

**ECONOMIC DEVELOPMENT, ENERGY,
AGRICULTURE, AND RECREATION COMMITTEE**
Council of the County of Maui

M I N U T E S

Council Chamber

March 6, 2015

RECONVENE: 2:35 p.m.

PRESENT: VOTING MEMBERS:

Councilmember Don S. Guzman, Chair
Councilmember Elle Cochran, Vice-Chair
Councilmember Don Couch
Councilmember Stacy Crivello (arrived at 2:50 p.m./left at
3:55 p.m.)
Councilmember Michael P. Victorino

EXCUSED: Councilmember Riki Hokama
Councilmember Mike White

STAFF: Sharon Brooks, Legislative Attorney
Pauline Martins, Committee Secretary

Tina Thompson, Executive Assistant to Councilmember Crivello
(via voice conference)
Denise Fernandez, Council Aide, Lanai Council Office (via voice
conference)
Dawn Lono, Council Aide, Hana Council Office (via voice
conference)

ADMIN.: Edward Kushi, Jr., First Deputy Corporation Counsel, Department of
the Corporation Counsel
William Spence, Director, Department of Planning
Teena Rasmussen, Director, Office of Economic Development
Jaime Kane, Project Specialist, Office of Economic Development

OTHERS: Simon Russell, Legislative Committee Chairman, Hawaii Farmers
Union United, Haleakala Chapter
Vincent Mina, President, Hawaii Farmers Union United
Tadahiro Togami, Hitachi Advanced Clean Energy Corporation
Douglas McLeod, Member, DKK Energy Services LLC
Dale Bonar, Advocate, Affordable Farming Hawaii
John Anderson, Executive Director, Na Hale O Maui
Frank DeRego, Business Development Projects Director, High Tech
Maui, Maui Economic Development Board, Inc.
Mahina Martin
Plus (2) other people

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PRESS: *Akaku Maui Community Television, Inc.*

CHAIR GUZMAN: . . . (*gavel*) . . . Good afternoon, the Economic Development, Energy and Agricultural Committee shall now convene. I'm Don Guzman, the Chair of the Committee. I'd like to before we begin let everybody know that if you have a cell phone, please put it on silence mode. I'm going to introduce the Members that we have today. We have Member Elle Cochran.

VICE-CHAIR COCHRAN: Aloha, good morning, afternoon.

CHAIR GUZMAN: Member Don Couch.

COUNCILMEMBER COUCH: Aloha, good afternoon.

CHAIR GUZMAN: Member Mike Victorino.

COUNCILMEMBER VICTORINO: Good afternoon, Chair.

CHAIR GUZMAN: Good afternoon. And we have Deputy Corporation Counsel, Ed Kushi.

MR. KUSHI: Good morning, I mean, good afternoon.

CHAIR GUZMAN: And we have Sharon Brooks, our Legislative Attorney, as well as our Committee Secretary, Pauline Martins. Members, just a quick announcement. If you are going to sign...going to testify, please sign up at the desk in the lobby. Upon testifying you'll be limited only to today's agenda items. Please identify yourself as well as any organization in which you represent. You'll be limited to three minutes, and I will allow one minute conclusion. Before we begin, I'm gonna check in with our District Offices. In Hana Office, are you there?

MS. LONO: Yes, good afternoon, Chair, this is Dawn Lono at the Hana Office.

CHAIR GUZMAN: Good afternoon, Ms. Lono. Lanai Office, are you there?

MS. FERNANDEZ: Good afternoon, Chair. This is Denise Fernandez on Lanai.

CHAIR GUZMAN: Good afternoon, Ms. Fernandez. As well as, Molokai Office, are you there?

MS. THOMPSON: Good afternoon. This is Tina Thompson at the Molokai Office.

CHAIR GUZMAN: Good afternoon, Tina. Oh, I didn't know you were over there. Thank you. District Offices, I'm going to proceed with our Chamber for any testifiers.

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MS. BROOKS: The first testifier is Simon Russell followed Vincent Mina.

. . . BEGIN PUBLIC TESTIMONY . . .

MR. RUSSELL: Hello, Honorable Maui County Council. Thank you for hearing my testimony regarding EAR-22, an ordinance to consider farm labor dwellings on agriculture land trusts. I do understand that this is a nonbinding resolution and all we want to do is consider this item. So I appreciate our willingness to look at this idea which I consider a cornerstone of affordable farming here in Hawaii. I'm the Legislative Committee Chairman for the Statewide Farmers Union, and also the Vice-President. So I'm speaking on behalf of the Hawaii Farmers Union Legislative Committee. We do consider this a cornerstone of affordable farming. I personally spend \$24,000 a year on rent 'cause I can't live on my farm. I can't build a dwelling there. I would like the opportunity to be able to do that at some point in time as well as to have long-term leases on a farm where I could build equity. And I do believe that, and I'm really grateful for Mr. Dale Bonar for pioneering this concept, and doing some very heavy lifting over the years. I've been talking about this for three years now, and so I believe it's coming to the point where we can start to enact ordinances and possibly legislation. And I do know that at the State level many Legislators are really interested in this concept because as we see our Ag lands get rezoned and developed there's a distinct possibility someday the land and water may not be available enough for us to feed ourselves. So for food security and affordability of folks to be able to grow the food we consume this is really important. Of course it's very important that we do it right and there isn't a bunch of waste fraud or just fraud and abuse of these land trusts. But I think that Mr. Bonar has a really good method to deal with that situation by having accredited institutions like the Hawaii Island Land Trust or other entities that are as creditable as that to do the management and then from the Farmers Union side, we'd be more than capable of running cooperatives within these land trusts to really ramp up our agriculture --

MS. BROOKS: Three minutes.

MR. RUSSELL: --ramp up our agriculture production throughout the state to address the lack of food security we have. So again to wrap it up, we and the Farmers Union feel that this is a major cornerstone that we can build upon to increase our food security Statewide. So thank you so much for hearing my testimony. And it is, I did submit it on March 1st in writing, so it should be available for your viewing pleasures.

CHAIR GUZMAN: Thank you. Mr. Russell, hold on. Members, any questions or follow up? Seeing none, thank you, Mr. Russell.

MR. RUSSELL: Thank you.

CHAIR GUZMAN: The next testifier?

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MS. BROOKS: The next testifier is Vincent Mina.

MR. MINA: Aloha, Mr. Chairman. Council, aloha. It's been a while. The name's Vincent Mina. I am the State President of Hawaii Farmers Union United and I, too, support this resolution to explore the ability to put in a package to where a farm, farm worker housing could be put in in the initial stages of a agricultural land trust. I'd like to draw a big picture to this in the spirit of my experience. Twenty-one years I've been a farmer now. When I turned 40, I let go of the trapeze I was swinging on making a living to farm with a pregnant wife who was supportive of me doing it and I had no land or equipment, but what I did have was my passion to wanna do it. And there's a lot of young people here on Maui and the State today who are lacking the land and lacking the equipment to be able to do something like this. Thankfully I was able to create a niche market on the piece of land we are on which is a postage stamp of 7,000 square feet and making a living on 2,000 square feet of that. But that, everybody can't do that. Everybody doesn't have the wherewithal or the vision to do that, but they may have the passion to find their way. And if we can clear their way as with Dale Bonar has done in bringing this forward, I mean I take my hair off to him. You know he's really...he's done an amazing amount of body of work and he's so committed in this process. So I think as a County it would be great if we were to facilitate this coming to fruition and coming to fruition in a way that would clear the way for potential farmers who have the passion and wanna grow food. The concern I have is the fact that our State budget for agriculture is .4 percent. Living in paradise on Earth to have even in our County to not have an agriculture department that to where you have to chair a committee that's shared with other aspects is...it just doesn't make sense to me. So I think once we prioritize our ability to just truly create food security then, you know, we'll be able to reach this. To me, the message becomes when you say that .4 percent of the agricultural... .4 percent of the budget is to agriculture, you're basically saying we don't feel that the farmers here in Hawaii can support us and grow our food. And I beg to differ. I know personally we're producing four to five hundred pounds of greens a week for the community. And so, I just wanna echo the fact of what Simon just said, and as Hawaii Farmers Union United, we're in strong support of this initiative coming forward. Thank you, Chair, for your leadership with the Working Ag Group that you have here going on Maui, and thank you all for hearing me today.

CHAIR GUZMAN: Thank you. Thank you so much for all your work, Mr. Mina. Members, do you have any follow up questions? Seeing none, thank you very much again.

MR. MINA: Aloha.

MS. BROOKS: There are no more testifiers in the Chamber.

CHAIR GUZMAN: Okay, we'll go ahead and turn to our District Offices. In Hana Office is there anyone wishing to testify?

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MS. LONO: The Hana Office has no one waiting to testify, Chair.

CHAIR GUZMAN: Thank you, Ms. Lono. And on Lanai Office is there anyone wishing to testify?

MS. FERNANDEZ: There is no one waiting to testify at the Lanai Office.

CHAIR GUZMAN: Thank you very much. And on Molokai District Office is there anyone wishing to testify?

MS. THOMPSON: The Molokai Office has no one waiting to testify.

CHAIR GUZMAN: Okay, thank you very much, ladies. Have a great weekend. I hope it's not raining where you are.

. . . END OF PUBLIC TESTIMONY . . .

CHAIR GUZMAN: So at this time, Members, I'm going to close public testimony without any objections.

COUNCILMEMBERS VOICED NO OBJECTIONS.

CHAIR GUZMAN: Thank you.

**EAR-25 GRANT OF A LICENSE FOR ELECTRIC VEHICLE CHARGERS FOR
JUMPSMARTMAUI (HAIKU; KIHEI; LAHAINA; WAILUKU) (CC 14-292)**

CHAIR GUZMAN: Members go ahead and turn to Item No. EAR-25, the GRANT OF A LICENSE FOR THE ELECTRIC VEHICLE CHARGERS FOR THE JUMPSMARTMAUI (HAIKU; KIHEI; LAHAINA; WAILUKU). The Committee is in receipt of the County Communication 14-292, from the Director of the Office of Economic Development transmitting a proposed resolution entitled, AUTHORIZING A GRANT OF A LICENSE OF COUNTY REAL PROPERTY FOR THE INSTALLATION, OPERATION, AND MAINTENANCE OF THE ELECTRIC VEHICLE QUICK CHARGERS AND LOCAL BATTERY UNITS. The purpose of the proposed resolution is to authorize a grant of a lease of the County real property to Hitachi Advanced Clean Energy Corporation, in association with JUMPSmart Maui, for the installation, operation, maintenance of electric vehicle quick chargers and local battery units at Haiku Community Center, Kihei Community Center, Lahaina Aquatic Center, and let's see, Wailuku Civic Center. The Committee may consider whether to recommend adoption of the proposed resolutions with or without revisions. The Committee may also consider the filing of County Communication 14-292 and other related actions. Members, as you are aware

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that the County has been experimenting with the use of the electric vehicles. Sometimes you see them running around here and there. Today we have a proposed resolution for the grant of the license of the County real property to Hitachi to establish quick charger and battery units at several locations. We have here present on the floor today, Ms. Teena Rasmussen, the Director of the Office of Economic Development. Hello, good afternoon.

