

COUNCIL MEETING

SEPTEMBER 20, 2023

The Council Meeting of the Council of the County of Kaua'i was called to order by Council Vice Chair KipuKai Kuali'i at the Council Chambers, 4396 Rice Street, Suite 201, Lihu'e, Kaua'i, on Wednesday, September 20, 2023, at 8:44 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 Kuali'i

Excused: Honorable Mel Rapozo

APPROVAL OF AGENDA.

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

Council Vice Chair Kuali'i: Is there anyone in the public wishing to testify on the agenda? Seeing none, is there any discussion?

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 carried by a vote of 6:0:1 (*Council Chair Rapozo was excused*).

Council Vice Chair Kuali'i: The motion carries. Clerk, could you please read the next item?

MINUTES of the following meeting of the Council:

August 23, 2023 Council Meeting

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

Council Vice Chair Kuali'i: Is there anyone in the public wishing to testify on the Minutes? Seeing none, is there any discussion?

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 carried by the following vote of 6:0:1 (*Council Chair Rapozo was excused*).

Council Vice Chair Kualii: The motion carries. Clerk, can you read the next item?

CONSENT CALENDAR:

C 2023-206 Communication (08/30/2023) from Council Chair Rapozo and Councilmember Carvalho, transmitting for Council consideration, a Resolution Supporting Efforts To Acquire The Courtyards At Waipouli And Preserve Long-Term Affordability.

C 2023-207 Communication (08/31/2023) from Councilmember Bulosan, transmitting for Council consideration, a Resolution Urging Federal, State, And County Legislative And Administrative Leaders To Support Digital Inclusion Week.

Councilmember Kagawa moved to receive C 2023-206 and C 2023-207 for the record, seconded by Councilmember Carvalho.

Council Vice Chair Kualii: Is there anyone wishing to testify? Councilmembers, is there any discussion?

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

Councilmember Cowden: I believe there was one (1) who wanted to testify early, is that correct?

Council Vice Chair Kualii: Yes, the public can testify on the Consent Calendar. Members, for the Consent Calendar, we will just approve [sic] C 2023-207 and then we will consider C 2023-206 separately, and then we will call for public testimony on that item. Can I get a motion?

Councilmember Cowden moved to approve [sic] C 2023-207, seconded by Councilmember Carvalho, and carried by a vote of 6:0:1 (*Council Chair Rapozo was excused*).

(Note: C 2023-207 was received for the record.)

COMMUNICATIONS:

Council Vice Chair Kualii: Now, can I get a motion to receive C 2023-206 for the record?

Councilmember Cowden moved to receive C 2023-206 for the record, seconded by Councilmember Carvalho.

Council Vice Chair Kualii: The relating Resolution will come up later. We will take testimony for all those who would like to testify. Come forward, state your name, you have three (3) minutes, and if you need more time, you will be allowed an additional three (3) minutes after we offer others the opportunity to testify. The yellow light will basically tell you that you have thirty (30) seconds left and the red light means to stop.

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

LANA BILBO: Aloha. My name is Lana Bilbo. (*Hawaiian language*). I am born and raised in Wailua and I am here to testify in support of the Resolution supporting efforts to acquire the Courtyards at Waipouli and preserve long-term affordability. I think that is an important thing. Everyone here, whether you are here for this issue knows that we need this. I have never attended a Council Meeting, and have never been in this building besides Christmas time. I wanted to show up today in support of this, because I think it is one of the things right now that seems like is something we can do. I check the housing prices all the time and get more and more stressed about it. It seemed really nice, and I really hope that we can make that happen. That is all.

Council Vice Chair Kualii: Do you have a clarifying question?

Councilmember Cowden: Do you live in that building?

Ms. Bilbo: No, but I live in Wailua. I think it is important for all our community members to support any action like this. I am lucky I have a rental right now, but it is just a rental, right? Houses in my neighborhood are selling for one million eighty-five thousand dollars (\$1,085,000) and I look at the property tax records and the prices of houses are out of control.

Councilmember Cowden: Thank you so much.

Council Vice Chair Kualii: Councilmember Bulosan.

Councilmember Bulosan: Welcome. It makes me happy to see you here. How did you hear about this Resolution?

Ms. Bilbo: I received an email. I get alerts about different things. I also saw an article about it too, but I forgot which paper it was in.

Councilmember Bulosan: You shared your reason for testifying, but what is the underlying reason, personally, for you that you wanted to spend time to speak to us on this matter?

Ms. Bilbo: I mean...I am just stressed all the time. I am just so stressed all the time about housing here. I lived on the mainland for six (6) years after high school and it is hard being away from your family, I wanted to come home, but I could not make it happen until I found housing. I am trying to get a job at a nonprofit and they cannot even hire someone until they know they have housing,

so even if someone wants to come from Hawai'i Island or something like that, who has experience, they tell them, "Until you find housing here, we cannot accept you as an applicant." There is nothing for people.

