

COUNCIL MEETING

JUNE 3, 2026

The Council Meeting of the Council of the County of Kaua'i, was called to order by Mel Rapozo, Council Chair, on Wednesday, June 3, 2026, at 9:20 a.m., at the Council Chambers, 4396 Rice Street, Suite 201, Historic County Building, Lihu'e, Kaua'i, after which the following Members answered the call of the roll:

Honorable Addison Bulosan
Honorable Bernard P. Carvalho, Jr.
Honorable Felicia Cowden
Honorable Fern Holland
Honorable Arryl Kaneshiro
Honorable KipuKai Kualii
Honorable Mel Rapozo

Pursuant to Hawai'i Revised Statutes Section 92-9(a)(4), because a video recording of this meeting is available online, this is to provide a link to the video recording (valid as of the approval date of these minutes): https://kauai.granicus.com/player/clip/3091?view_id=2&redirect=true. Additionally, meeting videos are available at: www.kauai.gov/Government/Council/Webcast-Meetings.

(Note: No one from the public provided oral testimony via the Zoom remote technology platform on any agenda item.)

APPROVAL OF AGENDA.

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

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

There being no public testimony, the meeting proceeded as follows:

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

Council Chair Rapozo: The motion carries. Next item, please.

MINUTES of the following meetings of the Council:

May 13, 2026 Council Meeting
May 13, 2026 Public Hearing re: Resolution No. 2026-11, Bill No. 2988, and Bill No. 2989

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

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

There being no public testimony, the meeting proceeded as follows:

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

Council Chair Rapozo: The motion carries. Next item, please.

CONSENT CALENDAR:

C 2026-128 Communication (05/20/2026) from the Hawai'i State Association of Counties (HSAC) President, transmitting for Council consideration, HSAC's Fiscal Year 2027 Proposed Operating Budget, pursuant to Section 18 of the Bylaws of the Hawai'i State Association of Counties, Inc.

C 2026-129 Communication (05/22/2026) from Council Vice Chair Kualii, providing written disclosure of a possible conflict of interest and recusal relating to Bill No. 2988, the Mayor's Proposed Operating Budget for Fiscal Year 2026-2027 regarding the appropriation to the YWCA in the Office of the Prosecuting Attorney, Grant-In-Aid, as he holds a part-time accounting position at the YWCA.

Councilmember Kualii moved to receive C 2026-128 and C 2026-129 for the record, seconded by Councilmember Bulosan.

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

There being no public testimony, the meeting proceeded as follows:

The motion to receive C 2026-128 and C 2026-129 for the record was then put, and unanimously carried.

Council Chair Rapozo: The motion carries. Next item, please.

COMMUNICATIONS:

C 2026-118 Communication (05/08/2026) from the Mayor, submitting his Supplemental Budget Communication for Fiscal Year 2026-2027 and Proposed Amendments to the Budget Bills, pursuant to Section 19.02A of the Kaua'i County Charter.

Councilmember Kualii moved to receive C 2026-118 for the record, seconded by Councilmember Bulosan.

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

There being no public testimony, the meeting proceeded as follows:

The motion to receive C 2026-118 for the record was then put, and unanimously carried.

Council Chair Rapozo: The motion carries. Next item, please.

C 2026-130 Communication (05/08/2026) from Darren D. Rose, Assistant Chief of Police, requesting Council approval to accept and expend recurring Federal funds, in the amount of \$42,647.00, from the Edward Byrne Memorial Justice Assistance Grant (JAG) No. 15PBJA-23-GG-02975-JAGX, to be used for the purpose of drug-related investigations.

Councilmember Kualii moved to approve C 2026-130, seconded by Councilmember Bulosan.

Council Chair Rapozo: We do have a question.

There being no objections, the rules were suspended.

DARREN D. ROSE, Assistant Chief of Police: Darren Rose, Assistant Chief, Kaaui Police Department, for the record.

Councilmember Cowden: Can you please provide a basic explanation on what the grant does and how you are working on it?

Mr. Rose: This is a Federal grant from the Department of Justice. It provides overtime funding for the Vice Section Narcotics Unit to conduct narcotic investigations and then there is also training attached to that. It provides training for basic narcotics courses, K-9 handlers, and there are courses, and the California Narcotic Officers' Association conference that we send investigators to.

Councilmember Cowden: Can you give a brief description of the successes that we had in the past year? Is this a recurring grant?

Mr. Rose: Yes.

Councilmember Cowden: Have we had success this year?

Mr. Rose: We are early into the year, but yes, there was a pretty decent operation that was done with other federal agencies not too long ago, which probably produced our highest seizure of the year within the last month.

Councilmember Cowden: Okay, thank you. Those were my questions.

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

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

Council Chair Rapozo: Is there any further discussion?

The motion to approve C 2026-130 was then put, and unanimously carried.

Council Chair Rapozo: The motion carries. Next item, please.

C 2026-131 Communication (05/11/2026) from Darren D. Rose, Assistant Chief of Police, requesting Council approval to accept and expend Federal funds, in the amount of \$59,015.00, from the Edward Byrne Memorial Justice Assistance Grant (JAG) No. 15PBJA-24-GG-04228-JAGX, to be used to procure equipment and training to enhance the Kaua'i Police Department's (KPD's) Special Response Team (SRT) capability to respond to high-risk and violent incidents.

Councilmember Kualii moved to approve C 2026-131, seconded by Councilmember Bulosan.

Council Chair Rapozo: Councilmember Cowden.

Councilmember Cowden: Can you give a description of what the Special Response Team does and how...is this a lot of training? Am I correct? Would this be like a mass shooter event?

There being no objections, the rules were suspended.

Mr. Rose: Correct. This is the first time we applied for this grant and we received it. This is specifically for the SRT that responds to higher situations, active shooters, high-risk search warrants, and I think most Councilmembers are familiar with the fugitive hunt a couple years ago for Chris Santos that involved our SRT. This funding has specifics in it, but it is mainly for training, it is going to allow us to host a SRT conference, which will be statewide, all the other teams will be here and there will be training involved in that conference. It is going to provide us with sending two (2) people to sniper school.

Councilmember Cowden: Okay.

Mr. Rose: ...which could be crucial in a hostage situation and other events, and then it is also for purchasing some equipment that is here earmarked to inside this breaching equipment.

Councilmember Cowden: It sounds like this is being proactive. This is not currently too much of an issue, but we are going to be prepared and ready if we need to keep our officers safe. That is the intention of this training and cooperation across the State.

Mr. Rose: Absolutely, you are correct. We are always continuing to try to improve.

Councilmember Cowden: Okay, thank you. Those are my questions.

Council Chair Rapozo: Thank you. Are there any further questions for the Kaua'i Police Department (KPD)? If not, is there anyone in the audience wishing to testify? Mr. Hart.

BRUCE HART: For the record, Bruce Hart. I wanted to say that I am pleased that KPD is pursued this grant as, and like Assistant Chief Rosa said this is the first time, and this is something that I think there will be situations where they are able to utilize this team. Thank you.

Council Chair Rapozo: Thank you. Is there any further testimony?

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

Council Chair Rapozo: Is there any discussion?

The motion to approve C 2026-131 was then put, and unanimously carried.

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

C 2026-132 Communication (05/18/2026) from Darren D. Rose, Assistant Chief of Police, requesting Council approval of the indemnification provision and the unspecified future obligation sections contained in MSAB's Terms and Conditions of Sales, which will provide investigative tools used to extract, preserve, and analyze electronic and vehicle infotainment data relevant to criminal investigations and evidentiary processes.

Councilmember Kualii moved to approve C 2026-132, seconded by Councilmember Bulosan.

Council Chair Rapozo: Councilmember Cowden.

Councilmember Cowden: Do you know what MSAB stands for, I always like to have the acronym, and if you can provide a basic explanation and then I know that a concern that often comes is if any of this information gets sold out to the provider or if it stay specific to KPD? This does not say recurring, so is this new and how will we use it?

