

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

M I N U T E S

Council Chamber

March 15, 2016

CONVENE: 1:37 p.m.

PRESENT: VOTING MEMBERS:

Councilmember Don S. Guzman, Chair
Councilmember Elle Cochran, Vice-Chair
Councilmember Don Couch
Councilmember Stacy Crivello (left @ 2:47 p.m.)
Councilmember Riki Hokama (arrived @ 1:59 p.m.)
Councilmember Michael P. Victorino (arrived @ 1:39 p.m./left @
4:22 p.m.)

NON-VOTING MEMBERS

Councilmember Gladys C. Baisa (arrived @ 2:09 p.m.)

EXCUSED: Councilmember Mike White

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

Ella Alcon, Council Aide, Molokai Council Office (via telephone
conference bridge)

Denise Fernandez, Council Aide, Lanai Council Office (via telephone
conference bridge)

Dawn Lono, Council Aide, Hana Council Office (via telephone
conference bridge)

ADMIN.: Jerrie Sheppard, Deputy Corporation Counsel, Department of the
Corporation Counsel

Kaala Buenconsejo, Director, Department of Parks and Recreation
Teena Rasmussen, Economic Development Director, Office of the
Mayor

OTHERS: Ned Davis, Chief Executive Officer, Maui Innovation Group
Michael Reiley, President, HNU Photonics
Gerry Smith, Director of Business Development, Maui Economic
Development Board
Owana Ka`ohelelani Salazar
Susun White, Executive Director, Paia Youth & Cultural Center
Teya Penniman, Maui Invasive Species Committee

**ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE,
AND RECREATION COMMITTEE**

Council of the County of Maui

March 15, 2016

Adam Radford, Maui Invasive Species Committee
Plus (7) other people

PRESS: *Akaku Maui Community Television, Inc.*

CHAIR GUZMAN: . . . (*gavel*) . . . Good afternoon. I'm Don Guzman, the Chair of the Economic Development, Energy, Agriculture, and Recreation Committee. The date is March 15, 2016. Before we begin, I would like to ask everyone to turn off their cell phones or put it in the silence mode. I'm going to introduce our Members for today's meeting. Our Vice-Chair of the Committee, Elle Cochran.

VICE-CHAIR COCHRAN: Chair, Aloha, Good afternoon.

CHAIR GUZMAN: Good afternoon. Don Couch.

COUNCILMEMBER COUCH: Aloha, Good afternoon, Chair.

CHAIR GUZMAN: Good afternoon. Stacy Crivello.

COUNCILMEMBER CRIVELLO: Aloha, Chair.

CHAIR GUZMAN: Good afternoon. Joining us later will be Riki Hokama and Michael Victorino, and excused is Mike White. Also, for our Staff, we have Sharon Brooks and Pauline Martins. We also have our Deputy Corporation Counsel Jerrie Sheppard. For those who would like to testify today, please sign up in the lobby. When you testify, please state your name and/or organization in which you represent. You will have three minutes to testify. A two-and-a-half-minute blinking light will notify you that you have 30 seconds to conclude. At this point, I'm going to go ahead and ask if we have any testifiers present in the Chambers?

VICE-CHAIR COCHRAN: Chair? Chair, sorry, there's no audio right now, supposedly, coming through our feed.

CHAIR GUZMAN: Is there no audio?

MS. MARTINS: There is now.

VICE-CHAIR COCHRAN: Now?

MS. MARTINS: Yes.

VICE-CHAIR COCHRAN: Okay.

MS. BROOKS: The first testifier in the Chamber is Ned Davis, followed by Michael Reiley.

**ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE,
AND RECREATION COMMITTEE**

Council of the County of Maui

March 15, 2016

. . . BEGIN PUBLIC TESTIMONY . . .

MR. DAVIS: All set?

CHAIR GUZMAN: Yes. Please state your name for the record.

MR. DAVIS: Yeah, hi. I'm Ned Davis from the Maui Innovation Group, one of the very first EDRF recipients. First of all, I'd like to express my incredible gratitude for this wonderful program and for selecting us as one of the first businesses to participate in it. The program made it possible for me to bring a line of software where complex case management here that would have gone offshore without it. It really made our little outfit on Maui competitive with, you know, sort of outsourcing hotspots like Costa Rica. It's hard to imagine but really just the promise of having EDRF here was what brought that deal in, what closed the deal. We've already brought \$475,000 worth of matching money to Maui County. That's, you know, well in excess of the \$400,000 we originally were promised. Based on this \$175,000 in our case EDRF grant. In our particular case, since we're programming software, almost all of this money, both, you know, the grant and the matching funds have gone to the local economy in terms of salaries for my people, benefits, the rent on the office, things like that. We have five people on staff as promised. The software is ready for beta testing and we're improving it every day. We're still working on it of course. We've submitted three proposals already for it and we have another marketing webinar tomorrow morning. And as I said, you know, basically this EDRF program is what brought it here, at least in anything close to its present form. And sort of on a personal level, I'd like to say thank you because I myself would probably be, you know, commuting back and forth to Costa Rica and, or Oregon if it weren't for this. I appreciate it so very much and, you know, so do my kids. Very, very grateful to you for this. So I hope very much that you continue to fund this wonderful program for more businesses here on Maui and bring more opportunities here to the island. Thank you.

CHAIR GUZMAN: Thank you. Members, have any questions or comments? Seeing none, thank you very much for your testimony.

MR. DAVIS: Thank you.

CHAIR GUZMAN: Thank you. I'd like to recognize the presence of Michael Victorino.

COUNCILMEMBER VICTORINO: Thank you, Chair.

CHAIR GUZMAN: Thank you.

MS. BROOKS: The next testifier in the Chamber is Michael Reiley, followed by Gerry Smith.

MR. REILEY: Good afternoon, Chair, Councilmembers. Appreciate the opportunity to be here. My name is Michael Reiley. I'm the President of HNU Photonics and my company, too,

**ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE,
AND RECREATION COMMITTEE**

Council of the County of Maui

March 15, 2016

is one of the first round awardees for the EDRF Fund. What we're doing is pretty groundbreaking. We are, and space-breaking. We are actually developing a medical diagnostic platform that we're under a Space Act agreement with NASA and we will be putting this platform up on the International Space Station starting later next year. It's, you know, it's going to open up discovery for cancer cures, stem cell research, pharmaceutical companies are interested in this, and we, too, are just very grateful that the County has taken this interest. It has huge ramifications in economic diversity for the base, not just a visitor industry. It's broadening that base. It's creating jobs. We've hired two more PhD people onto staff, more software people. Really ramping up to be able to deliver this platform to NASA. And it's opening up other things for NASA. Our CEO is meeting with NASA yesterday and today. We're under a separate contract making three telescopes for them for tracking the Mars Orbiter. So a lot of excitement and I will just say doing business in Hawaii is challenging. I've been told by many investor groups, if you were in Silicon Valley, you'd have the venture capitalists crawling all over to try and invest and do that. So things like the EDRF Grant really helps us to attract outside investors. Things like the State SBIR matching grant, we've been recipients of those as well for the small business innovative research project that we get. Manufacturing grants and so on. All of those things help to make, you know, to incentivize and motivate high-tech companies to help develop this basis and, you know, due to your support and all that, I encourage you to continue that in the future. I think it pays really large dividends and we're just very thankful and want to make you very happy that you've invested in that way. Thank you.

CHAIR GUZMAN: Very good. Members, do you have any questions or comments? Seeing none, thank you very much for your testimony.

MS. BROOKS: The next testifier is Gerry Smith, followed by Owana Salazar.

MR. SMITH: My name is Gerry Smith and I'm the Director of Business Development for the Maui Economic Development Board. Thank you, Mr. Chairman and the Committee Members for having this hearing today and for including the Economic Development Revolving Fund on the agenda. The goal of economic development is to create an environment and infrastructure for attracting, assisting, and retaining new business. New and expanding businesses create job opportunities, hopefully at a living wage. New economic activity creates new wealth, which is then spent in the economy, which then leads to additional job creation. Public investment, such as the Economic Development Revolving Fund, helps induce economic activity and private capital investment in a jurisdiction in which such activity or investment would not otherwise take place. Additionally, the fund has contributed to an ever growing landscape of entrepreneurship through our communities. The EDRF is not unique. Similar programs exist at the city, county, and state level across the United States. These city, county, and state level programs have many things in common. They require matching funds from the recipient, they are awarded using an independent peer review process, and they seek living wage jobs, and they are grants rather than loans. For Maui County's investment of \$875,000, there was an additional investment of over \$2 million in private equity for these 4 projects. These projects will add almost immediate infusion of \$3 million into

**ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE,
AND RECREATION COMMITTEE**

Council of the County of Maui

March 15, 2016

Maui's economy and have shown the promise of creating over 30 jobs they have predicted over the course of the project. The EDRF is solely responsible for the accelerating economic activity, the private capital investment, and the creation of new jobs. Without it, the activity would have been delayed or not happened at all. We applaud the County's wisdom and foresight in approving the original EDRF. MEDB with its innovation committee was very pleased to assist the Office of Economic Development with the drafting of the parameters of the EDRF, serving on the evaluation committee, and staying in touch with the progress of the grantees. The results are very encouraging and are evidence of why public investment programs like the EDRF are part of economic development strategies across the United States.

CHAIR GUZMAN: Thank you very much. That was very informative. Members, do you have any questions or comments? Seeing none, thank you very much, Mr. Smith.

MR. SMITH: Thank you.

MS. BROOKS: The last testifier in the Chamber at this time is Owana Salazar.

MS. SALAZAR: Good afternoon. Aloha, Committee Chair Guzman and the Members of this excellent Committee. I'm in here today on my own but I am letting you know that I am a descendant royal heir of fact, and I have come to speak with regards to the proposed, or the considered renewal of the concession of the parking lot. My involvement with the Friends of Moku`ula...

COUNCILMEMBER COUCH: Mr. Chair, excuse me. Can she identify herself?

MS. SALAZAR: Yes.

CHAIR GUZMAN: Oh yes, can you please --

MS. SALAZAR: I'm sorry, I didn't say my name.

CHAIR GUZMAN: --state your name for the record?

MS. SALAZAR: I thought you knew me...no. Owana Ka`ohelelani Salazar.

CHAIR GUZMAN: Thank you.

MS. SALAZAR: Okay, thank you. My involvement with the Friends of Moku`ula really began around the year 2000 when the organization was under the Executive Directorship of Akoni Akana. We spoke of many things back then. He was, I remember, expressing how happy he was that some of the prophecies were coming to pass, that families were returning to Lahaina. I even became a kumu, you know, doing the walking tours, taking the people throughout Lahaina so that they could observe and learn of our history through a Hawaiian perspective and firsthand really saw how much they got and gained. And I did too because as we kept doing the walk, we just keep talking and learning more.

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

March 15, 2016

So I really think that was...it's still going on. I am no longer a kumu. In fact, when my brother moved to Maui, he became a kumu. So this is a good program that they do that helps the visitors learn much about our history through a Hawaiian perspective, which is too rare these days. One of the memorable experiences I had with them was the official visit from Rapa Nui with Mayor Petero Paoa and his cousin Mahina Rapu, who is the daughter of the ariki nui. They came with an inquiry, you know, because in their chants, they mention, there is mention, that's such a little word, you know, there is a presence of Moku`ula. So their question was aia i hea te Motuura, where is Moku`ula?

MS. BROOKS: Thirty seconds.

MS. SALAZAR: Thank you. But we knew then where it is. I'll try to hurry here. So now we've all come to know that Moku`ula is there under the park that has become, that eventually became known after a couple major landfills as Malu Ulu Olele Park. My concern here is that I am greatly, yeah, concerned that the renewal of the concession for the parking lot perpetuates the profound conflict of interest.

MS. BROOKS: Three minutes.

MS. SALAZAR: Because the one-acre island of Moku`ula lays beneath, it's over here, lays beneath there, the parking lot. I don't know, I mean, in how many years, yeah, this is a major income for the Friends of Moku`ula but yet it creates this conflict of interest because most of the island lays underneath that parking lot and eventually it has to be, the parking lot has to be removed. So it's just such a big conflict. I'll close. Thank you.

CHAIR GUZMAN: Thank you. Members, do you have any questions or comments for the testifier?

VICE-CHAIR COCHRAN: Chair?

CHAIR GUZMAN: Seeing none...

VICE-CHAIR COCHRAN: Chair?

CHAIR GUZMAN: Oh, yes? Ms. Cochran?

VICE-CHAIR COCHRAN: Thank you. And thank you, Ms. Salazar, for being here --

MS. SALAZAR: Yes.

