCILMEMBER COCHRAN: Chair, I got one last comment.

CHAIR MATEO: Ms. Cochran.

COUNCILMEMBER COCHRAN: Thank you. And you know, and I concur with you, there is a time and place for these. Just my concern still is, you know with the, just people buying investment properties for this particular purpose only and thereby losing the potential for our kamaaina families who would like to purchase something or, you know, start their roots and family foundation. But now people are going to come from the outside, invest in these properties and turn it for profit. So that for me doesn't sit well at this point. So thank you, Chair.

CHAIR MATEO: Point well taken. Members, any further discussion? All those in favor of the motion that Bill No. 35 (2012) entitled "A BILL FOR AN ORDINANCE AMENDING TITLE 19, MAUI COUNTY CODE, RELATING TO SHORT-TERM RENTAL HOMES", pass on second and final reading, signify by saying "aye".

AYES: COUNCILMEMBERS BAISA, CARROLL,  
VICTORINO, WHITE, AND CHAIR MATEO.

CHAIR MATEO: Those opposed say "no".

NOES: COUNCILMEMBER COCHRAN.

EXCUSED: COUNCILMEMBERS COUCH, HOKAMA, AND  
VICE-CHAIR PONTANILLA.

CHAIR MATEO: Members, we have five "ayes"; one "no", Ms. Cochran; and three "excused", Mr. Hokama, Mr. Victorino, and Mr. Pontanilla. Motion is passed.

Mr. Clerk.

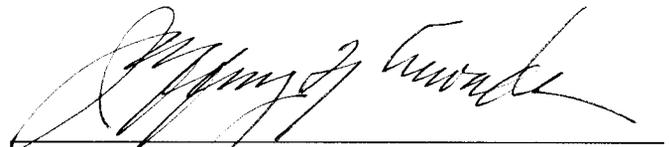
COUNTY CLERK: Mr. Chairman, nothing further is scheduled to come before the Council.

CHAIR MATEO: Members, we've concluded our business for the day. The Chair would like to recognize those individuals that continue to provide service to the Council: Mr. Pat Wong, our Corporation Counsel; our County Clerk, Mr. Kuwada; our Director of Council Services, Mr. Fukuoka; as well as our support staff both Joyce Murashige and Theresa Valdez.

Members, thank you very much for your work this morning. Regular meeting of the Council of the County of Maui for May 18, 2012 is adjourned.

### ADJOURNMENT

The regular meeting of May 18, 2012 was adjourned by the Chair at 9:48 a.m.



JEFFREY T. KUWADA, COUNTY CLERK  
COUNTY OF MAUI, STATE OF HAWAII