Councilmember Bulosan: I have one (1) more clarifying question, but it is a tough question. The only reason why I am asking you these questions is because I do not see a lot of people our age in this room, so I cannot have this dialogue openly on this floor, because there are not a lot of us that show up on this platform, so I appreciate you being here. Why are you even trying? Why try? Because I feel hopeless, I am sure you feel hopeless, too, and we are working, but why even show up? I know it is a hard question and I am putting you on the spot, I do not even know you, but I think our community needs to know because fifty percent (50%) of us are here in this community at this age group suffering, and like you said, "Stressed," but no one really feels it. Half the time I feel like I am bottling it up, so I am wondering, why even try?

Ms. Bilbo: I feel like you have to try. Honestly, part of the reason I try right now is because I used to hope that I could do it. I have the resources. I am upper middle-class and in the last few years that hope that I can make that happen, even if other people around me cannot...it does sound selfish, right? But I felt like I still have the possibility and in the last couple of years, I cannot see it. Even for me, with all the things I have going in my favor, I do not see it happening for myself, anymore. If I feel that way, then people who are already on the brink must be so much more stressed about it. Growing up, you hear most of the *kanaka* saying our diaspora is larger than the people here at home. You hear all those things growing up. It was stressful even as a child, because my parents would talk to me about these types of things. It is just that the personal reality became more real for me and perhaps because it just became more real for me, I still feel that something can happen. It feels like a rude answer, because I know it is already real for other people; it was more immediate for other people. I am also at that age where I think, "If I want to buy a house, to make a twenty percent (20%) down payment with closing costs on a one-million-dollar house, I need to have two hundred fifty thousand dollars (\$250,000) saved at twenty-eight (28)." Where am I going to get two hundred fifty thousand dollars (\$250,000)? I make forty thousand dollars (\$40,000) a year. That is why.

Councilmember Bulosan: Thank you.

Council Vice Chair Kualii: Thank you. I will take a moment to make this a teaching moment. We are sorry for putting you on the spot. Actually, our follow-up...not follow-up... Councilmember changed it from "clarifying" to "follow-up." That is in fact what happened. We should just be asking you clarifying questions and basically, a clarifying question is, when you said, "X, y, or z, what did you mean by that?" If we put you on the spot and ask you to go places where it drifts deeper from your testimony, that is not necessarily what this is meant to be. Sorry for putting you on the spot. Also, Councilmembers, it is not supposed to be a chance to give the testifier more time, because they have their time limit of three (3) minutes. I granted it, because you did not take your six (6) minutes, but we appreciate your testimony and you opening your heart and soul to us. Other testifiers, you will not be asked to open your heart and soul like that, but you are free to testify anything you wish in

the time that you have. I did do this as a courtesy, so if anyone else cannot stay here...because it may be a couple of hours. We have two (2) long presentations from the Department of Transportation. If you can stay here for when the Resolution is introduced, read on the floor, explained by the Member, and testify at that time, then great, but if you are not able to and you need to leave, like she does for work, your time to come up would be now. Is there anyone else wishing to testify now? Okay. Come forward. Thank you, again. Just remember to state your name for the record, you have three (3) minutes. Yes, please sit. If you need additional time after we ask everyone else, you can come back for an additional three (3) minutes.

IRIS SHIGEKANE: My name is Iris Shigekane. This is my partner, Chad Kia'aina, and this is our son Niko Shigekane-Kia'aina. We are testifying on behalf of the Waipouli project. Right now, we are at Kaua'i Economic Opportunity (KEO) Shelter. We do not have our vouchers yet, but we are supposed to be getting them by the end of the month. The whole problem we have been experiencing is that there is no place for us to use the voucher. We have been working with Catholic Charities over the last few months. We have looked at a few places, but there has not been any place that we can actually move into. We were really hoping there is some place central, in Lihue, that we would be able to move into once we receive our vouchers. It is sad that there is no place to use your voucher once you receive it, because we have been waiting for so long just to receive the voucher. That is not even to say that there are other people who are trying to make a living and they cannot afford to pay the rent because it is too high. There is no way. For us, if we cannot pay for childcare and there is only one (1) person able to work, you cannot afford a place. If you have both people working, you need to pay for childcare, so there is still no place you can afford. It is a "Catch-22." What will come first? Even with both of us working, there is no way we can afford anything. When you have something happen to your significant other, where he is injured, and becomes unable to work, then...older folks are like, "You are supposed to have savings." We did, but it has been over a year and a half now, and he has not been able to work. We are going through the process of Social Security Disability, but apparently that is a three-year process. There is nothing that we can do; we tried everything. He is looking at surgery.

CHAD KIA'AINA: On the 25th, I leave to O'ahu for a consultation and we see what happens with that.

Council Vice Chair Kualii: Those are your first three (3) minutes. I will ask if others want to testify, if you want more time, or if you want to testify separately, we can give you another three (3) minutes.

Ms. Shigekane: It would be the same thing. We are done.

Council Vice Chair Kualii: Okay. Members, are there any clarifying questions? Thank you very much.

Ms. Shigekane: Thank you.

Councilmember Cowden: Thank you for sharing your story. It is very important.