VICE-CHAIR COCHRAN: --and for your testimony. I know you didn't have enough time to fully explain.

MS. SALAZAR: Well that pretty much...thank you.

**ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE,
AND RECREATION COMMITTEE**

Council of the County of Maui

March 15, 2016

VICE-CHAIR COCHRAN: Okay. And so you mention the guided, I guess, educational walks that they do.

MS. SALAZAR: Yes.

VICE-CHAIR COCHRAN: And that you also have been a part of and then, but in relation to this lease and license and concession, and you've mentioned that you were around since Akoni Akana days, was that all part of the bigger picture? Was that the idea to have this educational component of sorts? I guess I'm just trying to tie in what that and the monies generated from the concession in the restoration aspect of all of this is supposed to tie in or what you recall it being talked about and the relationship between, you kind of get what I'm trying to ask?

MS. SALAZAR: I think so. Well, the guided, the educational tours that we were doing was part of the fundraising. We only got paid \$50 per tour. That was for the two hours throughout the town and no matter how many people were on the tour. And we did this lovingly knowing that even if we had a dozen people or so, the money was mainly going to the cause. And we always ended up at the parking lot where we would show the artist rendering of it and the artist was Ed Kayton, I've known him personally years ago, of what it would look like. And we all had this beautiful vision, you know, and it's a beautiful vision indeed. And so yes, does that answer your question that it tied in that way that it was a fundraising effort that we were participating in with Friends.

VICE-CHAIR COCHRAN: Yes. Okay, yes. Very good. Thank you.

MS. SALAZAR: You're welcome.

VICE-CHAIR COCHRAN: Thank you for your insight.

CHAIR GUZMAN: I have a follow-up question. Do you know whether the tour is still going on and if it is, are they still charging \$50?

MS. SALAZAR: Oh, I'm sure they're still continuing. No, they're not charging, I'm not talking --

CHAIR GUZMAN: Oh.

MS. SALAZAR: --they're charging the people \$50, we got paid \$50.

CHAIR GUZMAN: Oh, \$50?

MS. SALAZAR: A flat fee.

CHAIR GUZMAN: Did they ever charge the, I guess --

MS. SALAZAR: Oh yeah, the people that...

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

March 15, 2016

CHAIR GUZMAN: --the people that were wanting --

MS. SALAZAR: Yes.

CHAIR GUZMAN: --to have the tour?

MS. SALAZAR: Yes.

CHAIR GUZMAN: Oh, I see. And how much does...

MS. SALAZAR: And I'm not sure how that was done. I don't, I didn't participate in that part.

CHAIR GUZMAN: Oh, okay. Okay.

MS. SALAZAR: But --

CHAIR GUZMAN: Thank you. Thank you.

MS. SALAZAR: --they book them and then we'd just show up and --

CHAIR GUZMAN: Okay.

MS. SALAZAR: --greet them and take them to see the various locations throughout Lahaina.

CHAIR GUZMAN: Okay. Thank you very much. Is there any further follow-up questions?
Seeing none, thank you very much for your testimony.

MS. SALAZAR: Thank you. Aloha.

CHAIR GUZMAN: Aloha.

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

CHAIR GUZMAN: Okay, thank you. I'm going to check in with our District Offices. In Hana
Office, are you there? Do we have communications with Hana?

MS. LONO: Good afternoon. This is Dawn Lono at the Hana Office. There is no one waiting
to testify.

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

MS. FERNANDEZ: Good afternoon, Chair. This is Denise Fernandez on Lanai and there is no
testifiers.

CHAIR GUZMAN: Thank you, Ms. Fernandez. On Molokai, is there anyone wishing to testify?

**ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE,
AND RECREATION COMMITTEE**

Council of the County of Maui

March 15, 2016

MS. ALCON: Good afternoon, Chair. This is Ella Alcon on Molokai and there is no one here waiting to testify.

CHAIR GUZMAN: Okay, thank you, Ms. Alcon. Ladies, we'll go ahead and I'll turn our attention to the Chamber. Is there anyone else in the gallery that would like to testify, please come forward? Seeing none, Members, without any objections, I'd like to close public testimony.

COUNCILMEMBERS VOICED NO OBJECTIONS.

CHAIR GUZMAN: Thank you. Testimony is now closed.

. . . END OF PUBLIC TESTIMONY . . .

**EAR-2 LEASE AND LICENSE OF COUNTY-CONTROLLED PARCELS TO FRIENDS OF
MOKU'ULA, INC. (LAHAINA) (CC 11-304)**

CHAIR GUZMAN: Turning our attention to the first item on today's agenda, EAR-2, Lease and License of the County-Controlled Parcels to Friends of Moku'ula, Inc. in Lahaina. Members, pursuant to the agenda as described, I'm going to go ahead and look at the correspondence that's noted on the agenda and in your binders relating to the auditor's contract and the documents produced by the Friends and Corporation Counsel's opinion as to the status of the parking concessions under the lease and license. Members, this is the fifth meeting of this Committee in this term to review and determine whether to approve the operation of the parking concession on our county property by Friends of Moku'ula under the 2003 lease and license. Proceeds from the parking concession must be used for only restoration and preservation of the Moku'ula and ponds of Mokuhinia. We have been trying to obtain sufficient information to answer the question, where is the parking concession money going to? It has been a long and difficult process. The need for such long review is due in part to the difficulty of obtaining the documents from Friends. Your binder contains a table of documents I have requested since last fall from Friends showing what has been and what has not been produced and the time it took to obtain them. You can see on, it's in your binders as March 1, 2016. I'd like to make a correction on the second page, the FOM's contract with the auditor was submitted at our last meeting but it wasn't a contract, it was a letter proposing a contract with the auditor. So that's a change in the chart. I guess the charter, I mean the chart that's indicating the documents. You'll also see that on November 3, 2015 meeting, the Executive Director told us that she would obtain an independent audit to answer several of our questions. However, it has now been four months later and we still do not have any answers. I asked the Executive Director to provide a ledger tracking the parking concession receipts dollar for dollar to its ultimate use, whether by the parking contractor, Friends, or for its for-profit subsidiary, Ka Lua O Kiha. That's their profit side. Unfortunately, we received notice Friday from the Friend's attorney, Stanford Manuia, I think that's how you pronounce the last name, that the, I believe the, Ms. Blossom, who is the Executive Director, is unavailable to

**ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE,
AND RECREATION COMMITTEE**

Council of the County of Maui

March 15, 2016

appear for today's meeting because due to medical reasons. Also, I was informed that the President of the Board, Kimo Falconer, was, I guess, apparently off-island as well and could not attend today's meeting. We have requested information from the Friends but have not received enough information to track the parking lot proceeds to their ultimate use. From the information that we received so far, Staff has put together a handout tracking the parking proceeds for FY '15 to the extent we were able to. So based on the information that we have before us, Staff has put together a handout and I'd like to have Staff explain some of the documents that are attached to the handout that was received from Friends and from Parks and Recreation Department and the other documents that we have within our records. So...

MS. BROOKS: Thank you, Chair.

CHAIR GUZMAN: Ms. Brooks, can you please proceed?

MS. BROOKS: Thank you, Chair. Staff has taken documents that we've received from Moku`ula and tried to do a tracking based on basically inadequate records. But we have a chart of the tracking we were able to do along with the records attached that substantiates the numbers. If, I will walk through it. I'll start out with the number at your far left-hand side and that is the gross parking revenue for Fiscal Year 2015. You'll see it's \$345,277.17. From that gross parking revenue, 70 percent goes to Friends of Moku`ula and 30 percent goes to Diamond Parking Services for maintaining or operating the parking facility. That is pursuant to an agreement, which is attached to this chart, which is unsigned and undated but it is the only agreement that we have that shows the relationship between the parent company, Friends, and its subsidiary, Diamond. Of the 70 percent that goes to Friends, Friends keeps \$289.90. That's shown on the Profit and Loss Statement, which is attached, and Ka Lua O Kiha, the subsidiary, got \$241,404.12. Based on the incomplete agreement that we have, Ka Lua O Kiha manages the parking facility and provides site maintenance and management. We don't have any further information than that about what Ka Lua O Kiha does in order to earn the \$241,000. From the \$241,000 received by the for-profit subsidiary, \$140,000 goes back to Friends as shown on the Profit and Loss and the remaining amount is \$101,404.12 that is kept by Ka Lua O Kiha. Since the Federal Income Tax Statement for the subsidiary, Ka Lua O Kiha shows expenses larger than that, we can only assume that the \$101,000 goes for expenses of the subsidiary. Nevertheless, there are some things to point out that are bullet pointed on the chart. The first is that from the tax return, we can see that Ka Lua O Kiha's total income comes from parking revenue. Nothing else is shown. So that means the subsidiary's income provides their funding for everything that they do. Friends, on the other hand has income from other sources, both the parking revenues, contributions, and donations of both in-kind services and in-kind facilities. Ka Lua O Kiha and Friends also indicate in the attached documents that they share employees' operating costs and board members. So this is what we've been able to sort out to this point. We would appreciate the help of Friends to give us more specific and maybe more exact information to substantiate the relationships between the three parties, that is between the parking facility contractor, Diamond, the nonprofit, Friends, and the subsidiary, Ka Lua O Kiha.

**ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE,
AND RECREATION COMMITTEE**

Council of the County of Maui

March 15, 2016

CHAIR GUZMAN: Thank you, Ms. Brooks. So this is what we've come up with so far. Other than that we need more documentation. My main concern is, I guess, getting a one-to-one accounting of what the \$140,000 is being spent for on the itemized, you know, for an itemization for Friends. And clearly on the unsigned mutual agreement between the profit side and the nonprofit side, the profit side is supposed to be, I guess, in exchange for the parking funds, is supposed to maintain and manage the site. So I'm not sure if they're out there actually maintaining the parking concession that is worth, you know, and the maintenance of that is \$101,404. I'm not sure it's going to cost that much to maintain a parking lot that Diamond is in charge of. So these are the things that I still have question over and I still have not received the documentation. As clearly stated, this, my Staff, this Committee has worked very, very, very hard. If you can see the chart, we've charted all the requests and all of their responses and we've documented, you know, our attempts as well as their rationale or reasons why they could not submit various documents that we requested. So I know that we had had our meeting last, at least two weeks ago on the subject matter of restoration and at that point we had invited Dr. Klieger to explain the international procedures as well as some various jurisdiction procedures on restoration, what are the standards. And we were enlightened to see that while he was very knowledgeable about certain policies, that we felt were credible. And I had made a comment that I would like to see if this Committee and Friends and himself could get together and possibly create a position or a program for him to lead the restoration portion of it. And the cultural, as, you know, the cultural aspects of it, the walking tour, the educational programs, that would be left to Friends of Moku`ula. Unfortunately, I, after the meeting, I could not reach Mr. Klieger. Apparently, there was a meeting held by Friends and Mr. Klieger and he ended up checking out of the hotel and that's unfortunate. I guess there was some words exchanged from Friends and Dr. Klieger. I do have some information that I would like to pass out. This was, I don't know if that was passed out yet? Ms. Brooks is passing it out? So apparently there was, there's some allegations as to, you know, name calling, that Mr. Klieger was stealing the project and that the County Council should "screw themselves." And that was from the Director, the Executive Director. And I have that passing out. So it was very disheartening to know that, you know, we would, we had put, you know, all this effort and a day later, we get a response from this, you know, basically not cooperating with us. But anyways, I do have some questions to Corporation Counsel regarding the overall lease and also I sent Corporation Counsel a letter to, for an opinion and that opinion consisted of whether, by letter dated February 24, 2016, I request Corporation Counsel to give us an opinion whether the concession is no longer permitted under the Lease and License, and number two, if it is not permitted, the Friends has they, can they continue to use the concession as unpermitted and what are the County's remedies. I asked Corporation Counsel for their comments and the response to that letter was that it needed to be relayed or at least explained in Executive Session. Had the, aside from that, had the, for the record, had the Executive Director been here, I would have asked the following questions. I would like to state that on the record. What does Ka Lua, which is the profit side, do to earn the 70 percent of the parking revenues, and what site maintenance and management does it perform? What are the actual costs of that and is that reasonable? And what does the profit side,

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

March 15, 2016

which is the Ka Lua, do with the money and what services does Diamond Parking provide for their 30 percent? Is that amount reasonable? What does Friends do with the \$140,000 contribution it receives from the profit side itemized as to what was used for the restoration? What are the in-kind services and facilities that Friends receives and what does Friends provide to the profit side, Ka Lua, apart from the 70 percent of the parking revenues from the subsidiary's "site maintenance and management?" So at this time, I would like to request or entertain a motion to enter into Executive Session for Item 1(3) pursuant to subsection 92-5(a)(4) of the Hawaii Revised Statutes to consult with legal counsel on questions and issues pertaining to duties, privileges, immunities, and liabilities of the County Council and this Committee.