MS. RASMUSSEN: Good afternoon.

CHAIR GUZMAN: We have Tadahiro Togami, and he is from Hitachi Advanced Clean Energy Corporation. And I think do we also have Doug McLeod is going to be as a resource person? And I believe he's...why don't you come down, Mr. McLeod, and sit over here on the side here? And then I think that's it in terms of our resource personnel for this matter.

MS. RASMUSSEN: Yes, that's correct.

CHAIR GUZMAN: Okay. So why don't we go ahead and start with the Office of Economic Development. Do you have any opening statements, Ms. Rasmussen?

MS. RASMUSSEN: Okay, so I'm actually going to turn most of this over to our representative from Hitachi and it's pretty straight forward. I mean we just need to get these licenses granted so that they can install these electric charges in these locations. And so I'm gonna turn it over to our representative and he can answer any questions that you have.

MR. TOGAMI: Thank you, Chair Guzman. I'm Tadahiro Togami from Hitachi Advanced Clean Energy Corporation on Maui. Thank you for your great support from County of Maui. Thank you.

CHAIR GUZMAN: Oh, okay.

MS. RASMUSSEN: It's pretty straight forward. ...*(inaudible)*... wanted to say anything else?

CHAIR GUZMAN: Okay, so then I guess I would refer to Corporation Counsel in terms of do you have any comments in regards to the license agreement?

MR. KUSHI: Mr. Chair, not at this point. I just looked at it today and reviewed it, as well as the resolution.

CHAIR GUZMAN: Okay. And, Members, do you have any questions? Mr. Couch?

COUNCILMEMBER COUCH: He said first.

CHAIR GUZMAN: Sorry. Mr. Victorino followed by Mr. Couch.

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COUNCILMEMBER VICTORINO: Yeah, thank you, Chair. We're talking about this authorizing a grant to license County real property for installation, operation, maintenance of electric vehicle quick chargers and local battery units, right? That's the one we're referring to?

MS. RASMUSSEN: Yes.

CHAIR GUZMAN: Yes, correct.

COUNCILMEMBER VICTORINO: Okay, and I read here, that whereas, Hitachi Advanced Clean Energy Corporation desires to install and operate, and maintain electrical vehicle quick chargers available for use by the public at the Kihei, you mentioned that, Lahaina Aquatic, it says here this building, oh no, next door, and then Haiku, but you said Wailuku and I couldn't find where...you said the Wailuku...

CHAIR GUZMAN: Civic Center.

MS. RASMUSSEN: Wailuku Civic Center.

COUNCILMEMBER VICTORINO: And where is Wailuku Civic Center?

CHAIR GUZMAN: Where is Wailuku Civic Center?

COUNCILMEMBER VICTORINO: This is not the Wailuku Civic Center. So I mean, you know, that's why I'm very confused. I'm like trying to read this over and so, this is not the Wailuku Civic Center?

CHAIR GUZMAN: Correct.

COUNCILMEMBER VICTORINO: And so should we put the...the proper name should be what?

COUNCILMEMBER COUCH: Well, it says Kalana Pakui right here.

MS. RASMUSSEN: Kalana Pakui.

CHAIR GUZMAN: Building.

COUNCILMEMBER VICTORINO: Okay, and that's not even, you know...so that's...we have charger stations out there. They wanna add to that, right?

CHAIR GUZMAN: I guess that's the question. I mean is...I see these charging stations already set up. So I...

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UNIDENTIFIED SPEAKER: I know. Who's doing those?

COUNCILMEMBER COUCH: It's not them.

CHAIR GUZMAN: That's not them?

COUNCILMEMBER VICTORINO: Somebody else?

COUNCILMEMBER COUCH: Well, one of them is.

CHAIR GUZMAN: Okay, can somebody...

COUNCILMEMBER VICTORINO: Yeah, can you kinda explain because I apologize.

CHAIR GUZMAN: Ms. Rasmussen, can you or have Mr. Togami explain?

MS. RASMUSSEN: But these three that are here are ours. They are ours.

COUNCILMEMBER VICTORINO: They are, right?

MS. RASMUSSEN: And so we're doing an official...okay.

COUNCILMEMBER VICTORINO: Okay.

MS. RASMUSSEN: Okay, I'm so sorry.

COUNCILMEMBER VICTORINO: I apologize, I read and I cannot...I apologize.

MS. RASMUSSEN: Okay, so the three of them that are out there now...okay, the original ones that are out there were not part of JUMPSmartMaui.

COUNCILMEMBER VICTORINO: Okay.

MS. RASMUSSEN: They were not part of the Hitachi system. But after we had the breakdowns of those...the chargers out there, then we approached Hitachi to see if they would put these in to be a part of that system. So now we're doing these official licenses to, you know, further expand the JUMPSmartMaui system. Does that make sense?

COUNCILMEMBER VICTORINO: So in other words, the three that are out there really are theirs but now you're making it official?

MS. RASMUSSEN: Yes, thank you.

COUNCILMEMBER VICTORINO: And not at the Wailuku Civic Center, right?

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MS. RASMUSSEN: Because they came in and saved the two chargers that were not working, so yeah.

COUNCILMEMBER VICTORINO: Okay. My other question, I guess Mr. Couch maybe can answer this, Mr. Couch, does the Kihei Community Center, do the gates lock or is it open 24 hours?

CHAIR GUZMAN: Mr. Couch?

COUNCILMEMBER COUCH: I...there are gates there and they do...they...I haven't been there late enough.

COUNCILMEMBER VICTORINO: 'Cause I think --

COUNCILMEMBER COUCH: I've been there by 11 o'clock and it's still open.

COUNCILMEMBER VICTORINO: --I passed late at night and they were locked. So you know, and again if we're gonna put things of this nature in areas that we lock up then I got a question as how is that gonna be efficient because maybe somebody cannot come during the day and may come late at night or early in the morning because they can get in, get charged, and back on the road. So I don't know...and even the Civic Center, isn't the Civic Center locked up too? That's my questions? I'm sorry.

CHAIR GUZMAN: I believe...yeah, I apologize. That's a good question, Mr. Victorino. Why don't we go ahead and see whether the Administration via it the Corporation Counsel or the Office of Economic Development can answer.

MS. RASMUSSEN: We have a answer for you. The quick charger...it's not a quick charger at Kihei. It's a battery, battery storage at Kihei. So it's not...nobody can charge their cars there. Is that correct? That's correct.

CHAIR GUZMAN: Mr. Couch, do you have a question?

COUNCILMEMBER VICTORINO: Well, that's, well that's different than what I understood this to be. So I'll let Mr. Couch ask the question now it's his district.

COUNCILMEMBER COUCH: So only for Kihei, I was trying to find it here, it's only battery storage?

MS. RASMUSSEN: Yeah, do you wanna explain the one at Kihei?

CHAIR GUZMAN: Mr. Togami?

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MR. TOGAMI: Yeah, we have to install the local battery, it means to absorb the excess, absorbs the energy for the small batteries located on aquatic center. That's only battery no quick chargers there.

MS. RASMUSSEN: And they're using the solar array.

MR. TOGAMI: Yeah, solar array.

COUNCILMEMBER COUCH: Yeah, yeah, the solar array at the Kihei parking lot to charge extra...I mean to charge batteries. Then what are they gonna do with the batteries?

MR. TOGAMI: We will use...that you can utilize the battery as a energy resource to absorb the energy from the PV.

COUNCILMEMBER COUCH: But, but...okay yeah, you're gonna charge the batteries there.

COUNCILMEMBER VICTORINO: Whose batteries?

COUNCILMEMBER COUCH: How you gonna discharge the batteries? Where's that energy gonna go besides just...

MS. RASMUSSEN: Who use the batteries?

MR. TOGAMI: Who use the batteries? So regarding drawing the demonstrations ...(inaudible)... battery will be utilized for the project, but after the project the battery will be transferred to the County and the County can utilize this battery to discharge and charge the energy, that's the purpose of this battery.

COUNCILMEMBER COUCH: So the batteries there are going to feed the electricity for the community center is that what you're saying?

MR. TOGAMI: Yes.

COUNCILMEMBER COUCH: So it's not any vehicle charging going on?

MR. TOGAMI: No vehicles charging.

COUNCILMEMBER COUCH: Is that...is there vehicle charging going at...it looks like there is going to be at the Aquatic Center in Haiku, but not Kihei.

MR. TOGAMI: Not Kihei.

COUNCILMEMBER VICTORINO: But again, aren't they locked?

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COUNCILMEMBER COUCH: Oh no, not this side where they want them. It's not locked over there.

COUNCILMEMBER VICTORINO: Okay.

COUNCILMEMBER COUCH: I don't...that's interesting, Mr. Chair.

CHAIR GUZMAN: Yeah, I'm not quite following the, I guess the presentation.

COUNCILMEMBER COUCH: And the other question I have or comment I have is, you know, and it might be okay legally, Mr. Kushi, is Lahaina, I mean, not Lahaina, the Kalana Pakui building is actually the old Planning building.

COUNCILMEMBER VICTORINO: Yeah.

COUNCILMEMBER COUCH: And the courthouse is where these are in front of. Does that matter? In... 'cause it's in the lease. It's listed in the lease as being in front of the Kalana Pakui building.

MR. KUSHI: Whatever building or description is appropriate or inappropriate can be amended.

COUNCILMEMBER COUCH: Okay.

MR. KUSHI: But it's existing right now. It's right in front the Prosecutors, the old courthouse.

COUNCILMEMBER COUCH: Right, the Prosecutors.

MR. KUSHI: So whatever you call that, I mean you can say the old courthouse.

COUNCILMEMBER COUCH: Yeah.

MR. KUSHI: But it is within this complex.

COUNCILMEMBER COUCH: I'm fine with it if it says that.