Council Vice Chair Kualif'i: Yes, absolutely. Is there anyone else wishing to testify now? Okay. Come forward.

Councilmember Cowden: State your name.

MICHELLE (Last name inaudible): Good morning. Michelle (inaudible). I have been living in Waipouli Courtyards for about thirteen (13) years and I have seen the increase of the rent. It is unbelievable. Our rent will increase in November again. It will increase by about one hundred dollars (\$100). It is very unfortunate how it has escalated from the time I started living there to now. Trying to work two (2) or three (3) jobs is ridiculous for any family here. I am a single parent with two (2) sons. I pay about three thousand dollars (\$3,000) a month, plus utilities, which are also ridiculous. For any family here, it is unbelievable. If something could happen with the housing, that would be a blessing for anyone. It is tough. I am currently living there. I do not know how anyone could work three (3) or four (4) jobs and work just to pay the rent. It is rough. That is all.

Council Vice Chair Kualif'i: Thank you. Are there any clarifying questions? Councilmember DeCosta.

Councilmember DeCosta: Thank you. When you said, "Three thousand dollars (\$3,000)," could you explain what that price is for? Is it a two-bedroom or a three-bedroom? Does it include utilities, or not?

Ms. Michelle: It does not include utilities. I believe it is two thousand dollars (\$2,000) for a one-bedroom, for a two-bedroom, it is about two thousand eight hundred dollars (\$2,800), and a three-bedroom with two (2) full baths is three thousand dollars (\$3,000). Utilities are not included.

Councilmember DeCosta: Thank you for that clarification.

Council Vice Chair Kualif'i: Thank you.

Councilmember Carvalho: Just to clarify again, do you live there now?

Ms. Michelle: Yes, I live there now. I am currently living there in a three-bedroom unit.

Council Vice Chair Kualif'i: Councilmember Kagawa.

Councilmember Kagawa: Thank you for your testimony. What was your rent thirteen (13) years ago?

Ms. Michelle: When I started living there, it was about one thousand eight hundred dollars (\$1,800).

Councilmember Kagawa: It went up one thousand two hundred dollars (\$1,200)?

Ms. Michelle: Within years, yes.

Councilmember Kagawa: That is really crazy, right?

Ms. Michelle: Yes.

Councilmember Kagawa: Thank you.

Council Vice Chair Kualifi: Thank you for your testimony.

Ms. Michelle: Of course. Thank you.

Council Vice Chair Kualifi: Is there anyone else wishing to testify now?
Seeing none.

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

Council Vice Chair Kualifi: Members, we will receive this item for now and will have in-depth discussion during the Resolution later.

The motion to receive C 2023-206 for the record was then put, and carried by a vote of 6:0:1 (*Council Chair Rapozo was excused*).

Council Vice Chair Kualifi: The motion carries. Are Ed Sniffen and the folks from the Department of Transportation here to do the presentations? If not, then we will await their arrival and hold off on items C 2023-175 and C 2023-208. They have asked to do it in reverse order with C 2023-208 first. We will hold both items for now. Clerk, could you read the next item?

There being no objections, C 2023-209 was taken out of order.

C 2023-209 Communication (08/29/2023) from the Prosecuting Attorney, requesting Council approval to receive and expend Federal funds, in the amount of \$40,486.00, from the Edward J. Byrne Memorial Justice Assistance Grant (JAG) Fiscal Year 2023 Local Solicitation Grant, to support training for Deputy Prosecuting Attorneys and Kaua'i Police Department officers, and to purchase office supplies. The grant will cover expenses for the time period of October 1, 2022 through September 30, 2026.

Councilmember Carvalho moved to approve C 2023-209, seconded by Councilmember Cowden.

(*Councilmember Kagawa was noted as not present.*)

Council Vice Chair Kualifi: Members, are there any questions for the Office of the Prosecuting Attorney? Seeing none, do we have any registered speakers? Is there anyone in the audience wishing to testify on this item? Members, is there any final discussion?

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

Councilmember Cowden: I want to make one (1) statement. For four (4) years' worth of office supplies, that is minor. I am sure that is just a portion of what they need. I want to say thank you for always getting grants, because that helps to soften the burden of the real property taxes that we put on people. I appreciate their office for getting grants.

Council Vice Chair Kualii: Members, is there any further discussion? Seeing none.

The motion to approve C 2023-209 was then put, and carried by a vote of 6*:0:1 (**Pursuant to Rule No. 5(b) of the Rules of the Council of the County of Kaua'i, Councilmember Kagawa was noted as silent (not present), but shall be recorded as an affirmative for the motion; Council Chair Rapozo was excused*).

Council Vice Chair Kualii: The motion carries. Clerk, please read the next item.

C 2023-210 Communication (08/31/2023) from the Executive on Aging, requesting Council approval to receive and expend State funds, in the amount of \$220,264.00, and to indemnify the State Executive Office on Aging, to be used by the County of Kaua'i, Agency on Elderly Affairs to support the functions of the Aging and Disability Resource Center (ADRC) and be used for staff development, outreach, awareness, education, and collaboration with the No Wrong Door (NWD) Network.