VICE-CHAIR COCHRAN: Chair, I move to, pursuant, to go into Executive Session pursuant to Section 92-5(a)(4) HRS to consult with legal counsel.

COUNCILMEMBER COUCH: Second.

CHAIR GUZMAN: Okay, we have a motion on the floor by Ms. Cochran, seconded by Mr. Couch. Any further discussion? Seeing none, all those in favor, say "aye?"

COUNCILMEMBERS VOICED AYE.

CHAIR GUZMAN: All those opposed, say "no?" We have six "ayes," yeah, six "ayes," no "noes," and one excused. Motion carries.

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

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmember White.

MOTION CARRIED.

**ACTION: APPROVE; RECESS OPEN MEETING; AND CONVENE
 EXECUTIVE MEETING.**

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

March 15, 2016

CHAIR GUZMAN: We'll go ahead and take a brief recess to set the Chambers for Executive Session. . . .(gavel). . .

RECESS: 2:09 p.m.

RECONVENE: 3:20 p.m.

CHAIR GUZMAN: . . .(gavel). . The EAR Committee shall now reconvene in Open Session. Without object, Members, I'd like to defer EAR-2?

COUNCILMEMBERS VOICED NO OBJECTIONS.

CHAIR GUZMAN: Thank you. EAR-2 is now deferred.

ACTION: DEFER.

**EAR-27 PAIA YOUTH COUNCIL, INC. - GRANT OF LEASE OF COUNTY REAL PROPERTY
(PAIA) (CC 15-91)**

CHAIR GUZMAN: Moving on to the next agenda item. Members, I'm going to pull out of order the agenda without objections to put forth EAR-27, the Paia Youth Council, Inc. Grant of Lease of County Real Property in Paia without objections?

COUNCILMEMBERS VOICED NO OBJECTIONS.

CHAIR GUZMAN: Thank you. Members, as you can read the description in your agenda, this is in regards to the Paia Youth Councils, Incorporated, which is a nonprofit that provides drop-in youth activities, including recreational, social, educational, vocational, and cultural experiences. For over 30 years, it operated its facilities at 28 Hana Highway, Paia, under a lease with the previous property owner, A&B Properties. The County assumed the lease when it purchased the property from A&B on November 6, 2014, but that lease expired on April 1, 2015, and the Department has advised us that the nonprofit has been operating under a temporary agreement with the County since then. At our meeting on June 16 and September 15, 2015, we heard about the efforts of the Department of Parks and Recreation to provide a new lease with terms complying with Code requirements for the government grants, Section 3.36.090 of the Maui Code requires the Council authorization by resolution for any proposed grant of real property at less than fair-market value. Before us today is the Department's revised proposed resolution authorizing a grant of a lease of the County real property to the Paia Youth Center, together with a proposed grant agreement. Ms. Sheppard, could you please explain the procedures that we are in right now and the status?

MS. SHEPPARD: Yes, thank you. Currently, we're still under an extended license. We have one year from the date of acquisition of this property through purchase by the County to extend any kind of use agreements for that property and we've done so. There have

**ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE,
AND RECREATION COMMITTEE**

Council of the County of Maui

March 15, 2016

been a sixth amendment executed since your binders were updated and I will provide that to the Committee Chair after this meeting. Basically, the sixth amendment takes the current temporary license agreement and maintains it until April 30, 2016 when that one-year period ends. The desire is to have a lease that replaces that license and the lease would be a long-term 35-year lease agreement for a \$1 per annum payment of rent and then they can continue their operations as envisioned in that lease agreement. There is no separate grant agreement. I think when we very first drafted this, we had a lease agreement and a grant of the lease agreement and that all became very difficult to manage that paperwork and so we can use the word grant as a verb and the resolution authorizes the grant of this lease agreement. And then you don't have a separate document that has the lease agreement attached to the grant agreement attached to the resolution, which confuses everybody. So we're promoting this as a grant of a lease agreement through resolution. You've done the very same thing fairly recently with a couple of different leases so the format should look okay to you. It shouldn't raise any questions. But if you have any questions, I'm happy to answer them.

CHAIR GUZMAN: Members, any questions from the Members? Mr. Hokama?

COUNCILMEMBER HOKAMA: Just so we understand, I'm looking at the very last page of a communication from our Park's Department, March 8, 2016. And so on the last page, and thank you, Director, for doing this, because I think this is very helpful information. So I appreciate you getting comments from the Finance Department. So you show us that the fair-market rent per year is 4,995. We're going to ask them for \$1 a year. So are we recognizing the difference as part of the grant also since we're going to basically say you're not, you don't have to pay the remaining balance of the 4,995? Is that considered also part of the grant, the waiving of additional market-value rent?

CHAIR GUZMAN: Department or Corp. Counsel?

MS. SHEPPARD: Why don't you answer first?

MR. BUENCONSEJO: Chair? Mr. Hokama, to my knowledge, yes. I want to say that was the anticipation of when they did the, again working with Finance in putting that together. Maybe Ms. Sheppard has more enlightenment on that but to my knowledge.

MS. SHEPPARD: Basically, we're going through the County Code, Mr. Hokama, that allows the Council to authorize the grant of the lease for less than fair-market value. So the grant is less than the fair-market value. The fair-market value just shows you what it would be if it were a commercial lease agreement with an outside entity or if we went out and did an RFP for the use of the property with some other organization.

COUNCILMEMBER HOKAMA: And thank you. You know, I understand the ordinance and that is why I'm trying to get it clear how we are going to view this. So if you say, Chairman, to me that the difference of the 4,995 is also part of the consideration that we're going to give this grant and that this value should be recognized as part of the County's participation at seeing this request. I'm fine with that. I just want it to be

**ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE,
AND RECREATION COMMITTEE**

Council of the County of Maui

March 15, 2016

recognized that, it, that is also part of our consideration is that we're granting another 4,995 or whatever is the net as part of this consideration. I just want people to be clear on what we're granting or what we're going to waive but I don't have a problem recognizing the difference as part of the granting that we're offering this youth group because I think that, I mean, it shouldn't make a difference but for me it's part of the calculation of being upfront on what we are granting organizations on behalf of the people. That way we can tell the people this is exactly what we gave Paia Youth Center.

CHAIR GUZMAN: Right. Right.

COUNCILMEMBER HOKAMA: For \$1. We also gave them an additional credit of 4,995, whatever it be that we would have collected if it was under another type of lease agreement. Thank you, Chairman.

CHAIR GUZMAN: Thank you, Mr. Hokama. Is there, let me ask Corp. Counsel or the Department, is there a way to record, I would assume that the nonprofit records an in-kind, right, on that type?

MS. WHITE: Yes, they do.

CHAIR GUZMAN: Okay. So you would do recording via –

MS. WHITE: We would do that.

CHAIR GUZMAN: --the amount of the market value of the actual lease?

MS. WHITE: Yes, we would do that. We did it actually in the past fiscal year. So that would be on our 990 that it's an in-kind.

COUNCILMEMBER HOKAMA: Great.

CHAIR GUZMAN: Okay. Very good.

COUNCILMEMBER HOKAMA: Thank you for –

CHAIR GUZMAN: Thank you.

COUNCILMEMBER HOKAMA: --being upfront and telling us how you're doing it so thank you so much.

MS. WHITE: Thank you.

CHAIR GUZMAN: Thank you. Mr. Hokama, I mean, excuse me, Mr. Couch, sorry.

**ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE,
AND RECREATION COMMITTEE**

Council of the County of Maui

March 15, 2016

COUNCILMEMBER COUCH: So this is one of the old County, I mean, for a while back, a long time ago, the County ran youth centers, right? And then we farmed it out. This is not one of those?

MS. WHITE: No, this was never run by the County. It's always been a private nonprofit.

COUNCILMEMBER COUCH: Okay. Alright.

MR. BUENCONSEJO: Chair? Just to, that was the A&B property. So the one between Paia Bay and Baldwin Beach Park is that park that they were at. So it was a private.

COUNCILMEMBER COUCH: Okay. Okay because I'm just wondering why it's called the County Recreational Center, that's all. The lease of the County Recreational Facility, sorry.

CHAIR GUZMAN: Ms. Sheppard or Department?

MS. SHEPPARD: That, it's County recreational space because it's Parks' property.

COUNCILMEMBER COUCH: Okay. Alright.

CHAIR GUZMAN: Okay.

COUNCILMEMBER COUCH: Thank you.

CHAIR GUZMAN: Okay. Any further questions? Seeing none, I'd like to entertain a motion to recommend adoption of the proposed resolution incorporating any revisions of this Committee and any substantive revisions and filing of County Communication 15-91.

VICE-CHAIR COCHRAN: Chair, so moved.

COUNCILMEMBER VICTORINO: Second, Mr. Chair.

CHAIR GUZMAN: Moved by Ms. Cochran, seconded by Mr. Victorino. Any further discussion? Seeing none, all those in favor, say "aye?"

COUNCILMEMBERS VOICED AYE.

CHAIR GUZMAN: All those opposed, say "no?" We have five "ayes," no "noes," two excused. Motion carries.

**ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE,
AND RECREATION COMMITTEE**

Council of the County of Maui

March 15, 2016

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

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmembers Crivello and White.

MOTION CARRIED.

**ACTION: ADOPTION OF REVISED RESOLUTION AND FILING OF
COMMUNICATION.**

CHAIR GUZMAN: Thank you, Members. Moving on to the next item on today's agenda is...

COUNCILMEMBER VICTORINO: Chair? Chair, I'd to congratulate Paia Youth Center –

CHAIR GUZMAN: Yes.

COUNCILMEMBER VICTORINO: --because they have been out there for many years doing a lot of great work. I've been a part of some of their programs and I want to say that this young lady and the whole staff do a great job with our youth, especially in the Paia area. So thank you very much, Chair.

CHAIR GUZMAN: Thank you very much.

EAR-45 LEASE COQUI FROG ERADICATION PROJECT GRANTS (CC 15-292)

CHAIR GUZMAN: So we'll go on to the next item, EAR-45, the Coqui Frog Eradication Project Grants. The Committee is in receipt of County Communication 15-292, from Councilmember Gladys Baisa, on the Coqui Frog Eradication Project Grants. The Committee may receive a presentation from the Maui Invasive Species Committee and discuss the matter. The Committee may also consider the filing of County Communication 15-292 and other related actions. Members, we have today Teya Penniman, which is the Manager of Maui Invasive Species Committee and Adam Radford, I believe the Operations Manager who will provide a presentation about the status of their work in the coqui frog eradication. MISC is a nonprofit organization, which is affiliated with the University of Hawaii and concerned individuals who are working to prevent and control and eliminate most of the threatening invasive plants, animal species to protect Maui's watersheds, ecological resources, agriculture, and community. The County was, has, excuse me, supported MISC by appropriating

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

March 15, 2016

\$1.2 million to the nonprofit for the Fiscal Year 2016. So we have, Teya, if you could go ahead and present. You have the floor. Thank you.

. . . BEGIN PRESENTATION . . .

MS. PENNIMAN: Thank you. Good afternoon.

CHAIR GUZMAN: Oh yes, do we have a mic?

MS. PENNIMAN: Thank you, Chair Guzman and Councilmembers. I am Teya Penniman with the Maui Invasive Species Committee and it's our pleasure to be here. First of all, I want to thank you for your longstanding support for invasive species issues and thank you for this opportunity to talk a little bit about the coqui frog project. Our purpose is to give you an update on what we're doing, talk a little bit about our plans and we have a short presentation to give you to cover some of the background information on that and as Chair Guzman pointed out, Adam Radford, our Operations Manager, will be giving that presentation but we also really want this to be an opportunity for you to ask any questions you have about what we're doing and how we're doing it. We have had the opportunity to meet with most of you previously to talk about what we're doing so this is just an opportunity to expand a little bit more on that. I also want to recognize Abe Vandenberg, who is here in the Council Chambers. Abe is the person who fields a lot of the calls, that I know you all have fielded a lot of calls from people concerned about coqui frogs and we get those as well and Abe is our person who gets a lot of those and who helps do scheduling and coordinating and just has been a huge help to the project as well. At the outset, I want to say that I know you all probably want to know what we've done with the money that you appropriated and unfortunately despite best efforts of all folks involved, we don't actually have that funding yet and that's due to an issue related to indemnification of the County wanting the State, because as Chair pointed out, we are a project of the University of Hawaii and the County wanted the State to indemnify the County for any work done under this project and the State said well, we can't indemnify you. We don't do that and so we were kind of stuck for a while between must-can't. And I think that the lawyers have, are managing to work through that process. But I also just in that want to really give kudos and credit to the Office of Economic Development who have done everything in their power to help move this forward and I know Corp. Counsel here has been working very hard on that issue as well. Despite that fact, we have been working with other partners and Adam will highlight some of that work and how that's been happening with especially HC&S has been instrumental in helping us clear some areas of their land. We will be working with the East Maui Watershed Partnership as well as the State Department of Land and Natural Resources coming up here in the future. So we have been able to move forward. We've doubled the staff that we have already by using some funds from the State so in the past we only had about three active staff. We've been able to double that and really help to move things forward. But with that, I think we'd like to just move into the presentation and then we'll have the opportunity to, I'll make a few closing remarks and then we'll have the opportunity for more questions.

