

COUNCIL MEETING

MARCH 22, 2023

The Council Meeting of the Council of the County of Kaua'i was called to order by Council Chair Mel Rapozo at the Council Chambers, 4396 Rice Street, Suite 201, Līhu'e, Kaua'i, on Wednesday, March 22, 2023, at 8:35 a.m., after which the following Members answered the call of the roll:

Honorable Addison Bulosan
Honorable Bernard P. Carvalho, Jr.
Honorable Felicia Cowden
Honorable Bill DeCosta
Honorable Ross Kagawa
Honorable KipuKai Kualii
Honorable Mel Rapozo

Council Chair Rapozo: Before we start the meeting, I wanted to make a quick announcement about the Zoom testimony, and the fact that as you can see we do not have the Zoom testimony set up. For all of you who follow Gary Hooser, he posted a nice post this morning about the Chair making the decision unilaterally. I just want to say that the decision was made by myself, the Clerk, and the Office of the County Attorney. The problems with the Zoom testimony—and we can make the Office of Information Practices (OIP) memorandum available—Randall, if anyone wants a copy of that memorandum, we can provide that memorandum. We experienced and discussed this at a prior meeting, but we had a situation with the Planning Commission where that exact interruption happened and created all kinds of issues. The bottom line is if we lose the connection on the feed on a remote meeting, which is when we allow Zoom testimony, we come in a different category of meetings in OIP's eyes, and it comes with a lot of restrictions. One of the problems with Zoom testimony is if you lose the link and cannot get back up in thirty (30) minutes, then you are required to recess the meeting and repost the meeting for a later date. Many of our items on our agendas, especially as we are getting into budget starting tomorrow, are time-sensitive. For us to interrupt a meeting, God forbid, if we have a traffic accident or a utility pole goes down and we lose power for an hour or two (2), that disrupts the entire process; we are not prohibiting public testimony by any means, people are still free to submit testimony via email text, they can come in-person, they can even shoot a video testimony. In fact, you come here and are limited to three (3) minutes, and an additional three (3) minutes, if you submit a video testimony, you can testify for an hour. So, we are not prohibiting testimony, we are just keeping these meetings efficient, and to be able to comply with the time requirements of many of the issues that come before this Council, we thought it was best to go back to only in-person meetings. Anyone interested in the OIP memorandum...I can honestly tell you, I read in the post and all the other counties, only Kaua'i County now, well, yes, that is true, maybe because only Kaua'i County complies with OIP law. There were some issues that occurred, but until you get a complaint, which we did with the Planning

Commission, only then will you understand the ramifications of the Zoom testimony interruptions. I just wanted to make that clear. If anyone has any questions, feel free to contact me at my office and I will be more than happy to explain. Thank you.

APPROVAL OF AGENDA.

Councilmember Kualii moved for approval of the agenda, as circulated, seconded by Councilmember Carvalho.

Council Chair Rapozo: Is there any discussion or public testimony?
Seeing none.

There being no one present to provide testimony, the meeting proceeded as follows:

The motion for approval of the agenda, as circulated, was then put, and unanimously carried.

Council Chair Rapozo: Next item, please

MINUTES of the following meetings of the Council:

March 1, 2023 Special Council Meeting
March 8, 2023 Public Hearing re: Bill No. 2894

Councilmember Kualii moved to approve the Minutes, as circulated, seconded by Councilmember DeCosta.

Council Chair Rapozo: Is there any discussion or public testimony?
Seeing none.

There being no one present to provide testimony, the meeting proceeded as follows:

The motion to approve the Minutes, as circulated, was then put, and unanimously carried.

Council Chair Rapozo: Next item, please.

INTERVIEWS:

COST CONTROL COMMISSION:

- Andre N. Lister – Term ending 12/31/2023
- Paul A. Pancho – Term ending 12/31/2023

ELLEN CHING, Boards & Commissions Administrator: Thank you for the extra microphone. Good morning. Ellen Ching, Boards & Commissions

Administrator. I am happy to introduce Andre Lister. Andre grew up in Seattle, Washington. Upon his high school graduation, he attended Franklin and Marshall College and obtained a Bachelor of Arts in Finance and Accounting.

While Franklin and Marshall College may not be well-known, it is very highly ranked as one of the best liberal arts colleges in the nation. Located in Lancaster, Pennsylvania, in the center of Amish country, it is also one of the few places in the nation that offers parking for horses and buggies at Costco.

Armed with his college degree, Andre returned to Seattle and started his 20-year career as a financial advisor.

Through the years, Andre and his wife, Kari, traveled to Kaua'i frequently. Kari had previously lived on Kaua'i, so it was fun to revisit her old "stomping grounds" and spend time with her brother, a Kaua'i resident of twenty (20) years.

In 2015, they welcomed Emmitt, a beautiful baby boy. To be closer to family so Emmitt would grow up in a tight knit *'ohana* with cousins, aunties, and uncles, they moved to Kaua'i.

As the dad of an energetic eight-year-old, it is a busy life, hiking, bike riding, fishing, and swimming. Soccer is a family affair—mom is the coach, dad is the soccer team all around volunteer, and of course Emmitt is the star player. Andre is a "foodie" who is passionate about barbeque and has been working on perfecting a Michelin five-star beef brisket, which he smokes for twelve (12) to seventeen (17) hours.

Additionally, Andre serves on the Boards of Kaua'i Search and Rescue as the treasurer and an active rescuer, Leadership Kaua'i, and Anaina Hou Community Park.

With all of the demands on his time, Andre has never served on a County board or commission, and I am grateful that he is willing to volunteer and contribute his professional and technical knowledge to the Cost Control Commission.

Council Chair Rapozo: Thank you, sir.

ANDRE N. LISTER: *Aloha.* Good morning.

Council Chair Rapozo: We had the introduction, but maybe share your willingness or your passion to serve.

Mr. Lister: I hear most of you have been on Kaua'i all your lives, born and raised here; I am a "transplant" that moved here in 2018. One of the first things I did when I moved here was go through the Leadership Kaua'i Program, and it gave me a different perspective on what it means to be a part of this community. Everywhere I have lived, I have always had the desire to be a part of it, not just move here to paradise and enjoy it off of everyone else's hard work, but

to be a part of that hard work. When I thought about what I could do to help our community and really be a part of it and make it a better place for everyone was to get out and serve. I have a specific set of talents. I have been a financial advisor and business owner for twenty (20) years now. So, when I thought about my skillset, I thought that the Cost Control Commission might be a good place for me to help our County and be a part of it.

Council Chair Rapozo: Thank you. Are there any questions?
Councilmember Cowden.

Councilmember Cowden: Actually, I have a question for Ms. Ching. We have not heard from the Cost Control Commission for a while, was it active during COVID-19?

Ms. Ching: No, it was not.

Councilmember Cowden: Okay. We have not heard about it. Can you give us a brief summary of when the Cost Control Commission functions? Are they functioning somewhat as an auditor? Are they looking at item-by-item? What are they doing?

Ms. Ching: To my understanding, it reviews personnel costs, real property taxes, travel budgets, and contract procedures, eliminates or consolidates overlapping or duplicate programs and services, and scrutinizes for reduction any County operation, and publishes a written summary of these recommendations.

Councilmember Cowden: Okay. Andre, I think I mostly know you from Kilauea and being involved in Anaina Hou. You have a good understanding of what you are going to be doing in this process, have you looked at it yet? You would not have been able to go to the Cost Control Commission, so this is the type of thing that you are used to looking at. We have a very complicated budget.

Mr. Lister: Correct. There are certain things that transfer over, so when I am in my professional career this is the government and you have an individual, but overall, we all need to budget. We have dollars coming in and dollars going out, and one of the important things is being efficient with those dollars. I do not know exactly how the meetings will be run, I do not know what the County numbers look like, but what I am able to identify is where there are overlaps, where money can be saved, fiscal responsibility, and efficiency.

Councilmember Cowden: Your own business as a financial advisor, do you have flexible time?

Mr. Lister: I do.

Councilmember Cowden: Okay, that is good. If I could be so presumptuous as I suggest that you sit here through the morning a little bit, because we are on the front end of our budget, and we are about to talk about real

property taxes, and hear the exchange and see some of what is coming up is of value for you, and your job is the same as our job, and our job is not easy. Thank you for your willingness to do this.

Mr. Lister: Thank you. I will have to apologize; I am unable this morning to stay. I see it is being recorded and I am happy to review it, but there is a Search and Rescue Exercise (SAREX) going on with the Coast Guard, Kaua'i Police Department (KPD), and Kaua'i Fire Department (KFD), and I am a part of that, as a part of Search and Rescue, so at this conclusion, I actually need to do my other volunteer work.

Councilmember Cowden: What is SAREX?

Mr. Lister: It is a Search and Rescue Exercise that is put on by the United States (U.S.) Coast Guard out of Honolulu. It is a two-day exercise, today being the first, tomorrow being the actual evolution that will take place where they will put a "dummy" out in the water. Search and Rescue will be doing shoreline search and coordinating. Today is the first day of the planning and going over all the details.

Councilmember Cowden: Okay, thank you.

Council Chair Rapozo: Councilmember DeCosta.

Councilmember DeCosta: For some reason, I know you, like our paths have crossed somehow, or I have met you before. But you had me at a smoked brisket, my friend. Now, let me tell you, I looked down and you said, "Seventeen (17) hours." I am going to beg to differ. I smoke my brisket for twenty-four (24) hours and I will challenge your brisket any day. The only question I have for you: if you are in the backyard smoking your brisket, and you have smoke going on, and your neighbors are almost "cool" with it, but you have one (1) aggravated neighbor who will come over and ask you to put out a little smoke fire. I smoke, I have neighbors like that, and I kill them with kindness and bring them a smoked brisket. Would you give them a smoked brisket, or would you put your fire out to comply with some of our County laws that we have in place?

Mr. Lister: I think that I would give them the smoked brisket first, and the only problem I am going to run into is if they are vegetarian. Of course, I will always comply with the County law. I have no desire to upset my neighbors, I have wonderful neighbors, so I guess I would need to find a different way.

Councilmember DeCosta: You told us that you want to be immersed in the culture. You attended Leadership Kaua'i, I have been through that program, in fact, I guest-spoke with former Council Vice Chair Mason Chock—great program, but that does not give you the culture of Kaua'i. The culture of Kaua'i is you keep that fire smoking, my friend, and you share with all your neighbors, because that is who we are. Our chickens crow, our hunting dogs bark, welcome to Kaua'i. You need my help in any which way, I am going to support you. I like you.

Mr. Lister:

Thank you, sir, I appreciate that.

Council Chair Rapozo:
Councilmember Kualii'i.

Are there any further questions?

Councilmember Kualii'i: Thank you for your willingness to step up and serve. Thank you, Ellen, for finding him. I appreciate Councilmember Cowden's question and you giving us the specific areas that the Cost Control Commission would work on. Of course, two (2) of them that I am most interested in are personnel costs and real property taxes; probably two (2) of our biggest jobs when it comes to the budget, which starts on Thursday. The Salary Commission comes to us regularly bringing proposals for increasing the salaries of our top-level positions, which many of them are at a place where we are probably one of the best employers where you can make over one hundred thousand dollars (\$100,000) or what have you on this island, and it is all in the name of addressing inversion. So, when one (1) manager is getting so much, and the other one is kind of on an equal level, then they need to get that much too, so it keeps going up. In your work as a Cost Control Commissioner, I am interested to know if, on the Cost Control Commission and with your experience with Leadership Kaua'i, where I get a sense of where you might be coming from, if you are willing to look into whether there is or not a growing gap between our lowest paid positions in the County and our highest paid positions, because I suspect that there is, and if that is so, then that is not a good thing. To look into whether we have a growing gap between the lowest paid and the highest paid. Then, to ask if you can look into how we best keep up with the cost of living in our salary positions or rate of pay compensation, yet not unreasonably increasing our labor costs. Again, that is especially for those top positions. All of that, if you are willing to do that, is with regards to personnel costs. Then, with regards to real property tax, if you would be willing to work with the Commission on coming up with recommendations and input on suggestions that you might have on how we can cut taxes for our people, because they are all struggling, and real property taxes is something that they struggle with as well.

Mr. Lister:

Sure.

Councilmember Kualii'i: Being that you have that focus...we have to do everything, but if you have that focus, I think you could help our Administration, the Mayor, and this Council by doing that kind of work. Would you be willing to work on that?

Mr. Lister: I am certainly willing to serve, however I am asked to serve. I know there is a Salary Commission, so first and foremost, I would not want to step on their toes, and allow them to do what they have been tasked to do. If there is a way that I can assist with that. In terms of property taxes, again, I would be happy to serve and look at those and come up with ideas and suggestions that I think are valuable.

Councilmember Kualii'i: Thank you. The other thing I will share that came to me too, because I know sometimes with Leadership Kaua'i, a few of the participants get together and work on particular projects and they come up with

cool insight, data, and information. I am sure you did one of those too when you were doing that work. I appreciate your willingness to step up and serve.

Mr. Lister: Thank you.

Councilmember Kualii: Thank you.

Council Chair Rapozo: Is there anyone else? Councilmember Kagawa.

Councilmember Kagawa: I want to thank you. I think you are fit for the job with your qualifications. More than ever, our inflation, especially in Hawai'i, is off the charts, so it is good to have new, fresh faces and experience to help control our costs. Again, with the goal of being transparent. The public knows we have a record increase in our budget with a forty million dollar (\$40,000,000) increase, but make sure as we have inflation affecting our government, that we have pieces in place like our Cost Control Commission to help keep us transparent to the public, and make sure we have checks and balances, and make sure we try our best to save money. Thank you.

Mr. Lister: Absolutely. Thank you.

Council Chair Rapozo: Is there anyone else? If not, Andre, I met you years ago. I honestly cannot remember the function, but I was blessed to be placed on your table and we met. I do not know if you remember. I remember.

Mr. Lister: I do.

Council Chair Rapozo: We had a discussion, and I remember you saying you are from Seattle, and my dad lives in Seattle, and it was an amazing night, but that was years ago, and since then, I have seen you at multiple community events. It is like you have not stopped participating in the community, which is important, and we appreciate that.

Mr. Lister: Thank you.

Council Chair Rapozo: I did want to share. The Cost Control Commission. The reason it is here is because I sent a letter to Ellen and asked, "What is going on with the Cost Control Commission?" "We have no members." When I was elected in 2002, as I was browsing the folders in this Council building and I came across the folder for commissions, and I started reading through the commissions, "What is the Cost Control Commission?" I read it, and Bryan J. Baptiste was the Mayor at the time and I contacted him and asked why there was no Cost Control Commission. I was told that no Mayor wants a Cost Control Commission. We had Mayor Gary Heu, Mayor Kaipo Asing, and Mayor Bernard P. Carvalho, Jr.; this commission has never been put together with a sincere desire for what the actual Charter requires, so I am going to read, because I think it is important that you and the next nominee understand, and I really do not care what the Administration tells you, because the Charter tells you what your job is. Aside

from the Planning Commission, the Cost Control Commission is probably the most important, productive, or helpful commission for the County Council for the budget. Let me just read from the Charter, so bear with me. First of all, the goal is to reduce County spending, that is the goal, nothing else. We had one (1) Cost Control Commission that came up with their recommendations to increase golf fees—that is not reducing costs, that is increasing revenue—that is for someone else. Your job is to go through this budget, go through the Mayor's report, go through the County Council's audit, everything, and come up with areas that we can cut government County costs—that is your function, that is it. But the most powerful thing of this Commission, again, I am not going to repeat this when Mr. Pancho comes up, is the fact that you folks meet, you have all these resources in place, you have every piece of information for which you do not need a subpoena, the Charter gives you the authority to demand any information from this County. You ask the Office of the Mayor or you ask the Office of the County Clerk, whatever you want you get, we cannot say, "No, you are not getting it." You folks have the ultimate authority to have any document, report, anything at your disposal—that is powerful. Even this Council, we have subpoena powers, but we can send something to the Office of the Mayor and he can say he is not providing it, then we will have to go through a subpoena process, through an investigation. You folks do not need to do that, you have that authority based on the Charter. This is the most important part; I want you and Paul to understand this. "The Commission shall prepare and advertise a written annual report," "shall" not "may." Again, this Charter has not been followed for years, because we have never had a commission. "Summarizing its recommendations prior to the end of each calendar year." So, you folks have until December. Perfect timing for the next budget, right? "Thereafter, the Commission may request that any of its recommendations be drafted in ordinance form for its introduction to the Mayor. The Mayor shall, with Mayor's comments, no amendments, just comments, thereon and within thirty (30) days of receipt submit to the Council for its immediate consideration all ordinance proposed by the Commission." That is so powerful. In other words, you folks meet, you are asking for employee records, vacancies, anywhere we can cut costs, duplication of services, whatever it is, anything that the State has provided that we are provided that we do not need to provided that the services are not reduced. You submit those recommendations to the Mayor, the Mayor has no choice but to send it to this body within thirty (30) days in ordinance form meaning it gets posted and we are going to hear it. The Council Chair cannot say, "No, we are not putting that on the agenda." It is going to go on the agenda, and we are going to go through the public hearing process and vote—that is power. If this Commission is operating the way the Charter says, you will provide this body with the necessary information as we go into the new budget. Like Councilmember Kagawa said, we have a huge budget this year, but we do not have the missing component of where we can cut costs. What we have is a budget that shows how we can increase costs, so this is a very important commission. I appreciate Ellen working to get it filled, but we need five (5) more members.

Ms. Ching:
weeks.

I have another one (1) coming in two (2)

Council Chair Rapozo: Okay. Really, if you folks are interested in that type of work in volunteering, please contact the Office of Boards & Commissions. We need to get this filled, and we need to get it filled in time before the end of the year, so you folks can do some productive work. I just wanted to make that clear to the public, you, and Paul, that that is your function. The Mayor or Administration may tell you otherwise, but that is the first thing you need to do is get the Charter and understand that Charter. I am in full support of you with your business background. I have no doubt in my mind that you will be very good for this Commission. Thank you so much.

Mr. Lister: Thank you.

Council Chair Rapozo: Councilmember Cowden.

Councilmember Cowden: I have one more question.

Council Chair Rapozo: Go ahead.

Councilmember Cowden: I want to really thank you for clarifying that so sharply, that is very important. I have a question for Ms. Ching.

Council Chair Rapozo: Go ahead.

Councilmember Cowden: Our County Facebook page gets a lot of action; do we recruit for Boards & Commissions on the Facebook page? That might be a good way to get it out there somewhat, so that we have applicants that can be strong. I appreciate the diversity of the work that you do. If anyone is listening, they can go to the Boards & Commissions page and there is now a link where you can look at our Boards & Commissions and sign up there, but that is kind of passive. Can we do that?

Ms. Ching: I can certainly check with the Public Information Office (PIO).

Councilmember Cowden: Okay. I think that might be a good way for us to get great applicants. Thank you very much for your willingness to do this.

Mr. Lister: Thank you.

Councilmember Cowden: If we need to get five (5) more people fast...

Council Chair Rapozo: We have work to do.

Councilmember Cowden: ...we have work to do. Thank you.

Council Chair Rapozo: If anyone is interested out there, feel free to contact me, as well, I will forward the information to Ms. Ching. The Council used to have one (1) appointee on the Cost Control Commission, but that has since

changed; now the Mayor gets all the appointments, but we can definitely push forward the suggestion. Thank you.

Mr. Lister: Thank you.

Council Chair Rapozo: Are there any further questions? Alright, thank you very much, sir.

Mr. Lister: *Mahalo*, for your time.

Council Chair Rapozo: We will take the next nominee, and then we can take public testimony for both.

COST CONTROL COMMISSION:

- Paul A. Pancho – Term ending 12/31/2023

Ms. Ching: Ellen Ching, Boards & Commissions Administrator. Lastly, I would like to introduce Paul Pancho. Paul is a local man, born and raised on Kaua'i and graduated from Waimea High School. Directly from the Westside, Paul enlisted in the Air Force and was stationed at Warren Air Force Base in Cheyenne, Wyoming. The Warren Air Force Base is the oldest continuously active military installation in the United States Air Force, and it was the nation's first operational Intercontinental Ballistic Missile (ICBM) Base. Today, Paul still serves as an essential part of missile defense and is home to the ground base strategic deterrent. Paul was initially trained and worked on missile maintenance and was quickly promoted to the position of instructor. He remained at Warren Air Force Base for four (4) years and enjoyed the historic frontier days rodeo and some of the best skiing in the country at Jackson Hole in Teton Village. Upon completing his military service, Paul returned home and was employed at McBryde for nineteen (19) years. At the age of twenty-two (22), he was promoted to supervisor and was assigned to numerous departments. While at McBryde, he was also a member of the diversified team that redesigned the fields for harvesters and truck freight to convert the sugar cane fields into coffee. This laid the foundation for Kaua'i Coffee, which is now the largest grower of coffee in the nation. Following McBryde, Paul returned to his military experience and was employed at Pacific Missile Range Facility (PMRF) at Barking Sands in the Morale, Welfare, and Recreational Department for fifteen (15) years as the Lodging Manager responsible for lodging and recreational activities for all military personnel. As a contract employee, Paul continues to work at PMRF as a Property Management Supervisor and is looking forward to retirement. His four (4) grandchildren keep him busy with their football and baseball games, and he recently became President of Pop Warner. Paul and his wife, Sharon, enjoy traveling and enjoy family vacations to Washington state to visit their son for the holidays and Las Vegas with his two (2) grandchildren for a baseball tournament. A trip to Japan is on their bucket list. To paraphrase Paul, "instead of questioning the rise in the cost of government, I would like to volunteer to be part of the solution." Paul would be new to any commission, and I cannot think of a better reason than the one he stated. I am so thankful that

this busy grandpa is willing to lend his time and knowledge to the Cost Control Commission.