MR. KUSHI: Yes.

COUNCILMEMBER COUCH: Just I don't want it...somebody to say, well, wait a minute it's not in front of...

MR. KUSHI: Mr. Couch, Mr. Chair, there is, there are exhibits to the proposed lease. There are also pictures there and you can see where these things are. So...

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MS. RASMUSSEN: And again, this is all part of the JUMPSmartMaui, you know, whole grid that they've been creating and the reason that we have been able to proliferate our amount of EV cars on Maui which are now at the 600 I believe Prius and 23 Teslas, is that correct? Twenty-three Teslas. We had the highest concentration of EVs for any county of our size in the nation and it's because of this JUMPSmartMaui grid of electric chargers because we knew people would not adopt EV cars until this grid was created. And because of this project it got accelerated far faster than if we had left it up to the private sector. And so this is just adding more to the grid and this is all integral to the project of showcasing that a small community like ours can benefit from, you know, the whole electric charger...I mean, electric cars and electric charger grids. So it's just his furthering their grid and that just makes it easier for the citizens in order to charge their vehicles in more places. And these battery storage units are in conjunction with solar arrays that we have and that's also they're trying to showcase that you can store excess solar energy into a battery system and then use it at a time when you know the sun's not shining. So it's all part of their demonstration project and we are very grateful to Hitachi because without what they have brought to Maui County, we wouldn't be nearly this far along with our entire electric car system.

CHAIR GUZMAN: Mr. Couch?

COUNCILMEMBER COUCH: So the other question is can anybody who has a plug-in vehicle be a part of JUMPSmart Maui?

MS. RASMUSSEN: I think they have to be...he's asking if other people, if they're not part of the ...(inaudible)... can they use the chargers?

MR. TOGAMI: ...(inaudible)...

UNIDENTIFIED SPEAKER: You need to talk into the mic.

MR. TOGAMI: For the Wailuku, the ...(inaudible)... we installed fast chargers and also the Level 2, Level 2 chargers. And for example, Ford Focus and also the Chevy Volt and lots of the EV, type of the EV can charge with Level 2 chargers, and for the fast chargers ...(inaudible)... type of the charge EV can charge there. So it means basically all of the EV can charge with this facilities.

COUNCILMEMBER COUCH: Okay, that's...so you don't need a fob for the Level 2. I know you don't need one for this one 'cause my car's plugged in there right now, but all the other ones you're installing the Level 2 chargers won't need a key fob?

MR. TOGAMI: No need.

COUNCILMEMBER COUCH: But the Level 3 chargers will?

MR. TOGAMI: Yeah, need. Yeah need the membership card.

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COUNCILMEMBER COUCH: Okay, thank you.

CHAIR GUZMAN: Thank you. I would like to recognize the presence of Vice-Chair Stacy Crivello.

COUNCILMEMBER CRIVELLO: Good afternoon.

CHAIR GUZMAN: Is there any other questions? Thank you for that at least some background. I think we were...you jumped into the water without putting on your swimsuit.

MS. RASMUSSEN: ...(inaudible)... Sorry about that.

VICE-CHAIR COCHRAN: Chair? Chair?

CHAIR GUZMAN: Yeah, Ms. Cochran?

VICE-CHAIR COCHRAN: Yeah, thank you. And so this actual JUMPSmartMaui Program project has been going on for how long now?

CHAIR GUZMAN: Administration?

MR. TOGAMI: Until 2017, March.

VICE-CHAIR COCHRAN: No, when did it start? So, Chair, my line of questioning is because it's been, I know it's been ongoing and so we're saying these are already in place. I think a lot...all of these are in place or some of them are, some of them are gonna be new, I mean, I just...and we're just trying to get the licensing I guess official now, but it's already been operational. It's already been. So this is sort of a formality in a sense 'cause it's not like we're approving or disapproving because it's already in place.

CHAIR GUZMAN: Yeah, that's --

VICE-CHAIR COCHRAN: And play right?

CHAIR GUZMAN: --that's a good point.

VICE-CHAIR COCHRAN: That's why I'm just kinda, I'm a little confused in that sense where we...it's already happened and so now it's coming to us after-the-fact, and we're trying to figure out...'cause I know there's been some installations in West Maui, but I guess that's not part of this program. I was just assuming that all of our charging stations were a part of this whole networking program, but I guess now some is, some isn't, some are chargers, some aren't, some are battery. I think you know there's a lot of moving parts and I'm not really quite getting the full clear picture here.

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CHAIR GUZMAN: Those are very good points, Ms. Cochran. I'm going to...

VICE-CHAIR COCHRAN: And it's not like I'm anti-this one bit. But I just wanna make sure that, you know, it's just sorta like thrown at us, but it's been I don't know, maybe I'm just confusing, muddying the situation more than it needs to be, but okay.

CHAIR GUZMAN: No those are very valid points. I just...

MS. RASMUSSEN: Okay, I think can...

CHAIR GUZMAN: Hold on, Ms. Rasmussen.

MS. RASMUSSEN: I'm sorry.

CHAIR GUZMAN: I would like to get some clarity for the Members on a timeline, number one. You mentioned that there were, there are already existing units out there in various locations. And then you mentioned in the resolution that you want to establish a license for Hitachi for these existing units that are already there.

MS. RASMUSSEN: No.

CHAIR GUZMAN: No?

MS. RASMUSSEN: Not all of them.

CHAIR GUZMAN: So why don't you distinguish between...at least go through a timeline what is existing. What are you taking over? What is actually going to be there now? What are, you know, is this...is this a resolution after-the-fact? Is this I guess the number one question would be have you gone forward before asking or getting the approval from the Council?

MS. RASMUSSEN: Okay, I can explain.

CHAIR GUZMAN: Yes.

MS. RASMUSSEN: So first off the question is when did JUMPSmartMaui start? 2013 it started, okay. We are...we did not...the only installation that happened before we came to you today was the three that are out front of the County Building. None of the rest have been built and we're asking for permission, okay. The reason those three out there were because we had two, a fast charger and a regular charger that were completely unworkable. And that was something that the County did on its own outside of JUMPSmartMaui. So in order to have a kind of a win-win, the County didn't have to pay for those three to be reinstalled out there and have three working chargers. Hitachi came in and paid for that. So that is the only one that is done, you

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know, again before we, you know, came into you, but we already had...those charging pads were already there essentially. All of the rest are, were, have not been built and we're waiting to build them. So does that answer?

CHAIR GUZMAN: Yes ...*(inaudible)*...

MS. RASMUSSEN: Okay.

CHAIR GUZMAN: Ms. Cochran, does that answer your question?

VICE-CHAIR COCHRAN: Yeah, that, that helps...

CHAIR GUZMAN: It sounds as though only, that the charging stations in front of our buildings are the ones that they're done...that we're kind of approving after-the-fact here.

VICE-CHAIR COCHRAN: Okay.

CHAIR GUZMAN: I kinda have concerns about that, but, Mr. Couch?

COUNCILMEMBER COUCH: Well yeah, I noticed that you look like you had some concerns about that. My understanding is it was a...either a County or some other person had the lease and now they went out of business or the things broke and somebody else came in to fix it so we're just I think transferring a lease essentially or transferring the use from either the County...I forgot who it was. There was another company that...

MS. RASMUSSEN: The County actually owned them.

COUNCILMEMBER COUCH: It was the County.

MS. RASMUSSEN: The County owned it.

COUNCILMEMBER COUCH: Okay.

CHAIR GUZMAN: So it was a County project?

COUNCILMEMBER COUCH: It was a County project, right.

CHAIR GUZMAN: County run and then now we are...

COUNCILMEMBER COUCH: Letting them...

CHAIR GUZMAN: Yeah, we're I guess entering into a license agreement for Hitachi to take over?

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MS. RASMUSSEN: That's correct. That's correct.

CHAIR GUZMAN: Okay, okay.

MS. RASMUSSEN: Oh, and I have...I'm sorry, one more follow up to Councilman Cochran. So the answer is there are a lot of other chargers out there and this of course is just the new ones that they wanna do. But a lot of them have been on private property so for instance at Kaahumanu Center, Maui Tropical Plantation, I believe there's some out in West Side, but they're all on other private properties. So anything that would be on County property you would be, you would be in the loop on that. We would be coming to you for that.

CHAIR GUZMAN: Okay. Mr. Couch?

COUNCILMEMBER COUCH: Thank you. At the one at the County Building here who pays for the electricity on that one?

CHAIR GUZMAN: That's a good question. Administration or Mr. Togami?

MS. RASMUSSEN: The project is paying for the electricity.

COUNCILMEMBER COUCH: So we give them a bill saying this is how much?

MS. RASMUSSEN: Based on, based on the usage, you know what was because we have those records with the chargers.

COUNCILMEMBER COUCH: Got ya. Thank you.

CHAIR GUZMAN: Nice.

COUNCILMEMBER COUCH: I just there was one in Kihei.

CHAIR GUZMAN: Members, any other questions? Seeing none, any closing remarks from the Administration, from Mr. Togami?

MS. RASMUSSEN: Well thank you for indulging us in our going back and forth, but again, I just...I wanna say publicly that we are very grateful for Hitachi and everything they brought to this community in showcasing this technology, and it's really been a win-win for our community. And I think the fact that we are light years ahead of the rest of the nation in our density of EV cars I think speaks volumes to the success of this project.

CHAIR GUZMAN: Thank you. Members, I'd like to entertain a motion to adopt the proposed resolution entitled, AUTHORIZING A GRANT OF A LICENSE OF COUNTY REAL PROPERTY FOR THE INSTALLATION, OPERATION, MAINTENANCE OF ELECTRIC

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VEHICLE QUICK CHARGERS AND LOCAL BATTERY UNITS, incorporating revisions if appropriate and filing the County Communications 14-292.

VICE-CHAIR COCHRAN: Thank you, Chair. I so move.

CHAIR GUZMAN: Moved by Ms. Cochran.

COUNCILMEMBER VICTORINO: Second.

CHAIR GUZMAN: Seconded by Mr. Victorino. Any discussion? Seeing none...

VICE-CHAIR COCHRAN: Chair?

CHAIR GUZMAN: Oh yes.

VICE-CHAIR COCHRAN: Oh sorry. No, Chair, I just, one. I have definite positive comments for the Hitachi Corporation and having been to visit Japan and seeing their operations and vetting through the choice of the company that was going to do all this installation and we signed up with the program and the project that we are affiliated with. I am very honored and very thankful, and it's quite...it's nice to see that we are leaders once again in the movement of electric vehicles. So thank you very much for bringing the opportunity here to our little island and your big broad knowledge of this type of technology. So thank you to Hitachi and the company and the Department and Administration. So thank you, Chair.