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

March 15, 2016

MR. RADFORD: Sure. Thanks, Chair, for having us and, Councilmembers, for the opportunity to present today. Actually, can I just set that...

MS. PENNIMAN: Yeah.

MR. RADFORD: How's that? Is that okay?

COUNCILMEMBER COUCH: A little bit closer to you.

MR. RADFORD: Okay. So as Teya mentioned, I'm going to just go through a bit of background, so just some kind of scope perspective and then where we're at with our planning and how we kind of get to our decision making for what we do and where we go and all of that. So we're, what this also highlights, I think, is that as a project, we're ready to hit the ground running once that funding becomes available and we get people onboard. And the other is that the timing for that is going to be good because as it gets warmer, we're all going to start getting more and more phone calls. So I think it'll work well for both our needs and the public's. But on Maui, we've had as many of you have seen in the past or know 19 places with lots of frogs. So these are populations, if you will. And we've been really successful at eradicating or removing frogs from those places. Actually 12 of the 19 no longer have frogs. A couple are what we call, like revolving door sites. So they are places that continue to get stuff from off-island, frogs particularly. So they're kind of never done but aside from Maliko Gulch, really everywhere else in Maui is well in hand, meaning there may be a couple of frogs left but very few if any and most are probably in what we would call monitoring a phase. So we'll keep going back to the site for a year or more from the date we last hear a coqui. So we're really pretty good at getting rid of them when we know they're there. One other issue, though, that is taking up a significant amount of time, particularly the last couple years and what this map shows, and it's a little confusing because it's a lot of different colored dots that are different sizes, basically the bigger the dot, the more recent the year. And the dot represents a place with like one frog. So typically these are new random locations where a frog shows up often from off-island, sometimes from Maliko. But we've had more of these occurrences in the last year or maybe two. We've had more in the last year, let's say, than we've had all other years combined. So we've seen this like exponential increase in these new random occurrences that take up quite a bit of time to determine if it's even a valid report much less go out there and catch the frog. For example, I caught one frog at a property about a month or so ago and it took me two-plus hours to catch it but we were pretty confident it was the only one. So we wanted to get rid of it. So in terms of big-picture planning for Maliko, actually in 2006, we were asked to put together a plan to deal with the Maliko infestation and two things of note are just, at that time, you know, we said we'd need about 750,000 to really get on top of this. And that was only dealing with 127 acres, or what we believed to be 127 acres at the time. Right now, we're estimating that the working area, the area we need to work is well over 1,000 acres around the Maliko Gulch infestation. When I say working area, that's because it may not all have frogs but you have to be present throughout the area regardless because you have to access it, you have to be able to monitor what's going

ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE, AND RECREATION COMMITTEE

Council of the County of Maui

March 15, 2016

on and whatnot. And even then, we said we need to get going and we made significant strides, I guess, in the Maliko area but we still need to get going to the level this kind of problem warrants. And this is what we're dealing with today. And you can see the blue is generalized infested areas that's inside the gulch. And I should have mentioned because I see many of you following along kind of with the plan there that most or all of this is available in the plan that was handed out or the other documents you received. But the blue and yellow combined is basically that work area I just described. That's pretty much places that has coqui frogs that need to be controlled. And this is just a little bit of perspective on what we're dealing with. So it's an incredibly complex area both in terms of it's really big, it's really deep, and it's got a real mixed vegetation matrix. So it's quite complex from a variety of perspectives. And this is also just another one for scale. You can see the person circled here standing next to a huge wall of well over head-high cane grass and this is infested with frogs. So dealing with these kinds of site-specific challenges is significant but we've been successful before as I mentioned. So after 2006, we actually got additional funding from a variety of sources to start putting in infrastructure to work in the gulch and that's what this map shows is there's storage tanks for our citric acid solution, which is the food additive mixed with water to control the frogs. There's pipes. There's lots of things there already again for us to kind of hit the ground running and turn the switch on when we have the people to do that. So what we envision with, when I mention the people to do that, we need a lot of people to cover this kind of area and we're going to try to break them out essentially in at least two to three teams. And one team is going to be on a fixed schedule so that if a community member calls you and says where am I on the list, you could actually reply and say this is where you are on the list. Another team is going to be more like a strike team where they're following, mopping up behind the scheduled team or responding to new reports or putting out fires. And I think of Maliko as a fire that shoots out embers and just like fire, you need to douse those embers before they become significant problems in and of themselves. So that's, the second team is kind of a roving team. And then a third team really just dedicated to keeping things running equipment-wise and managing or removing coqui-friendly habitat, which is actually often the best bang for the buck is if you can get rid of that giant wall of cane grass, it's much easier to get rid of the frogs. So I'll go through this relatively quickly but we have organized ourselves to follow sort of an incident command structure so that we're very clear in roles and responsibilities and communication to make sure that we're on track with our project goals and objectives. The control options, I mentioned the solution we use, we also deliver that solution in both the gravity-fed system, so that's the big tank on the rim with a pipe down to the bottom and a fire hose plugged into it and we also have the sprinkler system and aerial options for delivery. And this is the picture of the sprinkler system on the edge of the gulch. It essentially can shoot citric solution from the edge to the bottom. And this is a picture of an aerial application. Some of the drawbacks with aerial are the high cost and that you need to do it in the day when the frogs are less active because they're out and more active at night. And then hand capturing as appropriate. And again, habitat modification but I wanted to highlight this one as well as another tool is a coqui barrier, which is actually a fine insect mesh that can be installed in kind of strategic locations and something else that we've used in the past and I imagine we'll use in the future. And then in terms of organizing, so like how do

ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE, AND RECREATION COMMITTEE

Council of the County of Maui

March 15, 2016

you organize where you go in a transparent and thought-out manner and it's like yeah, well, you go where there's frogs. Well, there's frogs all over the place. So it's like how do you pick where you go first? And so some ways to help organize that discussion or things we've done to help organize the discussion is created management units so that you can have a broken-out place name or specific area regions you want to work with a name associated with it and also what I'll get into is some considerations you put on that smaller place, like, are people down there active as a community in helping? Like how bad is the infestation level? Is it close to roads or places people are going to move the frogs, but basically the unit system just helps an organized effort. Every one of those units then has a site-specific plan that not only helps guide what our project is doing but how we want to utilize community resources and help empower the community. And then prioritization. So we do this kind of two ways. We've developed a model that's based on, like, our spatial and other data that we can manipulate to help give us an output that says well here's your top priorities. Here's your lowest. And it considers things like proximity to road, contribution of residents, other things like that and it's, so it's quite helpful to guide to discussion that then we weigh what the model output is against the on-the-ground realities. So we tweak it a little bit. But that's how we come up with our process, I won't go into the nuts and bolts of that but it's actually a pretty detailed, GIS-driven process. And this is just kind of background. This is control at the Maliko infestation over all time. Been one interesting thing, if you note, the blue lines are actually ditches and/or streams and you see the red dots often follow the blue line to some extent. So that's just also highlighting like that's somewhere we would want to prioritize. Is it along one of those blue lines? And Teya mentioned partners. I won't go into that again much except to say that recently with the help of A&B, HC&S, we actually, they reopened some dirt roads on the west side of Maliko, which is all generally sugar cane. And so we hadn't been in there in a couple years because the weather was really bad and also they hadn't harvested those fields and so that's a big unknown for us is what's the current status on the west side of the gulch and now we're going to be able to figure that out, which is very important to planning and cost estimates and all that stuff. And this actually shows the A&B parcel and State parcel. So A&B is the kind of tan and State is green. Red is places where control work's occurred. And this is highlighting homeowner engagement. This is a big component of what we've been doing in facilitating is the Sprayer Loan Program and Citric Distribution Program to residents that are proactively controlling frogs themselves and we're trying to help guide them in a, so they're a unified front basically as a community. And this is just an example, the yellow on this map is all area that was sprayed by residents in the course of about a week. So pretty significant and very complimentary effort to ours. So just some of the challenges are equipment and storage. This is actually our storage facility up Piihola Road and you can see it's pretty small and so when we're talking about, you know, quadrupling or more our staff size or the equipment needed to really do that work, we're going to need to address this challenge. And then an unknown future of the west side of the gulch is a challenge that fortunately we're working with HC&S to figure out what's going on over there. Recalcitrance. Yeah, so this is a real sign. It's not staged. But it, in terms of the Maliko project, because this has been a question that's been raised, is like is recalcitrance preventing you from successfully getting over to the frogs and the short answer is yes but it's such a big project for us,

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

March 15, 2016

like, right now they're not hindering our efforts to the point that we're not having successes but they are hindering the efforts of community-driven groups. So, like, in the big picture it's not as big of an issue for us but if I was a resident of certain communities it would be for me. It is and we're trying to help them work through those issues. And a challenge with this ramp up and just in general is, not so much retention but expertise. It's getting the right people in to do the job. We're actually really fortunate, we have really impressive tenure and great staff that are very knowledgeable of the area and equipment but getting people to do this type of work and stick with it is a challenge. And of course sustain funding. Weather is a big challenge for us because it will keep us out of areas we want to go. And a little bit of background on cost estimates. And you can see just at the bottom that there's a huge range in estimates and it's because there's quite a few unknowns at the moment in terms of what we're dealing with and what kind of timeframe it will take and things like that but I think, you know, in the relatively near future, a year or so, we'll have a much better sense of what it's going to take and this is just a summary of our strategy for the next year is expand efforts, essentially develop necessary infrastructure, support the community-based efforts and reduce infestation levels. And our 5-plus year goal is just to maintain that expanded effort and hope that ultimately will help ensure a coqui-free Maui. We can eradicate coqui from all other known sites and reduce the frequency of introductions to Maui. That's basically what we're trying to do. So thank you very much for your time and attention.

. . . END PRESENTATION . . .

CHAIR GUZMAN: Thank you. I'm going to offer the first questions to Ms. Baisa, since this was her item.

COUNCILMEMBER BAISA: Thank you very much, Chair. And thank you very much for having this session today. I have a lot of constituents who have asked me about this problem and I really am grateful that we have the opportunity to hear from you guys today and I know that many people will watch this and be interested in the information. Just a couple of questions. In your presentation, you mention the revolving door problem and you mention that that comes from off-island. Can you elaborate a little bit more?

MR. RADFORD: Sure. So we have a couple of nurseries basically that bring in plant material from off-island and it seems that they also bring frogs, I think, inadvertently and I should say that those businesses are really cooperative in terms of working, allowing us to work to control the frogs. They may not be quite so proactive in terms of preventing their introduction.

COUNCILMEMBER BAISA: Is there any way that the Council can help you with that? It might save us a lot of money.

MS. PENNIMAN: Well, it, that's a huge concern because it's really, it's just incredibly frustrating to know that we all collectively are spending this money and risking our, you

**ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE,
AND RECREATION COMMITTEE**

Council of the County of Maui

March 15, 2016

know, doing this dangerous work but knowing that we continue to get this repeat introduction and that's where we've provided you with the summary of two key legal challenges and approaches that other jurisdictions have taken to address that both for the issue of what we call recalcitrance and then also the issue of repeat introductions to the island. So I believe there are things that the Council could do, yes.

COUNCILMEMBER BAISA: Okay, well then maybe we'll want to follow up on that with you because, you know, this has to stop. This problem is not going to go away and it's going to cost us more and more and spread more and more so we gotta try to find a way not to, if we know the source, to try to plug it, which is a nice segue into the next issue. You mentioned the cost and the type of work that this is. You know, when you look at the terrain where this is going on, it's kind of frightening. I mean, this is really hard work for those people that are out there, you know, running around and going up and down in this horrible grass and cliffs and God knows what else they're dealing with. I hate to ask this but I'm kind of curious. You mentioned it's hard to get and keep but you're doing a good job keeping them, but more or less, what do we pay them?