There being no objections, the rules were suspended.

Mr. Rose: This is new technology. I apologize, I do not know what MSAB stands for.

Councilmember Cowden: Okay.

Mr. Rose: We can get you that information. This is new technology as we are seeing in everything. Technology continues to advance. This is

specifically for newer cars, and I would like to say once in place, will have Bluetooth capabilities. Cars, today, all have computers inside of them. When you rent a car, you connect your Bluetooth to it, you are connecting your phone to it, and so your data from your phone is basically going into that car. It is also tracking as a global positioning system (GPS) system, it is tracking its location. This software would allow us to pull that out of the vehicle, but again, that would only be done with a search warrant and a criminal investigation. This can be critical, like in a homicide investigation to actually prove that this vehicle was actually at the location.

Councilmember Cowden: Okay. I am hearing that this is a general surveillance tool that would be invading the privacy of anyone driving down the street, this would be used with a warrant, and it would be connected to a crime that has occurred?

Mr. Rose: Correct.

Councilmember Cowden: Crimes occurred, it might not need to stay with just KPD, right, it might need to go further, but this still protects the privacy of the average citizen driving down the road until the crime is committed.

Mr. Rose: This has nothing to do with the privacy of someone driving down the road. This would be an active criminal investigation where a person of interest was identified, we obtained enough probable cause to apply for the search warrant to pull information out of the car.

Councilmember Cowden: Those are my questions.

Council Chair Rapozo: Is there anyone else? If not, thank you very much. Is there anyone in the audience wishing to testify? Mr. Sykos.

LONNIE SYKOS: For the record, Lonnie Sykos. I am not one to promote surveillance of the public by the government, but in this instance, I am all for this. In my own life experience, I know people who have been in automobile accidents and had to hire someone with a physics degree to do the execution braking study to figure out how fast the other vehicle was going. It was incredibly expensive. You need resources to do this. Ultimately, the other driver was convicted of reckless driving and speeding, so had this technology existed instead of my friend having to hire some physicist from the University of Hawai'i at Mānoa (UH), KPD simply would have gone and looked at the computer in the cars, and told you when they started braking, how fast they were going, the degree of steering that occurred, all these technical details. This actually is very protective for the person who is the victim and it is a huge "bummer" for the person who messed up, but that is how it should be. Thank you very much. My thanks to KPD for bringing the technology here.

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

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

Council Chair Rapozo: Is there any discussion? Just for the public's information, MSAB is the name of the company that provides the technology. It is not technology itself; it is a company that we are indemnifying.

The motion to approve C 2026-132 was then put, and unanimously carried.

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

C 2026-133 Communication (05/18/2026) from the Emergency Management Administrator, requesting Council approval of the indemnification provision and the unspecified future obligations (e.g., attorneys' fees, indemnification, duty to defend, duty to hold harmless) contained in the Motorola System Upgrade Agreement II Contract as part of the County's 800 MHz public safety radio system upgrade agreement.

Council Chair Rapozo: This memorandum has been withdrawn by the Administration. We will be looking for a motion to receive.

Councilmember Bulosan moved to receive C 2026-133 for the record, seconded by Councilmember Cowden.

There being no public testimony, the meeting proceeded as follows:

The motion to receive C 2026-133 for the record was then put, and unanimously carried.

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

C 2026-134 Communication (05/21/2026) from the Housing Director, requesting Council approval to receive and expend Hawai'i Housing Finance and Development Corporation (HHFDC) funds, in the amount of \$3,311,608.94, from the HOME Investment Partnerships Program, which will be used for the Kahua Ho'oulu Affordable Housing Development in Lihu'e and Lima Ola Single-Family Phase V Development in 'Ele'ele via a Request for Proposal, to provide grants or loans to developers to increase and preserve the supply of decent, safe, and sanitary affordable housing for primarily low-income (80% of area median income) households.

Councilmember Kualii moved to approve C 2026-134, seconded by Councilmember Bulosan.

Council Chair Rapozo: Is there any discussion or public testimony? Do you have a question?

Councilmember Kualii: Yes.

There being no objections, the rules were suspended.

(Council Chair Rapozo was noted as not present.)

STEVEN FRANCO, Housing Development Coordinator: Good morning, Councilmembers. Steve Franco for the Housing Agency.

Councilmember Kualii: This looks like great news, obviously; support for our programs. Can you tell us a little bit about how we got it, why we get it, is it every year?

Mr. Franco: Sure, yes. This is an allocation that we receive from HHFDC on a rotational basis with the other other islands: Maui and Hawai'i counties. Every year, HHFDC receives an allocation from HUD and they offer it to the different counties on a rotational basis. For 2025, the County of Kaua'i is receiving the application.

Councilmember Kualii: When you say "rotation," does that mean we get it every four (4) years?

Mr. Franco: Yes. The next allocation we will be receiving is in 2028.

Councilmember Kualii: Everyone knows about Lima Ola, but what is Kahua Ho'oulu?

Mr. Franco: Kahua Ho'oulu is also known as the Puhi Park Project, across from the Kaua'i Community College (KCC)...

(Council Chair Rapozo was noted as present.)

Mr. Franco: ...off Kaumuali'i Highway. We went through a request for proposal (RFP) process, selected a developer, and designated the use of these funds for that project.

Councilmember Kualii: Puhi Park along the highway?

Mr. Franco: Yes, correct.

Councilmember Kualii: Thank you.

Council Chair Rapozo: Thank you. Councilmember Cowden.

Councilmember Cowden: I am pleased to see two (2) significant funds together; they are not coming from the same place, but it looks like they are going to the same developments, is that correct?

Mr. Franco: That is correct. Both the HOME Investment Partnerships Program funds and the other Council item request that we have for the HTF funds will be going to the Kahua Ho'oulu project.

Councilmember Cowden: Okay.

Mr. Franco: But they both came through HHFDC.

Councilmember Cowden: These are complimenting funds.

Mr. Franco: Correct.

Councilmember Cowden: And so sometimes we even need to have matching funds to make these things happen, and these will pair up with some of the funding in our Housing Fund.

Mr. Franco: Correct.

Councilmember Cowden: So, we get from multiple sources.

Mr. Franco: Correct.

Councilmember Cowden: To put this together. I wanted to say, "Really good work."

Mr. Franco: Thank you.

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

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

Council Chair Rapozo: Is there any discussion?

The motion to approve C 2026-134 was then put, and unanimously carried.

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

C 2026-135 Communication (05/21/2026) from the Housing Director, requesting Council approval to receive and expend \$2,988,454.54 in National Housing Trust Fund (HTF) Fiscal Year (FY) 2025 funds and to indemnify the Hawai'i Housing Finance and Development Corporation (HHFDC), for the Kahua Ho'oulu Affordable Housing Development in Lihu'e via a Request for Proposal, to provide grants or loans to developers to increase and preserve the supply of decent, safe, and sanitary affordable housing for primarily extremely low-income (30% of area median income) households.

Councilmember Kualii moved to approve C 2026-135, seconded by Councilmember Carvalho.

Council Chair Rapozo: Councilmember Cowden.

Councilmember Cowden: This is for thirty percent (30%) area median income (AMI), so those are people who are at the most economic disadvantaged?

There being no objections, the rules were suspended.

Mr. Franco: That is correct.

Councilmember Cowden: And the agenda item above it, C 2026-134 is for people who are doing a little bit better.

Mr. Franco: Yes.

Councilmember Cowden: Basically, they would be moving into the same apartment, it is just that this is subsidizing the funding for people who cannot afford as much rent.

Mr. Franco: That is correct. It is an additional...it is very similar to the HOME program that we discussed previously, but in this case, though, it serves the extremely low households rather than the low-income households.

Councilmember Cowden: Yes, so this is essentially a federal subsidy.

Mr. Franco: Correct, yes.