CHAIR GUZMAN: Very good. Thank you. Mr. Couch?

COUNCILMEMBER COUCH: Thank you. And I echo Ms. Cochran's comments. The one thing that we have to be careful of and I don't know if it's not really their fault but we have to be cognizant of is that these vehicles aren't using gas but are using the road. And we have to figure out how to get road use taxes for those. I'm willing to sign up for that too.

CHAIR GUZMAN: You mean impact tax fees, you mean?

COUNCILMEMBER COUCH: Yeah, because it is impacting our revenues for gas fees so we have to be...figure out how to deal with that.

CHAIR GUZMAN: Would you like this Committee to refer that question to Ms. Cochran's Committee?

COUNCILMEMBER COUCH: I would think, yeah.

CHAIR GUZMAN: Okay, why don't we do that, Staff?

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COUNCILMEMBER COUCH: Thank you.

CHAIR GUZMAN: Thank you very much. Any other further discussion?

COUNCILMEMBER VICTORINO: Mr. Chair?

CHAIR GUZMAN: Mr. Victorino?

COUNCILMEMBER VICTORINO: And thank you, and thank you, Mr. Couch, for volunteering, but this is a national problem too.

COUNCILMEMBER COUCH: Yep, yep.

COUNCILMEMBER VICTORINO: And we're working on it on the national level because they realized that the onset of alternative uses of vehicles and not only the electric but there's hydrogen, there's many others, biodiesel, and you know a lot of them do not pay any kind of tax or very limited amounts. So this is being worked on right now in Congress. So we can do something here locally but it will only affect locally. You can't...it's the big picture that needs to be done because until we get a sustainable fund for our infrastructure needs in this country which is lagging way behind as you well know and anyone who's followed this understands that. The difficulty is all these alternatives are great but don't pay their fair share as far as helping our infrastructure. So hopefully we'll find something in the near future nationally and then come down through the State and through the County. Thank you, Mr. Chair.

CHAIR GUZMAN: Thank you, Mr. Victorino.

VICE-CHAIR COCHRAN: Chair?

CHAIR GUZMAN: Any further discussion? Ms. Cochran?

VICE-CHAIR COCHRAN: Yes, thank you. And yes, Mr. Couch brings up a good point and it was tossed around up at NACo this last visit with other municipalities, and possibly looking at the mileage. 'Cause every one there's a mileage report on every car whether you're powered by...regardless of what you're powered by there's so much mileage that you're putting onto the road system. And so, maybe perhaps looking into that.

CHAIR GUZMAN: So it would be more of a fee not a tax 'cause we wouldn't have taxing power, right?

COUNCILMEMBER COUCH: Fee.

CHAIR GUZMAN: A fee, yeah right, fee.

VICE-CHAIR COCHRAN: Right.

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CHAIR GUZMAN: Very good. That'd be interesting subject matter to cover --

VICE-CHAIR COCHRAN: Yes.

CHAIR GUZMAN: --if we could implement it at the local level. Mr. Couch?

COUNCILMEMBER COUCH: And it may or may not go to her committee.

VICE-CHAIR COCHRAN: Yeah, it might be Budget.

COUNCILMEMBER COUCH: It might be Budget.

CHAIR GUZMAN: Budget?

COUNCILMEMBER COUCH: It might be a Budget issue.

CHAIR GUZMAN: Okay, we'll refer both items to both committees. So any further discussion? Seeing none, okay. Seeing none, I'm gonna call for the question. All in favor, say "aye"?

COUNCILMEMBERS VOICED AYE.

CHAIR GUZMAN: All opposed, say "no"? There are five "ayes", no "noes" and two excused, Mr. White and Mr. Hokama. Motion carries with any revisions and the filing of the Communication of 14-292. Thank you, Members. Moving onto the next agenda item.

MS. RASMUSSEN: Thank you. Thank you.

CHAIR GUZMAN: Thank you very much.

**VOTE: AYES: Chair Guzman, Vice-Chair Cochran,
Councilmembers Couch, Crivello, and Victorino.**

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmembers Hokama and White.

MOTION CARRIED.

ACTION: ADOPTION OF RESOLUTION AND FILING OF

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COMMUNICATION.

CHAIR GUZMAN: So, Members, I'm gonna take a two-minute recess to allow the next presenters to set up what they need to do. So about, let me give you two minutes. Okay, thank you. . . . *(gavel)* . . .

RECESS: 3:12 p.m.

RECONVENE: 3:21 p.m.

CHAIR GUZMAN: . . . *(gavel)* . . . Good afternoon. The EAR Committee shall now reconvene.

EAR-22 TOOLS TO ENCOURAGE AGRICULTURE SUSTAINABILITY (CC 14-215)

CHAIR GUZMAN: Members, we're going to proceed with Item EAR-22 called, entitled, the TOOLS TO ENCOURAGE AGRICULTURE SUSTAINABILITY. The Committee is in receipt of the following: A County Communication 14-215 from me on the matter relating to the agriculture sustainability tools; and Number 2, Correspondence dated February 24, 2015 from me, transmitting a proposed resolution entitled, REFERRING TO THE LANAI, MAUI, AND MOLOKAI PLANNING COMMISSIONS A PROPOSED BILL TO PERMIT THE USE OF FARM LABOR DWELLINGS BY AGRICULTURAL LAND TRUSTS". The purpose of the proposed resolution is to refer to the planning commissions a proposed bill entitled, "A BILL FOR AN ORDINANCE TO PERMIT THE USE OF FARM LABOR DWELLINGS BY AGRICULTURAL LAND TRUSTS". The purpose of the proposed bill is to permit the use of farm labor dwellings by agricultural land trusts with the intent to keep agricultural lands affordable to farmers through the community land trust model of development. Members, the Chair does not intend to take action on this resolution, but to begin the conversations nonetheless. As part of our sustainable agricultural toolbox item, this Committee has been examining innovative ways of encouraging and preserving agriculture and agricultural lands in Maui. Today we will begin looking at a new concept for Maui County. A method of applying the community land trust model to agricultural properties, to reduce the cost of agricultural operations, and related farm labor dwellings. It's a tool for increasing the viability of agriculture by addressing high land costs and applying the community land trust modeling of housing in the Agricultural District. What we have today is I know that we, the resolution is to send it to the planning commission, but I wanted to give an opportunity for the Members of this Committee to get the concept before vetting it further, and then thereafter taking a vote to have it sent over to the planning commissions. So this is what today's meeting will be. Today we have with us Mr. Dale Bonar, and he is a marine biologist by training, a former professor of the University of Maryland, and the former Executive Director of the Hawaiian Island Land Trust and Maui Coastal Land Trust. Following retirement from the Land Trust in 2012, Mr. Bonar began an affordable farming project with the goal of providing an

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effective affordable method of establishing small sustainable family farms which includes permanent leases and the ability for the farmers to build equity in their working farm. Also joining the Committee as a resource person is John Anderson, the Executive Director of Na Hale O Maui, who will be available to address questions and concerns regarding housing, the housing component as it relates to this type of land trust. We will now begin the presentation and the discussion with Mr. Bonar to go ahead and begin the presentation. Thank you.

. . . BEGIN PRESENTATION . . .

MR. BONAR: Okay, thank you, Chair Guzman, Members of the Council. What I want to do is help put this in a background context and a lot of these are things that you know, but it just helps focus why we're looking at this kind of a program. We're all painfully aware of the many agricultural challenges in Hawaii today. The challenges of being ag have had where we've lost most of our pineapple, cane, sugar cane is...

CHAIR GUZMAN: Mr. Bonar, can you get closer to the mic?

MR. BONAR: Sorry.

CHAIR GUZMAN: Thank you.

MR. BONAR: Sugar cane of course is a big challenge and as we saw in yesterday's paper I think it was, you know, even so A&B is looking at what alternatives are out there. A lot of the substitution that's come in to fill sort of our loss of farms over the years are the folks who are getting into farming now, who are doing the small farming. And we randomly define small ag as less than 50 acres which is arguable but it was a number that we could use there. And so these are examples of things that are going on here. I had to show Chuck Boerner's Ono Farm pictures since Chuck and I sat next to each other going all the way through school 150 years ago here. The local demand, demand for local agriculture is consistently increasing. We constantly hear how the fresh food, local food, better for us, fresh grown, farmers markets are blooming. Local supermarkets all of them now have their local sections and are promoting that locally produced. What's really inspiring to me is the educational increase that we're seeing not only in University of Hawaii, Maui College that's got the ag programs which aren't designed just to teach people how to put the seed in the ground, how to make it grow, but how to do the business of farming. All the things that one has to do, the financial, the marketing, the acquisition, the management of it. And there are many young farmers out there who are...do not have farms of their own or are on temporarily leased land who want farms. The Farm Union meetings that are here there are now nine chapters around the state. We have five or two big chapters on Maui. At our meeting each month there's 130 to 150 people that come forth there. Most of them are the 30-somethings, the 40-somethings, the 20-somethings, and these kids are either helping work on farms or they may have a small lease of their own, but they're