Council Chair Rapozo: Thank you. Paul.

PAUL A. PANCHO: Good morning.

Council Chair Rapozo: Brief statement. Are you being forced to do this?

Mr. Pancho: Actually, you gave me the idea to apply for the Cost Control Commission.

Council Chair Rapozo: Oh, wow.

Mr. Pancho: Knowing that you and I have been involved with youth sports for a while and the cost of living in Hawai'i is a topic at all of our family gatherings. The future of our youth, my grandchildren, what is in store for them? As a politician goes around and talks about the cost of living, what can we do to control the cost of living? You folks go out and promise everything to get your votes, but starting now to see action. You see it on the television that people are leaving Hawai'i, but what can we do to keep them to stay here? There is a future for the youth of Kaua'i. At PMRF, we are short electronic technicians. We started the electronic technician school at Kaua'i Community College (KCC) to have kids stay and work at PMRF because they do pay well for those positions, but how can we control the cost? That is my concern and that is why I want to volunteer to be part of the solution, and that is why I am here this morning. Born and raised, like I said, it is sad to see family leave, but try to add and be part of the solution to have them stay here.

Council Chair Rapozo: Awesome. Thank you. Ellen, I just want to thank you for finding these people who match the commissions that they are going into.

Ms. Ching: I cannot take any credit. Paul used the application link on the Commission, and he sent his application in, and so did Andre. It would be great to take the credit, but I cannot, I have to say thank you to them.

Council Chair Rapozo: You had to give them the stamp of approval to get them here, so thank you. Are there any questions? Councilmember Kagawa.

Councilmember Kagawa: I want to thank Paul and Andre for doing that. You folks are two (2) great people to start with. I am very encouraged and proud. You told your life story, your volunteerism with Pop Warner, your family, plus you graduated from Waimea like me and Billy. To me, I know you are a winner already. Seriously, the things you have mentioned is your passion to try and make these moves and try to improve the County with the Cost Control Commission, and thinking about your grandchildren is exactly what we need. We

need to make these tough decisions for the benefit of our future, and if we do not think that way, we are going to lose this island. Thank you, and I know you will do a good job.

Council Chair Rapozo:

Councilmember Carvalho.

Councilmember Carvalho: Paul, awesome. *Mahalo*, for being up here and stepping up to the plate. I want to really thank you for wanting to be part of the solution. To me, that is the biggest part of this discussion. You have been involved in so much, especially football, but at the same time your family and *'ohana* from the Westside just overall, so I appreciate you and coming to the table on your own, and really wanting to give back. This is important, like Chair said, we need to fill this.

Mr. Pancho:

Yes, I read the Charter.

Councilmember Carvalho:
too.

You got it. I know you will read everything,

Mr. Pancho:

Yes, I have read.

Councilmember Carvalho:
of the solution hit me. *Mahalo*.

Anyway, just *mahalo* that. Again, being part

Council Chair Rapozo:

Councilmember Cowden.

Councilmember Cowden: I want to first thank you for your military service and how you have helped the island in different efforts. What I liked hearing about, I know military applications require precision, both whether it is enlisted Air Force person or in civil service like what you are doing now for the Navy. You heard what the Chair said, right?

Mr. Pancho:

Yes.

Councilmember Cowden: How important it is that we are actually looking for those details and where there is overlap, does all that feel comfortable and familiar to you?

Mr. Pancho: Yes. I have been reading and watching the budget throughout the years. I even looked into the Cost Control Commission meetings from way back and see what they recommended for the past mayors, but I did not see what their recommendations were. Like Council Chair Rapozo said, the Commission has the power to adjust the budget, and I did not see that much in previous Commissions, so I am anxious to see, like he said, we have the power, so once this Commission is put together, I really want to see where we are going to go with as a Commission, because like you folks said, you have budgets to review starting tomorrow that is a huge budget, and I have been following from year to year, like I said, it is a family topic—cost control, the government is increasing it every year, pay has increased, everything has increased, but where is the...not the

cost-cutting, but the efficiency, the responsibility of the budget and where that lies. Like you said, a lot of mayors do not want to fill this Commission, why? Why not?

Councilmember Cowden: Mr. Pancho, I would like to say, you are a unique individual in that you have the temperament to sit there and look at what many people would consider tedious. I think that it is so important, so I deeply value that you understand why it is important. Many people complain, but not many people are going to sit there and in their own time watch the budget hearings. I am really thankful how you answered that question. When you worked with McBryde and Kaua'i Coffee, did you run operations or are you more on the bookkeeping side of things?

Mr. Pancho: What I did was work with different department heads and we had to redesign the layout of the fields to meet the machines that were going to be harvesting the crop. I also worked with them when we first started to look at what machines we were going to invest in to harvest; we brought in five (5) different companies with different types of machines to harvest those coffee crops, then we did different trials on all the machines. Tedious data collections, ground speed, shaker speed, lost off the ground—we did everything, and we came up with recommendations of which machines we were going to use that were efficient for our crop.

Councilmember Cowden: Okay. You are getting a lot of gold stars from me. I am just pointing at the Director of Finance and the Information Technology (IT) people for, I am glad we have something online for people to put together. It sounds like you have the “on the ground” practical, applied thing of how we are going to get the crops to work, and looking at how everything overlaps for production, then our last person, Mr. Lister, he sounds like a serious numbers man. So, we have a “shovel in the briefcase.” It sounds like you have everything going on there that we really need, so thank you so much. I am enthusiastic to have you on the team. I do not know you, but I am looking forward to getting to know you.

Council Chair Rapozo:

Councilmember DeCosta.

Councilmember DeCosta: Hello, Mr. Pancho. You know, you are a mentor to me. Me and Ross are a little behind you in age, but we look up to you with what you did with Kekaha Pop Warner when we played, Hanapēpē was a rival. Did you work in the coffee industry back in the mid-‘80s with Keith Smith?

Mr. Pancho:

Yes.

Councilmember DeCosta: I need to thank you, you put me through college. Two (2) summers I planted some of the first coffee trees in Brydeswood towards Kalāheo Dam where I could drive the tractor, and I made extra pay from the man with the shovel, so I owe you folks a lot actually. You folks took the students who were in college and gave them the opportunity to make a little bit more per hour, where we could pay for our tuition and come back. I just want to tell you that you are an inspiring man.

Mr. Pancho:

Thank you.

Councilmember DeCosta: Ross did not get the memorandum on the blue shirt though. We all have blue today. Me, you, and Ross, are supposed to wear blue, but Ross did not come in the blue today. Thank you, Mr. Pancho.

Council Chair Rapozo: Is there anyone else? Councilmember Kualii.

Councilmember Kualii: I just wanted to say *mahalo nui loa*. Thank you for your willingness to step up and serve. I will not repeat what I said earlier to Andre, because I know you were listening. I also know from your brief paragraph here of how committed you are and by what you have shared with us, too, doing the best work on this Commission. Councilmember Carvalho talked about being part of the solution, which you have shared in your writing here, but you also say, "Being part of making government accountable to all of our taxpayers." Obviously, that is the biggest role in this Commission. Just to thank you for the work that I know you will do.

Mr. Pancho:

Thank you.

Council Chair Rapozo: Is there anyone else? I just want to let my colleagues know that Paul is actually a really nice man. He comes up with that mean face. Like my friend Sherri in the back, they come up to the microphone and they look angry, but have passion, and I appreciate that. Paul, I honestly do not remember telling you to apply. All the emails that we get, I will speak for myself, we have a lot of emails about people complaining, and that is their right, and a lot of them are legitimate. But I now know, along with my signature on my email, I will add the link to apply for Boards & Commissions. They will have an opportunity, if they choose to participate. My prediction is about...just hearing from the two (2) of you, and with the quality of nominees coming across, in the next six (6) months the Administration will come to you, Ellen, and say, "Why are you finding these good people for the Cost Control Commission? They are killing us." I have known Paul for a long time. I met Paul about twenty-five (25) years ago.

Mr. Pancho:

About fifteen (15) years ago.

Council Chair Rapozo: Yes, and he was the President of Pop Warner, and I was selected to be the Commissioner, and I met Paul. That is him that you see today. He has been doing cost control all his life, whether it was at Pop Warner, or whatever. You and your wife have been active in so many organizations. That is critical, because this is a volunteer commitment. Eventually, Paul and I were squeezed out of Pop Warner, I think it was because of...you see him smiling now, because we were too strict, and we were trying to make that league efficient for the kids. Ironically, twenty (20) years later, Paul is back as the President and I am back as the Commissioner, because they realized we need to bring that structure back in order for that organization to be successful, we need to have structure, we need to have rules that we need to follow. I will tell you...Paul came prepared with the Charter, any rule or policy in Pop Warner this man knows, he

reads, and he does the budgets, and it is just impressive. I am so happy that you agreed to come and serve. I think you were considered for prior commissions?

Mr. Pancho: No.

Council Chair Rapozo: Is this the first one?

Mr. Pancho: This is the first.

Council Chair Rapozo: I appreciate you. I know that you, Andre, and the next five (5) that we pick are going to make an impact and this County will see the benefits in the next budget, unless they fire you all, but I do not think that will happen. Thank you, Paul.

Mr. Pancho: Thank you.

Council Chair Rapozo: Are there any further questions? If not, thank you, Paul, Ellen, and Andre. Andre left to go to the Search and Rescue Exercise.

Mr. Pancho: Thank you for your time. Now, I have to go to leadership training.

Council Chair Rapozo: And Pop Warner meeting tonight at 7:00 p.m.

Mr. Pancho: Thank you.

Council Chair Rapozo: Is there anyone in the audience wishing to testify for any of our nominees? I see the smile.

SHERRI CUMMINGS: Sherri Cummings, Mālama Anahola. Being called out, I felt the need to come up here and testify. First of all, I am very encouraged by the Boards & Commissions in their obligation to fulfill for cost control. It is probably the most important commission regarding how we balance the budget. I come from the perspective of being, I do not want to say a developer, but Mālama Anahola partners with Department of Hawaiian Home Lands (DHHL) to provide the best land awards for the community, the wait-listers and beneficiaries, so I am encouraged by that. I just wanted to add a plug regarding Pop Warner, because I was part of Pop Warner from '73. I was a cheerleader from the age of four (4). Ross knows my family very well. We are Pop Warner from Kapa'a. My aunty Charlotte Kauai was Kapa'a Pop Warner, so I am very passionate just because I am. I want to work well with the Administration and partner up with different community organizers and leaders to help the County of Kaua'i regarding housing and other projects to solidify agriculture-type activities and ranching opportunities. *Mahalo*.

Council Chair Rapozo: Thank you, Sherri. Captain Ozaki.

MARK T. OZAKI: For the record, Mark Ozaki. Forgive me, I am in uniform, I am here for business, but right now, I am going to step down from the role of being part of the Police Department, and to say something in my personal capacity of Paul Pancho. Mr. Pancho is actually a role model for me, too. As an eighteen (18) or nineteen (19) year old, I used to work at McBryde Plantation as a dispatcher, and he was a supervisor there. He was super patient with a young man that was on the radio trying to dispatch plantation supervisors, and I saw the important things he did in the field that was safety, and people's lives were at stake. From then, I knew he was patient, but I did not really know too much besides that until I became a young football coach at Hanapēpē Pop Warner, and at that time he was the Hanapēpē President. People say now that I am a good coach in whatever I do, I coach several things, but I was not always a good coach. As a young man, I made mistakes, and Mr. Pancho mentored me, and he is one of the reasons I do the KPAL program, because I see the passion that he and Sharon provided throughout the years. The decades to the community and kids, it was all about the kids. He is not here, and he left because he is a busy man, but I wanted to acknowledge in public that he was one of the reasons why I became active in the youth program. He, without knowing, is one of the mentors that I have in regard to the KPAL program. I just wanted to open that publicly and give that testimony. Thank you very much.

Council Chair Rapozo: Thank you. I failed to mention that Paul and his wife have been faithful viewers of the Council Meetings for decades, so he will see this. I am sure he will see that nice tribute. Is there anyone else? Ms. Lowry.

JILL LOWRY: Good morning, Jill Lowry. I wanted to say a couple of words on behalf of Andre. Andre is my board treasurer. I ran into Andre at a Chamber event and knew immediately upon listening to him about five (5) minutes that he was an excellent candidate as a treasurer, talked him into it, and I have never been so happy to have someone on my board, and having a board is a little bit challenging, so having a good board member is really important. I wanted to speak to something that Chair Rapozo said, "Power." That this position or this Council has power, and with power comes responsibility, and the need for integrity. Listening to both candidates today, I do not even know Paul, but I would wholeheartedly say that both of them have that, but I know for a fact that Andre does. He constantly is clear about where his boundaries are within his work and industry on what he can and cannot do on behalf of our board, and I think that is exactly what you folks need for this Council, so I am really plugging for both of them because I like what Paul had to say, as well. Thank you.

Council Chair Rapozo: Thank you so much. Is there anyone else? Is there any discussion?

Councilmember Kualī'i: Just one quick thing is, considering the important role of this Commission and all of these vacancies, step up people. This is a great chance to engage in government, be a part of the solution, and especially if you think of planning on running for Council in the next couple of years, this is a good way to get some Council experience without being on the Council, because you

are actually in the budget, in the day-to-day, working with the Mayor, working with the Council, the power of accountability and integrity that folks talked about is really being part of the process, right in there engaging, and what better to have on your resumé when you run for Council the next time. Thank you.

Council Chair Rapozo:

Councilmember Cowden.

Councilmember Cowden: I am pleased with both candidates. I am pleased that this is coming up right now as we are all staring at the budget, and looking at the challenges, and seeing how important it is. I am glad we are getting it going again, and that we are having this productive conversation.

Council Chair Rapozo: Thank you. Is there anyone else? I think it is important that we get this Commission filled as soon as possible. Again, this is just one thing that has bugged me every year I am on the Council, because it never gets filled and when it does, the true work of the Charter is not being done, and we need to get that back on track. The other thing in the Charter that is specified is that the Council shall provide appropriations for this Commission as they need—you do not have to beg. Again, this is the only opportunity that we as a Council have to engage with the Commission via the interview process, and that is why I apologize for taking up so much time. Jill, thank you for highlighting Andre's integrity, his knowledge, and background—that man is impressive. I wanted to focus on Paul, because he came up today to address the body of people that are going to vote “yes” or “no.” He came up today and said, “You folks are all politicians. You folks all make promises...” And he has a mean face, “...in the community to get their votes, but where is the action?” Now, if I were going to a job interview in any job, I would never call out the boss. I would not say, “You...” But he did, because that is him. When you talk about honesty, compassion, integrity, he is calling it as he sees it, and that is exactly the kind of people we need on this Commission. Like Councilmember Kuali'i said, all of you who are watching, millions of viewers that watch this, go to the Boards & Commissions website and apply. If you apply, please send the Council an email that you applied so we can follow-up. Thank you so much. With that, the next item.

CONSENT CALENDAR:

C 2023-66 Communication (03/06/2023) from the Director of Finance, transmitting for Council information, the County of Kaua'i 2023 Real Property Assessment List pursuant to Section 5A-2.2, Kaua'i County Code 1987, as amended.

C 2023-67 Communication (03/13/2023) from the Director of Human Resources, transmitting for Council information, the March 15, 2023 Human Resources Report (Vacancy Report and Recruitment Status Report), pursuant to Section 24 of Ordinance No. B-2022-886, relating to the Operating Budget of the County of Kaua'i for Fiscal Year 2022-2023.

C 2023-68 Communication (03/15/2023) from the Director of Finance, transmitting for Council information, supplemental real property tax revenue information pertaining to the estimated reduction in real property tax revenues

resulting from the Home Preservation Tax Limitation and Very Low Income Tax Credit relief measures which have been factored in with the existing real property tax rates, and based on the certified Real Property Assessment List for Fiscal Year 2024.

Councilmember Kualii moved to receive C 2023-66, C 2023-67, and C 2023-68 for the record, seconded by Councilmember Carvalho.

Council Chair Rapozo: Is there any discussion or public testimony?
Seeing none.

There being no one present to provide testimony, the meeting proceeded as follows:

The motion to receive C 2023-66, C 2023-67, and C 2023-68 for the record, was then put, and unanimously carried.

Council Chair Rapozo: Next item, please.

COMMUNICATIONS:

C 2023-69 Communication (02/24/2023) from the Housing Director, requesting Council approval to receive and expend State of Hawai'i 'Ohana Zone funding authorized in 2022 under Act 235, in the amount of \$2,000,000.00, to provide supportive housing and related services for homeless households on Kaua'i.

Councilmember Kualii moved to approve C 2023-69, seconded by Councilmember Cowden.

Council Chair Rapozo: Adam.

There being no objections, the rules were suspended.

ADAM P. ROVERSI, Housing Director: Good morning, Chair and Councilmembers. Adam Roversi, Housing Director for the County. The Housing Agency is requesting Council approval to receive and expend two million dollars (\$2,000,000) allocated to the County of Kaua'i in 'Ohana Zone funds by the State in 2022. For context, the 'Ohana Zone program was first established in 2019, and it paralleled then Governor Ige's Emergency Homes Proclamation, which was supposed to fast-track, incentivize, and make easier specific housing projects specifically designed to serve the homeless community. The Kaua'i County 'Ohana Zone project beginning in 2019 was our Kealaula supportive housing project located in Lihu'e on Pua Loke Street. When the 'Ohana Zone program originally began, there were separate pools of money for capital expenditures and operational expenditures. The renewed funding that we are considering now is more flexible, it can be used for either. It is our understanding that there will be additional 2023 and 2024 allocations of 'Ohana Zone funds, but that is still pending in the Legislature, we are not going to "count our chickens before they hatch." It is the Administration's intent to utilize this two million dollars (\$2,000,000) in funding to continue supporting the operations at the existing Kealaula supportive housing

project, as well as the now under construction Kealaula II project, which is being built in Lima Ola, and those funds will be available through 2026, so it is not just a single year of funding, but it will support operations for the next three and a half (3½) to four (4) years.

Council Chair Rapozo: Thank you. Are there any questions?
Councilmember Cowden.

Councilmember Cowden: Just to clarify, to make sure I have this correct, all two million dollars (\$2,000,000) are going to Women In Need (WIN), and they have been waiting on it, did I hear that right?

Mr. Roversi: Women In Need is the current operating nonprofit for the Kealaula project at Pua Loke Street. Their contract is good through July 1st of this coming year, so whether it will be renewed or not will be a conversation with the Purchasing Division and so forth, whether we need to do another procurement or not, but they have expressed interest in also being a management entity for the future Kealaula project at Lima Ola, but that is not written in stone, we have to go through proper processes to select any management partners.

Councilmember Cowden: Okay, so let me reframe it. It is committed to Kealaula and whoever is running it. In that two million dollars (\$2,000,000), just because I know that there is a lot of interest from people for these safe zones, this two million dollars (\$2,000,000) is not applicable in that direction? We have been waiting for this money, if I am remembering correctly, right? Was this committed a while ago? This was under David Ige.

Mr. Roversi: Correct. These funds were approved a year ago.

Councilmember Cowden: Yes.

Mr. Roversi: But the Ige Administration was not able to complete the award documents and process the payments before they left office, so we have been waiting for what we had hoped for quite some time ago to continue on 'Ohana Zone operations.

Councilmember Cowden: Okay. This is basically past due money, and we are going to have it, and we have it committed. My brain is scrambling anywhere I can to find extra money, but there is no extra money in this two million dollars (\$2,000,000), it is all committed to great projects that we have?

Mr. Roversi: Correct. Although, as I mentioned, we are expecting, assuming that the State legislation passes, we are expecting additional funds in both 2023 and 2024, but the exact dollar amounts are currently unknown.

Councilmember Cowden: When we talked about safe zones, that is what we are calling it, this new thing that the Governor is coming up with, is there

ever going to be any money for that? These are people who do not have bricks and mortar. Because 'Ohana Zones, as far as the State goes, does not have to bricks and mortar. I am one hundred percent (100%) supportive of Kealaula, I just worry about the people who...I am not being dramatic when I am saying, they are dying in the bushes, there are people dying in the bushes, they are living and dying in the bushes.