Councilmember Cowden moved to approve C 2023-210, seconded by Councilmember Carvalho.

Council Vice Chair Kualii: Members, are there any questions for the Agency on Elderly Affairs? Do we have anyone registered to testify?

LYNDON M. YOSHIOKA, Deputy County Clerk: We have no registered speakers.

Council Vice Chair Kualii: Is there anyone in the audience wishing to testify? Seeing none. Members, is there any further or final discussion?

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

The motion to approve C 2023-210 was then put, and carried by a vote of 6*:0:1 (**Pursuant to Rule No. 5(b) of the Rules of the Council of the County of Kaua'i, Councilmember Kagawa was noted as silent (not present), but shall be recorded as an affirmative for the motion; Council Chair Rapozo was excused*).

Council Vice Chair Kualii: The motion carries. Clerk, please read the next item.

C 2023-211 Communication (08/31/2023) from the Executive on Aging, requesting Council approval to receive and expend State funds, in the amount of \$671,220.00, and to indemnify the State Executive Office on Aging, to be used for the provision of Kūpuna Care, which includes case management services, adult day care, assisted transportation, homemaker services, Kūpuna care transportation, personal care, home-delivered meals, respite care, and caregiver support services.

Councilmember Cowden moved to approve C 2023-211, seconded by Councilmember Carvalho.

Council Vice Chair Kuali'i: Are there any questions for the Agency of Elderly Affairs?

Councilmember Cowden: I have a simple one.

Council Vice Chair Kuali'i: Okay. Please come forward, Kealoha.

Councilmember Cowden: Thank you, Kealoha. You do an excellent job. My question goes for all three (3) of these where you are receiving State support. I appreciate that you have it. Yesterday and later today, I am interfacing with *kūpuna* who I worry about due to the amount of poverty they are working with after a long life of giving to our community and working.

(Councilmember Kagawa was noted as present.)

Councilmember Cowden: Could you take a moment to tell us and those in this room, who are enduring these types of challenges, it is not just the youth, although we thank the youth who came to speak, how can people apply for these important services, because they are necessary? Thank you from the depth of my heart. They are needed. Help us understand the continued service that you do and how people can get it.

There being no objections, the rules were suspended.

LUDVINA K. TAKAHASHI, Executive on Aging Thank you. Kealoha Takahashi, Executive on Aging. It is simple. They can call our office at (808) 241-4470 and ask for assistance. Any of the staff will be able to assist them. This also goes for family caregivers. We have programs that are available and can assist in many ways.

Councilmember Cowden: I am looking at a few *kūpuna* who are possibly listening. If they are either houseless or on the edge of losing their housing, such as this urgent issue in front of us, can you inform them of how to get their names on the list, how to get their names on the United States Department of Housing and Urban Development (HUD), that we just heard if you get HUD, it is almost a false hope? If they call the Agency on Elderly Affairs at (808) 241-4470, is there assistance in that direction?

Ms. Takahashi: We can assist them in applying for the vouchers. Unfortunately, that is the only thing we can do. We do not have any available units or rental units. It is something that has a waitlist.

Councilmember Cowden: Can you assist them in applying for elderly housing? Some do not have computers.

Ms. Takahashi: Yes.

Councilmember Cowden: Some struggle to use computers and cellular phones.

Ms. Takahashi: Yes, we can assist them.

Councilmember Cowden: Can they go in and ask?

Ms. Takahashi: We do have the application form and can help them.

Councilmember Cowden: Thank you so much for this invaluable service that you do. As an elected official, I am happy that there is some level of a safety net.

Ms. Takahashi: Thank you.

Council Vice Chair Kuali'i: Are there any other Members with questions for Director Takahashi? Seeing none. I will just say, and you can confirm this, that basically, with all these different programs that you do, the recurring services that you provide and many of these State grant moneys come before us are typically annually. Is that what it is?

Ms. Takahashi: Yes, this is an annual allotment.

Council Vice Chair Kuali'i: Are they recurring grants as well?

Ms. Takahashi: Yes.

Council Vice Chair Kuali'i: Great. Thank you for all the work that you folks do.

Ms. Takahashi: Thank you for your support.

Council Vice Chair Kuali'i: If there are no further questions, while the rules are still suspended, are there any registered speakers? Is there anyone in the audience wishing to testify? Seeing none. Members, is there any final discussion? Councilmember Cowden.

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

Councilmember Cowden: I want to acknowledge it is about one million one hundred thousand dollars (\$1,100,000) to be able to provide some sort of outreach, give food, and help with homemaker services and things like that. We have a stellar, nationally-recognized Agency on Elderly Affairs and I am proud of what we have and what we do with so little. It is great. Thank you.

Council Vice Chair Kuali'i: Councilmember DeCosta.