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really anxious to be able to be a family farm. And of course, like all farms your costs go into a whole variety of things and for young farms, for small farms it's an even bigger challenge. And so all of these are the kinda things that if there's a way of facilitating those we're going to get more production out of our local farms and those are gonna be part of our self-reliance here. But the big challenge, the huge challenge we're all painfully aware of is the cost of land. For a young family or young farmer to get on land in which they have control of the land is typically very expensive. These are numbers from the last two years that I just had one of the realtors pull out looking at small acreage what they've sold for, and I'd asked to look primarily if they could at ones where there is water available and it's arable land for them to use. And although they couldn't guarantee about the water availability, these are the kinda figures that come out when you're trying to look for smaller chunks of land there. So as I said before virtually all young farmers are on leased lands. Simon who testified has a couple of acres, but you know he can't, he can't have a house on it because he's leasing it and so it's the cost additionally plus any infrastructure he was to put in or if he tried to get organic certification for it. Once his lease is up all of that is gone. And so, for them to put their own equity in something without building an equity to come back is a disincentive to be the kind of farm that they would like to be. The other...and these are some of the challenges of that short-term leasing. But one of the...the biggest problem here is coming is that if you're leasing a piece of farmland whether it's two acres or a thousand acres, if you're leasing it you cannot build a residence on it there. Oops, I'm sorry. You cannot build a residence on it there. If there was a residence already there, you could live in it as a renter but you cannot build new buildings there. And this has been the challenge for many because for most of these farmers, they want to be there on the land which you need to be for a number of reasons. Keeping your eye on the land, you know, watching out for whether it's theft or vandalism or invasive species, you know which of course are a major challenge especially to the agriculture in certain areas here. And so the question that I wrestled with for years is, you know, how do we encourage this? How do we provide them some kind of security and the types of land that they can turn into good farms? And so we came up with this vision to establish this, a nonprofit farming organization, and right now we're working under the auspices of Na Hale O Maui, but Hawaiian Islands Land Trust is closely involved and we're looking at lands that would be under permanent conservation for agriculture there but it would allow the farms to build...the farmers to build some equity. And so in a way this is kinda looking back at a plantation type model where the land trust would control all the land, but the farmers themselves are building some equity in the whole operation there. The structure as we envision it, the nonprofit would own the land in fee or it could own just very long-term leases, you know, 99-year renewable leases would be acceptable because that does provide the access to the various funding sources that are available whether it's through USDA or Fish and Wildlife or the various State, County agencies that support this kind of thing. The farmers would be given a very low-cost, very long-term, renewable leases that could be passed onto the kids if they were...well, I'll get to what happens if they want to sell their house, but the farm infrastructure that they may put in which could be irrigation or it could be a house, they build some equity in. And this is where the

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nonprofit community land trust model really kicks in because you can get these people in affordable housing. It would restrict it to people who are at that low-moderate income level there, but it opens the door for them to get in these and establish their family farms. Most of your young aspiring farmers or the young farmers on leased land are in that position now of being that low-moderate income. Farming is required. No farming, no lease, and if you lose your lease, you've gotta sell your...the farm part of it there, the house, infrastructure you may have put in. Typically the land trust is set up so that if necessary, it can purchase that back and then get it resold again to someone else who fits the appropriate criteria there. And that housing would have to be only for people...the family living in it would have to be working on the farm. They could still have other jobs, but they have to be engaged in the farming operation. The advantages here of this type of a model it does provide access to the land and a number of different programs that can help pay for it there. It keeps the ground leases low, allows the low-income family to build, and most importantly, when that gets sold it gets sold at what would be an affordable price for a next owner rather than having elevated to market values there. What we envision is a two-tiered structure. The land trust would be the holder of the land. It would work to acquire the land, hold the fee interest. Those are the kinda things that are my particular specialty, of course. Help oversee the ground leases. These are things Na Hale O Maui, John Anderson, who's here that can answer questions if you wish can speak more to that but it monitors these leases, make sure they're doing the farming, and does the enforcement there both the monitoring and enforcement. The best structures to work with a farm cooperative, and in fact the Hawaii Farm Union has been expressing great interest in this, you know, whether it's a farm hub type of model or some model. But those both can assist the land trust in qualifying new farmers as well as keeping an eye on the land and those are also the great benefit for coordinating things like marketing, equipment or supply purchases. Having a mutual communal kitchen that they could be using, a commercial kitchen they could be using there. So the elements that we've been putting in this bill that your Chair and a number of other people have kind of worked on these concepts it defines what an agricultural land trust would be. It has to be a nonprofit. It has to be some kind of certified, accredited organization and not just a...well, in the land trust world we call them rogue land trusts sometimes set up by landowners or developers who are just doing everything they can to get the most money but then aren't gonna do the follow up and the monitoring and enforcement there. So there needs to be that certification there. It allows...the bill as it's set would allow the construction of units without having to go through all of the criteria that currently one does if they're going to put worker housing on their land. As it is now if you have a piece of ag land, I mean you get the house and your accessory farm dwelling on it, and then you can add one farm worker dwelling for each five acres that you have there. It requires that you show an income 35,000 or more for a period of time prior to that, 35,000 a year. And that you either have water or you have a deal with the County to get water there and a farm plan. What this would do is say that a certified agricultural land trust could go ahead and get the housing in before you have that history of showing the farm income there. And so it allows these people instead of spending the money on their rent somewhere

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else to be putting their money into the land and the area that they have under this permanent lease there, and they can get into the house. And it then requires a certification of the farm family to be sure that they are owner workers there, not people who are trying to turn it into a TVR or some other type of use. I think the one thing that...oh yes, the last bullet point, the way that it's constructed requires that the land trust would have to report every year to the Council, you know, how many people there are, how many people are living in houses, what kind of houses have been up, what they're producing to show that this is an active agricultural operation here and it has the appropriate people in it doing it. So it's been in development, there's still some details to work out, but it's a concept that those of us looking at our local sustainability, our local self-reliance see this as a very productive way of keeping our farms and keeping them in farming here. Anyway, thank you.

. . . END OF PRESENTATION . . .

CHAIR GUZMAN: Thank you. Members, do you have any questions at this point? I'm pretty sure you do. Maybe I can ask the Department of Planning, Will Spence to come down? And like I said, just a reminder Members, we're not gonna take action on the bill itself for the ordinance to permit the use of the farm labor dwellings by agricultural land trusts. There are a few details that we need to work out. I believe that by the next time that we present this on the floor we will be ready to actually address some of those issues and be ready to either vote on the proposed...proposal to send it to the planning commissions. So, Mr. Spence, do you have any comments in regards to this concept?

MR. SPENCE: Yes, thank you, Mr. Chairman and Committee members. The Planning Department is very supportive of this concept. I think it...it has a potential of assuring local agricultural production, the preservation of agricultural land, and provide an affordable way for, you know, Mr. Bonar has been talking about young farmers, maybe some of them not so young farmers. Also to get on the land and, you know, to produce food or, you know, flowers or other crops for the Hawaiian Islands, this is a good concept. I look forward to working with this Committee, and the Chairman, and Mr. Bonar in refining some language for an ordinance that everybody can support.

CHAIR GUZMAN: Thank you. Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. And yeah this sounds like a great idea. My question would be probably either to Mr. Kushi or Mr. Spence is how does this jive with the State 205 regulations, HRS 205, et cetera? Can we do something like that?

MR. SPENCE: Hawaii Revised Statutes, Chapter 205 does not specify how many...I assume the question is about the number of homes on a lot?

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COUNCILMEMBER COUCH: Sure.

MR. SPENCE: Okay. Hawaii Revised Statutes does not specify how many homes you can put on a lot. And traditionally, you if think about it, traditionally with our history of plantations you had a lotta homes on one large lot all underneath, working underneath the plantation. 205 just specifies you can subdivide down to no less than one acre. So if you have farm dwellings, I mean if you're talking about a farm land trust like this and everybody is farming on it, you can...it could be a really good concept and be perfectly allowed under 205. I mean, of course any bill and I'll give the caveat, any bill is gonna have to be reviewed by Corporation Counsel as to form and legality.

COUNCILMEMBER COUCH: Right. Though that's good to know that it...that at least we're okay with the State regs. The other, I mean, you know we've had concerns before with putting too many homes on agricultural land, et cetera. If a person owned or leased a 100-acre lot, they would only be allowed the two or three...well, actually only if they owned it, the two or three dwellings, right? They couldn't get much more than that or are they allowed like Mr. Bonar said, one for every five acres?

MR. SPENCE: You are allowed the first farm dwelling as a right with a, you know, once you get a farm plan approved. You have to implement that farm plan in which more than 50...more than half of the property is in some kind of agricultural production, but that could be pasture land or a lotta different things. You have to do that before you get the second building permit for the additional farm dwelling. Okay, after that as Mr. Bonar explained you can get additional farm dwellings provided that you can show \$35,000 of income and agricultural water rates, and a number of different things. It's not impossible, but it's difficult. It's more difficult to do. This would simplify that and under the...and it wouldn't eliminate that. This would be an additional provision within the Code, but it would...underneath a nonprofit, you know, you have more assurances that there is actual farming going on.

COUNCILMEMBER COUCH: And that's the big thing is I'm very concerned about people taking advantage of it and not doing the farming which is kinda what happened with our two-acre farms. So that is one concern because if...with this model instead of, you know, on person getting maybe two or three dwellings you now get in that same 100 acres if it was owned or leased by the nonprofit and then you had people that were subleasing each five acres, if you will, to do their own farm you could have 20 homes on something that normally would have one or two. Which I understand works as long as it's continued on in farming, but I just see the, you know, as again as Mr. Victorino keeps pointing out to me about what I say is you got 80 percent or 90 percent of the people gonna do what you wanna do, it's the 10 percent that we have to figure out who's gonna find those loopholes. If we can cover those loopholes, I would be more comfortable with it, but you know that there's those people out there that say, oh good, now I get 20 farms. I'm gonna have my own nonprofit organization land trust and I'm gonna rent out 20 farms that are...each have a goat on it and it's

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pasture land. You see...I mean, it's just because this is what we are encountering now similar things like that. I just wanna make sure we don't have that same problem. This is a great idea, and I'd love to have it work because like you said, you wanna get these people who wanna farm some land to farm. But we gotta watch out for the other ones.

CHAIR GUZMAN: I believe Mr. Couch has valid concerns. I think maybe Mr. Bonar could address those concerns in terms of the validity of a land trust and its authority to govern and assure the County that the lessees are actually farming?

MR. BONAR: Yeah this, I mean it...let me step back one step. When we developed this idea I went around and talked to just a very wide range, to landowners, to developers, to farmers, to everyone because what we're trying to do is avoid the loopholes where somebody could come up with ah, I can see how I can turn it into the slippery slope. You know it's someone who lives in an agricultural development there in which out of a I think it's 140 lots in our development and I would guess there's no more than six people who are doing what you would consider farming which seems to be true of most of our ag subdivisions now. The real question is just what you said, how do you assure? The way a ground lease works through a community land trust model it lays out very specific things. Because land trusts are very specific things that are identified in Federal Code, the IRS recognizes them, the Feds have unique definitions of 'em, we have to...we, as land trusts have to meet those definitions. For example, for Na Hale O Maui to be able to access some of these affordable housing funds they have to meet very rigorous types of standards and demonstrate that they do it, they monitor, they keep up to it. The reason we have accredited land trusts now is because of some these slippery slope land trusts in the past. This really came to a head about 10, 12 years ago. I was part of the crew that helped develop the plan for accreditation and it's a very rigorous one that a conservation land trust goes through with this, reaccredited every five years. You're very heavily scrutinized. You know, you have to do your annual monitoring, your reporting, the enforcement if there's issues coming up, and this is the discussion that we're now having with Planning is what is the best way to certify that it's a legitimate organization. For the moment, my feeling is if you identify the land trusts have to be either nationally accredited or have gone through the certification process that HUD requires that that is an effective measure of is this a capable organization? The way Federal laws is written should something happen, should a land trust have to go out of business, go bankrupt, whatever, the law has very specific guidelines for how a court of jurisdiction has to reallocate those assets to an equivalent type of an organization or one that could carry out the mission of that organization that's gone under. So there are controls there. The part of the question that we're wrestling with now is okay, how can the County best keep an oversight on this without just getting swamped with work?