Council Chair Rapozo: Councilmember Cowden, this particular item is on the two million dollars (\$2,000,000).

Councilmember Cowden: That is why I am asking on this two million dollars (\$2,000,000), one hundred percent (100%) of it is committed already?

Council Chair Rapozo: Yes, Kealaula. Adam will be in front of us in the budget, and that is where we can ask him on potential funding opportunities for safe zones, which I agree is...

Councilmember Cowden: That is not on this thing, it was on the last thing.

Council Chair Rapozo: Are there any further questions for Adam?

Councilmember Kualii: I had a quick one.

Council Chair Rapozo: Go ahead.

Councilmember Kualii: You mentioned the existing Kealaula, and Kealaula II in Lima Ola, do you have any sense of the breakdown, like how the two million dollars (\$2,000,000) will be divided between both? I know it is added into funds that are already in place, right?

Mr. Roversi: Sure. We expect that more of the funds will go to the Kealaula project here in Līhu'e, because it has slightly more units and tenants. Ideally, if we end up selecting the same management company for both projects, we are hoping that there will be an economy of scale, and that the per-unit cost that we are now paying to support Kealaula, if spread across two (2) projects with shared employees and shared staffing to provide the wrap-around supportive services that make these projects feasible, will realize some cost savings.

Councilmember Kualii: Thank you.

Council Chair Rapozo: Are there any further questions for Adam? If not, thank you very much. Is there anyone in the audience wishing to testify?

Ms. Cummings: Sherri Cummings, Mālama Anahola. I just want to give support to what is before you folks here. I work with Adam, and there are some amazing things that are happening. We are part of an organization who is actually trying to address the issue of houseless communities. We worry about our families with an emphasis of Hawaiian people, but not discriminating against

others, not because of funding purposes because I am more than just a Hawaiian, I am also white, Japanese, Chinese, Hawaiian, Portuguese, and French, so I do not discriminate. I have the opportunity to help the County and island regarding houseless communities and families. I am paying particular attention because 'Āina Alliance who is a partner with us, they have four hundred (400) acres on the shorelines of Anahola, and as they do the good work of shoreline mitigation and land stewardship, unfortunately, they are displacing our *kānaka* people who use the shoreline as their home, so I came up with the idea to create, not only a safe place, but to elevate our people, and the general public starting with the east area.

Council Chair Rapozo: Sherri, I am sorry, I need to interrupt, because I need to stick to the item.

Ms. Cummings: That is it. I am supporting and that is the basis of the support because I am in support of the type of work that they are doing. *Mahalo.*

Council Chair Rapozo: Thank you so much. Is there anyone else? Is there any further discussion? Seeing none.

There being no further testimony, the meeting was called back to order, and proceeded as follows:

The motion to approve C 2023-69, was then put, and unanimously carried.

Council Chair Rapozo: The motion is carried. Councilmember Cowden sent me a note about the Consent Calendar. We did pass the Consent Calendar, if you wanted discussion or questions, I had asked if anyone had any questions or discussions, and no one said anything.

Councilmember Cowden: You went too fast.

Council Chair Rapozo: I went too fast.

Councilmember Cowden: But it is okay.

Council Chair Rapozo: Again, a lot of the items on the agenda today impacting the finances or reporting of the County will be brought up in the next few weeks with budget. If we have any item that is going to require deep discussion, I will ask that we send it to the Committee next week, so we can do the work in the Committee. I do not want to stop anyone from having an opportunity to ask questions, that is why I asked, after the Clerk reads an item, I ask if there is discussion or public testimony, and that is the opportunity, so we can definitely go back and reopen.

Councilmember Cowden: Can I ask on C 2023-68, that is the Home Preservation Tax Limitation? It is the only place that I have seen in this whole thing of our budget where we have these numbers where it actually gives us the numbers by units PARID, I hate acronyms, what is PARID?

Council Chair Rapozo: They will be up tomorrow morning for budget, and we will have unlimited time to discuss with them for budget. Okay. Next item, please.

C 2023-70 Communication (02/24/2023) from the Director of Finance, requesting Council approval to accept the terms and conditions as stated in the Equipment Service Agreement from Business Solutions of Hawai'i, Inc., which provides periodic maintenance and service to the check folder/sealer machine maintained in the Accounting Division.

Councilmember Kualii moved to approve C 2023-70, seconded by Councilmember Carvalho.

Council Chair Rapozo: Is there any discussion or public testimony? Seeing none.

There being no one present to provide testimony, the meeting proceeded as follows:

The motion to approve C 2023-70 was then put, and unanimously carried.

Council Chair Rapozo: Next item, please.

C 2023-71 Communication (02/24/2023) from the Chief of Police and Mark T. Ozaki, Acting Assistant Chief of Police, requesting Council approval to receive and expend State funds, not to exceed \$11,000.00, from the State of Hawai'i, Department of Health, Alcohol and Drug Abuse Division, as reimbursement for the enforcement of Hawai'i Revised Statutes (HRS) Section 712-1258, prohibiting tobacco sales to minors via Memorandum of Agreement 2023-PB-002 effective September 1, 2023 through August 31, 2024.

Councilmember Kualii moved to approve C 2023-71, seconded by Councilmember Carvalho.

Council Chair Rapozo: Is there any discussion or public testimony? Seeing none.

There being no one present to provide testimony, the meeting proceeded as follows:

The motion to approve C 2023-71 was then put, and unanimously carried.

Council Chair Rapozo: Next item, please.

C 2023-72 Communication (03/06/2023) from the Fire Chief, requesting Council approval to accept a donation from the Kaua'i Lifeguard Association, a non-profit organization, of one (1) 2022 Yamaha Jet Ski, valued at \$22,443.97, to be used by the Ocean Safety Roving Patrol operations.

Councilmember Kualifi moved to approve C 2023-72 with thank-you letter to follow, seconded by Councilmember Cowden.

Councilmember Cowden: Brief question.

Council Chair Rapozo: Okay, I will suspend the rules. Fire Department.

There being no objections, the rules were suspended.

MICHAEL GIBSON, Fire Chief: Thank you, Chair. Good morning, Council.

Councilmember Cowden: Thank you. These jet skis are critically important. I think they are amazing at both saving our people out in the water and they are great for our Ocean Safety Bureau officers, as well. Where is this one going?

Mr. Gibson: Good morning. Thank you for the question. This one will be placed in the north district.

Council Chair Rapozo: Just need to state your name for the record. I am sorry.

Mr. Gibson: I apologize. Michael Gibson, Fire Chief.

Councilmember Cowden: This one is going to the North Shore, so it is the entire North Shore with the rover?

Mr. Gibson: That is correct.

Councilmember Cowden: How many jet skis do we have?

Mr. Gibson: We have three (3) that are online and in service. One (1) from the north district, one (1) for the east, and one (1) for the south and west. I will note that the southwest and also the north cover a great deal of area, so there is a lot of demand put on them, it is a very valuable piece of equipment, and we squeeze as much life as we can out of them, we maybe get up to about two (2) years of good front line service from them, then they will go into a reserve capacity where we can use them as a backup and for training, as well.

Councilmember Cowden: I own that I am from the North Shore, so of course I am always warmed when I know that is where I am going, because I feel like we have the most dangerous oceans that it might just be overall preventative. The next replacement will be whichever is the most used. It seems like the North Shore gets it a lot, but maybe that is because...I feel like we are always getting it, but can you speak to that? How do we choose or how do we move our pieces around? Do we always keep the same jet ski in the same area? If some do not get used very much, do they get rotated to the other rover teams?

Mr. Gibson:

Let me defer to Mr. Vierra.

KALANI VIERRA, Ocean Safety Bureau Chief: Kalani Vierra, Fire Department. Good questions. We try to keep at least seven (7) rescue watercrafts in our operation for rotation, maintenance, repairs, training, and on occasion search and rescue purposes. When a new rescue watercraft comes in, we usually take out the worst with the highest hours and a lot of use of it, we just keep that rotation going.

Councilmember Cowden: Do they always stay with the same team, or do they move around?

Mr. Vierra: They usually move around due to maintenance. Usually, when it is periodic maintenance, we rotate skis around. Usually, I would say, the north has priority because of the heavy use, and the statistics that shows how many they respond to thirty (30) miles of calls in either direction. We usually get the best rescue watercraft on the north shore.

Councilmember Cowden: Okay. There is good reason for it. That is where the high demand is. So, we have three (3) rover units, then are those other four (4) sitting at a tower? Which towers are they sitting at?

Mr. Vierra: They are sitting at different storage facilities.

Councilmember Cowden: Okay.

Mr. Vierra: We have a backup one on the North Shore. We have a backup one at the south storage, and a backup at the Kapa'a Armory just in case their ski goes down on a moment's notice they have something close by to transfer.

Councilmember Cowden: Okay. Thank you. Thank you to any Ocean Safety Bureau people out there, we thank you for risking your lives regularly. Thank you.

Council Chair Rapozo: Are there any other questions?

Councilmember DeCosta: Not really a question, I just wanted to address their work.

Council Chair Rapozo: You can do that when we come back. Are there any other questions for the Chief? Is there anyone in the audience who wants to testify on this? Thank you. We will take public testimony, then we will have you come back because you have another item.

Mr. Gibson:

Yes.

Council Chair Rapozo: I was going to take you out of order, so we can get you folks out of here and go back to work.

There being no objections, the rules were suspended to take public testimony.

Ms. Cummings: Sherri Cummings, just in my personal capacity. I am a water person myself. I paddled for many years. Kalani made me cross one of the events, I do not know if you remember me from Hōkūlele Canoe Club, and I had this conversation with former Council Chair Jay Furfaro many years ago regarding spring boarding at hope, maybe Fire will take a look at that, because I always had this idea as a paddler from north to west, our clubs, all the rivers, we control the rivers as paddling, and were present on the waters probably eight (8) to nine (9) months out of the year between long-distance paddling, and the regatta, so that makes us, by default, the first responders when it comes time for accidents. I was personally involved, and it was so sad, we hosted Hanalei Canoe Club, a situation where by West Kaua'i Canoe Club wanted to be a canoe club, so they came under our umbrella, and unfortunately, for a very seasoned, athletic *kānaka*, who just by default went and held the boat for the start of the race, and no one knew that he had a heart attack. Actually, no one saw him go under, and the line was calling for him too, because he was holding on to the buoy, and the people on the shore was yelling for him to get off the buoy, because the canoes were making their turn and coming back, and this *kānaka* listened, and he knew he was in trouble, but he let go of the buoy. Unfortunately, the people did not pay attention to him, he drowned, no one knew, none of us knew, a surfer was coming in, and found him belly-down. That is when it heightened my awareness of how we were so present on the waters, and it was our responsibility to be part of this process to be the first responders, because it is us before anyone else. We are nonprofits. Hanalei Canoe Club should be, I figure their *kuleana* and their responsibility as water people between river and open ocean, because that was ours, where we do our long-distance practicing and things like that, and we are the watchers of the water, that we should collaborate with the nonprofit canoe clubs to have these types of vessels available for general public use. That is just my *mana'o* to the situation. *Mahalo*.

Council Chair Rapozo: Thank you for sharing, Sherri. Is there anyone else in the audience? If not, I will call the meeting back to order. Is there further discussion? Seeing none.

There being no further testimony, the meeting was called back to order, and proceeded as follows:

The motion to approve C 2023-72 with a thank-you letter to follow was then put, and unanimously carried.

Council Chair Rapozo: If there is no objection, I will take C 2023-74 out of order, so we can get the Fire Department out.

There being no objections, C 2023-74 was taken out of order.

C 2023-74 Communication (03/09/2023) from the Fire Chief, requesting Council approval to receive and expend State funds, from the State of Hawai'i, Department of Land and Natural Resources via a Memorandum of Agreement, for one (1) 4x4 Emergency Vehicle with lights and sirens, in the amount of \$60,000.00, for the Ocean Safety Bureau for Kē'e Beach Lifeguard Operations.

Councilmember Kualii moved to approve C 2023-74, seconded by Councilmember Cowden.

Council Chair Rapozo: Is there any discussion or questions?

Councilmember Cowden: I just have a discussion piece. I want to acknowledge that the State is paying for this piece of equipment, and that is a State tower.

Council Chair Rapozo: Is there anyone in the audience wishing to testify? If not, okay. Councilmember DeCosta.

There being no one present to provide testimony, the meeting proceeded as follows:

Councilmember DeCosta: I want to take this opportunity to thank Chief Kalani Vierra. This is the first time we have had the chance to have you in the house. Many times we have been out in training or in seminars, and you are a Waimea High School classmate of mine, and I am very proud to have *kama'aina* leading our department at the highest level. Thank you, Mr. Vierra for all that you do, and for all of your men and women that put their life on the line to save everyone else's life. Thank you so much.

Council Chair Rapozo: Is there anyone else? Seeing none.

The motion to approve C 2023-74 was then put, and unanimously carried.

Council Chair Rapozo: The motion is carried. Can we go back to C 2023-73, please?

C 2023-73 Communication (03/09/2023) from Alan Satta, President of the Rice Street Business Association, requesting Council approval to accept a donation from Rice Street Business Association, of menstrual products, valued at \$200.00, to be used to replenish the dispenser in the women's public restroom in the Historic County Building.

Councilmember Kualii moved to approve C 2023-73 with a thank you letter to follow, seconded by Councilmember Cowden.

Council Chair Rapozo: Is there any discussion or public testimony? This is really for Councilmember Bulosan, as we go through budget, we provide paper towels and toilet paper in our budget, I would suggest that we figure out what

it would take, so we do not need to rely on the community to provide this much needed, and very inexpensive service. Thank you.

There being no one present to provide testimony, the meeting proceeded as follows:

The motion to approve C 2023-73 with a thank-you letter to follow was then put, and unanimously carried.

Council Chair Rapozo: Next item, please.

C 2023-75 Communication (03/09/2023) from the Planning Director, requesting Council approval to apply for, receive, and expend funds from the State of Hawai'i Department of Transportation (HDOT), State Planning and Research (SPR) Program Part I – Planning, under a waiver of the grant program's local match requirement through the Bipartisan Infrastructure Law (BIL), and non-Federal match waiver for SPR funds for Complete Streets planning for the following projects:

- Līhu'e Mauka Road Multi-Modal Corridor Plan (\$400,000.00); and
- County Shared Use Path and Access Action Plan (\$400,000.00).

Councilmember Carvalho moved to approve C 2023-75, seconded by Councilmember Kualī'i.

Council Chair Rapozo: I will suspend the rules. Is the Planning Department here?

There being no objections, the rules were suspended.

KA'ĀINA S. HULL, Planning Director: Thank you, Council Chair, and Members of the Council. Ka'āina Hull on behalf of the Planning Department. I have with me Marie Williams, who is our Long-Range Division Chief. I am going to turn it over to Marie in a second, but since we were contacted by the State Department of Transportation (HDOT) a little less than a month ago, and they identified various pools of money that were available, and I want to say, probably will not be expended this year, and if there is any chance that the County of Kaua'i's General Plan priorities align with any of these moneys, Marie basically spent the past two (2) weeks going through the plan to see if there is a way to go after these moneys without a match requirement, because trying to figure out a match requirement within one (1) or two (2) weeks is a hefty ask. Well, she has identified these two (2) priorities within the General Plan as projects that we could go after these type of nonmatch funds for that would not be for the projects themselves, I want to be clear, we have some calls from sites that were on the projects, and these are literally just to go to the pre-planning, the moneys will be used for pre-planning studies, and just the planning aspects. Once those plans are completed if we applied for, and expended them, ultimately, that would serve as a product whether future Administration Council would want to go after the specific project as set up in the plan. Again, this is just for possible plan projects. I will turn it over to you, Marie.

MARIE WILLIAMS, Long Range Division Chief: Thank you, Director Hull. Marie Williams, Kaua'i County Planning Department. That was a perfect overview, we do not even need my presentation, which is really short. Essentially, these are funds through the State Planning and Research Program; it is an annual grant program to support planning activities Statewide. What is unique about this year is that through the Bipartisan Infrastructure Law, there is a waiver of the local match for anything that could somehow fall under the multi-modal transportation, or complete streets or however we define that, so we feel that these two (2) proposed projects would do that, and is an opportunity to move forward some important infrastructure projects. I can go into more detail about what we are proposing to apply for. One would be the Līhu'e Mauka Road Multi-Modal Corridor Plan, and then a County Shared Use Path and Access Action Plan. Starting with the Līhu'e Mauka Road, or the Mauka Bypass Road, it has been called several names in the past, but essentially, this is a project that has been on the books since the '70s in the original Līhu'e Community Plan. It is now a project, an important future project identified in our State Federal-Aid Highways Plan (FAHP) that was completed in 2013 in our General Plan, the Līhu'e Community Plan, and the Līhu'e Town Core Urban Design Plan. Essentially, what this plan would be is kind of a next step to getting us to where it can be a project, whether it is a State highway or County road, but really exploring how we can use the cane haul roads, how this road would improve our regional circulation; it also would connect to Līhu'e, as well, to several possible connector roads. Then, obviously, looking into things such as the phasing, this would be a big project, and all the other issues. Again, this is a plan, it would be more conceptual as we are not ready to actually move on to the design and engineering phase, but just a step to get us in that right direction. Do you have any questions about this particular project?

Council Chair Rapozo:

Councilmember Cowden.

Councilmember Cowden: I was so excited when I saw this. Is this basically that road that runs just *mauka* of Kūhiō Highway? You see pieces of it, even right across Safeway.

Ms. Williams:

Yes.

Councilmember Cowden:

Right across Safeway.

Ms. Williams: Yes. Basically, the alignment for the future road has not been finalized yet, but there is the cane haul road alignment, so I believe it would start at the intersection of Kaua'i Beach Resort, kind of going across, it would hug and follow behind the Hanamā'ulu area across Mā'alo Road, and then meander and go out either by Nuhou Road, or possibly an opportunity to take it further past Kaua'i Community College (KCC). So, that is what this study would do. It would look at what the opportunities are, and what would the best project be.

Councilmember Cowden: When we get these opportunities, we have to have "shovel-ready" projects, we see this when we go to National Association of

Counties (NACo) events, and they say, “Well, here is all this money, but it has to be shovel-ready.”

Ms. Williams: Exactly.

Councilmember Cowden: Would this help us get it there?

Ms. Williams: Yes, get us closer to that.

Mr. Hull: It will get us closer, but again, this is just the pre-plan area. Should the plan be finalized, the planning level it is still just conceptual. A future Administration and the Council would have to essentially appropriate funds or chase additional funds, say State or Federal, to do the actual renderings, drawings, and engineering behind it. This would get us to the conceptual stage, but you need to get along the way to get to “shovel-ready.”

Councilmember Cowden: Okay. When you say, “future Administration,” you mean four (4) years from now.

Mr. Hull: Correct.

Councilmember Cowden: This is outside of Mayor Kawakami’s Administration.

Mr. Hull: More than likely, it will be beyond the four-year horizon within this Administration, getting the engineering work done.

Councilmember Cowden: Okay.

Council Chair Rapozo: But what is inside the Administration’s authority right now is to open up that bypass now. Mayor Baptiste put that road, got all the rights-of-entry, all the rights of use, celebration, ribbon-cutting, took all the pats on the back, then we shut him down. I guess my question is, four hundred thousand dollars (\$400,000), and I have seen this so many times, where the Federal or State has these funds that go to the County, you will get the four hundred thousand dollars (\$400,000), how long before we see a tangible report or pre-plan?

Ms. Williams: For the timeline, if we are successful in applying, we would get the funds by October, and we would definitely move as fast as we can. I am anticipating eighteen (18) to twenty-four (24) months to complete the project.

Council Chair Rapozo: That is where I want to get a realistic timeline for the public. This is eight hundred thousand dollars (\$800,000) we are talking about today. Best-case scenario, you get the funding. Twenty-four (24) months for this pre-plan, conceptual design—how long before we actually see pavement? I want the public and State Legislature to understand, it is one thing to just pass out money and say, “I did my job, I gave them the money.” But really, when will see asphalt?

Ms. Williams: I guess it would really depend on how we proceed with the project, would it be a County road, would it be a highway that ultimately becomes a State road, so that would impact, but typically, building a new road like this, it does take a lot of time.

Council Chair Rapozo: Right. I just want to say, I spoke to all of our legislators, there is no money for our roads, so they are focusing on temporary fixes. We are looking at this as somewhat of a permanent fix. Assuming we do not have State assistance, assuming we have a County path, that the County will move forward, which I think we should. How long? Just a ballpark. Ten (10) years?