Councilmember Cowden: Would they have the same quality apartment that they would live in?

Mr. Franco: Correct.

Councilmember Cowden: I am happy to hear that. Thank you.

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

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

Council Chair Rapozo: Is there any discussion? Councilmember Cowden.

Councilmember Cowden: I appreciate the effort from the Housing Agency. I am thrilled that we are moving forward. I think the Puhi location, to my best understanding, is really directed at teachers as well, and so I think that is great, it is right in the middle of schools. We need teachers. It is great to have housing for teachers.

Council Chair Rapozo: Thank you.

The motion to approve C 2026-135 was then put, and unanimously carried.

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

C 2026-136 Communication (05/26/2026) from the Deputy County Clerk, requesting Council approval of the unspecified future obligations provision contained in Ricoh’s Master Lease Agreement between Ricoh and the Office of the County Clerk, to enter into a 36-month lease agreement with Ricoh after awarding a bid for a leased copier as part of the State Procurement Office’s Price & Vendor List Contract No. 24-16, NASPO ValuePoint Multi-Function Devices and Related Software, Services and Cloud Solutions.

Councilmember Kualii moved to approve C 2026-136, seconded by Councilmember Carvalho.

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

Councilmember Cowden: This is basically our copier.

Council Chair Rapozo: Correct.

Councilmember Cowden: Okay. It is a big paragraph for something simple.

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

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

The motion to approve C 2026-136 was then put, and unanimously carried.

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

CLAIMS:

C 2026-137 Communication (05/12/2026) from the County Clerk, transmitting a claim filed against the County of Kaua’i by Dennis Alpeche, for property damage, pursuant to Section 23.06, Charter of the County of Kaua’i.

C 2026-138 Communication (05/15/2026) from the County Clerk, transmitting a claim filed against the County of Kaua’i by Sharon Milan, for property damage, pursuant to Section 23.06, Charter of the County of Kaua’i.

C 2026-139 Communication (05/20/2026) from the County Clerk, transmitting a claim filed against the County of Kaua’i by Susan L. Marshall, Esq., on behalf of Jeffrey Reilly, for personal injury, pursuant to Section 23.06, Charter of the County of Kaua’i.

Councilmember Kualii moved to refer C 2026-137, C 2026-138, and C 2026-139 to the Office of the County Attorney for disposition and/or report back to the Council, seconded by Councilmember Bulosan.

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

There being no public testimony, the meeting proceeded as follows:

The motion to refer C 2026-137, C 2026-138, and C 2026-139 to the Office of the County Attorney for disposition and/or report back to the Council was then put, and unanimously carried.

Council Chair Rapozo: The motion carries. Next item, please.

COMMITTEE REPORTS:

PARKS & RECREATION / TRANSPORTATION COMMITTEE:

A report (No. CR-PRT 2026-03) submitted by the Parks & Recreation / Transportation Committee, recommending that the following be Received for the Record:

“PRT 2026-01 – Communication (04/08/2026) from Councilmember Cowden, requesting the presence of the Director of Parks & Recreation, to provide a briefing relating to the refurbishment of Morgan’s Ponds at Lydgate Beach Park;” and,

PUBLIC SAFETY & HUMAN SERVICES COMMITTEE:

A report (No. CR-PSHS 2026-01) submitted by the Public Safety & Human Services Committee, recommending that the following be Received for the Record:

“PSHS 2026-01 – Communication (04/28/2026) from Committee Chair Cowden, requesting the presence of the Executive on Aging, to provide a briefing concerning funding for the Agency on Elderly Affairs, and an update on the changes to the Older Americans Act,”

Councilmember Kualii moved for approval of the reports, seconded by Councilmember Bulosan.

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

There being no public testimony, the meeting proceeded as follows:

The motion for approval of the reports was then put, and unanimously carried.

Council Chair Rapozo: The motion carries. Next item, please.

FINANCE & ECONOMIC DEVELOPMENT COMMITTEE:

A report (No. CR-FED 2026-09) submitted by the Finance & Economic Development Committee, recommending that the following be Received for the Record:

“FED 2026-02 – Communication (05/18/2026) from Committee Chair Kaneshiro, transmitting the proposed increases to, deductions from, and other proposed amendments (plus/minus sheets) to the Mayor’s Fiscal Year 2026-2027 Annual Operating and Capital Improvement Projects Budgets,”

A report (No. CR-FED 2026-10) submitted by the Finance & Economic Development Committee, recommending that the following be Approved on second and final reading:

“Resolution No. 2026-11 – RESOLUTION ESTABLISHING THE REAL PROPERTY TAX RATES FOR THE FISCAL YEAR JULY 1, 2026 TO JUNE 30, 2027 FOR THE COUNTY OF KAUAI,” and

A report (No. CR-FED 2026-11) submitted by the Finance & Economic Development Committee, recommending that the following be Approved as Amended on second and final reading:

“Bill No. 2989 – A BILL FOR AN ORDINANCE RELATING TO CAPITAL IMPROVEMENTS AND FINANCING THEREOF FOR THE FISCAL YEAR JULY 1, 2026 TO JUNE 30, 2027 (*Fiscal Year 2026-2027 CIP Budget*),” and

A report (No. CR-FED 2026-12) submitted by the Finance & Economic Development Committee, recommending that the following be Approved as Amended on second and final reading:

“Bill No. 2988 – A BILL FOR AN ORDINANCE RELATING TO THE OPERATING BUDGET AND FINANCING THEREOF FOR THE FISCAL YEAR JULY 1, 2026 TO JUNE 30, 2027 (*Fiscal Year 2026-2027 Operating Budget*),” and

A report (No. CR-FED 2026-13) submitted by the Finance & Economic Development Committee, recommending that the following be Approved on second and final reading:

“Bill No. 2993 – A BILL FOR AN ORDINANCE TO AMEND ORDINANCE NO. B-2025-905, AS AMENDED, RELATING TO THE OPERATING BUDGET OF THE COUNTY OF KAUAI, STATE OF HAWAII, FOR THE FISCAL YEAR JULY 1, 2025 THROUGH JUNE 30, 2026, BY REVISING THE AMOUNTS ESTIMATED IN THE GENERAL FUND (*General Liability and Auto Claims, and Health Fund Contribution – \$1,445,000.00*),” and

A report (No. CR-FED 2026-14) submitted by the Finance & Economic Development Committee, recommending that the following be Approved on second and final reading:

“Bill No. 2994 – A BILL FOR AN ORDINANCE APPROVING A COLLECTIVE BARGAINING AGREEMENT FOR BARGAINING UNIT 11 BETWEEN JULY 1, 2025 AND JUNE 30, 2029,” and

A report (No. CR-FED 2026-15) submitted by the Finance & Economic Development Committee, recommending that the following be Approved as Amended on second and final reading:

“Bill No. 2995 – A BILL FOR AN ORDINANCE AMENDING CHAPTER 5A, KAUAI COUNTY CODE 1987, AS AMENDED, RELATING TO REAL PROPERTY TAX (*Long-Term Affordable Rental Requirements*),” and

A report (No. CR-FED 2026-16) submitted by the Finance & Economic Development Committee, recommending that the following be Approved on second and final reading:

“Bill No. 2996 – A BILL FOR AN ORDINANCE AMENDING CHAPTER 17, ARTICLE 1, KAUAI COUNTY CODE 1987, AS AMENDED, RELATING TO THE GENERAL PROVISIONS RELATING TO MOTOR VEHICLES AND TRAFFIC REGULATIONS AND RELATED FEES,

Councilmember Kualii moved for approval of the reports, seconded by Councilmember Bulosan.

Council Chair Rapozo: Is there any discussion or public testimony?
Mr. Sykos.

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

Mr. Sykos: For the record, Lonnie Sykos. At the last meeting, I believe that it was during this plus and minuses that the issue of some millions of dollars for the C. Brewer site came up. From the public, the question is, we believe that was received and that money is a moot point and that there is no money to go forward with C. Brewer, but the public would like to hear that is an affirmative statement.