Councilmember DeCosta: I want to personally thank them. I had my mom in your care for about three (3) years before coming into my care for the last ten (10) months. Your staff and you...every penny our County puts into it, and we should be putting more. We should be able to provide you with more staff. You folks are amazing. I listened to all the testimony today, I listened to you, and if we do not help our *kūpuna* and we do not help our people, we will hear more testimonies about the struggles on how to make it. My mom would not have made it on my care alone. It was because of you folks and the care that you give, so thank you so much. Perhaps we need to do a certificate for you folks, too. Thank you.

Council Vice Chair Kuali'i: I also want to say thank you. Clarifying that the way you can help, especially in terms of housing, is through helping them with the applications for the vouchers and applications for elderly housing. I know not all families or *kūpuna* have family where someone in the family can help them, so for those who cannot access computers or complete the forms, it is a critical service, so thank you for providing that. Does anyone else have a final discussion? Seeing none.

The motion to approve C 2023-211 was then put, and carried by a vote of 6:0:1 (*Council Chair Rapozo was excused*).

Council Vice Chair Kuali'i: The motion carries. Clerk, please read the next item.

C 2023-212 Communication (09/05/2023) from the Executive on Aging, requesting Council approval to receive and expend Federal funds, in the amount of \$236.00 for the third allotment of the Fiscal Year 2023 Nutrition Services Incentive Program (NSIP) provision of congregate and home-delivered meals (total amount of funds including the previous approved awards is \$36,833.00), and to indemnify the State Executive Office on Aging.

Councilmember Cowden moved to approve C 2023-212, seconded by Councilmember Carvalho.

Council Vice Chair Kuali'i: Members, are there any questions for the Agency on Elderly Affairs? Seeing none, do we have anyone registered to speak?

Mr. Yoshioka: We have no registered speakers.

Council Vice Chair Kuali'i: Is there anyone in the audience wishing to testify? Seeing none, Members, is there any final discussion? Seeing none.

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

The motion to approve C 2023-212 was then put, and carried by a vote of 6:0:1 (*Council Chair Rapozo was excused*).

Council Vice Chair Kualii: The motion carries. Clerk, please read the next item.

C 2023-213 Communication (09/06/2023) from the Chief of Police and Elliott K. Ke, Assistant Chief of Police, requesting Council approval to receive and expend Federal funds, in the amount of \$632,791.52, from the recurring National Highway Traffic Safety Administration (NHTSA) grant to be used towards the following four (4) primary traffic related functions: Traffic Records, Impaired Driving and Youth Deterrence, Selective Traffic Enforcement Program (STEP), and Occupant Protection, to include purchase of equipment, supplies, and travel expenses.

Councilmember Carvalho moved to approve C 2023-213, seconded by Councilmember Cowden.

Council Vice Chair Kualii: Members, are there any questions for the Kaua'i Police Department (KPD)? Please come forward, KPD. Councilmember DeCosta has a question. Please introduce yourself.

There being no objections, the rules were suspended.

JASON OVERMYER, Police Lieutenant: Lieutenant Jason Overmyer, KPD Traffic.

Council Vice Chair Kualii: Councilmember DeCosta.

Councilmember DeCosta: Thank you for all that you folks do. Could you elaborate on two things: (1) the Youth Deterrence, and (2) the Selective Traffic Enforcement Program. I am most curious about that one.

Mr. Overmyer: We will start with the first one—Youth Deterrence. That grant funds overtime for officers to do enforcement of underage drinking and drug activity.

Councilmember DeCosta: Do we not do anything proactive, like going into the schools, like we used to do with the Kaua'i Police Activities League (KPAL), where they would go to elementary schools with the Drug Abuse Resistance Education (D.A.R.E.) program and the middle schools with that type of educational outreach? Is that no longer done?

Mr. Overmyer: That would be a separate entity. That is not conducted by Traffic.

Councilmember DeCosta: Could you tell me about STEP, please?

Mr. Overmyer: The STEP grant funds education and enforcement for mobile electronic devices and speeding violations. It also provides funding to train officers in the field of traffic collision investigation.

Councilmember DeCosta: Thank you for your great work.

Mr. Overmyer: Thank you, sir.

Council Vice Chair Kualii: Councilmember Cowden.

Councilmember Cowden: I appreciated your breakdown of how you are expending that funding. Is this grant for more than one (1) year?

Mr. Overmyer: No. This is for one (1) year. It is a recurring annual grant.

Councilmember Cowden: I appreciate the hard work and heartbreaking work that the Traffic Division does. We are about to have the State of Hawai'i Department of Transportation (HDOT), Highways Division come in. Are there any questions you would like us to ask, relative to making your job easier? I know it is sometimes four (4) hours before anyone can pass an area. Is there anything you would like us to ask of the Highways Division of HDOT?

Mr. Overmyer: Not at this time. I will say that we work very closely with them and have a good relationship, so when we do have questions, we are able to receive answers from them rather quickly.

Councilmember Cowden: Okay. That is great. I know that you do a lot of training. When you stop traffic for four (4) hours, can you briefly tell us what typically happens in those four (4) hours.