Mr. Hull: Quite honestly, I would not imagine any actual finality coming within eight (8) to ten (10) years, at best. I think the next step is trying to identify, should the plan be adopted and completed, the plan itself not the project as building a road, the plan adopted, about two and a half (2½) years. Then, looking at chasing whether the State Legislature has the moneys or chasing Federal moneys—those are the first of any administration to see if another revenue source can pay for these improvements. As you are getting at, Chair, the reality of constructing infrastructure of this type is very lengthy.

Council Chair Rapozo: Which at the time that plan comes out it would be obsolete. Typically. Anyway. Are there any questions? Go ahead.

Councilmember Carvalho: I wanted to follow up and say, it is important that we secure the funding, number one. I know that it takes time, and I appreciate Council Chair's discussion in trying to find out when the asphalt is on the ground, we all want that, but at the same time, we have to make sure whatever comes our way, we need to secure it and move forward, because it would open doors for a lot of opportunities. Yes, it will take time, but at the same time having experience through this process gets frustrating, but at the same time, we need to look at other opportunities as we move forward, and it will open the door for more. State, County, wherever, we like to finish what we start, and I totally understand what is being discussed right now. I just wanted to mention that and see the importance of securing it.

Council Chair Rapozo: Are there any more questions?
Councilmember Kagawa.

Councilmember Kagawa: Thank you for doing the work you are doing and applying for this and trying to follow our General Plan long-term goals. Does your process include, when we hire the consultants, do they go to the public and ask for input from businesses or residents that are affected?

Ms. Williams: Yes. I think a big part of this project will be working with the community and stakeholders, whether it is residents in Līhu'e or our regional, the people who commute, who could really benefit from a bypass, and working with them to see what the vision is and what alignment and connection would be best.

Councilmember Kagawa: Will the Planning Department and the consultant be working together?

Ms. Williams: We would work also with our bus service, seeing how transit could be improved, and Public Works, and HDOT.

Councilmember Kagawa: Thank you.

Council Chair Rapozo: Are there any further questions?
Councilmember Kualii'i.

Councilmember Kualii'i: Staff, can you put up the map?

Ms. Williams: Sorry, what I have here is the...sorry, it might be a hidden slide. I was not sure we would need...

Councilmember Kualii'i: I am sorry.

Ms. Williams: I apologize. I have the General Plan transportation map.

Councilmember Kualii'i: The second piece here about the County Shared Use Path and Access Action Plan, the map basically shows a representation of the plans that are already in place, right? Marie.

Ms. Williams: I apologize, I do not have that slide. The map has our General Plan future transportation map.

Councilmember Kualii'i: The shared use paths, it has seventeen (17), eighteen (18), nineteen (19), twenty (20), and twenty-one (21), north shore paths, Ke Ala Hele Makalae, 'Anini Point to Anahola, Ke Ala Hele Makalae to Lihu'e, then South Kaua'i Community Plan South Shore path, and then the Westside path, Kekaha to Waimea, as well as Hanapēpē Town to Salt Pond. Now, we recently heard about the Kekaha to Waimea part being completed, but my question here is, all of those plans or pieces are in place already as far as the plan, right? Could we consider those "shovel-ready"?

Ms. Williams: Not all of them. Definitely, probably not the North Shore path alignment. That refers to a conceptual plan that was done by a community group about ten (10) years ago. Yes, but you are right, some of these are ready to progress once the construction funding is made available.

Councilmember Kualii'i: What I am trying to get to is, how are those things going to get done? Is it just a matter of funding? How are you prioritizing it? Does this four hundred thousand dollars (\$400,000) help with that in any way? Is it being addressed by which communities are saying, "Come on already." Because it has been a long time. Ten (10) years is a really long time. Is it about available Federal funds? Obviously, there is all of these new infrastructure dollars, is it just for roads and bridges, or can you use that to complete these "shovel-ready" plans

that are already in place? I am assuming this four hundred thousand dollars (\$400,000) is just a small amount, and it has to be dedicated to perhaps making further plans, right? So, will this then go to that North Shore path as it is the only one that does not have a "shovel-ready" plan?

Ms. Williams: The purpose of the second proposed plan, the County Shared Use Path and Access Action Plan, would be to bridge these various projects and concepts that are in place, also look for opportunities to have a countywide network of trails or multi-use pathways, whether they are in the roadway, outside of the roadway, maybe there are other connections within other communities that we have not explored yet. Then, by doing that, we would be able to connect future projects through funding sources, and also prioritize segments, as well, so it is a clear vision for how we proceed.

Councilmember Kualii: Obviously, four hundred thousand dollars (\$400,000) is just not a lot of money for all of what we have to do, but at least doing this then will allow us to attract other money.

Ms. Williams: That is the hope, yes.

Councilmember Kualii: With all the infrastructure dollars coming down the pipeline.

Ms. Williams: Exactly.

Council Chair Rapozo: This is pre-planning money. This is not construction money, so there are some path moneys in the budget. This year, Capital Improvement Projects (CIP), I noticed a couple. Do we already have this Shared Use Path plan that was done years ago? I thought we spent a lot of money on plans ten (10) years ago. I thought we paid the consultant to construct this shared use network that was done a long time ago.

Ms. Williams: I believe we have shared use master plans for existing projects; we have the Multi-Modal Transportation Plan that kind of sets the policy for all of this work, but we do not have an actual master plan dedicated to this countywide network that connects all these various projects, whether they are initiated by the State, County, or community groups, so that is what this plan would try to accomplish.

Council Chair Rapozo: Are there any other questions? I guess the only other question is, and this is for the Planning Department, are we still moving towards building coastal paths along the coast on eroding shorelines? I know a few years ago, I testified against the condemnation of a coastline property. Are we still on that?

Mr. Hull: In looking at, say, the West Kaua'i Coastal Path being proposed, I think there is some budget line items coming up this year, that path is located completely *mauka* of the highway.

Council Chair Rapozo: I am talking about that side.

Mr. Hull: The East Kaua'i path.

Council Chair Rapozo: Correct.

Mr. Hull: There still is the proposal to connect the last two (2) legs of that path to Hanamā'ulu, and then from Hanamā'ulu over to Līhu'e. But something that has been acutely and abundantly clear is to keep that away from any erosion lines particularly around sandy beaches, because of the issues that have been brought forward with the existing path on erodible shorelines. The path is still moving forward, but with much more concern and efforts to make sure it is located further away from the coastline.

Councilmember Kualī'i: You mentioned those two (2) that are in the Kapa'a area where we had the breakdown of the path because of erosion. If you have to redo the plans to move it more *mauka*, does it make sense to proceed with the parts of the path that are not along the beach and sandy shores? Is the path further north from...I do not know where the cutoff point is, but basically, it gets to Anahola. What is up with that part? It is not on the shore, it is not down by the sand, it is up on the old cane haul road.

Mr. Hull: Off the top of my head, Councilmember, that one, I am not aware of. I know, just because of the fact that the plans were approved at the Planning Commission for the leg right after Wailua coming Līhu'e-bound, then we have been in consultation with the consultant on behalf of the Department of Parks & Recreation and Public Works for that final leg and there were some areas of concern where we explained.

Councilmember Kualī'i: What I am saying is, it is not in any particular order. The low-hanging fruit is what probably should be done, because now we are hearing just the talk about Kekaha to Waimea, but the other stuff is left waiting.

Mr. Hull: I do not want to make any impression that it is left waiting, I am just unaware of what the status is from the Department of Parks & Recreation and Public Works.

Councilmember Kualī'i: We will want to know for budget.

Council Chair Rapozo: When we get to the budget, we will be able to ask when there is an item on the agenda. Are there any further questions?

Councilmember Kualī'i: Thank you.

Council Chair Rapozo: Is there anyone in the audience wishing to testify?

Ms. Cummings: Sherri Cummings, Mālama Anahola. As a beneficiary first, I am going to speak in point to what Councilmember Kualii mentioned regarding Anahola. Anahola only went so far. If you know Anahola, and you know the shoreline area, it can only go so far, because there is a huge gulch between the private landowner and where it proceeds to Anahola and then comes up to the Kamamanaola lands, then continuing on to where we know it as Smiths Beach, so that is why it stopped there. Regarding the *ala hele* and trying to connect, I brought this up with former Councilmember JoAnn Yukimura way back when, when I spoke to a piece when they wanted to do something along the South Shore area, and I was against what, to me, is the biggest problem is the hardening of the shoreline with these paths that they use as walkway. The true *ala hele* was actually just what it was. It was how we walked on the shoreline to get from point "A" to point "B." We can see them in places like Kalapana Opihikao, you can look back and actually see a real *ala hele*, and it is not with cement roadways for our people to walk the areas. To me, it is not necessary to have hardening to create an opportunity for people to traverse the area. *Lawaia*, true gatherers of the area for subsistences first, recreational after. We had *kuleana* as *'ohana* and we knew, like I told JoAnn, our old people did not really go down there, it was the *makua* and the *opio* that would gather for the older people, so I understand Americans with Disability Act (ADA) compliance, but if you talk about the *kānaka* culture, after a certain time they would never go down, because our people would go and put them in this hierarchy level that was so significant that there was no need for them to gather resources to feed themselves or their *'ohana*. We came from this structure of how we ended up doing things, and to me, from a *kānaka* perspective of how we develop those areas that were never supportive of hardening the shorelines to have these types of opportunities to walk the path, to recreate, because I always protect the resources first. I have other things to talk about, and we can talk about them later. Thank you so much.

Council Chair Rapozo: Thank you. Is there anyone else? Seeing none. I will call the meeting back to order.

There being no further testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Rapozo: That is one of the advantages of pre-planning, is the community input into the plan that will happen with this. Councilmember Kagawa.

Councilmember Kagawa: I like the Līhu'e Mauka Road that we are looking into. For me, that is a big priority. Back when we did the Kapa'a bypass, people did not think it was a great idea, but thanks for the work that we did before that said that could help. You see how that bypass is so popular, how it helps people avoid the main town, and get a big shortcut, if you want to get to Kapa'a High School. It has its problems too, like peak traffic time, both roads are plugged. That is why we need to move forward. Even if it happens eight (8) or ten (10) years down the line, having options. For me, I have always been about options for cars. How can we save? Plus, time is money. Grandparents need to pick up grandchildren, all of this goes on, and when you have different options you can save

time, whether it be weekends or peak travel time. I love having options and I love Marie folks doing the work now, because if you do not do the work now, then in the future there will be no options, and you will be twenty (20) years behind. At least, now, if we go forward, we are only ten (10) years behind, so not too bad, right? Any time you can double your efficiency that is great work. Our Planning Department has won numerous awards for the work that they have done. We had the General Plan completed the other year when I was on Council, and we had so much work done by the Planning Department that got us to finally catch up. Now, we cannot be complacent, so when we have these opportunities, the Planning Department doing the work now, some people might not like it, they might say it is a waste of money. But again, look at the Kapa'a bypass and how popular and helpful it has been in saving people time and giving them options—that is what we need. As far as the shared bike path is, again, great work, trying to do what we can, moving those plans forward, people will criticize, calling “why are there so many plans,” but they do the plans because the Planning Department feels they can add. If you can add and it is free money, why not grab it for our people? My best memory of people riding a bike was when former Mayor Carvalho rode his little bike from Kapa'a High School to work when he was mayor. For me, that was something that I cannot get out of my mind. Every time I look at him, I see him on the bike. Great memories. You can build it safely. Thank you.

Council Chair Rapozo:

Councilmember Cowden.

Councilmember Cowden: I want to thank you for taking the two (2) weeks, at least not letting this opportunity go by. I get it when we are talking about cost control, and we do not want to spend money just for the sake of spending money, but I want to see you folks rock, the Planning Department, especially long-range planning. I think you do such a great job. To answer what Councilmember Kagawa brought up, I really enjoy being on the walkabouts with the team, I think we need to promote them heavier, but the kind of care that goes through our Engineering Division, our Roads Division, when Public Works is out there it is not just planners, so walking along and bringing the bus, and looking at all of it, you are really doing a very good job. I am excited to see, looking at that Līhu'e Mauka Road, because I do not just see that as, “eh, that would be nice,” it is critically necessary. I think it would make a big difference for the whole congestion on the island if we had that. Just like we have a beautiful place along the water, our mountains are beautiful, too. Thank you. I am supportive of the request, and I keep looking at Marie, I feel very confident that you will do an exceptional and responsible job with it. Thank you for all the work that you have done. I am supportive of it.

Council Chair Rapozo: Are there any other comments? I will just say, first of all, the Rice Roll, Councilmember Carvalho, do you remember the Rice Roll?

Councilmember Carvalho: Yes.

Council Chair Rapozo: I was the Chair, and he was the Mayor, and he invited us to do the Rice Roll, which is a bike ride. They told me it was just from

the Office of the Mayor to Antone Vidinha Stadium, so Councilmember Carvalho had his big bike, I do not have a bike, so Thomas Noyes let me borrow his two thousand dollar (\$2,000) bicycle. It was a real bicycle, not the Schwinn bicycle, the one hundred dollar (\$100) bicycle. Councilmember Carvalho and I rode like two (2) Harley Davidson's, but were peddling, and we got to the stadium and I am expecting it to be over—my legs are already burning. I look at Councilmember Carvalho, and the people said, "No, we are going to do the loop." What loop? The Marriott loop. Wait, but now you know, I am not going to quit, Councilmember Carvalho is not going to quit, so here goes me and Councilmember Carvalho, and like your visual that has stayed in your brain—we were dying, it is not a flat run. Going from the Office of the Mayor to the stadium is all downhill. My legs were on fire, but we did the Rice Roll, and I have been traumatized ever since. I agree with Councilmember Kagawa about options. One of the frustrations of being an "old fart" here, can I say that? I did. You go through plans over and over, and we are going to do this plan, and that plan ends up on some shelf, then we do another plan of four hundred thousand dollars (\$400,000), the consultants are getting rich, and we never see these plans come to fruition. I remember the State Highways here telling us, when they were so excited to unleash or unveil the new highway plan that would have five (5) routes that will cross Wailua River, some up, some down, all that State is so good at taking credit, and now if you ask the State, "What are you folks doing about traffic?" They tell you, "No, we have a State Highway Master Plan for Kaua'i." Okay, so what? They are not doing anything about it. What they are doing is temporary band-aids along the way, spending more money, more consultants, more and more. I referenced the emergency bypass road that sits there today, and if any of you who live on that side of the island that needs to get into work when there is an accident, you need to turn around and go back because it will be closed for three (3) or four (4) hours, when we have a road right there that we can use, but we do not. This is the message, and I will be supporting the funds, because I agree we need planning, but we must not forget that plans are a convenient excuse for politicians. When a constituent calls and asks, "What are you folks doing about..." We have a plan; we have a study. Yes, the State has...then you call the State and...you know, that is going to cost three hundred million dollars (\$300,000,000), five hundred million dollars (\$500,000,000), maybe close to one billion dollars (\$1,000,000,000)—we do not have that kind of money. We did not have that kind of concern when we approved the millions of dollars in funding for the plans, we know what this will cost, we can estimate what this is going to cost. I am just saying that when we look at the County issues we have today, people say, "Traffic is State, that is a State highway." Well, you know what, it impacts the County residents, it is a County issue. Why are we not moving forward on opening up that emergency road full-time? Making it a permanent bypass. Yes, is it going to cost money? Absolutely. This is eight hundred thousand dollars (\$800,000) we are talking about today, but it is not our money, it is State money, so it is okay, we just "Ya, boom, yay." But we as a County will take responsibility for these projects, and in the budget, I will be asking Public Works and the Mayor, "Why are we not opening up that road and having it full-time?" Is it going to cost money? Absolutely, but do you know how many disruptions to our people, to business, and to everyone when we need to shut that road down, the same applies to the westside. We do not even have an idea of how we are going to resolve the westside traffic. I always wonder, if you need to go to the toilet, I am not trying to be funny, because it

is real, but no one thinks about that, they think, “Do not worry, you can catch the next flight. You can reschedule your appointment.” No one considers the impacts that it has on that person that cannot get to where they need to go for a medical appointment, for dialysis, for any of those things—no one thinks about that—it is an inconvenience that is not worth the money. My point is, if we are going to do a plan, then let us have the mindset and a real plan of what we are going to do once this happens and are we going to be in a position financially fiscally, to make it happen, otherwise, we are just making consultants very wealthy—I should have been a consultant. Obviously, again, I will be voting to support it, but I want the Administration to keep in mind, what can we do as a County now, and stop worrying about the State or the Federal, we have a forty million dollar (\$40,000,000) increase in the budget, I do not think any money is applied to that bypass road, which would help a lot of people, and if the State was smart, they would open up that bypass road, and they would save a million dollars a year in contraflow salaries, but no, everything is status quo, do not worry, be patient, listen to your radio, turn on the air conditioner—that is what I get. Councilmember Cowden.

Councilmember Cowden: I have a little follow-up on that.

Council Chair Rapozo: Go ahead.

Councilmember Cowden: It is good to be prepared at least with the plan, and do not underestimate an emergency. Our bridges on the North Shore, we were told, we would never get them fixed, and Federal Emergency Management Agency (FEMA) came in and fixed those bridges. We have the impossible, even though the road will probably still washout. We got the impossible. We were able to deal with the emergency thing some time, maybe we will have an emergency, and we can actually get that emergency road opened up. Hopefully, somehow, but having a plan. Thank you.

Council Chair Rapozo: Thank you. Councilmember Carvalho.

Councilmember Carvalho: Just one last, in follow-up to the plans, and what Councilmember Kuali'i specifically talked about continuing the path to Anahola. That stopped at a point, because the Anahola community at that time was not favorable. My point is, the community also has to be part of the process, and I just wanted to put that on the table again. We always go to the community to ask, “What do you think about this? What is the next step? Yes, or no, maybe.” I just wanted to clarify that. My experience has been keeping in touch with the community every step of the way, and sometimes you will have some that will say, “Maybe not this time.” But now, from what I am hearing, it is open for discussion, so I leave that on the table as we continue to move forward, and hopefully, we can get positive outcomes.

Council Chair Rapozo: Go ahead.

Councilmember Kuali'i: Just to make clear, because I think he fogged it up a little bit.

Councilmember Carvalho: Okay.

Councilmember Kualī'i: The community was originally...and I was not at that meeting, but I have a full report, it was almost overwhelming, opposed to the path continuing all the way down to the beach park, but they are fine with it stopping up *mauka* along the path just before the houses, and the Planning already adjusted the plan to come *mauka* and head up to the *mauka* park.

Council Chair Rapozo: Thank you. One of the things that I am confident about, and Marie, Ka'āina and the Planning Department...a lot of this money is used for publicity, a lot of these plans, studies, moneys are appropriated to making sure the public is aware, and you folks have done a fabulous job throughout the years in making sure that the public was aware and they got engaged—I will say that, and that is one of the benefits of these plans. Things change. The last time we had this discussion, whether it is Anahola or Kekaha, it does not matter, people change, things change, and it is always good to get the new perspective from that community, because at the end of the day, it is really “their project” not Council or the Mayor, or Planning, it is the people's project. Thank you.

The motion to approve C 2023-75 was then put, and unanimously carried.

Council Chair Rapozo: Next item, please.

C 2023-76 Communication (03/10/2023) from the Prosecuting Attorney, requesting Council approval of the indemnification provision contained in the State Prevention Framework – Partnership for Success (SPF-PFS) grant, for Fiscal Years 2023 and 2024, which was previously approved to receive and expend funds on October 5, 2022.

Councilmember Kualī'i moved to approve C 2023-76, seconded by Councilmember Carvalho.

Council Chair Rapozo: Is there any discussion, questions, or public testimony?

Councilmember Cowden: Are we going to hear from her at all?

Council Chair Rapozo: If you want to, yes, I will suspend the rules.

Councilmember Cowden: Just really briefly.

Council Chair Rapozo: Okay. My former boss, and I am fired-up right now.

There being no objections, the rules were suspended.

REBECCA V. LIKE, County Prosecuting Attorney: Good morning,
Chair and Councilmembers.

Councilmember Cowden: I always hate acronyms. State, county, and research program is what this is—the State Prevention Framework. Can you just tell us briefly what this is for? I looked at it, but please, and also for the public.

MICHAEL MIRANDA, Life's Choices Program Coordinator: Good morning, Council. Mike Miranda, Life's Choices Program Coordinator. The "SPT-PFS" is the Strategic Prevention Framework – Partnership for Stronger Communities. The grant has been with the Life's Choices Program for the last seven (7) years, and it is basically funding coordination between government agencies and nonprofit organizations to deliver prevention services to community organizations.

Councilmember Cowden: For substance use disorders, or whatever we are calling it now.

Mr. Miranda: Underage drinking.

Councilmember Cowden: Pardon me?

Mr. Miranda: Underage drinking and all other substance abuse disorders.

Councilmember Cowden: Okay. That way when people see it, we are getting this grant helping with underage drinking and substance...so when you do the framework, this is basically just ongoing funding for the different...continuing the funding and the partnership.

Mr. Miranda: Yes.