Council Chair Rapozo: That is correct.

Mr. Sykos: Thank you very much. That was my question on this.

Council Chair Rapozo: Thank you. Is there anyone else in the audience who would like to testify?

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

The motion for approval of the reports was then put, and unanimously carried.

Council Chair Rapozo: The motion carries. Next item, please.

RESOLUTIONS:

Resolution No. 2026-11 – RESOLUTION ESTABLISHING THE REAL PROPERTY TAX RATES FOR THE FISCAL YEAR JULY 1, 2026 TO JUNE 30, 2027 FOR THE COUNTY OF KAUAI

Councilmember Kualii moved for adoption of Resolution No. 2026-11, seconded by Councilmember Bulosan.

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

There being no public testimony, the meeting proceeded as follows:

The motion for adoption of Resolution No. 2026-11 was then put, and carried by the following vote:

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

JADE K. FOUNTAIN-TANIGAWA, County Clerk: Seven (7) ayes.

Council Chair Rapozo: Thank you. Next item, please.

Resolution No. 2026-17 – RESOLUTION APPROVING THE PROPOSED FISCAL YEAR 2026-2027 OPERATING BUDGET FOR THE HAWAII STATE ASSOCIATION OF COUNTIES

Councilmember Kualii moved for adoption of Resolution No. 2026-17, seconded by Councilmember Bulosan.

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

There being no public testimony, the meeting proceeded as follows:

The motion for adoption of Resolution No. 2026-17 was then put, and carried by the following vote:

FOR ADOPTION:	Bulosan, Carvalho, Cowden, Holland, Kaneshiro, 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: Thank you. Next item, please.

BILLS FOR SECOND READING:

Bill No. 2988, Draft 1 – A BILL FOR AN ORDINANCE RELATING TO THE OPERATING BUDGET AND FINANCING THEREOF FOR THE FISCAL YEAR JULY 1, 2026 TO JUNE 30, 2027 (*Fiscal Year 2026-2027 Operating Budget*)

Councilmember Kualii moved to approve Bill No. 2988, Draft 1 on second and final reading, and that it be transmitted to the Mayor for his approval, seconded by Councilmember Bulosan.

Council Chair Rapozo: This is the Operating Budget that is up for final reading, is there anyone in the audience wishing to testify? Is there any discussion?

There being no public testimony, the meeting proceeded as follows:

Councilmember Cowden: I have a procedural question. The Finance & Economic Development (FED) Committee Chair asked us to hold our comments until we do it all at once on the budget, would that be now?

Council Chair Rapozo: This would be the time. Based on our Rules every member will have eight (8) minutes to make their closing comments on the budget, except for Councilmember Kaneshiro; the introducer gets twenty (20) minutes.

Councilmember Cowden: Is that correct? The introducer gets twenty (20)?

Council Chair Rapozo: That is correct.

Councilmember Cowden: Okay.

Council Chair Rapozo: The introducer has twenty (20) minutes and then everyone else has eight (8). Did you want to go first, Councilmember Kaneshiro?

Councilmember Kaneshiro: I can go first.

Council Chair Rapozo: Okay.

Councilmember Kaneshiro: First, I want to thank everyone for working hard on the budget, I know it is a long process for everyone. I want to give a brief overview. The budget that was passed, three hundred sixty-five million six hundred thousand dollars (\$365,600,000) for the Operating Budget, one hundred thirty-three million dollars (\$133,000,000) for CIP, almost five hundred million dollars (\$500,000,000); four hundred ninety-eight million six hundred thousand dollar (\$498,600,000) budget that was passed. We just went through the Real Property Tax Resolution, none of those RPT rates were changed. Our income for the County has increased in real property taxes by almost twenty-five million dollars (\$25,000,000), majority of it is coming from Non-Owner-Occupied Residential, Vacation Rental, Hotel and Resort, and we have some small increase in County TAT. At the end of the day, the Owner-Occupied tax class continues to be protected with the lower rate that was unchanged and all of the benefits of having that Owner-Occupied tax class. As far as expenses go, housing has always been a big issue every year. Thirty-four million four hundred thousand dollars (\$34,400,000) is in the Housing Fund, thirty-four million five hundred thousand dollars (\$34,500,000) total is in the Housing Fund, fourteen million dollars (\$14,000,000) was added to get to that total. We also moved one million five hundred thousand dollars (\$1,500,000) to the homeless grant. Roads, which I believe since we passed GET has not been as big of an issue. When I first started Council, roads were the Number 1 hot issue and I think everyone was breaking wheels on Maluhia Road, Kōloa Road, Olohena Road, and it has been a lot more quiet, I can tell you that much. It is because the GET has passed and we have a lot more money going in. Right now, we have thirty-six million three hundred thousand dollars (\$36,300,000) going into road resurfacing. Looking at the future, we do need to protect that General Excise Tax money that we get. It can be taken away anytime by the State, so that is really important to the County. We put a lot of money towards the Kauaʻi War Memorial Convention Hall (Convention Hall), which is a lot of money, but it is appropriate. A lot of times we do not look at our own facilities. We take it for granted and we are always looking at what projects do we fund outside the County, what parks we need to fix, and we do not necessarily look at our actual buildings here. The Convention Hall serves a lot of people, a lot of kids, it is a great building. I was just in that building a couple weeks ago for my daughter's play, and to think how they designed that building back when it was created, but it is an amazing building, and it is still relevant today. If I created something today, it would probably be irrelevant within the next five (5) years, with that way technology is moving. We need to concentrate on preserving what we have; our building here, County facilities there. Looking towards the future, we put money towards landfill, we put money towards sewer, but next year and the following years, those are going to be really huge expenses that we are going to have to pull the trigger on and decide what we are going to do. We hit the "hot topics" which were housing, roads, and the homeless. I think the budget was done well.

Council Chair Rapozo: Thank you. Councilmember Holland.

Councilmember Holland: Thank you, FED Committee Chair. I will be brief. I want to extend my sincere appreciation to Mayor Kawakami, our Finance Department, department heads, all the County staff who dedicated countless hours

to developing and presenting this year's budget. The budget process required significant effort this year and collaboration, really thoughtful analysis and a lot of work, and extraordinary commitment of time, maybe, compared to other years. While there were important discussions and competing priorities that we considered, I think I am overall grateful for the professionalism, the responsiveness, and the dedication that is demonstrated through the process by all my colleagues and the Administration. Together we worked through some complex issues with the shared goals of meeting our communities needs and making meaningful investments in Kaua'i and our future. I want to share my gratitude for that and I learned a lot from this year's budget and it is great. Thank you, everyone.

Council Chair Rapozo: Thank you very much. Councilmember Cowden.