Mr. Overmyer: When we are called out, it is because there has been a collision that involves serious injury or death. We are brought in to forensically map the scene, so we have equipment that will map several billion points. We can then use that to reconstruct the crash. We can go back and determine how the crash happened, and what vehicles performed what actions. We try to open that road as quickly as possible, but we would like the public to understand that we only have one (1) try when the road is closed. Once we open the road, any evidence that we missed cannot be recovered.

Councilmember Cowden: Thank you for applying for a grant. This helps with some of that training, so when you have those four (4) hours, you do the utmost that your team can do.

Mr. Overmyer: Yes.

Councilmember Cowden: Thank you so much.

Council Vice Chair Kualii: Councilmember DeCosta.

Councilmember DeCosta: I have been speaking a lot with Larry Dill from the HDOT, Highways Division, and he told me that the best way to deal with road work is to have the Traffic Safety officers from KPD on the scene to direct traffic. Does some of the funding go towards doing work on the side of the highways with your traffic officers? Or is this not part of it?

Mr. Overmyer: No, that is not part of these grants.

Councilmember DeCosta: I have another question, and this is because we have a presentation by the HDOT, Highways Division. Could you tell me what the value on using police officers to direct traffic versus using common people with yellow vests and stop signs, who do not receive the training to direct traffic?

Mr. Overmyer: I am sorry, could you repeat the question?

Councilmember DeCosta: How valuable is it to use KPD to direct traffic during road work on the State highways versus using non-police officers to direct traffic? Do you see a better flow in traffic when using police officers, who know how to control traffic? Or is there no comparison? I would like to know about that.

Mr. Overmyer: That would be on a case-by-case basis. Obviously, our police officers are trained on how to conduct traffic control and keep the road flowing as best as possible. To my understanding, the State uses trained personnel. I do not know what their training consists of; I would hope that it is similar to ours and the focus is not only the traffic flow, but also the safety of those traveling through the area.

Councilmember DeCosta: I appreciate you elaborating on this, because it is a concern. We have had several different State highway projects that did not have officers, and a comment they made was it costs more to have our County police officers working there, but if you are better trained and you do traffic control at a higher level of quality, then why not have you folks there, so that people are not sitting in traffic for hours? Thank you for that elaboration.

Council Vice Chair Kuali'i: Members, are there any further questions? Seeing none, do we have any registered speakers? Is there anyone in the audience wishing to testify? Seeing none. Members, is there any final discussion?

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

Councilmember Cowden: I would like to express my gratitude for the difficult work that KPD does with traffic safety.

Council Vice Chair Kuali'i: Councilmember Kagawa.

Councilmember Kagawa: On the subject of closing highways to conduct proper investigative work to recreate traffic accidents, continued improvement in that area is what I ask of KPD. There is new technology that may be implemented to

measure skid marks or whatever is needed via video drone or whatever possible. I would hope that we continue to improve in that area of being more efficient in trying to open the road, because as everyone knows, we have one (1) highway and as long as we keep up with the times and with technology, that is all the public can ask. When we stick with the same old methods while there is new technology out there, that is where frustration would set in with the public. I am not a police officer, I am not an expert, so I do not know what they can do. I just ask that as there is new technology, continue to use that so we can open those highways as soon as possible. Thank you.

Council Vice Chair Kualii: Are there any other Members with final discussion? Seeing none.

The motion to approve C 2023-213 was then put, and carried by a vote of 6:0:1 (*Council Chair Rapozo was excused*).

Council Vice Chair Kualii: The motion carries.

Councilmember Cowden: They are here.

Council Vice Chair Kualii: I see that they are here. We do have one (1) more item, and I would like to get to it so the Prosecuting Attorneys can return to their office. Clerk, can you please read the last item before we go back to the HDOT presentations?

C 2023-214 Communication (09/12/2023) from the Prosecuting Attorney, requesting Council approval to receive and expend an amended total amount of \$222,628.00 from the State (originally submitted as Communication (08/11/2023) C 2023-195 requesting \$111,314.00 during the August 23, 2023 Council Meeting) for the Kaua'i Career Criminal Prosecution Program.

Councilmember Cowden moved to approve C 2023-214, seconded by Councilmember DeCosta.

Council Vice Chair Kualii: Members, are there any questions for the Office of the Prosecuting Attorney? Seeing none, do we have any registered speakers? Is there anyone in the audience wishing to testify? Seeing none. Members, is there any final discussion? Seeing none.

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

The motion to approve C 2023-214 was then put, and carried by a vote of 6:0:1 (*Council Chair Rapozo was excused*).

Council Vice Chair Kualii: The motion carries. Thank you, Prosecutors. Now, we will go back to the beginning of our Communications, and we will start, out of order, with item C 2023-208, at the request of the Director of the State of Hawai'i Department of Transportation.

(Councilmember Bulosan was noted as not present.)

Council Vice Chair Kualii: Yes, Mr. Sniffen, if you would come up. Clerk, can you read the item?

There being no objections, C 2023-208 was taken out of order.