Councilmember Cowden: Nothing new or different?

Mr. Miranda: No.

Councilmember Cowden: Okay. Thank you.

Council Chair Rapozo: Thank you. Are there any further questions? This is just for indemnification, right?

Ms. Like: Correct.

Council Chair Rapozo: We already approved the funding request, so this is specifically for indemnification to protect the County.

Ms. Like: Correct.

Council Chair Rapozo: Thank you. Are there any further questions? If not, thank you.

Ms. Like: Thank you.

Council Chair Rapozo: Is there any public testimony? Seeing none.

There being no one present to provide testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Rapozo: Is there any discussion? Seeing none.

The motion to approve C 2023-76 was then put, and unanimously carried.

Council Chair Rapozo: Next item, please.

C 2023-77 Communication (03/15/2023) from the Mayor, transmitting his Fiscal Year 2023-2024 Budget Message, along with the proposed Operating Budget, Capital Improvement Projects (CIP) Budget, and Schedule of Charges and Fees.

Councilmember Kualii moved to receive C 2023-77 for the record, seconded by Councilmember Carvalho.

Council Chair Rapozo: Is there any discussion or public testimony?
Go ahead.

Councilmember Cowden: I was really pleased with this a lot, is he going to come in and talk to us about it?

Council Chair Rapozo: Tomorrow.

Councilmember Carvalho: Tomorrow.

Councilmember Kagawa: Tomorrow we start budget.

Council Chair Rapozo: He opens up the budget tomorrow morning.

Councilmember Cowden: Okay, so none of that is today.

Councilmember Kualii: We have Resolutions.

Councilmember Cowden: Okay.

Council Chair Rapozo: Feel free to discuss the budget message submission.

Councilmember Cowden: Can I?

Council Chair Rapozo: It might encourage people to be engaged during the budget.

Councilmember Cowden: Okay. I want to say, I am the happiest I have ever been since I have been in office with the messaging here. Sometimes I think maybe too much gets left unsaid or assumed, but I am just going to read a

couple lines and a very short paragraph. It gives me confidence to hear in this beginning, I will read the second and the third paragraph. It says, "While COVID-19 may have dominated the conversation over the past few years, and throughout much of my first term in office, setting an agenda for the start of his second and final term as Mayor required him to reflect on our identity as 'kauaians' and what we want to continue to build upon." Here is the sentence that I think is so important, "In effect, I believe it is an effort that must reshape the County as an organization that is nimble, resilient, and empathetic..." That is important to me. "...to the ever changing needs of our community and our people." I am just going to read the third paragraph here, which I have long wanted these in the budget. "We continue to face a volatile global economic climate that has left uneven indicators locally. With the continuing conflict in Eastern Europe, rising tensions with China, some economic forecasts of an impending recession, and continuing inflationary issues raised by the Federal Reserve as recent as last week leading to continued prime rate interest increases, we must be mindful of more challenges yet to come. Our fiscal position is stable as we face these headwinds, but your County government, our island, and our people are ready." I just think it is so important to hear this kind of framework. We do not know what is going to happen in the next year. We hear us "flirting" with war, is there going to be a bank collapse? What kind of problems are in front of us? Anything that we might choose to do in the budget, who knows what reality is really going to be? I like a tip ahead of time, is that we have moved away from the long-term leases, and with a consciousness towards...we do have Reiko in here, so I guess we will hear about it tomorrow, like how we are managing our Reserves and what we are doing, because we have a tremendous amount of volatility, and as we are seeing with our Real Property taxes, it impacts our citizens and our community so heavily, but all of these turbulences...like I liked the Mayor's State of County address where he used the metaphor of being in the surf and the turbulence of the ocean—I am obviously paraphrasing, but we might just get pounded again, so we will see how much we are going to be able to handle. I know there is so much upset at the inflationary pressures for raising our rates, which are huge, and we need to figure out how we all stay onboard our island ship and stay healthy here, but the inflation is coming to the county when we see fire trucks go up to almost one million dollars (\$1,000,000). We have a lot to deal with, so it is not easy. Cost control—all of it is important. Anyway, if he is listening, Mayor, I am giving you a "thumbs up" on those couple of paragraphs, and I will not go on, I have notes all over the place, but I will wait. I think it is important for the community to know that we have a lot in front of us that is way bigger than parks, potholes, and police—all due respect to all of those departments—we have to be careful how we make our plans.

Council Chair Rapozo: We have the draft bills coming up later today with the budget and Real Property Tax rates that will go through the process of public hearings, and of course our budget process tomorrow. Is there any other discussion? Councilmember DeCosta.

Councilmember DeCosta: I am going to chime in real lightly on what Councilmember Cowden mentioned with the Mayor's State of the County address and addressing real issues with China, Russia, and with our shipping lanes. Last term, I introduced a Resolution on how I believe not only our financial Reserves are

important, but also our natural resources. The *kānaka* used the term, *mālama* the 'āina and *mālama* the resources. My Resolution stated that every wild animal on Kaua'i is a food source. I have seen nothing published in *The Garden Island* newspaper about the importance if the shipping lanes closed down. What happens if the canned Vienna Sausage or the canned Spam does not come to Costco? What happens to that wild billy goat, or wild pig, or that fish *opelu* or *akule*, how important is that to feed our families? How many of our youth know how to make food from the 'āina? We always talk about finances, but our natural resources of this island are the economic driving factor to keep us surviving in this world crisis, as I see it. Thank you.

Council Chair Rapozo: Is there anyone else? I will reserve my comments until we get to the bill. We need to do a caption break soon. Is there any further discussion? If not, the communication is to receive.

There being no one present to provide testimony, the meeting proceeded as follows:

The motion to receive C 2023-77 for the record was then put, and unanimously carried.

Ms. Cummings: Are you taking public testimony on this?

Council Chair Rapozo: On the Mayor's message, we will take it up when we get to the bill.

Ms. Cummings: Can I provide a message based on this here agenda for three (3) minutes.

Council Chair Rapozo: I am sorry.

Ms. Cummings: Are we not able to speak to this for three (3) minutes?

Councilmember Cowden: After the break, right?

Council Chair Rapozo: We are going to get to the bill for the Real Property Tax, all of that will be coming up after the caption break. You are more than welcome to testify. Did we vote? Let us do the Legal Document, and we will take a caption break.

LEGAL DOCUMENT:

C 2023-78 Communication (02/27/2023) from the Housing Director, recommending Council approval of the indemnification provisions contained in the Grant of Easement in Phase I of the Lima Ola Workforce Housing Subdivision by and between the County of Kaua'i and Kaua'i Island Utility Cooperative (KIUC) and Hawaiian Telcom, Inc., which will contain underground and surface utility

infrastructure to serve the subdivision, situated at Tax Map Key (TMK) No. (4) 2-1-001:054 (Portion), 'Ele'ele, Kaua'i, Hawai'i.

- Grant of Easement

Councilmember Kualii moved to approve C 2023-78, seconded by Councilmember Carvalho.

Council Chair Rapozo: Is there any questions or public testimony?
Seeing none.

There being no one present to provide testimony, the meeting proceeded as follows:

The motion to approve C 2023-78 was then put, and unanimously carried.

Councilmember Kualii: Chair, can I have a quick moment?

Council Chair Rapozo: Sure.

Councilmember Kualii: Just to make a comment about a process. I will just say that on the last item, it was basically just a communication about bills that will be coming up later, and the fact that we took all that time to do all that discussion, I think is what confused the member in the public wanting to come up and testify, but you will still have that opportunity because the Resolution is coming up. Normally, we would have had all that discussion during the Resolution, shortly after the break.

Councilmember Cowden: If I can follow-up on that.

Council Chair Rapozo: Go ahead. Real quick.

Councilmember Kualii: Just process.

Councilmember Cowden: Did I do the wrong thing?

Councilmember Kualii: No, it happened, it is fine.

Councilmember Cowden: It says right here, Mayor, right under here, so I thought he was going to speak, so I was prepared.

Councilmember Kualii: It is fine.

Council Chair Rapozo: Every bill that comes to the Council is accompanied by a communication from whoever is proposing a bill—that is what it is. We definitely can take testimony at the communication section. If you take it at the communication section, then you do not have a second shot at the bill. I would rather have the public testimony at the bill level, because you are here, and that is

how we will do it today. With that we will take a ten (10) minute recess for our caption break.

There being no objections, the meeting recessed at 10:36 a.m.

The meeting reconvened at 10:50 a.m., and proceeded as follows:

(Councilmember Kagawa was noted as excused.)

Council Chair Rapozo: I will call the meeting back to order. Councilmember Kagawa is excused, he had to go home and will be right back. Can we have the next item, please?

COMMITTEE REPORT:

FINANCE & ECONOMIC DEVELOPMENT COMMITTEE:

A report (No. CR-FED 2023-04) submitted by the Finance & Economic Development Committee, recommending that the following be Approved on second and final reading:

“Bill No. 2894 – A BILL FOR AN ORDINANCE AMENDING CHAPTER 17, ARTICLE 1, SECTION 17-1.1, KAUAI COUNTY CODE 1987, AS AMENDED, RELATING TO THE GENERAL PROVISIONS RELATING TO MOTOR VEHICLES AND TRAFFIC REGULATIONS,”

Councilmember Kualii moved for approval of the report, seconded by Councilmember Carvalho.

Council Chair Rapozo: Is there any discussion or public testimony?
Seeing none.

There being no one present to provide testimony, the meeting proceeded as follows:

The motion for approval of the report was then put, and carried by a vote of 6:0:1 *(Councilmember Kagawa was excused).*

Council Chair Rapozo: Motion carried. Next item, please.

RESOLUTIONS:

Resolution No. 2023-29 – RESOLUTION CONFIRMING MAYORAL APPOINTMENT TO THE BOARD OF WATER SUPPLY *(Micah R. Finnila)*

JADE K. FOUNTAIN-TANIGAWA, County Clerk: Chair, we have three (3) registered speakers.

Council Chair Rapozo: Can I get a motion, please?

Councilmember Kualii moved for adoption of Resolution No. 2023-29, seconded by Councilmember Cowden.

Council Chair Rapozo: Thank you. With that, I will suspend the rules. Can we have the first testifier?

Ms. Fountain-Tanigawa: The first registered speaker is Laurie Ho, followed by Edie Neumiller.

LAURIE HO: For the record, Laurie Ho, testifying herself, but retired six (6) years on the Board of Water Supply, because former Mayor Carvalho said so. I have been there, done that, served my time, and I am here to support Micah Finnila on the Board of Water Supply. You have seen her resume, she is qualified, so I would like to give my individual support for her, and we do need women on the Board of Water Supply—that would be nice. Questions?

Councilmember Cowden: I have a clarifying question. I think we all really like Micah well. You were here last time; did you understand the reason for the deferral?

Ms. Ho: Yes, I heard.

Councilmember Cowden: Can I ask if she has a position on the importance of Hawaiian Homes Commissions Act to water? That is what has been questioned about.

Ms. Ho: What you folks were stumbling on and is that part of what the Board of Water Supply's qualifications for the board member to have, because Micah is in front of you now, so you vote up or down, and then you bring in the other nominees. You have one (1) position open right now, do you not? Right?

Councilmember Cowden: To my knowledge, yes.

Ms. Ho: And the Mayor nominated her, so it is for you to approve, right?

Council Chair Rapozo: Right.

Ms. Ho: Yes. Just for the record did anyone talk to you about...do you want to have that balance too? You need to work on it. You need to tell the Mayor, "We want more Hawaiians." You have two (2) right now.

Council Chair Rapozo: I think we are way beyond the clarifying question.

Ms. Ho: Okay, so we are good, right?

Council Chair Rapozo: You have time if you want to continue to testify.

Ms. Ho: No.

Council Chair Rapozo: The question to be clarified.

Ms. Ho: Okay.

Councilmember Cowden: Okay.

Ms. Ho: Thank you.

Councilmember Cowden: Alright.

Council Chair Rapozo: Clarifying based on what she has testified to.

Councilmember DeCosta: I want to clarify, why are we mentioning Hawaiian and women?

Council Chair Rapozo: She did not.

Ms. Ho: I did not, I heard. It did not come from me. Billy, guess what, Kamehameha Schools...

Council Chair Rapozo: Thank you. The next speaker, please.

Ms. Fountain-Tanigawa: The next speaker is Edie Neumiller, followed by Jackie Kaina.

EDIE NEUMILLER: Good morning, Chair and Councilmembers. I am here again to testify in favor of Micah Finnilla for the Board of Water Supply. Edie Ignacio-Neumiller, I forgot to give my name, I am retired, and I stand by my first testimony that was done two (2) or three (3) weeks ago. Again, as Laurie Ho mentioned, what is on the table is the approval of the nomination of the Mayor's nomination appointment. That is it. Thank you.

Council Chair Rapozo: Thank you. Next speaker.

Ms. Fountain-Tanigawa: Jackie Kaina.

JACLYN KAINA: Aloha, Councilmembers.

Council Chair Rapozo: Aloha.

Ms. Kaina: Thank you for having me again.

Council Chair Rapozo: Your name.

Ms. Kaina:

Jackie Kaina. Jaclyn Kaina.

Council Chair Rapozo:

Jaclyn.

Ms. Kaina: Jaclyn. I am also here to speak in favor of Micah Finnila. Again, I understand why the deferral. I am Native Hawaiian. I believe that we want someone of integrity and good character on the board, and that is what I am looking for, because someone with integrity and good character will make the right decisions. Thank you for having me.

Council Chair Rapozo: Thank you. Is there anyone else? There are no more registered. Is there anyone in the audience wishing to testify?

Ms. Cummings: Sherri Cummings, Mālama Anahola. It does not need to be said that I was the one who asked for the deferral. I said a lot of things, I said I was going to ask for the deferral, I was going to go ahead and bring someone here to discuss water policy in regard to the Department of Hawaiian Home Lands as a trust. I am most certain that I can go to the Board of Water Supply now and talk to them about water policy from the Department of Hawaiian Home Lands standpoint, because they have a water policy. I know for certain that they do not know. I was told that we have Ka'aina Hull, which I asked in the back, are you a DHHL wait lister, and he said, "No." I know for certain Kalani Tanigawa who has also said to me that he is "Hawaiian and he represents Hawaiians," that he is to represent me, no, there is a difference between a Hawaiian, a Native Hawaiian, and a Hawaiian homes beneficiary trust, which under Hawai'i Revised Statutes (HRS), which under State law, which under the Hawaiian Homes Commission Act, which under Constitution, we have rights to water and reservation rights. I know for certain, regarding the Water Use Development Plan (WUDP), County has none. I do my own diligence, I go before different people, department heads, and the Administration, what was said to me, they do not have a plan, they have a...and I go on the site, and I look, they have a strategic plan, a 2020 strategic plan that is not a Water Use Development Plan. When I spoke to department heads, what they said was, the developer develops the Water Use Development Plan. Bring it before the Board of Water Supply to decide if there are reservation rights to water for that particular project. That is not in conformity with the HRS that say, look at the Department of Hawaiian Home Lands development besides the County's water, put it together and decide what reservations goes to the Department of Hawaiian Home Lands, which is mandatory, statutory, regulatory, and under US through the Department of Interior protection. I do not know why we should be talking about someone of qualifications, and I am not the person, so when I fight for the rights of beneficiary under Section 7 in the policy of water for the Department of Hawaiian Home Lands, it specifically states, beneficiaries will have their authorization to speak on behalf of the trust. I, as in person, speak on behalf of the trust, I am not the person on the seventeenth that put in the application, so that is for the record. There is a firefighter...

(Councilmember Kagawa was noted at present.)

Council Chair Rapozo: Sherri, that is your first three (3) minutes, if there are no other speakers, you can have your final three (3) minutes. Ellen. We will call you right back.

Ms. Ching: For the record, Ellen Ching, Boards & Commissions Administrator. I just want to clarify a couple of things that the Board of Water Supply's *kuleana* is domestic water systems. There is another body, which is the State Commission on Water Resource Management (CWRM), and they regulate the use of water resources on water management areas and coordinate activities necessary to ensure the protection of Native Hawaiian water rights. In my estimation and to my knowledge, I think that the State Commission on Water Resource Management is the proper authority and body for that. Thank you.

Council Chair Rapozo: Thank you. Clarifying...

Councilmember Cowden: Can I treat her as a resource from the commission?

Council Chair Rapozo: She is the commission...

Councilmember Cowden: I just have a couple of questions. We did have a water use attorney here that came and talked to us about these hierarchy rules. When we were looking at that, if I am remembering correctly, and I hope to get a copy of that presentation, it showed that CWRM does not have authority over here, because this place has not somehow met the criteria—I was surprised on that—so that did not apply to us because we have not met the criteria. I wish I had the documents in front of me, but I was like, wow, that was super meaningful for me, and I learned a handful of other elements in there, then in our General Plan Update, we do not have any of the DHHL properties in there, so when we did our West Kaua'i Development Plan, I asked if we can put our DHHL development plans in there, and they did, and that was the first time that they had done it. So, that has to do with water reservations, so in that process I learned something's about how water reservations are set aside. I guess a question to you that I would have been, does the Board of Water Supply get specific training about the hierarchy of uses for water relative to the Hawaiian Homes Commission Act, because I learned a handful of things I did not know, like that it is parallel in hierarchy and prior to the State Constitution—it has a lot of hierarchy in there. I wonder if you can speak to that. I have nothing against Micah. I am happy with her. I just want to make sure why we do not have a requirement for DHHL land conservation needs in there, especially when so much of our water usage is surface water, and we just have a Supreme Court decision. I asked you a whole lot of things, but can you speak to that in general, because it causes me a lot of consternation of what to do, and I have no hard feelings, or anything but support for this person. It seems that this is a very missing element in the Board of Water Supply.

Ms. Ching: Thank you. I am going to try and address some of the questions you asked. The Board of Water Supply, as Council Chair has stated, is semi-autonomous. As to what kinds of training the Board of Water Supply receives, I cannot speak to all of that. I can say, effective as of last year,

every single incoming volunteer to a Board or Commission gets a basic orientation on a Code of Ethics, Sunshine, Uniform Information Practices Act (UIPA), what that specific board does, and the Office of Boards & Commissions and what their individual responsibilities are. Lot of Boards & Commissions that are attached specifically to departments, also get additional training specific to that department and how it relates to that board or commission. A good example is the Planning Department that sits down with every volunteer, and they go through a four- to eight-hour discussion and training, because as you know, the General Plan and the things that manage before Planning Commission is complicated and complex. I understand that that is a similar process with the Board of Water Supply, but I have never sat in it per se, so I cannot specifically speak to that. As far as whether there should be, or should not be someone representing a trustee or someone on the wait list, I can only say we follow what is in the Charter. Basically, the Charter says that the Board of Water Supply will have three (3) ex-officio members, voting members, the Planning Director, State DOT Engineer, and the County Engineer, then you have four (4) Mayoral appointees.

Councilmember Cowden: Okay.

Council Chair Rapozo: Okay, are there any questions?

Councilmember DeCosta: I have a clarifying question. Ellen, when you folks have these commission members, do they serve the community of Kaua'i, or do they serve a personal interest of their own when they are making a decision?

Ms. Ching: In the training that we provide, especially about the Code of Ethics, we really talk about avoiding any conflict of interest. I really try to guide the volunteers to let them know, if they have any questions in their mind to please call us, so that we can consult with the County Attorney, and to be conservative, because in my mind it is about public trust, and we do not want to erode public trust, we do not want to erode any decisions that the Boards & Commissions make, so at the very least we encourage them to call us, consult with the County Attorney, and at very least declare any conflict in the meeting—it is Sunshine, it is public record, and there is transparency there. We definitely want to avoid any conflict whatsoever.

Councilmember DeCosta: Basically, what I am understanding is that when we elect the commissioners, they do what is best for the community of Kaua'i based on what is good for every individual not certain ethnicities, or not certain private interests groups, or any nonprofits, correct?

Ms. Ching: Yes.

Councilmember DeCosta: I understand.

Ms. Ching: Absolutely. If it was an application coming before the board that is specific to that individual, they should declare their conflict, they should consult with the County Attorney that serves that Board, which is your First Deputy.

Councilmember DeCosta: Thank you.

Councilmember Cowden: I have a follow-up on this piece.

Council Chair Rapozo: Go ahead.