CHAIR GUZMAN: Mr. Couch?

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COUNCILMEMBER COUCH: Thank you, Mr. Chair. And I know other Members have questions.

CHAIR GUZMAN: Would you like to yield?

COUNCILMEMBER COUCH: Yes, yeah, yeah.

CHAIR GUZMAN: Okay. Mr. Victorino?

COUNCILMEMBER VICTORINO: Yeah, thank you Chair. And thank you, Mr. Bonar, and, you know, the concept again like Mr. Couch has said could be one of those answers to the questions we've been looking for a long time. You knock on wood, yeah I agree with you. The question I have is first of all, you need these large tracts of land to do some of this...like the illustrations in the back.

MR. BONAR: Or at least, yeah bigger, bigger.

COUNCILMEMBER VICTORINO: Bigger tracts. Yeah, yeah, yeah and so is there some kind of plan gonna be formulated how do you acquire these lands, because again, the concept is to put a multiplicity of smaller farmers you know doing 5 acres, 20 acres, 40...I saw all the different dimensions which is great. You know it allows a lot of people to get on and farm, and especially young farmers or farmers, you know again you're such a left out there in the cold if you want to use a pun. And so I just wanna see is there a plan of action for the ascertaining of the land itself?

MR. BONAR: Yes. I mean, part of that goes to the...I mean, the way the land trusts work now--

COUNCILMEMBER VICTORINO: Right.

MR. BONAR: --you know, identifying the land. Because for a nonprofit if you have land that you were either to donate to my nonprofit or to sell at a bargain sale.

COUNCILMEMBER VICTORINO: Right.

MR. BONAR: You get a big tax break there from the Feds.

COUNCILMEMBER VICTORINO: Right.

MR. BONAR: And there's...if you look at the way these agricultural developments are being done now, where you know you have so many 2 acres and so many 15s and 25, 40s.

COUNCILMEMBER VICTORINO: Right.

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MR. BONAR: These bigger acreage generally sit fallow and often the big leftover ones you know that's all they are is fallow. To have those kind of things for a developer, for a landowner sometimes it's a benefit to them to say well, look I'm gonna get all this income from selling all of these other two-acre farms here and the...by donating this chunk here to the land trust we can write off against the taxes that we're gonna have to pay on all of that. So there's one advantage to that I mean this happens quite commonly around the nation in conservation areas.

COUNCILMEMBER VICTORINO: Right.

MR. BONAR: The other thing is there is acquisition money available to do these kinda things. You know USDA, NRCS has a number of different farm and ranch land protection program types of things that where there is funding. It's also something that a good nonprofit organization develops the supporters who help contribute to these kinda things. That was part of the discussion we had with some of the landowners, some of the developers there, and there were developers, people who you all know and said wow, no if something like that was in place right now we could figure out how to make this, how to do a deal. So that there's, there's openness to the idea. There are pathways to getting there. I mean that's where my expertise comes in is getting land. John's expertise is in getting the houses on the land.

COUNCILMEMBER VICTORINO: Right on the land. Well, again, I like all of this. The donation portion of it concerns me because a lot of times they'll give you fallow land that is really untenable in the first place, you know, like I can't use this anyhow, so hey you can have it. So that's one concern. And I think the other one, and again it's always a concern is when you're doing farming, you gotta have a reliable water source.

MR. BONAR: That's right.

COUNCILMEMBER VICTORINO: And again, that's gonna dampen a lot of this because it's gonna be costly to put in any kind of in any of these areas because if you go to West Maui there's a lot of fallow land there, you could do a lot of farming there, but it's awful expensive to get agricultural water into that area. So again, I don't wanna dampen the plan, I guess there's more work that needs to be done, Mr. Chair, and the concerns will be raised when you really come back with a final plan of action. I think then I'd ask more questions and looking for more answers, but conceptually I like it. I think it's long overdue. I just have these nagging problems with, you know, how this is all gonna pan out.

MR. BONAR: Oh yeah.

COUNCILMEMBER VICTORINO: Because again, you wanna put somebody on that land and give 'em a really fair shot to survive, and if we're not, if we're setting them up to fail then I'm not really exactly keen on that idea, and I know you're not--

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MR. BONAR: I'm with you exactly.

COUNCILMEMBER VICTORINO: --you know, but you know where I was going with this?

MR. BONAR: Oh, yeah absolutely.

COUNCILMEMBER VICTORINO: Okay, thank you. Thank you, Mr. Chair.

MR. BONAR: I should say that that one of the things that we've put down and what was this ag land need to be?

COUNCILMEMBER VICTORINO: Yeah.

MR. BONAR: Potable and ag water.

COUNCILMEMBER VICTORINO: Yeah, okay very good.

MR. BONAR: ...(inaudible)... can have whatever.

COUNCILMEMBER VICTORINO: Thank you, John. Thank you, sir.

CHAIR GUZMAN: Thank you, Mr. Victorino. Yeah, just to remind the Members we do have the bill, it is the bill presented before you, but I also believe that we need to work slowly with it so that we, as the Members, understand the concept first and then we'll work, you know, work with the Planning Department to get more of the concept built in, you know, worked out with the Department in terms of the implementation of it. So are there any more questions? Yeah, Ms. Cochran?

VICE-CHAIR COCHRAN: Thank you, Chair. And thank you for bringing this forward and yeah quite interesting and I think definitely worthy of our discussion and looking into. But in our handouts there's a draft administrative rule for agricultural land trust qualification, I think...and that wasn't in your slideshow.

MR. BONAR: No, well...

VICE-CHAIR COCHRAN: And is this Mr. Spence's draft?

MR. BONAR: No, no.

VICE-CHAIR COCHRAN: Oh, no?

MR. BONAR: I had provided that to the Planning...I mean, you know when this was raised as an issue, you know, how, how do we know what a legitimate land trust is?

VICE-CHAIR COCHRAN: Right.

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MR. BONAR: And I said well, you know here's the type of checklist that could be used there. You know the question is how to do that quickly, effectively, to meet the County's comfort without causing the County, oh here's a whole bunch more work for you to do.

VICE-CHAIR COCHRAN: Okay.

MR. BONAR: And so that's some of what we're working on now.

VICE-CHAIR COCHRAN: Okay, thank you, Mr. Bonar. And so I guess question to Department, Mr. Spence, if you had a chance to peruse this? And if you have any initial comments I guess at all? If this is something that's workable? You think is...covers the, you know, the things that you...your checklist preview thing?

MR. SPENCE: Yeah it's...as Dale was saying that, we're working with him and we'll be working with Mr. Guzman and his Staff to come up with a bill that's I think more workable. But we're definitely in support of this concept and we'll figure a way to make it work.

VICE-CHAIR COCHRAN: Okay, very good. And then I know it's a work in progress but in relation to enforcement, any type of penalties that may be imposed or, you know, in relation to the whole registration bit, and it's only valid for a period of no more than five years and if people continue on without renewing...I mean how...these things aren't actually addressed and sorta spoken about in this version, but I'm sure if there's any comments, you know, towards that aspect of this?

MR. SPENCE: Right. No, those are all things that we're going to be discussing.

VICE-CHAIR COCHRAN: Okay. Okay, very good. And I understand Chair that we're looking to forward this to the planning commissions at the point?

CHAIR GUZMAN: Yes, yes. We're gonna work on some more of the language within the bill. It is before you today. I just wanted to have this opportunity to introduce the concept, and as we move forward with refining the bill itself...I think it's...you know, during the 17 years of my practice or at least, let's see 10 of it I was involved greatly with trusts, 20 percent of my general practice was involved in trusts. So to me this is a really interesting concept when you're taking the trusts like coastal land trusts and how reliable they are in terms of securing the lands, and you're combining it with an affordable housing trust like the Na Hale O Maui. So you're combining it together that concept where you can get affordable farming for multiple families on one property. And the trust itself could...is the owner of the land, so when it comes to selling the land off or keeping the price of the land down, it will keep, it would be also the trustees...under the trust documents authority to make sure that that gets done. So I think provisions could be...are set in. So but anyways, Mr. Couch, did you wanna say something?

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COUNCILMEMBER COUCH: Yeah, you bring up, you're talking about the land and that's all well and good. My concern is what are you gonna do with all the houses that are on the land if this trust goes away, et cetera, or if, you know, the next generation doesn't wanna farm, the families that are there that they don't wanna farm and so you gotta get somebody else who wants to farm. I can just...

CHAIR GUZMAN: Yeah, why don't you ask Mr. Bonar?

COUNCILMEMBER COUCH: I wanna make sure we cover that kind of stuff.

CHAIR GUZMAN: That's a valid question in terms of what happens.

MR. BONAR: And I think the reality is because of the way the laws are set up, the land trust has the full right to say farming is part of it, you have to do be doing the farming or you're gonna lose your lease, you know, and you're going to have to sell it, get off the land, and so it's got a farm family in it there. There's some other interesting little twists that we're wrestling with. What happens when you get an elderly farmer who gets to the point where they can't farm anymore? And, you know, we've talked about ways in which you could bring in the young farmers to work with them there and basically inherit the farm or to buy them out over time there. But all I can say is that monitoring and enforcement is core to land trusts, both community and conservation. That's our mission. So that's what we do. That's why it's important to have a good, strong land trust. We're required by the IRS to build up resources so that we can monitor and defend, and that's something they check on us every year when we file.

CHAIR GUZMAN: Members, any other questions?

COUNCILMEMBER COUCH: Yeah, one last.

CHAIR GUZMAN: Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair, for being this up 'cause it's really a great concept and I really like it, I just trying to figure out how to get around the scofflaw that's in the bill.

CHAIR GUZMAN: Yeah, and that's why we're here.