MS. PENNIMAN: The starting, an invasive species associate level one, the starting pay is typically about, after 6 months it's about \$2,600 a month.

COUNCILMEMBER BAISA: I can see where that would be difficult.

MS. PENNIMAN: Yeah.

COUNCILMEMBER BAISA: Because if you can get a job sitting in an office nice and clean, you might not want to be stomping around in the grass and the water and God knows what's out there. So again, I just want to thank you for the work you do. I'm very proud of MISC and I'm very proud of our Council for the support that we provide. But there's a lot more work to do, and thank you. And thank you again, Chair.

MS. PENNIMAN: Thank you.

CHAIR GUZMAN: Thank you. Any other questions from the Members? Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair, and yeah, thank you guys. We've discussed this quite extensively at that gathering and I was there and the noise is pretty loud and you were saying that that, at that time you had just done a spray so it was cut way down so, Members, I gotta tell you, if that was cut way down that noise, I'd hate to hear it when it's really bad. So that is something important that we continue to do this and as Ms. Baisa said, I'm real concerned about the legal issues. The recalcitrance, you said, aren't too bad right now but you did make a point in your statement that the inability to control a high-priority species at a single site can thwart years of effort or create the very real probability that overall efforts will fail. That's an important statement in that document. That's something we have to really be careful of. And the other one is, you know, preventing the spread interisland. And I know we export stuff to people and we import stuff from other islands to say, okay, no you can't send anything

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

March 15, 2016

anymore it could offer, you know, opportunities for retaliation or whatever. I know we have the ohia issue and that was, but that's a State quarantine, right?

MS. PENNIMAN: That's correct.

COUNCILMEMBER COUCH: And I think the, I think when they were doing the banana bunchy top thing, that was a State quarantine too. What can we do maybe as Council or whatever to have the State say hey, look, we don't want this to spread further because, you know, if it gets to us then next stop is Oahu and then if, then that will be a huge problem. So have we worked with the State as far as saying, you know, State, this is very important and you guys need to step up?

MS. PENNIMAN: Well, I don't know what the Council has done or what the, I know that in the past the Administration has testified in support of increased, both increased support capacity for our inspectors as well as to address interisland movement of pest species. It's an issue that I feel like I've been knocking my head against the wall on for years, years and years raising it as an issue. It's an issue that the Maui Conservation Alliance takes very seriously. It came out as a top priority for the MCA's strategic plan to address interisland biosecurity. That's why I come to you saying that I'm not sure it's ever going to happen at the State level. And so the question for us is can we as a County do something that is within the County's jurisdiction to do, which, and again my perspective is that most people are good players and want to do the right thing. But we have those few folks that either, you know, don't care for whatever reason or have other motivations and that's where if the Council were to look into something like regulating businesses that are likely to be importing high-risk goods and suggesting best management practices for those that are shown to be not being good neighbors. So the last thing I want to do is impose more regulations on our businesses that already struggle to make a go of it here. But for those that do not, then perhaps in order to do business in Maui County, you have to demonstrate that you are following best management practices. That's something that, you know, I'm not advising the Council about what you can or can't do. But that is a possible line of inquiry that you might want to look at. One thing, if I may, Chair, I'd like to put up two more, three more images if I could just to kind of illustrate this point if that would be alright?

CHAIR GUZMAN: Sure.

MS. PENNIMAN: This is not coqui frogs. It's little fire ants but it's something that I know we're all very concerned about. Just several weeks ago our crew was in Hana. Well, we have our Hana crew but our Piiholo-based crew was in Hana and had someone stop by saying we think we have fire ants. We think, we just got this, these roofing shingles from Hilo and we think we have ants. And so our crew went out, our plant supervisor went out, looked at it, said looks like fire ants to me. We happen to have a microscope out there, confirmed that it's fire ants and managed to get in contact with some of the folks in Nahiku who have the fire ants on their property who are controlling. They had the chemical that we needed, and went out. You want to do that last slide? They took apart two pallets of shingles and sprayed each one individually with the chemical. So it just

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

March 15, 2016

underscores how easy it is for things to get through the system because this isn't plant material. This is roofing supplies. But does the person, did the person know or should they have known that they had fire ant infested, you know, it came from Hilo from obviously from an infested property. But it just underscores a number of things. One, how important it is to have an educated public that the person who got the shipment said this doesn't, I want to test it and then call the right person and that we had the ability to do a rapid response. But it also just really underscores well how often is this stuff moving that we don't know about. You know, I just think we want more tools to address it at the County level than we currently have.

COUNCILMEMBER COUCH: Thank you for...if I may follow up? Thank you for that sobering set of pictures there. One last question. It says, you know, the total cost for eradication of coqui frogs just for Maliko Gulch ranges from 4.6 million to over 15 million. Is that one time or are you breaking it up in five years?

MS. PENNIMAN: No, no. No, that would be over multiple years. We don't, we couldn't do it. I mean, even, I think, if we wanted to you couldn't do it in one year because it's so big.

COUNCILMEMBER COUCH: So how many years do you think that might take?

MS. PENNIMAN: I would, we tend to say five plus.

COUNCILMEMBER COUCH: That's still \$3 million a year, Mr. Chair, just for Maliko Gulch.

MS. PENNIMAN: That's the range. And again, it's like one of the things that Adam used the analogy of a fire. It's like a fire. Asking a firefighter well, when are you going to get this fire out and how long is it going to, and how much is it going to cost. We don't, yeah, you know, I mean, we don't really know and as Adam said, a year in from now we will have a lot better information than we currently have. And as well as one could do, spend a lot of time doing modeling to say well surely the cost, obviously the cost will go down over time as you have fewer infested areas but we've not gone that route because of the range of the variables, the, how many properties are actually infested. Right now we figure it's over 500. But the other thing that I want to emphasize is that we believe it's doable. We wouldn't be coming to you if we didn't think it was doable. The last thing we want to do is put our staff at risk, waste taxpayer money, and ultimately fail. We want to be successful. We want to be effective and we want to be safe at what we're doing.

COUNCILMEMBER COUCH: Thank you, Chair.

CHAIR GUZMAN: Thank you. Any further questions? Mr. Victorino?

COUNCILMEMBER VICTORINO: Yeah, thank you. And thank you very much for what you folks do, Teya, and, you know, you also, Aaron, I mean Adam I should say, you know, thank you. I was interested, when is the jet coming to spray? I saw that and I go, whoa, okay, that one. Adam, when is that arriving so that we all know?

**ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE,
AND RECREATION COMMITTEE**

Council of the County of Maui

March 15, 2016

MR. RADFORD: We'll keep you posted but that actually is something we're investigating, so yeah.

COUNCILMEMBER VICTORINO: Yeah. No, I don't know if you want to go to that extent but maybe something smaller but it's such a remote area that, you know, one of the ways is by air.

MR. RADFORD: Right.

COUNCILMEMBER VICTORINO: I mean, I see the helicopters and I've seen them go in and try their best. The other question I had for you was basically on this fire ant issue because you know where this came from. You know specifically what business shipped this out. So do you turn that to the State and have the State Department of Agriculture go back to this business and say hey, we know you just shipped out a bunch of red ants, I mean fire ants to Maui in one of your, in two pallets of roofing material? So, you know, make them, put them on notice. Get them to spray or whoever is, like, whoever your counterpart is there, if they have counterparts like yourself go in there. We know it's an existing nest because it came to Maui. And the second question to that is was there any other roofing material that came in from this same location and shipped out to other locations here in Maui County?

MR. RADFORD: Those are great questions. So the day we learned of this and had information to provide to the Department of Ag, we contacted them and they were right on top of it and actually did what they call a trace back. So they figured out where did it come from? Whose was it? Was it a business? Because they have the very same concern. Is it a business that's actually just selling roofing material regularly all throughout the State and it actually turned out to be an individual sale, so not a business, so kind of a one-time thing --

COUNCILMEMBER VICTORINO: I see.

MR. RADFORD: --from a private property and there was actually, in the picture you saw, two pallets. There was supposedly a third pallet that the Department of Ag is trying to trace down now. We're not actually even sure if it was actually shipped or not but they've instructed Young Brothers to either immediately return the pallet to the Big Island or destroy it upon arrival to Maui if it did make it to Maui. So that's...

COUNCILMEMBER VICTORINO: And that's my next question.

MR. RADFORD: Sure.

COUNCILMEMBER VICTORINO: Young Brothers is the starting point and the intermediary point because they come here. My son works there and he says things and he says that dad, there's things coming in that Department of Ag, they notify all the time and sometimes they come right away and other times, you know, it's a lot like no big deal.

**ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE,
AND RECREATION COMMITTEE**

Council of the County of Maui

March 15, 2016

But if we don't nip it at the bud when it arrives, it's too late when it gets there unless somebody sees it at that point in time. So when that is reported, or was Young Brothers checked to see if there was any residual fire ants that might have spread right there in that harbor area?

MS. PENNIMAN: Yeah, they did. And I want to say that Young Brothers has been extremely cooperative and proactive as a business. They take these issues very seriously. And also Department of Ag, I think we have the best inspectors in the State, you know, I mean, Maui no ka oi and all but they really do go above and beyond the inspectors that we have. They just don't have enough capacity, so.

COUNCILMEMBER VICTORINO: And finally, is there no possibility of us getting the State to put an emergency like they did with dengue fever and all that because yeah, coqui frogs is a nuisance, I got it. I got it, it's a nuisance. I come from the Big Island, I know what the nuisance is. When I go home, I get that coqui frog orchestra all night long. But red fire ants, you know, is an extremely dangerous entity entering our community next to the brown tree snake and something like that, this would probably be the worst. Worst case scenario is to let this get out of hand and I know we can spend all the money we can but really it's stopping it before it gets here. So has the State looked at these issues and helping not only Young Brothers but our Department of Ag at the airport, all the entry points to make sure that we try to nip it at the bud before it gets to like this location and then they say, oh, I think we've got fire ants. Kind of late at that point. Luckily we caught it before it got out but if we had waited a week, we would have had another infestation out in Hana and now we would have Hana and Nahiku with red...fire ants.

MS. PENNIMAN: Yeah, I can't answer the question of whether or not they're doing everything they can. I mean of course, you know, you always hope, you always hope for more. I know one thing that they did initiate for is trying to work with the shippers but of course the Department of Ag is focused on ag products. This isn't an ag product. They have the authority to inspect and they regularly do but there is, one thing I will point to would be support for, the County could support, there is a biosecurity plan that will be developed this year. There's been a contract let for that and that hopefully will come out with proposals, suggestions, and overall plan for how we as a State address this issue. And so that would definitely be a place that the County could weigh in once that comes out.

COUNCILMEMBER VICTORINO: And, Chair, this is my final question. Teya, if I was to say how much money would you need if you were to eradicate it in two years? Not \$3 million for 5 years, 6 years, but say I'm going to give you all the money you need so that you can get all the manpower and you're going to go into Maliko Gulch and just wipe these babies out. How much money would you estimate you would need to go in there and really eradicate?

MS. PENNIMAN: I would love to give, I know that's the answer you want or it's a question that people like to ask.

**ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE,
AND RECREATION COMMITTEE**

Council of the County of Maui

March 15, 2016

COUNCILMEMBER VICTORINO: That's correct.

MS. PENNIMAN: And not like to ask. You don't like to ask that question but I couldn't give you an answer that you would be like well but you said it was only going to cost this.

COUNCILMEMBER VICTORINO: No, and again, you know, I'm not trying to put you on the spot, you know, and I am because people ask me that all the time. How much? How much could you put in that would do it in two years instead of five years or seven years, you know?

MS. PENNIMAN: If you would like for us to try run that number, we can do that.

COUNCILMEMBER VICTORINO: I'd like to see that, Mr. Chair.

MS. PENNIMAN: But the other, the other aspect, one of the things that Adam pointed out is that right now, we're, there's a limit to how much you can ramp up all at once.

COUNCILMEMBER VICTORINO: Yeah.

MS. PENNIMAN: You know, I mean, you would need to have X number of trucks, you'd need to be able to...

COUNCILMEMBER VICTORINO: So we can bring this in too.

MS. PENNIMAN: Yeah.

COUNCILMEMBER VICTORINO: We go bring in the jet and...

MS. PENNIMAN: Well, that's, that would help the gulch but are, you're not going to do that on Haiku Hill, I'm pretty sure.