Councilmember Cowden: Thank you for what you are sharing. When I heard, if someone was themselves, say a wait listed beneficiary, they would maybe have a conflict of interest because they are trying to get that, but you were talking about ex-officio members. What I am learning when I am listening, and I am asking you for accuracy, it sounds like if we are doing good water policy, it might be that we would have an Executive Director, or a Chair or representative of the Hawaiian Homes Commission itself as an ex-official on the Board of Water Supply, because when we have that, I think that is a group that has been set aside from having water rights. Seems to me like they definitely should have a seat at the table, but it is not about being a woman, and it is not about being Hawaiian, or whatever ethnicity that we might have. To me, what we need on the Board is someone who understands hydrology, and our water resource in the ground, how we are using it, how we are distributing it, an engineer, we need people who have the capacity to meaningfully understand the reports that the Department of Water is coming in, so it is not about gender or race, but it might be an ex-officio knowledge on there, so that the commitment that I recently grokked, I have had it yelled at me before, but not been able to really grasp it is the level of prioritization that water to the Hawaiian Homes has—that was something I did not understand well, until I had this training from Allen Murakami formally of Native Hawaiian Legal Corporation. The question was, what do you think about that? I know it is not up to you, but does that seem like it is more an ex-officio member? It seems like we have that priority, what do you think on that one?

Ms. Ching: It sounds like that would be a Charter amendment.

Councilmember Cowden: Yes.

Ms. Ching: That would be something that the electorate would have to decide on. I just want to clarify that the applications that come before the Board of Water Supply have to be in compliance with the General Plan, that is the viewpoint that the Board of Water Supply needs to consider every action or motion that comes before the Board of Water Supply—it has to be in compliance with the General Plan. In my opinion, that is why you would have an ex-officio voting member as the Planning Director, as the County Engineer, because they have to have that General Plan knowledge.

Council Chair Rapozo: Councilmember Bulosan.

Councilmember Bulosan: How many available seats are left and is Micah filling the only seat?

Ms. Ching: She is filling the last vacancy. The next vacancy will be up in 2024.

Councilmember Cowden: 2024?

Ms. Ching: Yes.

Council Chair Rapozo: Are there any other questions?

Councilmember Kualii: How many seats total on the Board of Water Supply?

Ms. Ching: Seven (7).

Councilmember Kualii: What is the term?

Ms. Ching: It is two (2), three-year terms.

Councilmember Kualii: Two (2), three-year terms. The appointment today is for six (6) years?

Ms. Ching: No. They can do two (2), three-year terms.

Councilmember Kualii: But they need to be reappointed for the second three (3).

Ms. Ching: Correct.

Councilmember Kualii: Okay. Then, the other thing was, with the Planning Commission, there are specific seats that are tied to certain purposes. You told us about these three (3) ex-officio members, which are those positions, director, engineering, engineer—that is three (3) of the seven (7), right?

Ms. Ching: Yes.

Councilmember Kualii: Then, of the four (4) others, are any of them tied to any area?

Ms. Ching: No.

Councilmember Kualii: Okay. Thank you.

Council Chair Rapozo: Are there any other questions for Boards & Commissions? If not, thank you, Ellen. Sherri, you can come back for your last three (3) minutes.

Ms. Cummings: Sherri Cummings, Mālama Anahola beneficiary of the trust wait lister for agriculture and for homesteading. I am going to address Councilmember DeCosta, first of all. Number one, thank you, because

you actually helped with Jackie Kaina. My grandniece who is a beneficiary of your program. She is one (1) of the two (2), Tiarra Kalei Kapua Ka'imina'auao, she has homesteading opportunity. The echo village that we are talking about there that we are doing with Aina Alliance, not me, Jeremy Makepa, Firefighter, applicant, beneficiary, doing echo village and being creative, because one, no water, no electricity—that is the point I am making. My family does not have water down there, so we need to *hale hale* the water—that is first and foremost. I just speak to that. Thank you, Councilmember DeCosta. The Hawaiian Homes Commission Act was actually installed in 1920 way before Statehood. The purpose of the act was to enable Native Hawaiians to return to their lands in order to fully support self-sufficiency for Native Hawaiians and self-determination for our native people. Number one is water, because if you do not have water, we cannot have our livestock, our *kānaka* cannot live. We knew how to manage water from *mauka* to *makai*. We never needed to drill, so JoAnn Yukimura's husband should never think of drilling Wai'ale'ale. If you put us on that land and make us manage from *mauka* to *makai*, there would be no reason for us to look at drilling—that is number one. Number two, is this enactment of our water reserve that is not Sherri's words, that is not Mālama Anahola's words, those are not the trusts words, that is revised statutes—it is law, and that is State law, I do not make these things up. Ka'āina was nice enough to actually look at a couple of these slides and want a meeting with me at 2:00 p.m. The Mayor gets to meet with me on the 29th of March, the Council was nice enough, I know Councilmember DeCosta, you are a teacher, so the time we had, you could not be afforded the time, I can give you the slideshow presentation. Councilmember Carvalho, you had *kuleana*. Councilmember Kuali'i, you know water policy for DHHL. I know no one knows about that, and it is not a personal thing, it is not a Sherri thing, it is not a Hawaiian thing, it is our right as Hawaiian people...the water is ours. When you talk about CWRM, it was established in 1987, that is how our people do not know about water. The tributaries are our water. We have surface water, which she spoke about, we have first rights, and we have reservation rights, guaranteed to the Department of Hawaiian Home Lands not tributary waters, that is for all people public purpose, and Hawaiian people included.

Council Chair Rapozo: I am sorry, Sherri, I am going to have to stop you there, because your second three (3) minutes are up. I apologize. Thank you.

Ms. Cummings: That was my speech. *Mahalo*.

Council Chair Rapozo: Clarifying.

Councilmember Kuali'i: You can make a comment later.

Council Chair Rapozo: Yes, if it is a comment...

Councilmember DeCosta: Clarifying actually. You talk surface water in the Anahola area, you talk about drilling, so this is my clarifying question that addresses surface water and drilling, did DHHL ever think about digging a well in Anahola for your water source?

Ms. Cummings: There is some opportunity. What they did was, they did some drilling over in Wailua to speculate, so there were wells that have water.

Councilmember DeCosta: Okay, you answered my question.

Ms. Cummings: Regarding Anahola, we are taking it a different level that we will talk about off camera, but just to know my project that we are doing is not just for us, it is for the beneficiaries.

Councilmember DeCosta: You answered my question. I just wanted to ask about the well.

Council Chair Rapozo: Thank you. Is there anyone else wishing to testify? Seeing none. Is there any further discussion?

There being no further testimony, the meeting was called back to order, and proceeded as follows:

Councilmember Kagawa: I was not here for the interview with Micah. I am going to support you. I know for a fact that the Department of Water has gone under significant changes, leadership numerous times in recent years. They have an extremely high turnover problem, partly due to management issues in the past. Again, with a high turnover with a body such as the Department of Water that needs to deliver something essential for us to live, I think helping with the Human Resources (HR) area and looking at those numbers, questioning management as to, how are we going to fix this problem? Because it used to be a place where employees stayed for a long time, and that is no longer the case, there is high turnover, there are good people working there, and I think maybe that is one area where the Board of Water Supply can help, because at some point it is going to be beyond repair if you keep losing folks, and nothing gets done about it, so I hope that Micah, you can help in that area, as well as in other areas. Sometimes we just need a reasonable voice to listen to and make commonsense decisions out there on the Board. No one is going to be an expert in everything—that is why we have the County Engineer seat, we have the Deputy County Engineer seat, and being that they are both Hawaiian, I feel that if some of these issues are brought up to the Board of Water Supply, I think Sherri is bringing a lot of light to things that she believes is against the law, and I trust that Ka‘āina and Troy, both Hawaiians, sitting on that board, as well, that they will address it, they will not let the Board of Water Supply get sued or what have you, but we do not have any jurisdiction over the Department of Water, zero (0). All we do is appoint members, and those come from the Mayor, the Mayor brought forth Micah’s name, I find it wrong that if we are going to delay over a separate issue unrelated to Micah, and keep delaying, I am going to approve today, and I hope we get at least four (4) votes for it.

Council Chair Rapozo: Is there anyone else? Councilmember Cowden.

Councilmember Cowden: I want to say that I probably have not attended any more than maybe fifteen (15) to twenty (20) Board of Water Supply meetings, maybe that is not very many, but I have probably attended fifteen (15) to twenty (20) Board of Water Supply meetings on the phone. I have never once heard any kind of reflection towards commitments to DHHL—I have not heard it. I do not know if I had missed it, it just has not come up, and I have not sat there and thought, why has that not come up? Because it is not something that is sitting there in my consciousness too much. Having been involved in the General Plan Update, as a participant, I did notice that the DHHL pieces were not there with the water reservations. I have gone to numerous CWRM meetings, I have met with Kalea Manuel, as a program, that is another “hat” that I wear for Ke Kani O Kaua‘i Nei (KKCR) where I deal with a lot of the controversy relative to sovereignty, and in the very mission statement of the radio station of which I do a public affairs talk program, is to perpetuate the Hawaiian culture, and it was founded by Butch Kekahu, who was a sovereignty activist, so it has pulled me into that deeply. What I do know from twelve (12) years of being (inaudible) kind of at my lack of understanding, is that it is a community that has not been addressed well. What I would like to do is very much work on a Charter Amendment where we do figure out a way that there is a seat at the table, whether that is one of the Mayor’s appointees to be looking at that someone who is really well vested in the understanding of that prioritization of the water, both surface water and certainly delivered water, because that is the *kuleana* of the Department of Water, is to make sure the tap runs, it is not really feeding the *lo‘i kalo*. That is something that I have a commitment to work on. I think what can happen is that we can work on seeing if the Department of Water will educate the Department and the Board freshly of this water policy, that it is not brought to our attention well enough, and I want to express gratitude to Ms. Cummings here, who has really a rockstar attorney coming over doing this training. I have heard him before, but I got more out of it, and I still need to look at it more to be able to just have it in front of me. It is ever so important, and Micah, I am looking at you, I imagine that you will make the effort to learn that policy, would that be right? Because you would understand this is a big deal. Is that okay to ask that? Never mind, you do not have to.

Council Chair Rapozo:

Go ahead, continue.

Councilmember Cowden: It is important. We have received a blizzard of letters to support you, many people feel very strongly of your character and your capacity, so that gives me confidence that you would compassionately, empathetically, and responsibly learn this material that is so very important that right now is not adequately represented, because it is not really about the color of your skin, or your bloodline, whether you understand the law or not.

Council Chair Rapozo:

Thank you. Councilmember DeCosta.

Councilmember DeCosta: I know everyone in the audience except for two (2) people, the man with the black *aloha* shirt and the lady with the nice bronze blouse, but now I know who Micah Finnila is because Councilmember Cowden pointed out to you.

Councilmember Cowden: I did.

Councilmember DeCosta: I want you to know that I closed my eyes when I decided to vote on this issue, because your resume speaks for itself not because you are a female, not because you are Caucasian, it is because of your resume, and you have my vote. Many testifiers who wrote to us are people who I respect. Now, back to this beneficiary, I ask that important question, because if we had a beneficiary as a commission member, he or she would have to recuse themselves because they would be voting on a special interest to benefit their own house lot. My father-in-law is a beneficiary, I had him come to Kaua'i and put his name, instead of being in the Kapolei wait list, I could possibly get a piece from my wife on Kaua'i, but we are not. I would have to recuse myself if I were to make any decision for DHHL. I believe your resume speaks for itself, and I will be supporting you. Nice to meet you and finally put a name on the face.

Council Chair Rapozo: Are there any other comments?
Councilmember Kualii'i.

Councilmember Kualii'i: Chair, I just have to say that this discussion is really hard for me, because I think we should just be talking about approving the nominee. We had the interview last week, I just have to put it out there right now, I appreciated the testimony last week from Sherri Cummings, and I feel similarly when it comes to Native Hawaiian beneficiary rights, and the State law that says we have the first rights to the waters; however, before I voted last week, I stated very clearly, and now, I wish I voted differently, but it would not have mattered, because the vote went the way it went, and it went last week, and I was the fifth or sixth person voting, so it was already decided before I even voted. But the vote last week was to defer, and when I talked about supporting the deferral, I said it was because to make the point that this is important and it needs to be addressed, but I was supporting her, and I thought everyone else would support it, but everyone else supported the deferral. With that being said, now, we are back here today. I think what has to happen is we just vote on this nomination, and we now come back and work on what we have to work on with water. Obviously, we have a lot of work to do when it comes to water. We have even heard things today about the Kaua'i Water Board versus the State Commission on Water Resource Management, so what is the *kuleana* of each? Who is responsible for the DHHL first rights to the water? And if Kaua'i Board is not, then they can make the decisions, but it still has to come with input from CWRM, because ultimately, they have to be accountable to the State law that gives first water rights to beneficiaries. This has nothing to do...and to say that it is a conflict, it is not a conflict, it is the law, do you know what I mean? Some people called it preferential treatment based on race—it is not that. If anything, it is preferential treatment based on being the indigenous people of this land who own this land, this place exists first and foremost for the Native indigenous people of this place. You can go back with all that has happened. People who come here, take our lands, whatever, and then cry discrimination when we try to insert ourselves back into...I mean, come on, everyone recognizes it, the Native Hawaiian people are the ones that are suffering the most because of what has been taken away from us—our land, our water, our culture in many ways, right? Just stop with all of this, let us get back to what our *kuleana* is, and let us be

clear about that. Chair, please let us have another agenda item, whether it is for a presentation from the Board of Water Supply, they are autonomous from us, but we are serving the same people, we are serving the same *‘āina*, so we have to be aware of what each other is doing, we have to figure out how we can support each other, and we have to figure out how we keep each other accountable, also, because we have *kuleana*, even as just government officials—we have *kuleana*. Water management, water policies, government responsibilities when it comes to all of that, the State, the County, the County in two (2) separate divisions, you have the County Board of Water Supply, which is autonomous, and you have the County, which is the Mayor and the Council, and all of our regular work. Let us bring everyone together and be clearer about what all our responsibilities are, and have the kind of discussions we had today, a little bit off topic, and move forward. But let us move forward with this appointment today, then let us come back and continue to work on this, because we have to.

Council Chair Rapozo:

Councilmember Carvalho.

Councilmember Carvalho: I will just make it very simple. Native Hawaiian, as well, my *‘ohana*, my mom, but at the same time, I totally support what Councilmember Kualii said. Let us take care of this business now, great opportunity to hear what Sherri has to say, bring it to the forefront, and I think we are going to get so many opportunities next go around to see how we can actually work together and implement or not, but whatever it takes. I know there is an area of discussion that needs to happen on Native Hawaiian rights, families, water, land, and all of that, but for today, it is about continuing Micah—good job, Micah—and moving forward, but not forgetting, and I think we have a good opportunity now to take it to the next level, and see how we can look at different options and opportunities to encourage more input, and maybe presence, there is another opening in 2024 in another year, so maybe that is another chance to talk story. I am speaking as that, from my mom, my *‘ohana* and everyone else. I just wanted to put that on the table and *mahalo* that part. Thank you.

Council Chair Rapozo:
Bulosan.

Is there anyone else? Councilmember

Councilmember Bulosan: I appreciated the words that Councilmember Kualii shared, and I echoed everything to the “T.” It was important for us to defer this because of the very point that Councilmember Kagawa made, this is the only opportunity that this Council has any input with the functions of the Board of Water Supply—this is the only way we have opportunity to see how we can better help our community with what the Department of Water does. The deferral helped us to have this conversation and learn about things that I clearly would have not known and learned in a very short while, and that is one of the hardest parts about this job, is that you are learning literally “on the fly,” so I really appreciate the information that was brought. The point that Councilmember Kualii brought up regarding that this is a separate issue that we need to bring back is something that I wholeheartedly support, and I hope that we bring that faster than normal, because the reality is that this conversation that is not regarding this Resolution, but what we are stuck on that made this deferral happen is one that has been long

waited, so this is the only opportunity to have this conversation regarding that in the line of the Board of Water Supply even though it has almost nothing to do to the Resolution or the qualifications of Micah. The only reason why it is and why it is happening is because that position can influence how decisions are made, and if that position is not filled fully to the vested interests of the entire community, and we do not take count for all the public input that we get, it is hard to make a good decision. I am in one hundred percent (100%) in support of Micah, and what role she does and provides, and I will be voting in support, and actively supporting and try to figure out a way, so we can have the right representation, so that we can make the best decisions within the law, so that it benefits all our people on this island, especially people who have been underrepresented and under-cared for in the reality of all that has happened on Kaua'i.

Council Chair Rapozo: Thank you. Is there anyone else?
Councilmember Kagawa.

Councilmember Kagawa: I just want to clarify. There are two (2) ways to do this, you either need to get the County Department of Water to follow that law with whatever they are talking about, or CWRM. If you convince the Council, we vote 7:0, that we want this thing to get fixed, it means nothing. The Council does not oversee those issues. I would say, at some point, we need to bark up the right tree, not up the wrong tree, you are barking here, we are getting emotional about it, but our vote is meaningless, you need to bark up the tree of the Department of Water or CWRM—that is the proper venue. I do not want to waste a lot of time on this issue, I rather us as a Council, go to CWRM, the Department of Water, and we present our action there, because those decisions will actually change the way the game is played, not here. Again, there are two (2) ways to do this, you can go here, you can hope they are watching channel 53 and will be influenced by it, or we can actually go to the proper Boards and demand that they follow the law.

Council Chair Rapozo: Thank you. Councilmember DeCosta.

Councilmember DeCosta: Final discussion. Councilmember Kagawa, we must come from the same cloth, because I am thinking the same way. I made one (1) text during this conversation, DHHL is sitting on that land for decades, right? No improvement, hardly any improvement. One (1) text gave me numbers on how much a well will cost, a well, several wells could develop that property. We ask rich billionaire people on the island to buy us areas that we can enjoy. I am going to tell you folks, there is Niumalu fish pond, we just bought that, Hawai'i land trust, why are we not asking one of our billionaire's to buy a well or two (2) for Anahola, so the people can go on their land? That is solving problems. We cannot just talk; we need to solve problems. That is an idea, and I found that out in two (2) minutes on my phone with a text, so here we go, let us solve problems, that is one way we can solve a problem. Thank you.

Council Chair Rapozo: Is there anyone else? Go ahead.

Councilmember Kualii: Just one quick idea, Chair, and I will be talking to you about it further. Regarding my comments earlier and how we really

need to know what each other's *kuleana* is, and respecting Councilmember Kagawa's comments, but yes, they may be autonomous and our vote may not matter, but we are accountable to our constituents and our residents, and we can ask them to come before us, and tell us the things that we need to know, and our residents would want to know, as well. Chair, I will ask and I will put it in writing, and we will talk further about the best way, but I will ask for an agenda item for the Department of Water to send their top representative, the Board of Water Supply to send their top representative, and CWRM to send their top representative, and that the three (3) of them together can come before us, and tell us about their responsibilities. Obviously, we can send them some questions ahead of time, then we can start from there, at least we will be all on the same page knowing what their *kuleana* is and what we can expect of them and ask of them. I am the Chair of Housing & Intergovernmental Relations Committee, and this sounds like an intergovernmental relations matter, so that is what I will come talk to you about, whether it be a presentation, workshop, or if I need to do a Resolution, but we will figure that out.

Council Chair Rapozo: You can save your paper.

Councilmember DeCosta: I have a clarifying question for Councilmember Kuali'i, if I may.

Council Chair Rapozo: Go ahead.

Councilmember DeCosta: We are discussing this agenda item to only address DHHL land that needs our County water, or are we going to talk about all lands...let me finish please...or are we going to talk about all lands that need County water including the area behind Walmart that could be ready for development, I believe the landowner is Grove Farm, but they cannot because they do not have water either, so if we do that, are we only talking about certain land division on Kaua'i, or are we going to talk about all of Kaua'i and all of the land?

Council Chair Rapozo: We will have that discussion. Today is definitely not the place for that discussion. Today, we are talking about a nominee for the Board of Water Supply. I have been very lenient, because honestly, it is a good discussion, if there are no more comments, I will do the closing comments.

Councilmember Kuali'i: I want to answer his question just because it starts going off in particular areas. Of course, yes, all land, all water.

Councilmember DeCosta: Okay, that is all I wanted.

Council Chair Rapozo: We will see. Micah, thank you for being here and putting up with this, I am sure you have much better things to be doing today. Sherry, thank you for the deferral, because in the last two (2) weeks I have been educated in this issue. Again, thanks to Sherri, Mr. Arakawa...

Ms. Cummings: Mr. Murakami.

Council Chair Rapozo: Mr. Murakami. I sent Councilmember Kualii a note asking if the attorney's name was Arakawa, and he said, "Yes." Sorry, I should have sent you the note Sherri.

Councilmember Kualii: He was the Mayor of Maui, right?