COUNCILMEMBER COUCH: Yep. Yeah, you've got...you get this set up and you've given, you know, Mr. Kushi the right to have this farm and live in this...build this house and live in this house and then he decides I'm not gonna farm any more. It's really, really, really hard to kick somebody out of the house, a family out of the house, and take away entitlements. So do you have that factored into your model? Because that's one of the things that we're running into in other places. It's really hard to get somebody out of something that they promised they were gonna do, and oh well, I couldn't do it.

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MR. BONAR: Well, that's things of course for the County, County Council to ease up on, you know, landlord versus tenant rights there. I don't know, John is there, there --

CHAIR GUZMAN: Mr. Anderson will you approach the floor?

MR. ANDERSON: ...*(inaudible)*...

CHAIR GUZMAN: Yes.

MR. BONAR: --a specific thing that you might be able to comment on that?

CHAIR GUZMAN: Mr. Anderson, can you please state your name and your...the organization --

MR. ANDERSON: Thank you. I'm John Anderson. I'm the Executive Director of Na Hale O Maui, Hawaii's first community land trust for affordable housing. You've raised some very good questions, and it goes to absolutely the root of why we use a sustainable leasehold model instead of a fee simple with deed restriction model. Affordable housing has been done on this island using short-term deed restrictions where you're delivering fee simple ownership which is legally a full bundle of rights. Deed restrictions start pulling some of those rights away and courts can intercede and say no, you can't do that. The community land trust model never delivers the full bundle of rights in the first place. The owner does not get fee simple to the land. We give them a sustainable leasehold that is designed to be affordable and homeowner friendly as opposed to landowner friendly, but we have the right to have a resale formula in there that governs completely the price that that property will be sold at. Also, we have clauses that they have to live in the house as their principle residence. We have an annual certification process to document that. HUD requires us to do that. So the model works because it's not legally challengeable by taking some of those rights away. We never gave them in the first place. And when a homeowner enters into a lease with us, they go through an extensive counseling process and legal review with summaries of it, with signed statements that they understand what they're getting themselves into and what they have to do, and what they own and what they don't own, and they own the improvements and can sell improvement based on an appraisal based resale model. And it has turned out to be successful. We've had a resale where we went through the whole formula. It worked as exactly as it was theoretically designed to work for. The homeowner got a share of the equity. They moved off island. They were happy. We got the house back. Put another family in. It was affordable the first time, affordable the second time, it will be affordable the third time. Those concepts can be married with the conservation land trust concepts to have affordable housing to live in and affordable ag land to farm.

CHAIR GUZMAN: Yeah, it's a combination ...*(inaudible)*...

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COUNCILMEMBER VICTORINO: That's good enough, yeah. I think that's great. I mean, I think it hits the nail on the head and I'll wait further action from the Committee with you, Mr. Chair.

CHAIR GUZMAN: Okay, thank you, Members.

VICE-CHAIR COCHRAN: Chair?

CHAIR GUZMAN: Ms. Cochran?

VICE-CHAIR COCHRAN: Thank you. Sorry, did...

UNIDENTIFIED SPEAKER: ...*(inaudible)*...

VICE-CHAIR COCHRAN: Oh, so do you have large landowners or current land people that are banging down your door to offer this land to you currently and wanting you to make this proposal happen?

MR. BONAR: Well, for some reason a lot of landowners...not at the moment because they will be more convinced when they see a law in place. That's it.

VICE-CHAIR COCHRAN: Okay.

MR. BONAR: Yeah, you know, people who are in a development process. They're doing the preliminary subdivisions, they're doing this have told me, wow, you know, if this was in place now we'd jump on board. I can't afford to sit and wait and to see what happens here. You know, we have money invested, we gotta move. So yes, there are, and we've looked at chunks of land in various places. Certain places will be a lot more amenable to this. You know, Haiku where you don't have quite the same water problems you do in West Maui for example, you know, there's gonna be more availability, but yes.

VICE-CHAIR COCHRAN: Okay, well very good, great. Thank you, Chair.

CHAIR GUZMAN: Thank you, Members. Without objections, I'm gonna defer this matter to just allow the Planning Department to weigh in on some of other issues pertaining to the bill.

COUNCILMEMBERS VOICED NO OBJECTIONS.

CHAIR GUZMAN: Thank you very much, Members. The item shall be deferred.

ACTION: DEFER.

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COUNCILMEMBER VICTORINO: Chair?

CHAIR GUZMAN: Moving onto the next...yes, we're gonna take a --

COUNCILMEMBER VICTORINO: Five minutes.

CHAIR GUZMAN: --five-minute recess. . . . (*gavel*) . . .

RECESS: 4:06 p.m.

RECONVENE: 4:15 p.m.

CHAIR GUZMAN: . . . (*gavel*) . . . We shall now reconvene the Economic Development, Energy, Agriculture, and Recreation Committee. We're proceeding further onto the agenda.

EAR-1(3) PRESENTATION ON THE 2015 MAUI ENERGY CONFERENCE

CHAIR GUZMAN: We are now at EAR-1(3), the PRESENTATION OF THE 2015 MAUI ENERGY CONFERENCE. The Committee will receive a presentation on this matter in regards to the Maui Energy Conference. Presently we have the Director of the Economic Development, Ms. Teena Rasmussen, as well as I think Frank DeRego from the Maui Economic Board for resource personnel, person, and Corporation Counsel. So right now, Ms. Rasmussen, if you...you have the floor.

. . . BEGIN PRESENTATION . . .

MS. RASMUSSEN: Okay, thank you so much. We're just here to give you a quick overview of what's going to be taking place at our Maui Energy Conference which starts on March 25th of this month. And as you know this is a conference that's co-presented by the Mayor's Office of Economic Development and Maui Economic Development Board. And we have Maui Economic Development Board represented here by Frank DeRego and Doug McLeod, our former Energy Commissioner is here as a program committee member for the conference. So we're going to just show you...we have the website up and this is basically the homepage of the website. We're just gonna show you we currently as of today, we have 221 signed up and paid registrants for the conference. And there was an early bird price and we are now into the late registration phase which is now 495. And we did give some scholarships out to folks on Molokai and Lanai at a \$95 scholarship rate, and they had to basically apply to the committee. We put the word out through their communities for that. So we will open the conference. Let's go to the program. If we could go to the program? Of course we'll be opening the conference and we'll have a...we have a great tradeshow that will be taking place...oh, you can't? I'm sorry. I'm sorry. The website is at mauienergyconference.com, but

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yeah...oh, there we go. Okay, great. And so we have keynote speakers scattered throughout the program, and of course, the Mayor will be speaking. But one of the speeches that I think people are particularly waiting for is the President of NextEra Energy transmission company, and then also, the President of HECO will be doing a speech in the morning. And then we continue on. And then we have a panel discussion talking about understanding the evolving role of the customer, and this conference is the whole entire focus of this conference is on the consumer of electricity so it's on the customer. The role of the customer, what the customer needs are, and how that has changed, you know, from the way electricity was delivered to customers in the past. So there will be a panel about that, and we have some very good speakers on that panel. And then moving on, talking about, The Customer of the 21st Century, and what kinds of things are they going to want and what kinds of flexibilities are they gonna want. And we know that one of the major things that they want is they wanna be able to put more alternative energy from their homes onto the grid, homes or businesses. And then of course, this conference all of the fees do include lunches and it does include a reception at the end of the day on the first day. And then the third session will be, We Are Seeing What They're Seeing, customer perceptions on energy. Maybe, Doug, you could explain this one a little bit?

MR. McLEOD: Yeah, I guess one thing I'd like to point out here. We have KIUC, and for the first time this year KIUC is actually a sponsor, and that's really nice thing that, you know, people on Kauai felt that what we're doing here is valuable enough. But basically Jeanne is gonna be moderating a panel that talks about a process called, MPower, and some of you have heard of this. They've done I think 400 different people now in the community have been through this process. Another 1,800 gave feedback via some forms at the County Fair. So anyway, this is a process they're gonna be reporting on.

MS. RASMUSSEN: Okay, and then moving on, Advancing Toward Grid Modernization-Meeting Customer Needs. Did you have anything you wanna say? Yeah, go ahead.

MR. McLEOD: No, really just, you know, Council we have 53 people speaking over two days. It's gonna be an extraordinary variety of people and I think that these are legitimate experts at the national level.

MS. RASMUSSEN: The Growth of Distribution Generation-Good or Bad for the Customer. Then we'll have the reception at the end of the first day, and then going to the second day. Now we have this very early panel going on that is at 7:30 in the morning, and it is in fact moderated by Frank DeRego, and this is going to be a focus. It's just a Maui focused panel. And so if you wanted to come early to the conference on that day you could see this is going to be...Senator Baker will be part of this as well as you can see several other citizens. And then kind of a recap from day one as we move into the second day's program, and our keynote speaker, Mark Toney. Do, you wanna tell us a little bit about him?

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MR. McLEOD: Yeah, this organization is a very active organization in California in terms of consumer rights. And with this conference we always try to have some balance and this would be considered the side of regulating utility and doing more for the consumer. So an effort to gotta make sure we're hearing that side not just the utility side.

MS. RASMUSSEN: Okay, and then, How Can the Customer Become an Active Participant in the Energy Landscape? And then it's just talking about the role. Again, as you can tell as a consumer of electricity, people are a lot more vocal. They have a lot more needs. They want a lot more from their energy company regarding alternative energy flexibility. So moving onto How State Policy will Help the Customer. This is the new Director of DBEDT from the State of Hawaii, Luis Salaveria. And then the Changing Regulatory Compact. You wanna explain that one, Doug?

MR. McLEOD: The Regulatory Compact was a notion that basically when a utility invested money that the investment would be repaid. That if they did it under an order from the Utility Commission that that the compact, the tradeoff was, you know, in exchange for good service they would be assured to get their money back. And basically things are changing so fast in this business that a lot of the traditional notions don't make sense anymore and this will be an interesting discussion. You can see that's one of the PUC Commissioners, Kyle Datta is a very vocal guy who did energy work nationally before he went to Oahu. And then the NRDC is a national organization as well. So again, this is really an opportunity to have a national discussion that's located in Hawaii.

MS. RASMUSSEN: Okay, go ahead with that one, Social Innovation.