C 2023-208 Communication (08/09/2023) from Council Chair Rapozo, requesting the presence of Ed Sniffen, Director of the State of Hawai'i Department of Transportation, Highways Division, to provide an update on pending projects relating to the following:

- Islandwide traffic issues and what is being done to address the growing problem;
- Tree trimming islandwide; and
- The status of repair work to Port Allen Pier and Port Allen Small Boat Harbor, including the weaknesses/vulnerabilities of the pier and future plans to allow barge service to the pier.

Councilmember Cowden moved to receive C 2023-208 for the record, seconded by Councilmember Carvalho.

Council Vice Chair Kualii: Thank you for being here today, Mr. Sniffen. Please take a seat. If you have anyone joining you and would like them to sit next to you for the presentation, they can come up as well, or you can switch off chairs, if you would like.

There being no objections, the rules were suspended.

EDWIN H. SNIFFEN, Director of the State of Hawai'i Department of Transportation: We will probably switch off. Thank you Council Vice Chair Kualii. Aloha, Members. Ed Sniffen from HDOT. Thank you so much for the request for us to appear. We sent a presentation over this morning that we would like to use. With me, I have our leaders of the different modes of transportation for HDOT. Ford Fuchigami from the Airports Division, Robin Shishido from the Highways Division, and Dre Kalili for the Harbors Division. They will all present their pieces as they come up. I will come up when we have the questions portion. I think the first portion of this is about airports, so Ford will come up now.

Council Vice Chair Kualii: To clarify, presentations by each of them and questions at the end.

Mr. Sniffen: Yes.

Council Vice Chair Kualii: You will be the one leading the question and answer portion.

Mr. Sniffen: Yes, I will be right back.

Council Vice Chair Kualii: Thank you. Our first presenter, please. Before you start speaking, please state your name again for the record.

FORD N. FUCHIGAMI, Deputy Director, Airports Division: Ford Fuchigami, Deputy Director overseeing the Airports Division. First of all, thank you very much for the opportunity to testify before the Council. What I want to do is bring you up-to-date on where we are at when it comes to Līhu'e Airport, and some of the plans as we move forward in Fiscal Year 2024 and Fiscal Year 2025. On the agenda is the plan for Līhu'e. I will speak briefly about the Līhu'e Master Plan, the Fiscal Year 2024-2025 appropriations, Federal grants, which is a main priority for us, in terms of trying to get more grants to proceed with and get a lot of our projects done with Federal money, and the special maintenance program that we have slated for our airports.

The Līhu'e Master Plan was canceled in 2018 or so. This was due to the fact that as they were proceeding with the Master Plan, they did not receive a lot of community input, so there were a lot of community comments to then-Governor Ige that we were not being transparent, and we were not communicating with the community. What they did was cancel the Master Plan. That being said, we think it was just due to miscommunication, more than anything else, and that is the reason why the community was not fully versed in what we had planned to do. One of the things I want to highlight here is that whenever we do a Master Plan, the Master Plan encompasses a plan for anywhere between seven (7) to ten (10) years. It is not something where we are able to do those projects tomorrow or within the year. One of the things that was indicated was that...and I think this is where the community was concerned, they mentioned adding three (3) additional gates to Līhu'e Airport. Those three (3) additional gates would have been based on what we call Million Annual Passengers (MAP), and again, the MAP would be based on the types of increases you would have on the island of Kaua'i. If, in fact, we did not reach those numbers, those improvements would not have moved forward. Just because we put it on the Master Plan and say we are moving forward with it, does not translate to the fact that you or anyone is giving us the authority to move forward with it. For that particular reason, one of the main things we want to communicate, not only to this Council, but also to the community, is that when we go through the process of creating a Master Plan, the Master Plan basically tells us what would be best for that airport given a certain amount of tourists arriving to this island in a given year, and nothing more. From there, we would move forward.

(Councilmember Bulosan was noted as present.)

Mr. Fuchigami: Some of the timelines we need to deal with are, number one (1) the environmental process, an Environmental Impact Statement (EIS). An EIS takes anywhere between two (2) to three (3) years before we can start a project. That is something we need to look at. The design, procurement, and planning for a project takes anywhere between two (2) to three (3) years to complete. Even after the environmental process is done, we need to do the design and planning, which adds more time to it. Then, of course, there is the construction phase. The construction phase takes anywhere between two (2) to three (3) years. This is what we want to be able to do. We will try to move forward with it, but at this

particular time, we will not move forward with a Master Plan; we will move forward with other projects, which I will explain to you, but because the Master Plan was canceled, we canceled the consolidated car rental facility slated for Līhu'e Airport. We canceled the parking lot expansion, which was for the expansion of our employees, taking them out of the public parking area and moving them into an employee parking area in order to generate more parking for the public. We were considering expansions to the existing holdrooms. One of the things I do not need to remind everyone on this island of, is Līhu'e Airport was built as an inter-island airport. Whenever we design holdrooms, the design is to accommodate the size of the aircraft coming into that gate. When we designed these holdrooms, it was done under Hawaiian Airlines' Boeing 717, which only holds about one hundred five (105) to one hundred ten (110) passengers, and the Aloha Airlines' Boeing 737, which did the same, so when you go into our current holdrooms, you go into a holdroom that will hold a maximum of eighty (80) people. Now, because we have transpacific flights coming directly into Kaua'i, you have passenger flights with two hundred (200), two hundred thirty (230), or two hundred seventy (270) passengers, but, obviously, you do not have the capacity to have these passengers sit and wait comfortably. To be honest, our level of service is terrible, and that is something we want to work on, so these are some of the things we want to do. We want to expand those holdrooms and take care of them. These are some of the projects that were canceled, because of the fact that we were not able to move forward with our Master Plan.