COUNCILMEMBER VICTORINO: I agree. I agree.

MS. PENNIMAN: You know, that's one of the challenges is that the frogs have spread into these residential neighborhoods, which is why it's so much more aware of as an issue right now. But you can't do that there, and so you're talking people with weed-eaters and tractors and tanks and sprayers. We, as an example, the sprayer, like, well how much time would it take? The sprayer that we ordered that's a really effective sprayer, it's taken us a year to get it. Do we have it? We have it. It's taken us a year to get it. You know, and then the ones that you have break down.

COUNCILMEMBER VICTORINO: Yeah, okay.

MS. PENNIMAN: And so it's, as much as we want to do it as quickly as possible, there's some things that can't be pushed as well as the fact that from a biological perspective, you

**ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE,
AND RECREATION COMMITTEE**

Council of the County of Maui

March 15, 2016

want to knock them back and then wait a while and then come back in.

COUNCILMEMBER VICTORINO: Okay.

MS. PENNIMAN: So...

COUNCILMEMBER VICTORINO: Thank you, Chair.

MS. PENNIMAN: Yes, yeah.

COUNCILMEMBER VICTORINO: I just, you know, the public has asked that question a number of times and I just thought I'd, you know, if there was some kind of answer, I would have loved to have put that out there and see if we could somehow come up with the funding or State and us matching and go in there, you know, and take this big jet and fly over Maliko Gulch and then take on the rest of the world around it. Thank you.

MS. PENNIMAN: We'd like to, actually for that concept, we'd like to get some of the, who would the agency be that, you know, James was...yeah, you know, like the Air National Guard or something could help since we don't have our own pilots or planes or, yeah. Or...yeah.

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

CHAIR GUZMAN: I have one question before Ms. Cochran.

VICE-CHAIR COCHRAN: You wanna go first?

CHAIR GUZMAN: Can I ask one question?

VICE-CHAIR COCHRAN: Yeah, yeah go ahead.

CHAIR GUZMAN: The 1.2 million, you said that it's still pending or still in limbo? So once that's, I guess, resolved we're going to be already into our next budget session. So how is that going to play out and have you expended some monies already to at least get reimbursement?

MS. PENNIMAN: Well, no. We can't expend money that we don't have. So...

CHAIR GUZMAN: So does that mean you're going to come back for, even, and it's difficult because you haven't touched the 1.2 million and now we're going into 2017, so.

MS. PENNIMAN: Yeah, we would hope that there would be continued funding for this next fiscal year. We haven't had the discussion with the Office of Economic Development in terms of if we could double up that money and then have, you know, increase. It wouldn't actually increase even more, the number of staff that we'd be having so that we would have more people because really even ten, we plan to hire an additional ten

ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE, AND RECREATION COMMITTEE

Council of the County of Maui

March 15, 2016

people. So that the funding that the County has provided basically typically about half of it goes for citric acid and half of it goes for labor and equipment and that kind of thing. But yeah, if we had additional funding or funding for this next fiscal year, then we would look at trying to increase our overall capacity at the same time would be the logical thing to do.

CHAIR GUZMAN: Okay, thank you. Ms. Cochran?

VICE-CHAIR COCHRAN: Thank you, Chair. And thank you, Teya and Adam, for the hard work you do. And I know, I'm sure it's frustrating but then, you know, you do what you can with what you got and it never seems to be enough, I know. But that, I'm, I've been really sifting through this handout in regards to possible legislation that can be done on our behalf, which is quite encouraging to see, in regards to the private landowners, private businesses and how we can address that because that's really maddening to hear that certain nurseries continue to bring it in. I guess it's kind of the root of, so you do all of this legwork on the outside in the field and yet they just keep shipping it in just, you know, just turn another buck to put some more plants out there but it's, so I can see where something needs to be done there because there is no penalty on their behalf and they're just business as usual, which I think is wrong. And so I'd like to look through here and I can see a little point about something that Chair Guzman here has been exploring possibilities of establishing a mandatory BMPs and things in regards to the private businesses. So hopefully we can move forward with a lot of these things to help assist in that regards on our behalf as Ms. Baisa asked earlier, what can we do as Councilmembers. But I'm kind of curious about that one comment you mentioned about biosecurity plan. Is this something that the State is going through this opening Leg of this year or where, what is that and where is it at and how can we participate?

MS. PENNIMAN: Yeah, the biosecurity plan is the Department of Agriculture put out an RFP for a private company to help them develop a Statewide biosecurity plan that will encompass not just, it will encompass addressing things that come from other countries, that come from domestic, and also that move between islands as well as what we the work, like, that the invasive species committees do or Department of Agriculture does. It should also address facility issues, the fact that Maui has the state-of-the-art-facility for cargo inspection at the airport but our ag inspectors, if they go to the harbor, they're working outside. So if they open up a shipment and it's got flying insects in it there's no way to control that. And that's, the other islands don't even have what we have at our airport. So facilities like that as well issues such as developing effective bio control, biological control agents. So it should be a wide-ranging, comprehensive look at what do we need as a State to have better biosecurity. And I would say that, it's my understanding there will be opportunities for public input and hopefully some focused working groups as well. So we would be happy to make sure that you Councilmembers are aware of that process as that unfolds.

VICE-CHAIR COCHRAN: Yeah. It's good to be a part of and maybe State will kick in some monies for us, for the County's behalf to have to implement these wonderful ideas but that's wishful thinking. So thank you. Never heard of that so it's good to be abreast of

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

March 15, 2016

what's happening out there, and I think the bottom line question is are we making headway and a sorts, and I guess at Maliko? Let's just go there.

MS. PENNIMAN: I think we are. Do you want to talk to that, Adam, just kind of anecdotal statements. As we said, we've already doubled even without the County money funding onboard yet, we've doubled the staff that we have that was previously working on it and I think you can give some stories of just what people are sharing. With one caveat, which is that it's been winter, it's still spring, the frogs are quiet when it's cold. And so even though we're seeing success in areas, it's going to get loud again.

MR. RADFORD: Right but a good example of making headway is we had, we receive lots of calls from the public about coqui and other things like to the tune of, you know, more than one a day, certainly. But we actually just received a call not too long ago from a resident along the Maliko Gulch, the main portion of the gulch who said that she had started sleeping without earplugs in the first time in, like, three or four years or more and she was sleeping with the earplugs year round so that's a pretty good sign even though it's been colder. So, and we've had some similar very encouraging stories from the public and a lot of compliments and awareness of increased activity around Maliko because we have more people. We have essentially doubled the crew size already so people are taking notice I think.

VICE-CHAIR COCHRAN: Okay, very good. Teya?

MS. PENNIMAN: And one follow-up that I wanted to make was, it was really good to have Councilmember Couch and Chair White at the Haiku Hill community meeting. We really believe that that kind of community engagement and involvement is absolutely critical to our success. We need to have their help. And they were the first folks to organize and to say what can we do? We want to help, you know, we want to go out. And so with State funding that we have, we're going to be purchasing some, at least five sprayers that will be dedicated for community use. So get that tool out to the community so that they can help us help them.

VICE-CHAIR COCHRAN: Very good. And again, appreciate all the work you folks do, so.

CHAIR GUZMAN: Mr. Hokama, and then followed by Mr. Couch. We're going to be wrapping this up after questions, and then Ms. Baisa. Mr. Hokama?

COUNCILMEMBER HOKAMA: Thank you, Chairman. I appreciate my opportunity. So quickly, I'll be very upfront with you folks. I hope by the time we enter Budget, you can give us a better comment regarding the disposition of our County funds because I'm not currently happy with the current status. And I understand you have a challenge with the State of Hawaii. We do too, on a regular basis so I can appreciate your issue. But stating that, couple of things I found interesting in your comments. You say the State is putting forth a biosecurity initiative, I guess, of some sort and yet you made a comment earlier to this Committee that you don't think the State is going to actually do anything about the issue of invasive species? That we shouldn't be looking at the State

**ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE,
AND RECREATION COMMITTEE**

Council of the County of Maui

March 15, 2016

for any type of leadership in addressing what component of invasive species?

MS. PENNIMAN: Yeah, I did not mean to convey that concept. I was speaking more specifically. Hopefully the plan will have something more specific in terms of the, I was speaking more specifically to interisland movement of invasive species. And there have been efforts in the past to have legislation that would address that more specifically that did not move forward. I know that the Department of Agriculture is working on developing something that was similar to legislation that didn't move, which would be a compliance plan approach. So for, so if you're shipping, I think the concept is that if you're shipping from infested areas, then you need to, it's kind of, it's basically best management practices so a similar kind of thing. So I despair sometimes but I don't mean to convey that I don't think the State takes it seriously. I do. And I think I, under, especially under Scott Enright's leadership of the Department of Agriculture, he's, I think he gets it. As an example, the Rapid Ohia Death recent quarantine rule, that's the first time we've had something like that and they acted very quickly to address that in kind of lightning speed from my perspective.

COUNCILMEMBER HOKAMA: Well, I understand your comment about Department of Ag and their limited scope of involvement so I appreciate that. I would, don't know why we wouldn't look at as an option, Chairman, because we're talking about shipment. We deal more with DOT and Public Utilities Commission. I don't see a problem with the Commission exercising a policy that every interisland shipment that has potential contaminated merchandise, whatever it may be, landscaping material or building material, must be fumigated either be prior to arrival at the destination port or something as a policy that how do we take care of it possibly even during transit. I mean, there's other countries that upon arrival they gas bomb the plane to eliminate invasive species issues, okay. So my thing is I don't mind being aggressive. I don't mind being very, on the offensive on this issue. And I don't have a problem, again, maybe looking at what we can do through ordinance of what property owners should have some responsibility especially if they're bringing in certain types of material or, you know, for Lanai I can tell you this. I never had to grow up with or deal with what I gotta deal with in the last five years. Coqui frog, toads, and regular frogs on Lanai. Okay. But we all know it came through shipment basically for landscape requirements of the island and now I'm going to have to then now consider public money to take care of things that should never have been on our island in the first place?

CHAIR GUZMAN: Right.

COUNCILMEMBER HOKAMA: You know, so, I don't have a problem looking at property owners or developers that have some level of impact on what is being brought to the neighbor islands. So maybe through the Code we can institute some kind of provision that if found in violation, there is a penalty.

CHAIR GUZMAN: I agree.

COUNCILMEMBER HOKAMA: I think, you know, we need to educate, part of that cane is the

**ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE,
AND RECREATION COMMITTEE**

Council of the County of Maui

March 15, 2016

responsibility of ownership and I don't have a problem with that. One thing, though, I think is kind of interesting, I would ask you, and if you cannot answer it I understand but since plantation is going to shut down, we're not going to do cane burning and everything else, what do you see is the potential now of those fallow acreage with the expansion of invasive species?

MS. PENNIMAN: Oh, we've already seen that when we have pineapple shutdown and other things.

COUNCILMEMBER HOKAMA: Well, now you gotta deal with potential 35,000 acres of sugar now.

MS. PENNIMAN: Yeah. No, if it's not actively managed it will become infested with different invasive species. Certainly, we saw that with the pineapple fields here, tumbleweed. If it's not, if you're actively managing your lands, you don't have tumbleweed and if you're not then it becomes established. So it will become overgrown. The other thing is that from a, controversial as burning is, the frogs that get into those lands from Maliko Gulch, we like burning. From a coqui frog management perspective. We actually explored that as a possibility in some areas, some of the small finger gulches there but that hasn't proved to be feasible at present. It will get worse.

COUNCILMEMBER HOKAMA: Thank you for your candid response. I appreciate it, and thank you, Chairman. I'm done.

CHAIR GUZMAN: Thank you. We're trying to get to the next item, is that alright?

VICE-CHAIR COCHRAN: Real quick.

CHAIR GUZMAN: If you can submit your questions in writing and I'll refer it to...

COUNCILMEMBER COUCH: Well, it's a Budget question though. Real quick.

CHAIR GUZMAN: Okay, Mr. Couch?

COUNCILMEMBER COUCH: It was, the 1.2, you haven't been able to spend or encumber so it's basically going to lapse, right? And so...

MS. PENNIMAN: I hope not. No, it's in process. It's very much in process. We're hoping any day, any week, it's been...yeah, it's moving.

COUNCILMEMBER COUCH: Okay.

MS. PENNIMAN: It's just that...and I said the Office of Economic Development and your Corp. Counsel here have been working on trying to come up with the...I think they've come up with the language that will address the indemnity issue.

**ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE,
AND RECREATION COMMITTEE**

Council of the County of Maui

March 15, 2016

COUNCILMEMBER COUCH: Okay.