Council Chair Rapozo: Yes, I should have known that. Brain fog is real. Councilmember Kagawa and I had the opportunity to in the presentation with Mr. Murakami yesterday, totally enlightening for me. While I only saw excerpts of the law, and the different rules, I cannot think that there is anything else in the statutes that would override what I saw. That caused me great concern, because it is clear, and this is going to get to Councilmember DeCosta's question, and Councilmember Kualii's request, I do not believe we are following the law, and what I read in that presentation yesterday, the Constitution, State law, and our County Code is color blind. It is the law, you follow the law, the law is written, the law as I saw it yesterday was very clear that DHHL beneficiaries would be granted and guaranteed and assured water, and not just for homes—for agriculture, for ranching, for farming, for commercial business opportunities—assured water, and that is not happening right now. Also, what I learned and read in the statutes, again excerpts, and I definitely plan to have a discussion with our County Attorney and possibly the State Attorney General, is if we are planning a project—private, public, it does not matter—DHHL has to be conferred with, and they have to be assured water and the County or the State has to guarantee the reserves, so that it will be available when they are ready to develop. That blew my mind. Now, I am thinking is there fine print somewhere else, so I told Councilmember Kualii save paper, do not need to write me the letter, because I already written down well before about the agenda item. I totally agree, we as a body, as legislators, as decision makers, as policy makers for this County, we need to understand the law. I was embarrassed to say what Mr. Murakami showed me yesterday was new to me, I should have known, I have been in this job for a very long time, but it has never risen to the level and the attention that it is getting now. Again, thank you Councilmember Cowden for the deferral, because if not for that deferral, this discussion would not happen today. Yes, I want to see the Board of Water Supply, CWRM, the Department of Water, but I also want to hear from our Attorneys, I want to invite Mr. Murakami to do the full presentation, so we can all understand. The discussion we are having today is not about the private landowner, the private developments, the discussion this has evolved into is Hawaiian Home Lands, and the statutes as it relates to water for our Hawaiian Home Lands beneficiaries—that is what I am hearing. I definitely support an update, and we will get it, actually, we will not get it, because Board of Water Supply does not come to us for budget, we do not have anything to do with them, but that does not prevent us from having a discussion with the Department of Water on the plans for Kaua'i in general going forward. Water Plan 2020, folks, it is 2023, and the Water Plan 2020 is still not complete. Appreciate the input, appreciate the dialogue, we definitely will be working on getting this agenda item in place as soon as possible—sooner than later, it is difficult right now because of the budget. I would have loved to have had it on a special day—we are just not going to have that opportunity. I assure you that we will be working on that agenda item. Everyone, one room, one place, one time, and we can discuss the issues. Thank you.

Is there anyone else? If not, the motion is to approve Resolution No. 2023-29, roll call, please.

The motion for adoption of Resolution No. 2023-29 was then put, and carried by the following vote:

FOR ADOPTION:	Bulosan, Carvalho, Cowden, DeCosta, Kagawa, Kualii, Rapozo	TOTAL – 7,
AGAINST ADOPTION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Seven (7) ayes.

Council Chair Rapozo: Next item, please.

Resolution No. 2023-33 – RESOLUTION ESTABLISHING THE REAL PROPERTY TAX RATES FOR THE FISCAL YEAR JULY 1, 2023 TO JUNE 30, 2024 FOR THE COUNTY OF KAUAI

Councilmember Kualii moved that Resolution No. 2023-33 be ordered to print, that a public hearing thereon be scheduled for May 10, 2023 at 5:00 p.m., and that said Resolution be returned to the Committee of the Whole, seconded by Councilmember Carvalho.

Council Chair Rapozo: Thank you very much. I know we have someone here to testify, I will suspend the rules. Thank you, I received your email yesterday, and I am so excited that you are here today. If you could state your name for the record, and proceed.

There being no objections, the rules were suspended.

JONATHAN HELTON: I am Jonathan Helton. I am with the Grassroot Institute, we are based on Oahu, but we do work throughout the State. I am a policy researcher, and I wanted to highlight a couple of things about this Resolution, but the Real Property Tax system overall.

The first thing I wanted to mention was Kauai's current exemptions for homeowners. Right now, I was in the process of writing a report of the last couple of months, it looks to all four (4) counties property tax systems, Kauai has the most generous exemptions and programs for homeowners of any county—I have a list here, I just want to read this for anyone who might be watching. We have the homeowner exemption, there is the age exemption, if you are older than sixty (60)—that has increased. There is the low-income exemption, low-income tax credit, the home preservation limit—there is an assessment cap.

(Councilmember DeCosta was noted as not present.)

Mr. Helton: There is a disability exemption. Exemptions for totally disabled veterans. No county has exemptions this generous. The rate on Residential and homeowner properties are also very low, but with that in mind, the second thing I want to mention is something that has already been discussed at this hearing, it was discussed when you were looking at the nominees for the Cost Control Commission. The cost of living all across the State is going up, the cost of doing business is going up, labor costs are going up, input costs—everything is going up, that is due to a lot of things most of which are outside of your control. One thing that could be controlled is property tax revenues. It is not the County Council's fault that property assessments are going up. Kaua'i and the state as a whole is a very "hot" real estate market, so property tax assessments are going up, and if rates remain unchanged, that means property tax bills go up as well.

The third thing I wanted to mention, the last thing, is a couple of relief options. I have written testimony that I gave to you all, there are a couple of scenarios, just want to walk you through it really quickly. The first scenario is, the Mayor's proposal for a ten percent (10%) rate cut for Homestead and Residential properties. We would commend the Mayor for proposing that, hope you all support that, but in that first scenario, I said, "What if we froze the revenue for some of these property classes at last year's revenue?" This is page 1, we said, "What about a revenue freeze for Commercial, Industrial, Agriculture, and Commercialized home Use?" Froze the revenue there, that would result in a cost to the County of about five million dollars (\$5,000,000), that would ensure that most for engineerable, the tax bills on those properties would increase over the last year.

Council Chair Rapozo: I am sorry, are you on scenario one?

Mr. Helton: Yes, that was scenario one.

Council Chair Rapozo: Okay.

Mr. Helton: The second scenario is very similar; it would just extend the ten percent (10%) proposed rate cut to a couple of those additional property categories. The final scenario was just an example that we wanted to give to you about, what would happen if property tax revenues went up only as fast as inflation?

Council Chair Rapozo: Hang on. Is there anyone wishing to testify on this tax rate, it is not the budget, but the tax rates? Go ahead, you can continue with your second three (3) minutes.

Mr. Helton: Yes. This third scenario, we said, would result in twenty percent (20%) rate cuts on some categories, and five percent (5%) rate cuts on Hotel and Resort, Vacation Rental, Residential Investor. Obviously, this Resolution before you today, is the proposed Resolution.

(Councilmember DeCosta was noted as present.)

Mr. Helton: I know that you will all be discussing this as you discuss the budget in the coming weeks and months to look at where we can cut costs. Where do we need to increase spending? All of these scenarios are just scenarios to hopefully provide further dialogue. We would be happy to assist the Council in any of these property tax issues. I wrote a report. It is in the editing phase, I am hoping that it will come out in the next month or so, and we can have discussions on that.

The last thing I would like to mention, I know Chair Rapozo, I believe it was in a meeting in February where you all talked with the Real Property Tax Assessment Division, you said, "The simplest thing is a rate cut." You do not have to make people do additional paperwork, there is no confusion if people do not get the exemption, a rate cut is the simplest thing to do, but we are seeing this on O'ahu, the Mayor does not want to do a rate cut, so they are looking at other things, they are looking at a one-time tax credit. Other States across the country, I know the Washington D.C. has a specific program to benefit long-term business owners. If a rate cut is not something that is on the table, we would be happy to work on more targeted exemptions, as well. Those are the three (3) things in their dimension. Very happy Kaua'i has very generous exemptions for homeowners, very happy with the Mayor's proposed rate cut, and as you all know, costs are going up. If the tax revenue goes up, do businesses, all of these property owners, to their ability to pay go up, if the last year has been any indication, probably not, for a lot of them.

Finally, this is just an example. We would be happy to work with Real Property Division on some of the mechanics to this, I am happy to work with you all, and I really appreciate your time. Thank you.

Council Chair Rapozo: Thank you very much. Go ahead, Councilmember Cowden.

Councilmember Cowden: On scenario three, forgive me, it says, "Inflation index, revenue increase." Can you explain the inflation index?

Mr. Helton: Yes. I will explain the math here. What we did for this, the property tax revenue from last year was about one hundred eighty-seven million dollars (\$187,000,000). Inflation from February 2022 to February 2023 was six percent (6%).

Councilmember Cowden: Okay.

Mr. Helton: We just increased the property tax revenue by six percent (6%), and then obviously the rates had to be lowered to meet that, so I modeled twenty percent (20%) rate cut for some categories, and five percent (5%) rate cut to others, and that got you to the total of two hundred million dollars (\$200,000,000).

Councilmember Cowden: Okay. I have one other question.

Council Chair Rapozo: Go ahead.

Councilmember Cowden: You do these comparisons with the other counties, so we are doing tiered, we are going to move into a tiered structure for Residential Investor. Do you have any comments?

Council Chair Rapozo: Not for Residential Investor, but for Residential—the tiers.

Councilmember Cowden: The tiers are for...

Council Chair Rapozo: The Residential Investor is going to go away according to Finance.

Councilmember Cowden: I will ask Reiko that in a minute. How are you seeing...there are tiers in O'ahu, there are tiers on Maui, right?

Mr. Helton: O'ahu has tiers for...their Homestead class is called Residential. They have tiers for a different class rate that is for second homes.

Councilmember Cowden: Right.

Mr. Helton: They do not have tiers for their Homestead or Residential rate.

Councilmember Cowden: The tiers on the Residential Investor, the second home, is that working successfully?

Mr. Helton: Because O'ahu does not have a classification that is specifically for things like apartments, there has been a challenge, because sometimes if apartments and rental properties are valued over a million dollars (\$1,000,000), they fall into that second homes category, and because assessments have gone up so much, so many of those apartments and rental homes are above one million dollars (\$1,000,000), so they are getting "hit" with a much higher tax rate than they probably should be getting "hit" with. We have had this conversation with their Council, as well, maybe you increase that threshold. The tier system can work well, you just have to make sure that you apply it to the correct properties.

Council Chair Rapozo: Councilmember Kagawa.

Councilmember Kagawa: In scenario three (3), you say, the United States (U.S.) inflation rate was six percent (6%), does Grassroots Institute do a Hawai'i inflation rate? Do you folks have a way of calculating?

Mr. Helton: The only inflation rate for Hawai'i is the Honolulu Urban Inflation Rate.

Councilmember Kagawa: What was that?

Mr. Helton: I do not remember how much that was.

Councilmember Kagawa: If you can provide that, because I have heard of one hundred percent (100%) inflation rate for building materials.

Mr. Helton: Yes.

Councilmember Kagawa: They said it is up in the mainland, as well, but they said Hawai'i is unbelievable. I am wondering if Grassroots Institute could provide that for us.

Mr. Helton: I would be happy to.

Councilmember Kagawa: I would be curious. Thank you.

Council Chair Rapozo: Are there any other questions? Thank you for this. I really like scenario one, where you lower some, not all. You have ten percent (10%) for Residential that you lower, because the impact is one that we can definitely absorb the loss, if you will.

Mr. Helton: Yes.

Council Chair Rapozo: Apparently, you have the ability to tinker with rates in a very easy, simple fashion, which we do not. Can you send me a copy of your software, please?

Mr. Helton: All I did was put it into Google Sheets and did some algebra with it.

Council Chair Rapozo: Google Sheets, that is shareable, perfect. Thank you. I appreciate you being here.

Mr. Helton: Thank you.

Council Chair Rapozo: I know our Finance Director is here. She is not smiling, because she is probably like, "Oh, my God, here we go." You mentioned the City & County of Honolulu, and you said the Mayor does not like rate cuts. Like here, it is not the Mayor, it is the Council that...is it the same way on O'ahu that the Council sets the tax rates?

Mr. Helton: Yes.

Council Chair Rapozo: Okay. Thank you very much. Go ahead. Question.

Councilmember DeCosta: Yours sounded like discussion also.

Council Chair Rapozo: That culminated in a question.

Councilmember DeCosta: Here you go, question.

Mr. Helton: Yes.

Councilmember DeCosta: You start cutting rates, if it does not have another stream of revenue, do we need to cut services?

Mr. Helton: Possibly. For this tax year, the proposed budget is about forty-five million dollars (\$45,000,000) higher than the last tax year.

Councilmember DeCosta: Okay.

Mr. Helton: So, there is a revenue windfall for this tax year.

Councilmember DeCosta: Right, but if we did not have that revenue stream, we would cut.

Mr. Helton: Yes, without the revenue stream, you would have to cut services to cut rates, or raise rates for other properties.

Councilmember DeCosta: I just wanted to do that economics thing, like the supply and demand—you do one thing, and there is a direct effect on the other.

Mr. Helton: Yes.

Council Chair Rapozo: Thank you.

Mr. Helton: Thank you.

Council Chair Rapozo: Ms. Cummings.

Ms. Cummings: Sherri Cummings, *‘ohana* has *kuleana* lands. When I hear rate tax and incentivizing for our people to take part in these exemptions, *kuleana* is an epic fail. They gave the people the opportunity *kuleana* lands 1849, given to our families, they were *kuleana* then turned Tax Map Key (TMK) when we became a State, and just some years ago Office of Hawaiian Affairs (OHA) gave us the opportunity with the County of Kaua‘i to participate in *kuleana* exemption. It was under Jay Furfaro when he told our family to get ready, because I am putting this down the pipe, so that we can save Hawaiian people and their *kuleanas*, because we were getting priced out. As County, who changed zoning, people were building all around us, and our families were being taxed out. The exemptions happened, and our families, for some reason or another, a lot of them have no financial abilities, others do not know how to trace their genealogy, I had to go seven (7) generations back to trace mines—not too much people know how to do that, so we are working with other agencies to create resources so that more Hawaiians can participate, because we are getting displaced above our lands.

Regarding being creative, I do not know how you folks do that, but I know one thing, we should consider families who are long residents on the island, to give them all the exemptions that are necessary. I do not know how we do that without saying that it is going to be some kind of...someone being creative to file a lawsuit, because you are trying to protect families who have lived here for generations who is being taxed out. Ross made a perfect assertion to the fact that everything goes up except the wages, so how do our people live livable wages, one, and priced out of our real estate, two. Not too many Hawaiian families still hold on to *kuleana* lands, we were fortunate, my ex is fortunate—Hā'ena, Wainiha, Limahuli. Not too many of us around, so it is us, the *kānaka* is trying to create resources to help out other *kānaka* so that they can hold on to their lands, and if there is any way that you folks can influence regarding how to tax for our local people who lived here for generations to just maintain, so that they live. A friend of mine's just told me this, which made me think as a nonprofit and a for-profit, he says, "Sherri, I buy real estate, but I buy it in the mainland. I make the money in the mainland, and I bring it back here. I do not invest in Hawai'i, because that is taking out of our opportunities for our other people." That just made me think about how to be creative to invest outside to bring the money back into the island. I just want to leave you folks with that, and ask for consideration, and it is never too much exemptions, because we try to be creative to make our people have these opportunities for these types of exemptions, so they can bring down the real property, but really look at the exemptions, and ask yourself how many people participate and actually profit from these exemptions, because I can tell you a lot of people who have these do not even know that they exist, so how do you go out and give resources, so that they can come back and participate in these programs? You cannot say that it is their responsibility, because you folks pass it through here, not everyone watches channel 53, not everyone pays attention to *The Garden Island* that says this has passed. We need to be more creative about not only making these types of opportunities available for them, but to actually create these programs so they can go out into the communities, and the communities participate and realize that these exemptions work for them. That is all I want to say. *Mahalo*.

Council Chair Rapozo: Is there anyone else? Reiko, did you want to come up, or you stand by your...do you have a question for Reiko?

Councilmember Cowden: Yes, I do.

Council Chair Rapozo: Okay.

REIKO MATSUYAMA, Finance Director: Reiko Matsuyama, Finance Director.

Councilmember Cowden: Thank you so much for the work that you do. You are in a really "hot spot," you get the "hit" regardless of what we pass, right? I just want to recognize that. I have a handful of questions. One piece to you and Jonathan, a year ago when we looked at this Residential Investor number, and I just jumped, because it had gone from sixteen million dollars (\$16,000,000) to thirty-three million dollars (\$33,000,000), so that was a seventeen million dollar (\$17,000,000) increase in one-year. We just did our effort to shift it and

soften it, but I see now it has gone up to forty-six million dollars (\$46,000,000), so that means in two (2) years that one (1) little class has gotten a thirty million dollar (\$30,000,000) increase—that is a lot of money for that one (1) little class. Maybe your office can send me a listing of how many properties moved into that one million three hundred thousand dollars (\$1,300,000)? How many of them just recently qualified? I am worried that we are going to have the same problem that we had last year people were not paying attention no matter how much we are screaming at them to get it. Have you looked? The numbers have gone up to sixteen hundred...that is what I wanted to talk about earlier. You have an item number, I think sixty-eight (68), it gives us a breakdown. It says, "In home Residential Investor were up to one thousand six hundred fifty-two dollars (\$1,652)." Last year, I think we were at one thousand two hundred thirty-five (\$1,235). Do you know? Have you looked at any of this breakdown? Who ended up adding to that category?

Ms. Matsuyama: To go back on the numbers, I just want to make sure that we are clear that the numbers that we provided you are pre-tax credits, so pre-Ordinance No. 1146 that we are still processing.

Councilmember Cowden: Okay.

Ms. Matsuyama: All of the numbers that you are giving, including parcel counts, revenue, value—all of those things are before we process the credits, so the number will come down, both the quantity, the parcel identifications, the number of people that are in the tax class, plus the revenue.

Councilmember Cowden: So, you are saying, all those people who might be getting the benefit, they are not subtracted yet from this?

Ms. Matsuyama: They are not subtracted yet from that, correct.

Councilmember Cowden: Okay, that helps me a little bit, because if we pulled five hundred (500) out of there...because I was expecting this number to go down not to go up. The Chair said, Residential Investor is coming out of here, which nothing would make me happier, because I think that is such an ambiguous, especially even the term, you know what that means? Can you speak to that?

Ms. Matsuyama: Yes. Sorry, to go back to your other question, I would say that any other increase is probably due to values going up and jumping over the one million three hundred thousand dollars (\$1,300,000).

Councilmember Cowden: Yes.

Ms. Matsuyama: That problem, yes, we are trying to take care of it through eliminating the Residential Investor tax class. We just got it reviewed by the Office of the County Attorney, the bill is in good shape, so it is just a matter of timing, but it does not affect this budget. This budget as you see it now, Residential Investor will remain.

Councilmember Cowden: Okay. This budget that we are looking at, that is what I was presuming, the budget that we are looking at, because you cannot be that flexible, so it is for a year from now.

Ms. Matsuyama: That is correct.

Councilmember Cowden: If there is a change that is going to happen. Okay. This plan for tiering in this next year, that will happen.

Ms. Matsuyama: Again, tiers would be for Fiscal Year 2025, what we are also trying to do is...you are correct, in that right now the tiers are set up on Residential Investor, but when we remove Residential Investor, we are going to play with the tiers a little bit more, too, so that we can tier another tax class instead of Residential Investor.

Councilmember Cowden: When are we going to know that? I have been raising my hand at you. He apparently got the information; how do I get that information? I am sitting here doing "backbends" talking to different people in our community who are falling into this Residential Investor, including Mr. Wichman in here, that is an example. We already caused one (1) of the cousins to have to sell the property. When are we going to hear about this planned change?

Ms. Matsuyama: I am not sure yet, we are trying to figure out when, because budget is going on right now, so we are trying to figure out when the best timing is going to be to drop that. We are not on an essential time crunch, because as long as it is done by October 1st, we are good to get it in for the Fiscal 2025 budget.

Councilmember Cowden: Okay. When we have this tiered piece, did you see the testimony today by Lorraine Neuman, it came in at 11:00 p.m. last night, so for people who are watching, if you give it to us the morning of or the night before, thank you for yesterday, but it is still hard to work through it when it is the last moment. She talked about something here I thought was really important, is that when we do Residential went up considered resident market rates anything just above the bottom, affordable housing rental, the low rent rate, so you almost have to own your house outright, right? If you do not have a mortgage, you can have that affordable rental, otherwise people can probably lose money each month. She suggested creating a tier on the Residential properties when they have long-term tenants, because she is bringing up...have you seen this?

Ms. Matsuyama: I have not seen it.

Councilmember Cowden: I will make sure that you get it. I am just going to hand it to you anyway, not that you need to figure it out right now, but so you will have one right away. It brings up a really important issue, because these landlords, when they have to renew their lease artificially for the convenience of the tax department, they have no idea what their tax rate is going to be, so they have to renew a lease just projecting what they are hoping will be appropriate. She brings up a number of different points in there that are really important. I guess pulling

back to my basic question, that tiered software, we could, if we so chose, apply it to any tax category.

Ms. Matsuyama: Not the way the current Code is written.

Councilmember Cowden: We would have to change the Code.

Ms. Matsuyama: Yes, and that will be included in the Residential Investor bill, actually.

Councilmember Cowden: The software can work on any property tax class, so it would be less difficult—I am trying to be conscious of how much work we put on the Department of Finance, the Real Property Tax Division, because I think when we have Residential that is above that threshold of the low-income rental rate, they do not get the cap, right? They have no idea, so it is really difficult. That is something that needs some help, too.