MR. McLEOD: We have a speaker from Hitachi. That gentleman _____ invited he is in fact, confirmed and he's in the executive level with Hitachi coming to talk about some of their ideas for the customer. And of course, earlier today you had folks from Hitachi in here. Then we go onto Session 8 and Looking After the Customer. You can see that's the Chief Attorney for the PUC acting as the moderator. And again, this is to make sure we have balance. So we have the Consumer Advocate for the State, we have the Director for TURN, and we have someone from National Consumer Law Center. Again, just balance, balance, balance so important for what we're doing. A lot of people are always interested to hear what Connie Lau has to say, of course she's still the Chairman of Hawaiian Electric, and so we have her speaking again as well as Austin Energy which is a very innovative utility from the Midwest there.

MS. RASMUSSEN: Okay, and then that's basically the end of the main conference and then the following day is a group of tours that the conferees can attend. So there's the Smart Grid Demonstration with JUMPSmartMaui, and I think we've added more tours, yeah. And we do have the Keawe [sic] Wind, Wind Farm, yeah. So, that will also be offered as a tour. So I can't tell you how I think important I think this conference is.

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The amount of information that people will gain from being there. I know that several of you attended last year and I think that it was an emersion into the entire energy world and all of the issues, and now we're gonna dive deeper and we're gonna get into, you know, the customer side of it. And I wanted to follow up with who our sponsors are that have signed onto our conference so far. They are numerous. She's gonna try to make it a little wider here. So the County of Maui, of course we are a top level sponsor, HECO, NextEra have come in, and then of course, you see Hawaii Energy Office, the Hawaii Natural Energy Institute, Hitachi, Hawaii Gas, I won't read all of these, but we could just scroll through all the sponsors that have come. Many of our different electric and solar companies have come in, and then of course, we have an entire list of exhibitors. And the exhibits and the tradeshow is really, very, very interesting and that will be taking place again up in Morgado Hall at the MACC. All of this takes place at the MACC and we are exceptionally proud to produce this. We have worked together great as a team between the two organizations, and so I would welcome any questions that you had.

. . . END OF PRESENTATION . . .

CHAIR GUZMAN: Thank you. Do we have any opening statements or comments from the Maui Economic Development Board, Mr. Frank DeRego, you're here?

MR. DeREGO: Mr. Chair, it's been a pleasure actually. This is my first time on the Program Committee for the conference and it's been quite a learning experience for me as well. Maui Economic Development Board has always been happy to collaborate with the County and especially in terms of educational and cutting edge kinds of conferences like this one. And as Doug and Teena have both said, we've brought a very unique group of people together to be able to talk about energy issues. And especially for the Maui panel what we're gonna try to do after the first day is to be able to take those lessons that were talked on the national level and see how those apply to Maui especially. So we're gonna try to tease out from the participants in the Maui panel, okay, these are the things that we've been talking about so what do you think about that? How do you think this applies to Maui? What are the dynamics that occur on Maui County that make us such a focus on the national level in terms of looking at renewable energy and integration of new technologies? So I think this is gonna be a very exciting conference. I think the fact that we've actually gone out and asked 400 Maui Island residents about what they think about the energy future and we'll be talking about that at the conference. I think there's, you know, it's not only just the national and State focus, but I think there's also gonna be a concentration of what's happening here on Maui and seeing how those lessons apply. So Maui Economic Development Board is very happy to be involved in this process, and we're also happy to participate.

CHAIR GUZMAN: Thank you. I guess our Committee would request from the Maui Economic Development Board is if you could...your conclusions at some point of

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those reports, things like that that you could provide to us as a result of the conference?

MR. DeREGO: There will be a report. There was a report last year I think on the conference and there will be a report this year as well, but yeah, definitely, Chair.

CHAIR GUZMAN: If you could transmit that to us that would be perfect.

MR. DeREGO: Yes, Chair.

CHAIR GUZMAN: Thank you. Members, I'm gonna open up the floor for any questions? Ms. Cochran?

VICE-CHAIR COCHRAN: Thank you, Chair. And you mentioned a wind farm tour? Which farm, you said Keawe, but was it Kaheawa?

MR. DeREGO: Kaheawa.

VICE-CHAIR COCHRAN: Okay, or Auwahi, I don't know if you combined the two names or something. Okay. And also, is the Anaergia project is there any bearing in all of this to come? No? Nothing?

MR. McLEOD: No.

VICE-CHAIR COCHRAN: No discussion on what that may produce and the effects of that in relation to the utility company here?

MS. RASMUSSEN: Well just, this program took on the focus of the consumer so they I think start building all the programs around that. And so I don't know if that Anaergia project even came into the mix. And we're trying to keep this on a wider focus like we are having, you know, people come from all over the country to this conference. It's not just Maui centric. It's not just Hawaii centric. So we wanna really widen it out to policy that, you know, problems that are happening all over the country. So anyway...

VICE-CHAIR COCHRAN: Right. Well, thank you. And, you know, somebody like me who lives off the grid who really has no need I guess per se for a MECO or HECO or HELCO or anybody of that nature, and looking at the lava issue on the Big Island and Pahoia and those areas where I have visited to see why they've chosen to live the way they do which is totally self-sufficient, and, you know, intentional farming practice, the intentional living I guess they call it or eco villages type concepts. So just...I don't see any kind of focus on that because I guess this is just primarily consumer generated that feed off of or utilize existing utility companies per se. So as for it being broad range and open, that side of the picture is totally cut out of this for me anyways. Yeah, it's interesting, yeah, it's all good, and I know it does affect majority of our community because most people are tied into the grid system. So just, Chair, a

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thought and how I personally can relate, you know, to being off the grid and I think others here also probably would like to see, I don't know, some type of technology that may be heading towards that way. I think that's what being renewable and sustainable is about, being self-sufficient is about, but yet, you know, that's not really looked at I guess. So...

MS. RASMUSSEN: Actually, many...several of the panels last year brought up that very issue that prices get to a point at which the consumer and because of technologies that have been developed, the consumer is kind of at the point where they can start looking at those choices and that did actually come out in several panels last year. So I'm sure again, I'm sure that there will be panelists that will touch on that and it's all based on cost, you know, so...

VICE-CHAIR COCHRAN: Okay, well very good. Thank you. Thank you, Chair.

CHAIR GUZMAN: Thank you, Ms. Cochran. Mr. Victorino?

COUNCILMEMBER VICTORINO: Really quickly and I don't wanna belabor the day. I think I like the overall package, you know. I think the majority of the consumers throughout the State are on the grid, you know, and I hate to, you know, go onto this grid, no grid 'cause my sister guys live on that no grid stuff and so I understand all of that portion. The question I have for you is, is there going to be when these panels are speaking, when they're talking about their particular expertise in areas 'cause we're bringing them all over the nation will that have some relationship to our systems? I mean, will we keep the questions along the lines where it can help us here give us better ideas to avoid some of the pitfalls they might have gone into? Teena, maybe you can answer that?

MS. RASMUSSEN: Yeah, I mean I think that everyone who's in the audience is going to make those lines to, you know, what applies to their area.

COUNCILMEMBER VICTORINO: Right.

MS. RASMUSSEN: And they say, hey oh, you know, hey yeah we're facing that.

COUNCILMEMBER VICTORINO: Right.

MS. RASMUSSEN: And we're facing that. And so there's something, you know, clearly for everyone to glean. I mean clearly there's gonna be some focus on the Hawaii, on the Hawaii, you know, issues.

COUNCILMEMBER VICTORINO: Right.

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MS. RASMUSSEN: And of course with NextEra here, you know, that will be brought up. But we don't wanna make it look like it's Hawaii centric, you know, as far as a conference. So there'll be something for everybody to glean from this.

COUNCILMEMBER VICTORINO: No, like last year I enjoyed all the different perspectives, the lady from Colorado and all those different issues. You know even though they might not be directly, but indirectly it came right back to us.

MS. RASMUSSEN: Absolutely.

COUNCILMEMBER VICTORINO: You know, it's fabulous. So I'm looking forward to this. I hope that the committees that have meetings on those days are going to make some changes, but I haven't heard yet. But if not, I'm gonna be really torn when that day comes.

MS. RASMUSSEN: Yeah, one of them is a holiday as you know it's Prince Kuhio Day.

COUNCILMEMBER VICTORINO: Well, that's not the problem. There's the other days and the guy's pretty stubborn, but that's okay. I'll hang in there and see what happens.

MS. RASMUSSEN: Okay. Well, we certainly hope we can see you there for at least part. And if anything come and join us at the reception and check out the exhibits. So that's it. We do have a budget for the event, all total the expenses are gauged at about 178,000. Of course, we have lots of, you know, revenue from the registrants. And we have basically gotten this to be a self-sustaining event in that they made enough revenue last year that the County sponsorship was already included for this year. So we're hoping that we can achieve the same again this year for next year. So anyway...

CHAIR GUZMAN: Very good. So, Members, any other questions? Seeing none, I hope to see our viewing audience as well as all of the constituents in the whole entire County attend this energy conference. I think it would be very important to learn the future and the present of our energy issues here in Maui. I'd like to thank the Economic Development Office as well as Maui Economic Development Board. Oh, somehow I always...okay, Ms. Rasmussen?

MS. RASMUSSEN: They brought up that I left out an important thing. This whole entire conference will be videotaped by Akaku and it will be shown at a later date. It will not be shown live, but it will be shown at a later date.

CHAIR GUZMAN: Very good. Okay, without...Mr. Couch, do you have...

COUNCILMEMBER COUCH: The file says defer.

CHAIR GUZMAN: Oh, thank you very much. Without objections, I will defer this matter.

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COUNCILMEMBERS VOICED NO OBJECTIONS.

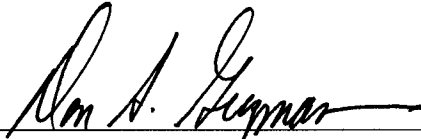
CHAIR GUZMAN: Thank you.

ACTION: DEFER.

CHAIR GUZMAN: Members, this will conclude today's agenda. And I thank everyone for being here on this late afternoon. And everybody have a great weekend and be safe. Aloha, and we're adjourned. . . . *(gavel)* . . .

ADJOURN: 4:37 p.m.

APPROVED BY:



DON S. GUZMAN, Chair
Economic Development, Energy,
Agriculture, and Recreation Committee

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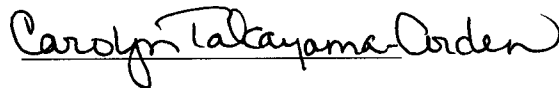
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I, Carolyn Takayama-Corden, hereby certify that the foregoing represents to the best of my ability, a true and correct transcript of the proceedings. I further certify that I am not in any way concerned with the cause.

DATED the 30th day of March, 2015, in Makawao, Hawaii



Carolyn Takayama-Corden