Councilmember Cowden: I am going to support what has been said and offer my gratitude to both the Mayor's Administration for this next budget, in general, but also creating a responsible "hands off" to set the next mayor up for success. I always want to acknowledge the Finance Department for doing the heavy lifting of coordinating all of these materials together. They do a very, very key role. Again, as Councilmember Holland said, the department heads and their broader teams who put important work into creating the budget by division, and securing grants throughout the year. That really brings a lot of extra money in for us. Council Services Staff always, thank you very much, for the work that you do, it is invaluable at collating, presenting, and helping Council handle our end of these responsibilities. I also want to say thank you to all the taxpayers, all the citizens who are a big part of funding, they deeply contribute to our county operations, so this is all of us who make this happen. I want to also acknowledge the nonresidents and visitors who contribute roughly seventy percent (70%) of our revenue based generated through TAT, GET, real property tax, through their resorts and accommodations, and our State Legislative team, the Congressional team, they have been extra important this year as the federal government has really worked to tighten the benefits that are so needed among our more vulnerable population, so I am thankful for that. I see responsible budgeting as critical for maintaining long-term economic stability and managing debt, and ensuring the availability resources for future generations, so I thank you on that. I wanted to point out that our Operating Budget this year was three hundred sixty-five million six hundred thousand dollars (\$365,600,000), so what was interesting to me on that is it is basically our every day operations are running at about one million dollars (\$1,000,000) per day. It was sort of a nice, easy number on that, and that real property tax is fifty-two percent (52%) of the budget. It is very significant, but like what I acknowledged earlier with the state and federal moneys, kind of what Councilmember Kaneshiro said, I want to just acknowledge the valuable future directional improvements that are funded in the infrastructure through these land purchases that we have done and land partnership agreements and process for wastewater, solid waste, and for potential evacuation routes. Those things are all beginning and in place. I want to say in the future, the County is wise to consider pathways to strengthening funding to the Department of Water that needs additional support. I attended another meeting last night and the week before I attended one in Hanalei, and Kilauea in this past seven (7) days, and water is so important for our buildable environment and they are struggling. In the future, I see that is something

we need. I want to highlight the much needed support for repairing our sewer lines, that is a very big deal. He mentioned our homeless services and for our population at-risk. Here is something I want to call attention to which is in our public safety team, they have been working admirably at preparing for this upcoming El Niño year that can create increased fire, hurricane, flood potential, and so not only have we been purchasing more equipment and technology that is needed, but I just really wanted to acknowledge the growth and collaboration among our layers or public land government, the Department of Land and Natural Resources (DLNR), the federal government, the County, all these private contractors through our wildfire stakeholder group. They have been remarkable, so it has been an honor to be apart of this effort as the Public Safety & Human Services Committee Chair. I think we have done a lot to ensure organized ability to respond to crises including purchasing that needed equipment. I want to call attention to inflation, which is another pressure in which we need to be to be prepared in our budgeting. International conflicts underway...

Council Chair Rapozo, the presiding officer, relinquished Chairmanship to Councilmember Kualii.

(Council Chair Rapozo was noted as not present.)

Councilmember Cowden: ...are impacting energy costs and supply chain disruption, it has the potential to unexpectedly increase our expenses and possibly disrupt our visitor industry. We must be careful not to escalate the taxation on our residents if we experience another period of profound rise in housing prices, I am hoping that will not happen, but I am trying to watch vigorously for that. I think as we move forward, the budget, what I like is there is enough flexible mindset so we can prioritize the essential needs in improving our infrastructure and building resilience. In the best case, Kaua'i and Hawai'i will be spared both weather and economic turbulence, and the goals of this budget will be able to be fully manifested that we will get all that we are looking for and have that work well. I was just with the Visitor Industry, I am looking at the UHERO budget and so as I pointed out that we bring a lot of money through that, seventy percent (70%) comes through that. We might have some softening there, so that might cause a little bit of adaptation, but again, thank you to our county team and taxpayers for this Fiscal Year 2027 budget effort.

Councilmember Kualii: Thank you, Councilmember Cowden. Is there any further discussion? Councilmember Bulosan.

Councilmember Bulosan: I want to echo, thank you to our staff for always being phenomenal in all the work that you do. *Mahalo* to the Administration, especially the Finance team and all the people that came together to make this happen. I want to *mahalo* the community for the community engagement around this budget. In my four (4) years serving, that was the most testimony and engagement that I have seen and that really is the testament to the growing challenges that we are facing, but at the same time how our community is rising towards meeting those challenges. The total amount of this budget...

(Council Chair Rapozo was noted as present.)

Councilmember Bulosan: ...is an astronomical thing how big of the budget is, but it is really not that much when you think about as a whole of what Kaua'i needs. It really takes a lot to take care of all of us, partners in all sectors in government and within our community, and private sectors is important for us to keep collaborating and I feel like in this fourth budget for myself, it is a dual experience. It is a diverging experience that I feel every single time when we make a decision, is that it feels like we are getting better. I feel hopeful, I feel like looking at this budget compared to past budgets, we are doing better in a lot of categories, but at the same time it feels still like we are having a harder time. Generally, the community, an individual that lived on Kaua'i rise the cost of living, the challenges that we are facing, things happening in the world, but at the same time there is the duality of like it is not getting better. It is hard to say that in this seat and say, "Wow, I am support proud," and at the same time, "Wow, it is still very hard." That is why I am ultra committed to looking at this budget and as we pass it to help whatever we can to assist the Administration and all our partners to execute this budget and make sure that we get the most our of it this fiscal year, as we are experiencing, we just do not know what is ahead. As mentioned on the floor, potential super El Niño. We are looking at the hurricane season started yesterday, and that is just the regular nature emergencies, and then you have all the other manufactured human experiences that is happening around the world that you just feel like, "Man, we really need to rise up and keep coming together," and that is one of the biggest takeaways, like I mentioned from the beginning is that why I am most hopeful about working in this Council team, our Administration, our state and federal representatives from Hawai'i, we keep coming together. That is the most important thing, especially in challenging times. Again, I want to echo all my *mahalo* to everyone and I am looking for the Administration executing this budget and thank you again, for allowing us to serve in this capacity to do one of the most important functions of the County Council, which is to pass a balanced budget. Thank you all.

Councilmember Kualii returned Chairmanship duties to Council Chair Rapozo.

Council Chair Rapozo: Thank you. Councilmember Carvalho.

Councilmember Carvalho: Without echoing everything, bottom line *mahalo* our Council team for all the work and everything that they have done in following through all the different requests back and forth, having gone through numerous budgets, and of course the Administration for following through and all the requests go back and forth, but at the end of the day, we need to come together. Especially the community for coming out every step of the way and sharing your *mana'o* as we continue to look forward to today. Of course, the community in general, I mean that is the big one that we need to thank. Having gone through numerous budgets, but the biggest thing for me would be all the different levels from housing to homelessness to roads, wastewater, our tax programs, all of it, ties into the bigger picture. I look forward to the implementation of it, getting it done, following through and knowing that along the way there may be some challenges, but we can work together to make it happen for our people. I think overall, having, like I said, the

whole entire process of our budget was really engaging and open, and reaching out and bringing back, and then now put it into action, and that is where we are at right now. I look forward to working closely with our Administration and continuing working with our community. There will be other options coming up along the way, as we always have, but for now I think just the entire process and all the areas that really are critical for our island have been addressed and talked about and I think that is an important part. For me, *mahalo* again, everyone for the entire process and I look forward to more opportunities and know that the door is always open for talking story in the future. *Mahalo* to everyone.

Council Chair Rapozo:

Councilmember Kualii.

Councilmember Kualii: This is very likely my last budget and I actually had...this is my twelfth budget. My first budget I came in and in April, so budget was well-underway, I probably missed all of the presentations by the departments, probably was just scrambling to keep up then, but this is my last budget and I feel like it is my best budget, because I think we accomplished some big things. Councilmember Kaneshiro talked about the grant in aid opportunities, but our adding one million dollars (\$1,000,000) of grant in aid funding for homelessness with a minimum preference of five hundred thousand dollars (\$500,000) of that being dedicated towards safe zone initiative is a big deal. I think we were able to do it because the community came out in force and made their wishes known. I think that gave us the courage, Councilmember Holland and I, with the proposal together and we received a lot of written testimony as well. The one million dollars (\$1,000,000) to the grant in aid for safe zones initiatives is a big deal, and then an additional five hundred thousand dollars (\$500,000) grant in aid for recovery treatment grants for adult and adolescent mental health and substance abuse community program grant, specifically with that additional five hundred thousand dollars (\$500,000) going towards actual recovery. Another real big deal. One million five hundred thousand dollars (\$1,500,000), a change made by this Council is probably the biggest change I ever been a part of in my twelve (12) years. I thank all the other Councilmembers for making that unanimous vote as well, of course, again, thank the community. Another big deal for me was...and it started really little, it was probably at least five (5) years ago, maybe longer, where I proposed a pilot project, thirty-five thousand dollars (\$35,000), it was easy, in fact I did not have to have a vote by here, I proposed it to the Administration and they did it, to start a low-income bus pass program discounts. It would have been too difficult for the Transportation Agency, so we partnered with the nonprofit agencies who already help disadvantaged low-income people. I said, "Let us have our Transportation Agency directly give them the discount," so now they can double the amount of passes they are giving out, because they are purchasing these passes from the Transportation Agency. We started with thirty-five thousand dollars (\$35,000) and in this current year, we added another fifty thousand dollars (\$50,000), we gradually increased it over the years, and it is now up to two hundred twenty thousand dollars (\$220,000). We have probably over twenty (20) nonprofits and state working with us and even our Housing Agency were participating in this program too. Especially big thanks to all of the partners, especially Catholic Charities and Easter Seals for making this a success and for growing it. I hope the future Councils will keep it going. The last thing is when you look at the real property taxes, I think taxes in general, I always feel like for our