MS. PENNIMAN: So it's very close.

COUNCILMEMBER COUCH: So it's not going to lapse?

MS. PENNIMAN: No, it's not.

COUNCILMEMBER COUCH: Okay, okay.

CHAIR GUZMAN: Okay.

MS. PENNIMAN: Yeah, thanks for clarifying that.

CHAIR GUZMAN: So at that, I'm, at least we've, thank you very much for coming and we've got some material that if Members would like to put through, maybe possibly drafting a bill it looks like for some private access on property. So again, thank you very much and I also thank Councilmember Baisa for putting forth the issue. And without any objections, I'd like to defer this matter, or actually I recommend, I'll entertain a motion to recommend filing of County Communicating 15-292.

VICE-CHAIR COCHRAN: Chair...yeah, Chair, so moved. Or, okay. Are you filing, sure.

CHAIR GUZMAN: Unless, do you, would you like further discussion, Ms. Baisa?

COUNCILMEMBER BAISA: Chair, I am not a voting member of the Committee but I'm concerned if we file it I don't want the issue to be lost.

CHAIR GUZMAN: Okay, very good. Okay, I will, without objections, defer the matter.

VICE-CHAIR COCHRAN: Yeah, no objections.

ACTION: DEFER.

COUNCILMEMBER BAISA: Thank you, Chair.

CHAIR GUZMAN: Thank you.

MS. PENNIMAN: Thank you.

CHAIR GUZMAN: Thank you very much.

COUNCILMEMBER COUCH: Mr. Chair, now all the stuff that was handed out now becomes part of the...

**ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE,
AND RECREATION COMMITTEE**

Council of the County of Maui

March 15, 2016

CHAIR GUZMAN: Part of the record. Right, right.

COUNCILMEMBER COUCH: Good, thanks.

CHAIR GUZMAN: Okay, so we'll move on to...this should be fairly quick, the next item.

VICE-CHAIR COCHRAN: You think. . . *(inaudible)*. . .

CHAIR GUZMAN: I know, I know.

**EAR-5 COMMERCIAL OCEAN RECREATIONAL ACTIVITY FEES, FINES, AND
PENALTIES (MISC)**

CHAIR GUZMAN: This is my last...I'm sorry, Members, this is my last Committee meeting until we get into Budget so I'm trying to push things out that are necessary before Budget and this is one of them, which is EAR-5, the Commercial Ocean Recreational Activities Fees, Fines, and Penalties. And this was also brought forth to give us some guidance as we enter into Budget. The Committee is in receipt of the following communications as listed in your agenda. I brought this matter forward, of course, to obtain information from the Department of Parks and Recreation concerning the current CORA permit holders in preparation for, like I said, the Budget session. I'd like to ask our Parks Director to present his data as requested in our letter to him.

MR. BUENCONSEJO: Chair, thank you, Chair, Councilmembers. Just to kind of touch bases with our CORA vendors as we head into Budget season. You know, as discussed in previous meetings, you know, the ideal thing is the CORA program does need a big overhaul. The Department is aware of that. We are in the process of that. It's just finding what the right process is going to be as to where we want to take the program. As you can see with the current request from Chair Guzman, with the list of current CORA applicants, you know, as we've been mentioning throughout the past year now and even before my tenure here is the number of duplicate permit holders that are on this list.

CHAIR GUZMAN: Director, do the Members have a copy of the list?

MR. BUENCONSEJO: They should. It was transmitted to Council.

CHAIR GUZMAN: Okay, very good.

MR. BUENCONSEJO: Do they not?

COUNCILMEMBER COUCH: Mr. Chair, is that the March 5th document? Because there's another one requesting that hasn't been responded to yet.

MR. BUENCONSEJO: It was the March 3rd?

**ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE,
AND RECREATION COMMITTEE**

Council of the County of Maui

March 15, 2016

CHAIR GUZMAN: The March 3rd.

COUNCILMEMBER BAISA: March 3rd.

COUNCILMEMBER COUCH: Right, I have a document dated March 5, 2015. It looks like the answers to a bunch of questions.

CHAIR GUZMAN: Yeah, answers. That's his response.

COUNCILMEMBER COUCH: That's the one? Okay, so the March 3rd one is the one that's not been answered yet?

CHAIR GUZMAN: I believe he is answering it via March 5th. Isn't it?

COUNCILMEMBER COUCH: Okay, thanks.

CHAIR GUZMAN: Okay.

MR. BUENCONSEJO: I guess, Chair, do you folks have the list I'm looking at or I'll be talking kind of in the blind with you?

UNIDENTIFIED SPEAKER: Yeah, we're okay.

MR. BUENCONSEJO: You folks...okay. So the list of CORA vendors. You folks have a list of CORA vendors that can see the actual, who holds what permit at what beach?

CHAIR GUZMAN: No. Staff, can you assist?

MR. BUENCONSEJO: Chair, it looks like maybe that, maybe wasn't, may have not been transmitted.

CHAIR GUZMAN: Staff?

MS. BROOKS: We don't show anything transmitted.

CHAIR GUZMAN: Oh, apparently it wasn't transmitted. Okay, okay. So...

MR. BUENCONSEJO: Chair, my apologies. It seems like it may have not made its way down.

CHAIR GUZMAN: Okay, so why don't you go ahead and --

MR. BUENCONSEJO: Yeah. So I guess the --

CHAIR GUZMAN: --explain and then --

**ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE,
AND RECREATION COMMITTEE**

Council of the County of Maui

March 15, 2016

MR. BUENCONSEJO: --explanation is...

CHAIR GUZMAN: --forward the information to us so that we would have it --

MR. BUENCONSEJO: Will do.

CHAIR GUZMAN: --prior to the Budget. So just go ahead and explain.

MR. BUENCONSEJO: Yeah. So, Chair, I guess the biggest thing right now, we've got about 109 CORA permits. And with the current function of how we operate, it wasn't until this past fiscal year where Councilmember Hokama, you know, brought up the rate. Prior for the past...one, two, three, four, five, six...eight years, our fee structure has never changed in CORA. It was \$500 for the first permit and \$100 there for any other permit after that fact. Last year, it did jump to 1,000 and 500 thereafter. If you look at the current structure that was the point of the CORA applicant list, it's, we have multiple duplicates, vendors that have somewhat taken over permits that aren't even being used. So for example of that is, I have a CORA permit at Kanaha Beach Park. Or I have two or three there. I also hold permits in Kihei, Lahaina, Wailea and my operation is strictly out of Kanaha. And it prevents other user groups from obtaining a permit in that beach when it could be being used every day. Some of the opposite side effects of that is the current permit holder claims that they use that beach when the wind isn't down. You know that again is a one day, one-week span compared to the year that it could be used for someone who is just looking for a strictly business, that could be used. So with that being said, you know, we are looking to get to a program, with this body's assistance in our EAR Committee of an RFP process type. To get to that point by this fiscal year Budget probably won't be feasible but we will work on that. But my suggestion is to the Committee as we move forward in Budget is again bringing up the fees on the permit holders, which I feel if you bring it up to a, you know, as was proposed at one point it would be \$2,000 or a generic number in that sense, per permit, not just for the first 2, it's across the board, no matter if you have 1 or 10 you're going to pay that same fee across the board per permit. It will eliminate those permits that aren't really being used. They're not going to want to spend \$2,000 for a permit that they're going to use possibly one day a year. And for those who, you know, the fees, if you really see the program and you go out there to those Pacific beaches, that \$2,000 will be made in a day. So the fee is not a selling point as to why the fee structure shouldn't be increased. And again, this is just a temporary fix until we can get a true system with an RFP program as the other counties and as Oahu is doing with their beachboys and other programs they have out there. So, Chair, I'll get that list to you folks so you can see what I mean when I say certain vendors hold multiple permits and I'll kind of turn it over to the Council for any questions they may have.

CHAIR GUZMAN: Thank you. Any questions at this time? It's just an update. So, he's going to give us information so that we would have it prior to Budget. Okay.

VICE-CHAIR COCHRAN: Chair?

**ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE,
AND RECREATION COMMITTEE**

Council of the County of Maui

March 15, 2016

CHAIR GUZMAN: Ms. Cochran?

VICE-CHAIR COCHRAN: And I understand, yeah, like he said, weather permitting. Most, say wind sports are done out of Kanaha, you know, that area but on the Kona days now they'll head down south towards Kihei area. When I took kite lessons, majority of my lessons were up there but then on occasion we had to move down to Kihei because that's the wind but the same company, you know, rarely but at times you're not going to cut someone's train, you know, instructions because oh, well sorry, these Kona days you don't get to, you paid, pre-paid for this package, or what, I mean, there's all kinds of ramifications. And I know the reasoning why. So we'll see how this rolls out but I see the reasons for people having...North Shore there's waves during the winters. You're in the south, they're in the south end of Kihei area, you know, Lahaina. So I get why people have multiple permits in different parts of our island and there's good reason too, to keep their business afloat, so I don't know, we'll see.

CHAIR GUZMAN: Well, at least we now have an updated list and, you know, what is before us. Because I believe the last Budget we were, I think we had an old version so now we're more than ready to discuss it and it sounds like the Department is, you know, in support of raising the fees. So I guess it's something that we can discuss in Budget when it comes around.

MR. BUENCONSEJO: Chair?

CHAIR GUZMAN: Yes, Mr. Buenconsejo?

MR. BUENCONSEJO: Chair, yeah, and as Ms. Cochran's mentioned, yeah, we're aware of that as well as far as you can have one or two different spots. It's just, they have, again, you'll see that it's multiple, not just one. And again, I understand the concept of business and getting there. It is something that they put their money in there for them to establish where they're at. But the same point, it is public space, accessing public property that in a sense we're, you know, if they're not paying any kind of CAM fee. You know they have their office outside of the site but for accessing our beach point, you know, that's where the money is. Is you gotta cross to our beach paths, and again there's a lot of illegal ones out there as well. So with the fees that we can establish is enforce, stricter enforcement. Realistically with that 100 permits and just again generically at \$2,000, that's 200 grand into the CORA Fund that would go into there. But again, it's both sides. If we're going to do something like that, we've got to make sure we enforce as well. So you're paying for that security of using the beach park and we're protecting that effort that you put forth as well. So those are things that we definitely even know, but we also know the busier spots so we're not saying the RFP will go across the board at the same rate. We're trying to establish, we know the big-ticket items or schools are Kanaha, Kamehameha Iki, the Cove, outside of Kihei, so we do know those high-end use and we know those revenues, based on their buildings that they're building for their surf schools, you know, there is heavy revenue coming out of those. So those may be those substantial RFP where that bidding process gets those beach boy numbers. Just to give you generic numbers from Honolulu that we did

**ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE,
AND RECREATION COMMITTEE**

Council of the County of Maui

March 15, 2016

research on, the Beachboys are paying minimum 25,000 a month for a spot on Waikiki. Again, generic numbers, Hanauma Bay is in the six digits per month for the snorkeling. So again, those are just extreme scenarios but there is a source of revenue to be made through an RFP concession style concept and that's, again, proposing it. We can talk about it and digest it as well.

CHAIR GUZMAN: Okay, thank you. Very good. So, without objections, Members, I'm going to defer this matter so that...

COUNCILMEMBER HOKAMA: Chair?

CHAIR GUZMAN: Yes, Mr. Hokama?

COUNCILMEMBER HOKAMA: Just one thing I would like to ask real quickly of the Director. I appreciate you're going to present us with the update. One thing that I would like if you can provide the Committee Members is an assessment on the impact on public parking at our public facilities that these schools have an impact on because that's all we need is now the public complain where's their parking because now the schools are taking over public parking. So if it is an issue, let's be aware of it, the impact it creates and what are the possible areas of mitigation that we could consider so that the public still has their opportunity to utilize their facilities. So I would appreciate if you would consider that, Mr. Director. Thank you, Chairman.

CHAIR GUZMAN: Director, can you have that prepared for Budget so that we, if the, when the question --

MR. BUENCONSEJO: Yeah.

CHAIR GUZMAN: --will be presented. Thank you.

VICE-CHAIR COCHRAN: Sorry, just real quick.

CHAIR GUZMAN: Ms. Cochran?

VICE-CHAIR COCHRAN: And this is, I just was wondering, it crossed my mind since Mr. Hokama spoke up in regards to CORA being in action on Lanai and Molokai. Does it have CORA permitting on those islands?

CHAIR GUZMAN: Director, are there permits on those islands?

MR. BUENCONSEJO: For Molokai?

VICE-CHAIR COCHRAN: Yeah. And Lanai.