Ms. Matsuyama: Just to clarify, we are going to be here tomorrow morning, and we are going to have a full presentation about real property taxes and rates, and Council Chair, we have a spreadsheet that we can input rates and will populate.

Council Chair Rapozo: Okay, good, maybe you can send us the copy.

Ms. Matsuyama: Yes, we can do that. For the topic that you are talking about now is basically the difference between landlords offering market rents, or landlords participating in the affordable program. You need to think of the other side too, the tenants have...if you estimate rentals, then the tenants are going to have a problem as well. There is a policy discussion in setting the rates for the affordable, which is the Homestead rate, then for the Residential. In the proposal, the Residential rate is reduced—they do not know this when they are applying, but there is less incentive for them to participate in the affordable program, because the rates are closer. Of course, they are still not getting the cap, but there is that kind of policy discussion that you folks should have on the floor.

Councilmember Cowden: Just like when there is the Area Median Income (AMI), what I see, and I live in a high rent area, I am just going to call the North Shore high rent, the house behind the post office in Hanalei, that I am not putting the house down, but it is not an extraordinary house, it is just a house that is renting at fifteen thousand dollars (\$15,000) a month.

Council Chair Rapozo: Fifteen thousand dollars (\$15,000) a month?

Councilmember Cowden: Yes, and it is long-term. There is a house in Kilauea that is newer than mine, but not bigger, they are getting seven thousand nine hundred dollars (\$7,900) on that. There is a house in Hanalei, seven hundred (700) square foot house that is probably about at least eighty (80) years old, they are getting seven thousand five hundred dollars (\$7,500) a month for it. You can put something on Craigslist, and people are desperate to be here—I should

not say desperate, motivated to be here—so there are prices that people can get, so when we tax someone who...

Council Chair Rapozo: Is there a question?

Councilmember Cowden: Yes.

Council Chair Rapozo: Go ahead.

Councilmember Cowden: Are you understanding my question? It is about this tiering, if someone is renting their house out at market rate for three thousand five hundred dollars (\$3,500) as opposed to ten thousand dollars (\$10,000), there is no incentive to keep it a little bit lower right now, because you can rent so high.

Ms. Matsuyama: We have had discussions with this internally on whether or not we should provide tax relief for those landlords that are charging fifteen thousand dollars (\$15,000) a month—that is a discussion. Where you are going, it would be difficult for us to tier on anything besides value, so if we are tiering based on how much they are charging, it is going to be very difficult for us too, and they are going to have to submit paperwork annually, and it going to cause a lot of trouble.

Councilmember Cowden: Be very difficult. That is most of the “fresh” houseless. People are getting tossed out of market rate.

Ms. Matsuyama: I do not think the software could accommodate tiering on that kind of threshold, and no one else in the State does, everyone tiers on value.

Councilmember Cowden: Thank you.

Council Chair Rapozo: Are there any other questions? Thank you, Reiko. I will call the meeting back to order. Is there any further discussion on tax rates?

There being no further public testimony, the meeting was called back to order, and proceeded as follows:

Councilmember Cowden: Quick question. I think you told me five (5) times, but I am going to have you tell me a sixth. We are going to have another opportunity to talk about this tomorrow, and we will have more than one (1) opportunity to be able to influence our tax rate between now and the end of the budget.

Council Chair Rapozo: Absolutely, yes, this will go to public hearing in May, but tomorrow we will have the in-depth discussion with Real Property Tax during the budget hearing.

Councilmember Cowden: Again, clarifying question, so I understand the process well. When we manipulate these numbers, my understanding is this budget is based on the numbers that they are proposing?

Council Chair Rapozo: Right.

Councilmember Cowden: If we manipulate these numbers, it is going to impact the budget.

Council Chair Rapozo: Correct.

Councilmember Cowden: So, it is not like we want to be thinking about this on March 10th when we have the public hearing.

Council Chair Rapozo: On May 10th, you mean.

Councilmember Cowden: On May 10th we are pretty much done, right?

Council Chair Rapozo: I think after tomorrow we will have a better understanding of...and I think our staff did a great job with our plus/minus sheets, so you will see all the categories at how much the increase was. I am interested in the Commercial, because when we talk about the Residential and we want to protect our Residential, our local people, we also want to protect our local businesses, and if there is an opportunity to provide relief for our local businesses like Ishihara Market, Sueoka—all of these local small businesses that are slowly shutting down, this is the year to do it, because we have understanding that if we reduce—let us just use the Grassroots Institute scenario, if we follow that scenario, we take a five million dollar (\$5,000,000) or six million dollar (\$6,000,000) “hit,” which means this Council needs to find five million dollars (\$5,000,000) or six million dollars (\$6,000,000) to cut, and I have not taken a look at our Reserve, or CIP—I did see a lot of new CIP projects, but the bottom line is this, this body determines the rates. We will have ample time after going through budget to understand if we choose to lower tax rates any further than the Mayor’s recommendation of ten percent (10%), then we have to come up with the cuts—that is the purpose of the budget hearings. As we go through the departments, you find out what they need, what they want, and what can wait. In the event we decide to lower tax rates, we cut the “can wait” items—that is typically how it works. Remember the budget came as a proposed budget, it gets passed by the Council not the Administration. Keep in mind, if you are considering further tax rate cuts, you need to find the source of where those funds are going to be coming from.

Councilmember Cowden: When we have a public hearing on May 10th, if someone comes up with a good idea, or something important on May 10th, certainly, if you are looking at the television people, you should send it in to us now.

Council Chair Rapozo: Absolutely.

Councilmember Cowden: Send it in now, and you can come in to testify. I am just trying to understand the point from coming in and talking on May 10th, because we are pretty much done already.

Council Chair Rapozo: We are done in the sense that the budget discussions with the departments will be done, but the decision-making does not happen until after May 10th. At decision-making is when this Council does the decision-making, and this is where after the public hearing you will have the opportunity to say, "I want to cut Commercial by fifteen cents (\$0.15)." Staff, what does that equate to? Whatever, I am just picking numbers out of the sky—one million dollars (\$1,000,000)—you should by then have your list as a Councilmember of the nice things to have items that equate up to one million dollars (\$1,000,000), then you would make your proposal—I propose to drop the tax rate fifteen cents (\$0.15), and this is where it is coming from.

Councilmember Cowden: Okay.

Council Chair Rapozo: Then we vote on it, and that is the decision-making process.

Councilmember Cowden: Just for the public, that is not an easy thing, because it takes five (5) of us to agree to cut something.

Council Chair Rapozo: Four (4) to cut, five (5) to add.

Councilmember Cowden: Four (4) to cut, five (5) to add.

Council Chair Rapozo: Yes, and that all starts tomorrow. Much excitement on this face. Are there any other questions? Councilmember Bulosan.

Councilmember Bulosan: Just discussion to echo what you are sharing, we are looking at potential support for local businesses—that was big during the pandemic, we saw how many closed down, and still closing down with the ramifications of what is going on. Just the clarity of what is happening worldwide with all the changes that are happening, it is amazing to even have small businesses anymore—that is the reality. You go out right now, you cannot buy a lunch plate that does not cost more than twenty dollars (\$20).

Council Chair Rapozo: Yes.

Councilmember Bulosan: That is one scenario.

Councilmember Cowden: Less.

Councilmember Bulosan: Yes, there is no such thing as less than twenty dollars (\$20).

Council Chair Rapozo: We need to be cognizant when, even if we do not raise the tax rate, the assessments have gone so high, it is a tax increase. We

cannot say this Council did not raise taxes for thirty (30) years—yes, we did not, but the market raised the tax bills, and that is what we control, we control the rate, and I really like to have that flexibility, because we can direct our activities to the classes that we want to protect, and local business. If you lose a local business, you have about four (4) or five (5) employees, but that is four (4) or five (5) employees who no longer have an income that may not be able to pay their rent that now will be houseless. We just need to be cognizant of what...I will be curious to see, and we have the plus/minus to look at how much of the increase in taxes from each category—it is significant, Transient Accommodations Tax (TAT), General Excise Tax (GET)—there is a lot of money coming in. Understanding that what we buy today has a recurring maintenance expense we need to pay down the road. We cannot just assume we have the money to purchase it now...just like when I was young, you have a lot of money, single, live at home, make decent money, you go and get a loan for your car, your motorcycle, and then you lose your job—cannot pay. You lose your home, your car, your motorcycle, all of that goes away. That is the mentality that we need to have, but this influx in cash that we are getting now because of the market, assessments, and TAT, it may not last forever, so we need to be cognizant when we start budgeting these items that come with a future cost, we better be sure we can afford it. That is just my crazy philosophy.

Councilmember Cowden: I have one more thing. I want to recognize, usually, we say when we get testimonies, Jeff Lindner who has come in here a number of times, he sent in significant testimony about agricultural lands, and to me, he has credibility, because he has developed small agricultural lands in almost all my friends and people whom I am aware of, who have small functional farms, and have been successful, I think he is one who has provided affordable farming. We talk about affordable housing, we need to think about affordable agriculture. I do not think his testimony is something that should be dismissed, but should be considered, so I just want to call attention to that, as well.

Council Chair Rapozo: And you all have his testimony in your packet. If there is no further discussion, the motion is to send to public hearing on May 10th.

The motion for Resolution No. 2023-33 be ordered to print, that a public hearing thereon be scheduled for May 10, 2023 at 5:00 p.m., and that it thereafter be referred to the Committee of the Whole, was then put, and carried by the following vote:

FOR MOTION:	Bulosan, Carvalho, Cowden, DeCosta,	
	Kagawa, Kualii, Rapozo	TOTAL – 7,
AGAINST MOTION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.
Ms. Fountain-Tanigawa:	Seven (7) ayes.	

Council Chair Rapozo: Next item, please.

BILLS FOR FIRST READING:

Proposed Draft Bill (No. 2896) – A BILL FOR AN ORDINANCE RELATING TO THE OPERATING BUDGET AND FINANCING THEREOF FOR THE FISCAL YEAR JULY 1, 2023 TO JUNE 30, 2024 (*Fiscal Year 2023-2024 Operating Budget*)

Councilmember Kualii moved for passage of Proposed Draft Bill (No. 2896) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for May 10, 2023 at 5:00 p.m., and that it be referred to the Committee of the Whole, seconded by Councilmember Carvalho.

Council Chair Rapozo: Is there any public testimony? Do you have any questions for the Administration?

Councilmember Cowden: I am supposed to wait until tomorrow.

Council Chair Rapozo: If you have a burning question, Reiko is smiling over there, I do not know if she wants to come up, but they will be back tomorrow morning, they will be up first at 9:00 a.m., so if there is something that you need clarity.

Councilmember Cowden: Can I acknowledge that we are at ninety million dollars (\$90,000,000).

Council Chair Rapozo: We are at what?

Councilmember Cowden: We are up ninety million dollars (\$90,000,000), right? Ninety million dollars (\$90,000,000) is what our budget is up.

Council Chair Rapozo: We are up about forty-five million dollars (\$45,000,000), I guess.

Councilmember Cowden: But with the CIP...

Council Chair Rapozo: Oh, with the CIP, yes.

Councilmember Cowden: Yes, okay, just acknowledging it.

Council Chair Rapozo: Yes, the paper printed that the day after the Mayor had his State of the County, which was fantastic, then the next day when I read the paper I thought, "Oh, gosh, I did not realize it was forty million dollars (\$40,000,000)." Because we did not get the budget. The media received the budget before we did. I did not realize it was that much of an increase. Again, we will have that opportunity to address the departments and so forth. If no discussions, questions, or public testimony, the motion is to approve and send to public hearing on May 10th, roll call.

There being no one present to provide testimony, the meeting proceeded as follows:

The motion for passage of Proposed Draft Bill (No. 2896) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for May 10, 2023 at 5:00 p.m., and that it thereafter be referred to the Committee of the Whole, was then put, and carried by the following vote:

FOR PASSAGE:	Bulosan, Carvalho, Cowden, DeCosta, Kagawa, Kualii, Rapozo	TOTAL – 7,
AGAINST PASSAGE:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Seven (7) ayes.

Council Chair Rapozo: That was for the Operating Budget. Next item.

Proposed Draft Bill (No. 2897) – A BILL FOR AN ORDINANCE RELATING TO CAPITAL IMPROVEMENTS AND FINANCING THEREOF FOR THE FISCAL YEAR JULY 1, 2023 TO JUNE 30, 2024 (*Fiscal Year 2023-2024 CIP Budget*)

Councilmember Kualii moved for passage of Proposed Draft Bill (No. 2897) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for May 10, 2023 at 5:00 p.m., and that it be referred to the Committee of the Whole, seconded by Councilmember Carvalho.

Council Chair Rapozo: Thank you. This is for the CIP Budget.
Councilmember Cowden.

Councilmember Cowden: I cannot help myself; can I talk to Reiko for a minute?

Council Chair Rapozo: Up here?

Councilmember Cowden: Yes.

Council Chair Rapozo: Sure. I will suspend the rules. Reiko, I do not know why you sit so far, you should probably sit right up front.

Councilmember Cowden: She is hiding, she is out of my line of sight, I see Max, I do not even see her there.

Council Chair Rapozo: We will see if we will be this joyful with each other after three (3) weeks.

Councilmember Cowden: I am also appreciative that we have two (2) members of the press in here, or if you are not exactly press, something like that.

So-called press, play with (inaudible). I am kidding. I am happy that I am seeing in this, both budget pieces here, that you are doing less leases, and then it looks like you are making some changes on how we are parking our money, do I have that right? Relative to interest rates. I see all of our equipment costs are going up, but I am assuming that is because we are paying for it, or is that just inflation? We are paying for it instead of leasing it, or is that just inflation?

Ms. Matsuyama: No, that is true. We are proposing to pay outright for vehicles and equipment.

Councilmember Cowden: Okay. Just because I have had anxiety that I put on my staff on the mezzanine when I am looking at the rate changes on bonds, are you going to be giving us some information on that at all? Is that impacting us when we are looking nationwide, we are having interest rates going up on bonds, and are we adapting and moving? I like where it said, "nimble."

(Council Chair Rapozo was noted as not present.)

Ms. Matsuyama: Our existing general obligation bonds—the rates are set. It would just be trying to prevent us from going out for new money in this rising inflationary market.

Councilmember Cowden: Okay. I guess where I am thinking about one of the most is we are going to be doing this one hundred million dollar (\$100,000,000) wastewater bond, have we done that yet? We are going to float bonds to get one hundred million dollars (\$100,000,000) for wastewater.

Ms. Matsuyama: That would be through State Revolving Fund (SRF).

Councilmember Cowden: We have not gotten it yet?

Ms. Matsuyama: No.

Councilmember Cowden: We will be vulnerable to the new interest rates on that.

Ms. Matsuyama: Potentially, yes. If it is not through SRF, if it needs to be through general obligation, granted, we have not gone through a general obligation new issuance since 2017, so I have not even gone through it.

Councilmember Cowden: Okay.

Ms. Matsuyama: We have refinanced when the interest rates were low—we did that. Obviously, in this rate environment it is probably not an opportune time to refinance, but we did refinance when the rates were low, but we have not gone out for a new issuance since 2017.

Councilmember Cowden: Okay. I have a beginner question for you. SRF, State Revolving Fund, so when we get money from the State Revolving Fund, do they give us very low interest, or do we not pay interest? They are going to have to borrow money, right? Do they borrow money, or do they have plenty, because they had a big year last year?

Ms. Matsuyama: I am not entirely sure how that works. We do pay interest; I believe is one point two five percent (1.25%). I do not know if that could potentially increase, because of what you are suggesting.

(Council Chair Rapozo was noted as present.)

Councilmember Cowden: Okay. Thank you. I appreciate that you are conscious of those things, and it makes me nervous, so I am glad that you are thinking about it, and we have the State Revolving Fund that will hopefully stay at one point two five percent (1.25%).

Council Chair Rapozo: Thank you. Is there anyone else? Are there any further questions for Reiko? Thank you, see you in the morning. Get some rest. Is there any public testimony?

Ms. Cummings: Sherri Cummings, Mālama Anahola. Just one thing regarding budget, to talk to Alan Murakami's piece, Native Hawaiian Legal Corporation regarding water policy, I do not know what the particulars are regarding infrastructures and connectivity with County and how they do development and who is responsible for what developer or County regarding putting in infrastructure. One thing that I would be remiss to say is that is why information is really good, because in the piece, I think you learned, and if you did not, you should look at it again regarding the States responsibility to County regarding water. If we look at that, which is a huge piece of the budget, we can go ahead and take care of repurposing those funds that you folks will be earmarking for water, then repurposing it for other needs that you folks have as a County. That is why I said this piece regarding water policy is really interesting. Again, it is not a Hawaiian thing, it is for the County and for the citizens, because I am a beneficiary, but I am also a taxpaying person on the County of Kaua'i, so I pay my fair share of taxes, so for anyone to say that I come up here in the best interest of myself, or a Native Hawaiian, or a beneficiary—that is not true. I am a paying citizen, and I have a right to a home, I have a home, fee-simple, but I also am entitled to a trust, which puts a home for my child who is nineteen (19) serving in the military, in Air Force, I want to give that to him, so that just makes me have a leg up. I just ask for, in situations like this, opportunities to save the County money, information is good. *Mahalo.*

Council Chair Rapozo: Thank you. Is there anyone else? If not, I will call the meeting back to order. Is there any further discussion? Seeing none. The motion is to approve and send to public hearing on May 10th. Roll call.

There being no one present to provide testimony, the meeting was called back to order, and proceeded as follows:

The motion for passage of Proposed Draft Bill (No. 2897) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for May 10, 2023 at 5:00 p.m., and that it thereafter be referred to the Committee of the Whole, was then put, and carried by the following vote:

FOR PASSAGE:	Bulosan, Carvalho, Cowden, DeCosta, Kagawa, Kualii, Rapozo	TOTAL – 7,
AGAINST PASSAGE:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Seven (7) ayes.

Council Chair Rapozo: Next item, please.

BILL FOR SECOND READING:

Bill No. 2894 – A BILL FOR AN ORDINANCE AMENDING CHAPTER 17, ARTICLE 1, SECTION 17-1.1, KAUAI COUNTY CODE 1987, AS AMENDED, RELATING TO THE GENERAL PROVISIONS RELATING TO MOTOR VEHICLES AND TRAFFIC REGULATIONS

Councilmember Kualii moved to approve Bill No. 2894 on second and final reading, and that it be transmitted to the Mayor for his approval, seconded by Councilmember Carvalho.

Council Chair Rapozo: Is there any discussion or public testimony?
Seeing none. Roll call.

The motion to approve Bill No. 2894 on second and final reading, and that it be transmitted to the Mayor for his approval was then put, and carried by the following vote:

FOR APPROVAL:	Bulosan, Carvalho, Cowden, DeCosta, Kagawa, Kualii, Rapozo	TOTAL – 7,
AGAINST APPROVAL:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Seven (7) ayes.

Council Chair Rapozo: Next item, please.

EXECUTIVE SESSION:

ES-1091 Pursuant to Hawai'i Revised Statutes (HRS) Sections 92-4 and 92-5(a)(4), and Kaua'i County Charter Section 3.07(E), the Office of the County Attorney requests an Executive Session to brief the Council and seek approval of a

settlement related to the opioid litigation against CVS, Walgreens, Walmart, Teva, Allergan, and other related matters. This briefing and consultation involves the consideration of the powers, duties, privileges, immunities, and/or liabilities of the Council and the County as they relate to this agenda item.

ES-1092 Pursuant to Hawai'i Revised Statutes (HRS) Sections 92-4 and 92-5(a)(4), and Kaua'i County Charter Section 3.07(E), the Office of the County Attorney requests an Executive Session with the Council, to provide Council with a briefing and request authority for a possible settlement proposal in a claim filed by Subro Claims, Inc. obo for Geico Insurance a/a/o James Brown and related matters. This briefing and consultation involves the consideration of the powers, duties, privileges, immunities, and/or liabilities of the Council and the County as they relate to this agenda item.

Councilmember Carvalho moved to convene in Executive Session for ES-1091 and ES-1092, seconded by Councilmember Bulosan.

Council Chair Rapozo: Is there any discussion or public testimony?
Seeing none. Roll call.

There being no one present to provide testimony, the meeting proceeded as follows:

The motion to convene in Executive Session for ES-1091 and ES-1092 was then put, and carried by the following vote:

FOR EXECUTIVE SESSION:	Bulosan, Carvalho, Cowden, DeCosta,	
	Kagawa, Kualii, Rapozo	TOTAL – 7,
AGAINST EXECUTIVE SESSION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Seven (7) ayes.

ADJOURNMENT.

There being no further business, the Council Meeting adjourned at 12:32 p.m.

Respectfully submitted,



JADE K. FOUNTAIN-TANIGAWA
County Clerk