families, especially our *kūpuna* who are especially struggling, we need to always look at the types of exemptions and credits that we are providing. We need to do better at promoting that, so that everyone who is eligible for it, there are some people out there, I know when I moved home, I had to help my own parents and others in my family and neighbors, just to keep telling people about what is available to them, because they are already struggling. Some of them maybe paying more taxes than they need to, because they are not taking advantage of the exemptions, so let us make sure that more and more people are taking advantage of exemptions. In our reporting that we get from the Finance Department, two (2) of the totals they give us is the home preservation limit deferential and that is only a total of forty-seven thousand five hundred seven dollars (\$47,507), but then what I am talking about one of them, they provide us, is the very low-income tax credit. For the very low-income tax credit this past year, we provided three hundred sixty-two thousand four hundred fifty-eight dollars (\$362,458) in relief. Three hundred sixty thousand dollars (\$360,000) out of two hundred sixty-one million four hundred thousand dollars (\$261,400,000) collected. Real property tax clearly is our biggest source of revenue, and we need it for all the services we provide, critical services that the community needs, but we also can give more relief to people who especially need it. I think perhaps in my time away, I will try to put some effort into that in working with community to make sure our seniors and our lowest income folks are getting the exemptions they deserve. The three hundred sixty-two thousand dollars (\$362,000) we provide in relief is only point one three eight percent (0.138%) of the total that we collect. That is just a little more than one-tenth (1/10th) of one percent (1%). If that is everyone out there, great, but I do not think it is, so I want to make sure that everyone should feel that, too, to try to do more of that. All our real property tax folks are all busy, just doing what they need to do, but someone and maybe we will work with the Agency on Elderly Affairs and they are probably doing some of that already, just in the work that they do in referring people on how to do better financially when they are struggling. The biggest *mahalo nui loa* to the mayor and to his entire budget team, and especially to our entire Council Services budget team. This is the Council's most important job every year, and we cannot do it without the staff. One hundred percent (100%) of what you see us do here, ninety percent (90%) of the work behind us is done by the staff and we have the most amazing staff. Thank you.

Council Chair Rapozo: Is there anyone else? This is my eighteenth budget, it has been a lot, and I guess I will start with thanking all of you, the Councilmembers for doing a great job. The Finance & Economic Development Committee Chair Kaneshiro, thank you for keeping us in check. I ran the budget for a couple of years when you were not here, it is not as easy as you make it look. It is difficult, and I will say that Committee Chair Kaneshiro is definitely the best budget chair that I have ever worked with, no doubt. To the Administration, to our Mayor, to the Managing Director, and the entire team...the responsiveness of our requests was A+ and that is so helpful. It makes our job a lot easier when we get the responses to our questions, because the budget process goes through, questions pop up later, but the responsiveness is much appreciated, and thank you for that. As well as the Finance Department, the budget team across the street, County Attorney, a valuable information from that office, Tyler and his team, as well as all the department heads who whether it is formally or informally helping us make the decisions to make this budget process go through. Of course, the community. Without the community input,

without the community showing up, as was mentioned earlier, regarding the homelessness/houselessness and safe zones, just one (1) example of many throughout the year, and many of the community voices come in not here, but through text, emails, or while you are shopping at the store, so thank you to all of you who are willing to stand up and voice your concerns. And of course, our staff. I saved the best for last. This budget year, I think the first time I ever seen changes after the Supplemental Budget, amendments at the final Committee Meeting, which I do not believe was ever done. That is a logistical nightmare, we know that, but our staff was able to get that handled and process and that is just amazing. Our budget team on this side of the aisle is phenomenal, everyone has mentioned that, but the work that they go through and what they have to process to get our work done is just phenomenal. To our staff, our budget staff, thank you. It is not just the budget team, we have our Clerk and our Deputy Clerk who basically are the traffic cops here. They are the ones who collect all seven (7) individual, independent Councilmembers request, all of that gets funneled through the Clerk and Deputy, and then they have to assign it where it needs to go. Thank you, Jade and Lyndon, for your amazing work. Then we have the Records Section who have to dig out old minutes and files for us to compare with the work that we are doing. Our Secretarial Assistants have to collaborate all of our schedules so we can hold the meetings with the Administration and hold the meetings with our constituents, as well as our Clerical Section. Everything that we end up signing, guess what, came from a clerk, and there is no job in this Council Services Office that is not important to this entire budget process, so I want to say thank you to each and every one of you here. Like Councilmember Kualii, this is my last Council budget for now. It has been an experience. Nothing gets done without the help of everyone combined: the Administration, the Council, and the public. With that, I thank you all very much. That is all I have.

The motion to approve Bill No. 2988, Draft 1 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, Holland, Kaneshiro, 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.

Bill No. 2989, Draft 1 – A BILL FOR AN ORDINANCE RELATING TO CAPITAL IMPROVEMENTS AND FINANCING THEREOF FOR THE FISCAL YEAR JULY 1, 2026 TO JUNE 30, 2027 (*Fiscal Year 2026-2027 CIP Budget*)

Councilmember Kualii moved to approve Bill No. 2989, Draft 1 on second and final reading, and that it be transmitted to the Mayor for his approval, seconded by Councilmember Bulosan.

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

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

JOHN MARQUES: Good morning, Councilmembers. I wanted to bring up the mechanic shop, the chemical, that place is not a good idea because I have been there before picking up chemicals for the County and a lot of chemicals still on the ground and they hose it down with water, and then they had to shutdown the place. Like how Councilmember Holland said, the stream is right there can get contaminated. The mechanic shop has to build their own building. There is a better outcome. The Kalāheo Recreation Center, that place is a disaster. That building is not very good for things. I attended an event this past weekend, you have to wear socks to go into a building like that? You folks put money into a building like that? You should look at getting the public's input before you waste your money into a facility and does not "cut it." That place is like an oven; it is a disaster. Poor old people stay in there and they could not drink a bottle of water, that is not very good. What if people get dehydrated, you folks have to look at the entire outcome. Why did you folks mess up a building like that, waste money...it is not very good, like before you folks do anything, it is not a good outcome. That is all I have to say.

Councilmember Cowden: I have a clarifying question.

Council Chair Rapozo: Go ahead.

Councilmember Cowden: This second building that you are talking about is not the C. Brewer, you are talking about two (2) buildings?

Mr. Marques: The place where the mechanic shop is going.

Councilmember Cowden: Okay, you are talking about the mechanic shop.

Mr. Marques: It is not a good location.

Councilmember Cowden: The new one? The one we are considering buying. Are you talking about a place where people live, too?

Mr. Marques: No, not there. The Kalāheo Recreation Center, if you folks redo the things.

Councilmember Cowden: Where?

Councilmember Kaneshiro: The Kalāheo Neighborhood Center.

Councilmember Cowden: Oh.

Council Chair Rapozo: His first issue was the chemical site and then the second is the Kalāheo Neighborhood Center.

Councilmember Cowden: Okay, I just did not understand his words, okay, I was trying to understand. Thank you.