MR. BUENCONSEJO: No. No, currently strictly everything is on Maui.

**ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE,
AND RECREATION COMMITTEE**

Council of the County of Maui

March 15, 2016

CHAIR GUZMAN: Okay. Everything's on Maui.

VICE-CHAIR COCHRAN: Okay.

COUNCILMEMBER HOKAMA: There's no County beach park on Lanai.

CHAIR GUZMAN: Okay, so without any objections, I'll defer this matter, Members?

COUNCILMEMBERS VOICED NO OBJECTIONS.

CHAIR GUZMAN: No objections. Item is deferred.

ACTION: DEFER.

CHAIR GUZMAN: Thank you, Mr. Buenconsejo. Thank you. Moving on, last item. And then after this we can head into Budget.

EAR-11 ECONOMIC DEVELOPMENT REVOLVING FUND (CC 14-224)

CHAIR GUZMAN: Okay, last item, Members, 11, EAR-11, Economic Development Revolving Fund. And so...

MS. BROOKS: . . .*(inaudible)*. . .

CHAIR GUZMAN: Oh yes, excuse me. The Committee, the Economic Revolving Fund that was established through Ordinance No. 3854 in 2011 codified by Chapter 3.81 of the Maui County Code, Section 3.81.050 of the Code states that the chapter will expire in June 30, 2016 unless reenacted by the Council. This meeting is not to consider any legislation but to prepare for the Budget session. I've asked the Economic Development Director to provide us with the contracts, which are in your binder, and the progress reports of the grant recipients, five of which are in your binder. So, Ms. Rasmussen, if you can --

MS. RASMUSSEN: Okay.

CHAIR GUZMAN: --go ahead and present.

MS. RASMUSSEN: Thank you very much. I'll just kind of give you a quick overview of where the fund is right now. So to date, we have given out five awards. Out of the million dollar fund we gave out \$980,000. In looking over all of the projects and where they are today, we have already leveraged \$2,390,000 in additional funds that those projects have put into the project. So essentially, for every dollar the County invested, we have received \$2.40 additional into our community, and that does not count any multiplier effect. So the five projects, two of which you've heard from today, Maui Innovation

**ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE,
AND RECREATION COMMITTEE**

Council of the County of Maui

March 15, 2016

Group was the first gentleman who spoke, Ned Davis, he had an award of \$175,000. He currently has a balance of 15,000 in his account. He is currently preparing his final report. The final report is due prior to the dispensing of the last draw. He has added 4½ full-time employees and he has leveraged 350,000 additional dollars to that. HNU Photonics had an award of \$250,000. They have zero balance. They have drawn their entire project. They hired 5 full-time employees, very high level of education and skills and they leveraged that with an additional \$517,000. So a little over double. Sea Link Hawaii was the Molokai Ferry that received \$105,000 award. We included a report, even though he, his contract was a little bit different. He only needed to stay in business up through the end of August. But from his report, we understand that basically that \$105,000 got him the PUC. docket judgment that he needed, which was to go on an on-demand schedule, I mean so that he didn't have to go if he only had 1 passenger or something. And so I would say that probably that \$105,000 saved the ferry from going into bankruptcy. Even though the amount wasn't as significant to his company but it swayed the PUC to give him the schedule that he was asking for. So I thought that was actually very significant. The fourth one is Uptown Chevron. As you know, they are working on doing a café out of the, out of their store there. Their award is for \$200,000 and they still have a balance of 170,000. The reason for this is that they have been working on mechanical engineering drawings, a landscape plan that needs to get through the MRA, basically blueprints. They've spent the money so far on architects. I did check in with him and they are ready to put that project out to bid in about the next 45 days. When he does, he's expecting the whole project to cost approximately \$850,000, which would be almost a 4 times leverage for his project. And then lastly was Maui Brewing Company. They had an award of \$250,000. Their balance as of right now is 55,000. They have made excellent progress on adding their line of craft sodas and new distillery products. They've added 4 full-time employees specifically tagged to the project. Overall, their business has added 10 employees over the last year and they will be leveraging that to the tune of 873,000 additional dollars. So that is the status. They're all doing exactly what they were supposed to do and I think that we could call the project a real good success and will like to get all of them finished up and then we'll give you a final report.

CHAIR GUZMAN: Very good. Members, any questions? Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair, and thank you, Ms. Rasmussen for the report. The question I have is, you know, we had some, you know, consternation during this whole process in that this was supposed to be a revolving fund and hopefully some money would be coming back. Are there, are these folks, other than Sea Link, we know what happened with Sea Link, but are these folks starting to see a return on their investment yet or is it just going to be a couple of years before they move forward?

MS. RASMUSSEN: I would say they're all in various stages. As you heard from HNU, their space, they have NASA visiting their facility in June. And so, but also they said that NASA is opening up other avenues for them to have revenue sources that they might add to the space station. So I would say that it's all in progress. They probably are not seeing a return on it yet because a lot of them are still in the middle of building, you

**ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE,
AND RECREATION COMMITTEE**

Council of the County of Maui

March 15, 2016

know, finishing out their projects. So, but I see huge potential actually for all of them, yeah.

COUNCILMEMBER COUCH: Okay, thank you, Chair.

CHAIR GUZMAN: Any further questions? Okay, seeing none, well, thank you very much for the report.

MS. RASMUSSEN: Yes, sure.

CHAIR GUZMAN: And I know we'll have you back because it's not quite completed so we'll have you back for another progress report.

MS. RASMUSSEN: Yes, and we really appreciate being able to roll this out and be the first time ever Maui County's done this and I think it's been, you know, terrific for our business community. And I would love to see it continue.

CHAIR GUZMAN: Thank you. So, without any objections, Members, I would like to defer EAR-11?

COUNCILMEMBERS VOICED NO OBJECTIONS.

CHAIR GUZMAN: Thank you.

ACTION: DEFER.

CHAIR GUZMAN: CHAIR GUZMAN: So, I kind of misspoke. This, actually the next item is the...

MS. RASMUSSEN: Yeah, you do have one more.

CHAIR GUZMAN: The next item is the last item and then from there we can move forward to Budget.

EAR-49 AMENDING CHAPTER 22.04A, MAUI COUNTY CODE, KULA AGRICULTURAL PARK (CC 16-7)

CHAIR GUZMAN: So the last item is EAR-49, that's the Amending Chapter 22.04A of the Maui County Code, Kula Agricultural Park. And this is, I believe, is an amendment to the lease agreement. And, well, I'll go ahead and let Ms. Rasmussen...

MS. RASMUSSEN: Okay, yeah not to the lease agreements, to the ordinance --

CHAIR GUZMAN: Ordinance, yes.

**ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE,
AND RECREATION COMMITTEE**

Council of the County of Maui

March 15, 2016

MS. RASMUSSEN: --that govern the Kula Ag Park.

CHAIR GUZMAN: That governs the lease. Sorry.

MS RASMUSSEN: Right. So, I'm sorry, do you want me to go?

CHAIR GUZMAN: Oh, no, no. No, this has been vetted through the actual Kula Agricultural Park Committee, which I was, which I am a member of. So I had an opportunity to go through the amendment and it passed out of their committee so you may proceed.

MS. RASMUSSEN: Yeah, so really think of this as this is kind of a cleanup ordinance. Where really, it's a lot of housekeeping type of things. We tried to clean up the application process if there was a lot that opened up. We changed the quorum for the committee so it would be easier to get quorum. And we lowered the amount of committee members needed. There are, the Kula Ag Park Committee has worked on this for over two years and we finally got it out and it was just a case of, you know, we'd keep losing somebody on the committee and then somebody else would need to be updated and so forth and we take some responsibility for being slow at that but we really, this is needed. We've worked closely with Corporation Counsel. They have helped us with the language. Some of the things in the application process we cleaned up that were messy from previous applications and years ago there were some challenges to the applications and so they just kind of cleaned up the process. So it was passed unanimously by the committee. You have a recommendation letter there from Dr. James Leary, who is the Chair of the Kula Ag Park Committee and so we're hoping that you will just approve this to go to the full Council. Thank you.

CHAIR GUZMAN: Okay, any questions from the Members? Ms. Baisa?

COUNCILMEMBER BAISA: I don't have a question but I would like to say I'm very happy to see this before us. You know, when I first got on the Council, I was appointed to this committee, the Kula Ag Park Committee and I served several years there and some of these issues were already there so I'm really, really happy to see this today and I urge the Members to support it. Thank you.

CHAIR GUZMAN: Thank you. Any other questions? Mr. Couch?

COUNCILMEMBER COUCH: Yeah, I'm looking at Page 11, 22.04A.090. So essentially that whole section has been deleted as well as .100 and 090 starts again on Page 17 with the right to appeal. Is that how I'm reading that?

MS. RASMUSSEN: Yeah. So it's hard to see where the brackets are unfortunately because they go on for two or three pages. So everything that is bracketed obviously comes out and that's why, and then, you know, it's just the language is restated in the underlined areas.

**ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE,
AND RECREATION COMMITTEE**

Council of the County of Maui

March 15, 2016

COUNCILMEMBER COUCH: So I just wanted to, yeah, we got that. I just want to make sure that I'm reading this right. Is that on Page 11 at the very bottom it starts the bracket and the close of the bracket doesn't go until Page 17 at the top.

MS. RASMUSSEN: That's, I believe that's correct.

COUNCILMEMBER COUCH: Okay. You know, Mr. Chair, this is a lot of changes in here and I know that the ag park folks have looked at it and said okay, does that include the people who are actually using the ag park or are they...

CHAIR GUZMAN: No, we actually...go ahead, Ms. Rasmussen.

MS. RASMUSSEN: Yes, actually we have informed the, and keep in mind, this changes no leases. Okay, this has no bearing at all on any current lessees. This is really for governing the ag park for future applicants for future, you know, when we said that there would be a maximum of 60 acres allowed or up to 5 lots. No current lessee would be affected by this. So this is all to govern future applicants.

COUNCILMEMBER COUCH: And is there a timeline on this? Is there a deadline that you want to get this done?

CHAIR GUZMAN: No, no deadline.

COUNCILMEMBER COUCH: Only because this is a lot of stuff to go over and just say, okay we take your word for it and boom, let's pass it.

CHAIR GUZMAN: Okay, okay.

COUNCILMEMBER COUCH: But I, if there's a time issue...

CHAIR GUZMAN: If the Committee feels that they need more time to review, I can defer this matter until...is there an urgency, Ms. Rasmussen, to pass this before Budget?

MS. RASMUSSEN: No, outside of it would be great to check this off our list.

COUNCILMEMBER COUCH: Yeah, yeah, and I understand that.

CHAIR GUZMAN: It's one more item that's off my table.

COUNCILMEMBER COUCH: But you're asking us to do some, a quick, because normally we go through the language and say --

CHAIR GUZMAN: Right. Right, exactly. Exactly.

COUNCILMEMBER COUCH: --this is why. So if there's no urgency, I would prefer not to pass it today but if there's an urgency, I'm going to have to put my trust in you.

**ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE,
AND RECREATION COMMITTEE**

Council of the County of Maui

March 15, 2016

CHAIR GUZMAN: Okay. Well, the way the day is going, I better defer this. So we'll just, without any objections, Members, I will defer this matter for after Budget.

COUNCILMEMBERS VOICED NO OBJECTIONS.

ACTION: DEFER.

CHAIR GUZMAN: So I would like to thank the Economic Development Director for being here.

MS. RASMUSSEN: Sure. Thank you.

CHAIR GUZMAN: We'll try one more time. I'll put it on the first item on the next agenda. Okay?

MS. RASMUSSEN: That's totally fine.

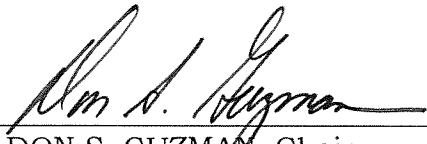
CHAIR GUZMAN: Okay.

MS. RASMUSSEN: It'll be fine. There's nothing urgent that will affect anything, so thank you.

CHAIR GUZMAN: Okay, very good. Well, thank you, Members. We got through a very ambitious agenda so I really do thank you for your patience and your hard work so this will conclude the meeting. Meeting is adjourned. . . .(gavel). . .

ADJOURN: 4:50 p.m.

APPROVED BY:



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

ear:min:160315:kr

Transcribed by: Kekai R. Robinson

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

March 15, 2016

CERTIFICATE

I, Kekai R. Robinson, 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 7th day of April, 2016, in Kou, Maui, Hawaii

A handwritten signature in black ink, consisting of several overlapping loops and a horizontal line, positioned above the printed name.

Kekai R. Robinson