Council Chair Rapozo: Thank you, Mr. Marques.

Mr. Marques: The problem is why you folks waste money and the public cannot enjoy buildings like that, it is not very good. You folks waste all the Council money into that and it does not cut it.

Councilmember Cowden: The Kalāheo Recreation Center.

Mr. Marques: Yes, the Kalāheo Recreation Center is a disaster. The place is like an oven. It is like you go to Mānā and Polihale Beach. The heat in there is very bad. It is all I have to say.

Council Chair Rapozo: Thank you very much. Is there anyone else wishing to testify?

YELANA OKHMAN: Yelana Okhman here. Thank you so much for considering our testimony for the houseless and the mental health and drug abuse facility, thank you so much for taking that into consideration and adding to the budget. I am so hopeful that we will find good programs that will help the community with that. Based on the purchase, I just wanted to mention one (1) thing, I am a real estate agent and have been doing real estate over fifteen (15) years, and when situations like this discussed, usually you know the timeframe for the contingencies, and you know the timeframe for the inspection. The last time when I was here, I have not heard anything about the level of how many days or whether the contingencies were being done, so this is the normal procedure of any transaction and a special of that type, the magnitude of that kind is a big operation that is being purchased. Just a suggestion, so when you purchase properties of that type, Councilmembers need to know, whether two (2) weeks, two (2) months, three (3) months of the contingency for the inspection and during this time, this is the evidence that is being collected and reviewed. I understand it is not for the Council to approved, you are just approving the funding, but the way I see this particular property based on what was mentioned here with today's testimony, it could be a lot of problems that could be there, like chemicals. Just my testimony to pay attention and do the research. Thank you.

Council Chair Rapozo: Is there anyone else?

Mr. Hart: Bruce Hart, for the record. In general in regards to the budget, I would like to thank all Councilmembers and the Administration. I have sat through many of the meetings. It was stressful and I would like to echo Council Chair Rapozo's comments in thanking the staff, you all worked really hard, everyone. Having said that, I want to speak specifically upon my testimony in regards to the C. Brewer purchase, potential. I stand on my testimony last week. If the Administration decides to move forward, my position could change, but to be frank, I doubt it. I think there are too many potential liabilities and I think that the rush was really nerve-racking for me and I want to thank those who voted

in support of Chair’s amendment, so that we can actually said in testimony “pump the brakes, slow it down and take a good look what this would entail.” I want to thank specifically Chair for having the courage to bring this forward so that the public that includes me personally, would have an opportunity to be able to speak on the purchase of that property, which I would not have had if it had gone through without Chair bringing the amendment forward. I want to thank Councilmember Kualii for always putting the public forward, the people. You do that consistently. It is not just once in a while; you do it all the time. I want to thank Councilmember Cowden for bringing up some very important points in regards to the buildings and property of C. Brewer. I want to thank Councilmember Holland for her input, and I want to thank all four (4) of you for your vote upholding the amendment. I sigh a sigh of relief whenever the amendment was held on. Thank you.

Council Chair Rapozo: Thank you. Is there anyone else wishing to testify? Is there any further discussion? Councilmember Cowden.

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

Councilmember Cowden: I want to make a comment on the C. Brewer property. I want to give gratitude to the Administration for looking at the property. It has a range of benefits across several departments; this purchase could provide. I wanted to reaffirm that I am open to looking at the contracts and what we would start getting into as due diligence. The information was just too quick, too fast, because we do not want to buy a liability that might have health problems, but I am not closed minded, the problem was the short window of time. The rest of the CIP, I feel good about. Thank you.

Council Chair Rapozo: Thank you. Is there any further discussion?

The motion to approve Bill No. 2989, Draft 1 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, Holland, Kaneshiro, 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.

Bill No. 2993 – A BILL FOR AN ORDINANCE TO AMEND ORDINANCE NO. B-2025-905, AS AMENDED, RELATING TO THE OPERATING BUDGET OF THE COUNTY OF KAUAI, STATE OF HAWAII, FOR THE FISCAL YEAR JULY 1, 2025 THROUGH JUNE 30, 2026, BY REVISING THE AMOUNTS

ESTIMATED IN THE GENERAL FUND (*General Liability and Auto Claims, and Health Fund Contribution – \$1,445,000.00*)

Councilmember Kualii moved to approve Bill No. 2993 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?

There being no public testimony, the meeting proceeded as follows:

The motion to approve Bill No. 2993 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, Holland, Kaneshiro, 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.

Bill No. 2994 – A BILL FOR AN ORDINANCE APPROVING A COLLECTIVE BARGAINING AGREEMENT FOR BARGAINING UNIT 11 BETWEEN JULY 1, 2025 AND JUNE 30, 2029

Councilmember Kualii moved to approve Bill No. 2994 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?

There being no public testimony, the meeting proceeded as follows:

The motion to approve Bill No. 2994 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, Holland, Kaneshiro, 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.

Bill No. 2995, Draft 1 – A BILL FOR AN ORDINANCE AMENDING CHAPTER 5A, KAUA'I COUNTY CODE 1987, AS AMENDED, RELATING TO REAL PROPERTY TAX (*Long-Term Affordable Rental Requirements*)

Councilmember Kualifi moved to approve Bill No. 2995, Draft 1 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?

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

Mr. Sykos: For the record, Lonnie Sykos. For the public watching, there are lots of rules that govern what does and does not occur inside Council Meetings and at this meeting, Bill No. 2995 has to do with the proposed changes, not the bill itself. I look forward to the agenda item coming up in Committee so that the Council can address Section 2(b) that states, "provided that all dwellings on the property are long-term affordable rentals or residential leases of state-owned property," which very clearly states that if you have an owner-occupied house on your property and you also have an affordable rental, the fact that you live on the property in your owner-occupied house negates your opportunity to get the tax relief for long-term affordable rentals. It is a housekeeping item that needs to be dealt with. The language very clearly states that anyone whose got owner-occupied on your property with a rental is going to take a massive tax hit and it violates due process to say that should that occur, we will capriciously and arbitrarily allow some County employee to say that this ordinance does not apply to some people, but it does apply to other people, and you do not provide any guidelines for that, thus you are going to violate people's due process. I also have an issue which we talked about last time, which is in Section 2(f) and there is an utter lack of due process. I would say I find it horrific that the County would have a director who does not have to have any evidence, all they have to have is a bunch of information. They are not required to find out whether or not the information is true or not, and then they can go ahead and raise someone's property taxes, and you find out that your taxes have been raised after-the-fact. Number one in the providing notice to the owner of the property should be done before you raise the taxes and not after and you want to give them a chance to address the information that does not have to be factual.

Council Chair Rapozo: Thank you. Is there anyone else wishing to testify? If not, do you want to go for a second three (3)?

Mr. Sykos: I have a little bit more. I am asking you to please read the plain text language of that and realize that the language needs to change. I do not see why you want to punish someone for the taxes before you have the actual determination that they are in violation. The director, someone is upset with their neighbor, they film the fact that their kids come home from college or whatever, their family comes to visit, there are people going in and out of the house, you take videos of it, you go to the director and say, "They are renting some type of

vacation operation,” when in fact it is nothing but family and friends. If the director chooses to, the director can say, “I have this video of all these people going in and out of the house,”—we are going to “whack” their taxes. We are going to disallow them and raise the tax. This is utterly gut due process backwards. The director needs more than anonymous complaints. To protect my wallet, the public’s wallet, because the public gets sued, not the director, not you folks, the public gets sued, and this is like begging us to get sued because we made the mistake of believing some civilian who has given no oath that what they say is correct, all they have to do is give the information to the director. This truly needs to be looked at and rewritten. I totally agree with what you are trying to do, which is to prevent people from claiming tax exemptions that they are not entitled to, one hundred percent (100%) agree with that, but it is the methodology you use to accomplish this that bothers me. Please go back and revisit that language and tighten it up please. Thank you.

Council Chair Rapozo: Thank you. Is there any further public testimony?

Ms. Okhman: Yelana Okhman, for the record. I am in agreement with the previous testifier. Nowadays, the housing crisis is deep and so far out, that so many people who are just extended family are living together. I see mothers taking in like cousins just trying to make it happen. If someone complains from the neighborhood, the tax rate will go up, it is not easy for everyone already, so we just need to figure out how we can support in situations where people who are supporting others, friends and family. I talked to Rowena and she said she has twelve (12) people...it is like everyone is trying to survive. We do not need more people on the streets. Some people do not have big families. If they have big families, they can lean on, but some do not and they end up on the streets and then we will have to pick them up from the streets. How can we make it more difficult? I have seen lots of advertisements (ads) these days that people are renting bedrooms. I do not think they are doing it because they want to, it is because they need to survive and they are also helping others. Many individuals who come here are professionals, like right now we need mental health professionals, right, and so many people are professionals, but they cannot find affordable places to stay. Affordability nowadays is one thousand eight hundred dollars (\$1,800) for a single person; you can hardly find a lot with that amount. I am asking to be able to find a way to help people who support families, family members, and to be able to justify if something happens, the neighbor call and they know they have a process how they can deal with this in a good manner. Thank you so much.

Council Chair Rapozo: Thank you. Is there anyone else wishing to testify? Is there any further discussion? Councilmember Cowden.

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

Councilmember Cowden: I have two (2) comments. The first is regarding Mr. Sykos’s comment on item (b), and first of all this is second reading, it is not first reading, this is the last and final vote.

(Council Chair Rapozo was noted as not present.)

Councilmember Cowden: Item (b) which is existing code cannot be changed because it is not part of the intention of this bill for an ordinance. On item (f), I am in agreement with the testifiers that this is another overreach of authority. I support the intention of having people pay their appropriate level of taxation...

(Council Chair Rapozo was noted as present.)

Councilmember Cowden: ...but I do not think this does do the right amount of due process and then I think people live in fear of helping others, like if you have someone who is willing to complain about you, there are so many rules and regulations, you do not even know that you are making a mistake if you help someone park their vehicle that maybe has a commercial sign on it or whatever. The process is too weak for me. I do not feel that it is fair that we probably get at least as many people wrongly caught in a trap as we would accurately. I will not be supporting the bill.

Council Chair Rapozo: Thank you. Is there any further discussion?
Councilmember Kaneshiro.

Councilmember Kaneshiro: I think Councilmember Cowden already stated it, but Section 2(b) is already a part of the bill, we had no changes to it, so that is why we could not change it. It is not true that if you had multiple units there, some rented long-term and the owner is there, then they are not going to get that rate. It is actually a requirement that the owner...if the owner is on there, then they will get the Owner-Occupied rate. If you are renting it long-term, then you get to continue to have that low rate and all of the benefits. I do not think it needs to be written here.

Councilmember Cowden: Can...

Councilmember Kaneshiro: That is the way it is being implemented, that is the way it is.

Councilmember Cowden: Can I ask a clarifying question?

Council Chair Rapozo: Hang on. Let him make his comments and then you can ask your questions.

Councilmember Kaneshiro: Regarding the second part on Section (f), it specifically says, "If the Director obtains documents, photos, reports, or other credible information indicating that a tenant does not occupy the residence,"—so we are not saying hearsay, we are not saying any of that, it is credible information for them to relook at it. Real Property Tax Manager Scott Teruya has also mentioned that they mail them information that their taxes are going to change and there is opportunity, it is not that they will be surprised by a bill. I wanted to make that clear.

Council Chair Rapozo: Go ahead.

Councilmember Cowden: I want what you said to be correct what you are saying. It says, "Any owner of real property that is rented or leased as a long-term affordable rental shall receive the Long-Term Affordable Rental tax rate as provided in Section 5A-6.4," which I am not looking at right here, "provided that all dwellings on the property are long-term affordable rentals or residential leases." Probably if I look at Section 5A-6.4, it would say that if there is an owner-occupant right there, because this does not allow...it does not clearly specify, so I try not to get too hard on my computer or phone, but we might need to look at that. I understood what he was saying and I want it to be that this is fine.

Councilmember Kaneshiro: I think...

Councilmember Kualii: Procedurally, that would take another bill.

Councilmember Cowden: It would take another bill.

Councilmember Kaneshiro: Yes, I think you should suspend the rules and ask Scott if someone is living on their property and is Owner-Occupied and they have long-term rentals, does them living on the property preclude them from getting this long-term rental. I know what the answer is going to be, it is no, but you should ask him.

Council Chair Rapozo: That question has been asked and answered how many times. This is not about Owner-Occupant, this is about getting the exemption for long-term rentals. Owner-Occupant is a whole separate issue. I am not sure where Mr. Sykos got that information that it prohibits you, because it does not. If you are the owner-occupant, you get the credit.

Councilmember Cowden: Okay, I just...

Council Chair Rapozo: It is what it is, I mean. This just allows if you have multiple rentals on your property and you are not there; all the rentals have to be affordable for you to receive the benefit.

Councilmember Kaneshiro: Yes, I believe that section was addressing if you have multiple units, you cannot rent one (1) at long-term rental and then the other ones at fair market value and then get the entire property at the long-term rental. I believe that is what that section was trying to address.

Councilmember Cowden: Okay. Just a small comment, and we all have our own opinions, but the word "credible" to me is a loose word, so I definitely noticed that word was in there, that needs to be a credible element, but I am holding my position.

Council Chair Rapozo: Is there any further discussion? I heard testimony about people taking people in and that is going to impact the exemption, but it is not. You can bring in as many people as you want, as long as you live in the house that you have the exemption, but yes, you can have visitors come in from the mainland. Again, the devil is in the details, I guess, but anonymous complaint is not

credible information. If you receive a call to say, “My neighbor is not living in the house,” that is not credible information. “The Director shall provide written notice to any owner whose property does not qualify,” I think they have stated and as Councilmember Kaneshiro stated, that letter goes out before the action is taken. The homeowner will have an opportunity to clarify or to validate the action that is being proposed by the tax office. I am comfortable with that. I think the credible information is the key for me. There is no way that the tax office is going revoke someone’s exemption or credit because receive an anonymous call. Councilmember Kuali’i.

Councilmember Kuali’i: I remember when they came before us and the younger person went through because he was one of the ones that go house-to-house or put the tags on the doors and do follow-up calls, it does sound to me that they will do multiple attempts and follow up and so the “credible” becomes verifiable, justifiable, after thorough follow-through. I think at some point we just have to trust them when they tell us this is our process and this is what we do, that they are really giving the citizens as much of a chance to make corrections. They only want to do what is right, they do not want to be punitive.

Council Chair Rapozo: With no further discussion, roll call.

The motion to approve Bill No. 2995, Draft 1 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, Holland, Kaneshiro, Kuali’i, Rapozo	TOTAL – 6,
AGAINST APPROVAL:	Cowden	TOTAL – 1,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Six (6) ayes and one (1) no.

Council Chair Rapozo: Next item, please.

Bill No. 2996 – A BILL FOR AN ORDINANCE AMENDING CHAPTER 17, ARTICLE 1, KAUAI COUNTY CODE 1987, AS AMENDED, RELATING TO THE GENERAL PROVISIONS RELATING TO MOTOR VEHICLES AND TRAFFIC REGULATIONS AND RELATED FEES

Councilmember Kuali’i moved to approve Bill No. 2996 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?

There being no public testimony, the meeting proceeded as follows:

The motion to approve Bill No. 2996 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, Holland, Kaneshiro, 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: Thank you. With that, there is no further business, this meeting is adjourned.

ADJOURNMENT.

There being no further business, the Council Meeting adjourned at 10:40 a.m.

Respectfully submitted,



JADE K. FOUNTAIN-TANIGAWA
County Clerk

:dmc