These are some of the projects we have slated under the Fiscal Year 2024-2025 Budget: the parking lot improvements project, which will be about six million seven hundred thousand dollars (\$6,700,000). We will advertise this project in 2024. Our baseyard building is sorely in need of repairs. This is where our maintenance employees work. The basic infrastructure needs to be reinforced. It is about a ten-million-dollar project. We will advertise that in 2025. The Optimization Plan is the plan we will do before the Master Plan. The Optimization Plan, which is about a two-million-dollar plan, involves looking at everything that needs to be done to help improve the level of service at this airport and incorporate what we get from this Optimization Plan into our Master Plan. Again, the last thing will be the Inline Checked Baggage System. I do not know if you heard about it. We are doing the same project at Daniel K. Inouye International Airport, where we are able to process six hundred (600) bags an hour. By adding a fourth machine, we are able to process eight hundred (800) bags. We want to be able to do the same thing here to improve the level of service for our airlines, so they can expedite the processing of passenger bags as they are received by the airlines.

Federal grants. We need to do a major runway project...Runway 3-21. This has been going on for quite some time. The Federal Aviation Administration (FAA) mandated that we needed to protect the runway protection zone (RPZ). Unfortunately, as you look at this, even though it was mandated by Congress, Kaua'i received an exemption. You need to have a clearing area at the end of the runway so if the aircraft overruns the runway, they would have planned to stop. Unfortunately, the end of the runway at Līhu'e Airport falls into the ocean, so we were unable to do that job. What we are doing is looking at tilting the runway slightly to obtain the necessary RPZ, so that if this does occur, we can take care of whatever the safety needs are. As you can see, it is a

one-hundred-seventy-four-million-seven-hundred-thousand-dollar project. In 2023, we submitted our application for a Bipartisan Infrastructure Law Airport Infrastructure Grant (BILAIG). In 2024, we will go for an Airport Improvement Program (AIP) Discretionary Grant and our application is in the process of being submitted.

We also have a six-year Special Maintenance Program. Director Sniffen has kindly indicated to us that he prefers to use special maintenance program money, because we can complete those jobs much more quickly than a Capital Improvement Project (CIP). What it comes down to is that with CIPs, you need to jump through all the hoops. I know it is very difficult for you to see, but in 2024, we plan to do some roofing work, some work with the automatic sliding doors, looking at our fueling system, looking at our generator transfer switch, etcetera. For 2024, we are looking at two million five hundred thousand dollars (\$2,500,000) worth of special maintenance projects, and in 2025, we are looking at about four million two hundred thousand dollars (\$4,200,000) worth of special maintenance projects. That is what I have for the airports.

Mr. Sniffen:

Thank you, Ford.

Council Vice Chair Kualii'i: We will hold all our questions to the end. We will hear all the presentations. Please introduce yourself, Dre.

DREANALEE K. KALILI, Deputy Director, Harbors Division: Thank you. Aloha, I am Dre Kalili, the Deputy Director for the Harbors Division. We do have two (2) commercial harbors on this island: one (1) at Nāwiliwili and one (1) at Port Allen. I will give an overview of what we have planned for the next year or so there, and then talk about some Federal grant opportunities we are pursuing for these two (2) harbors.

Every year, we go to each of our commercial harbors across the State and identify some of the ongoing maintenance needs there, and this is what we have identified for the next two (2) fiscal years. Again, for HDOT, we are responsible for maintaining the facilities in a good working condition so that the shipping companies, such as Matson and Young Brothers (YB), and the cruise ships can tie up and do their operations at these facilities. This is what we are responsible for. The biggest project is a fire protection system, which is basically the waterlines around Nāwiliwili Harbor. This may already be out to bid, if we have not already issued a notice to proceed. That is the big focal point for us at Nāwiliwili Harbor. We also have some pavement, fender, and bollard repairs, the rockwall down Jetty Road, our sheds need some doors replaced, the security perimeter fencing around the harbor, as well as some of the rockfall assessment on the *mauka* side of the harbor.

(Councilmember DeCosta was noted as not present.)

Ms. Kalili: One (1) item I skipped over is the Superferry ramp. After all these years, the ramp is still there, and we still need to take action to clear that. As you can imagine, it makes a rather big footprint on the harbor facility,

so we want to get rid of that and make that space available to move our cargo more efficiently. That is Nāwiliwili.

Our second facility on this island is at Port Allen. To be clear, we are only responsible for and in control of a portion of Port Allen Harbor, which is the shed and the pier that you see in the photograph. The small boat harbor and the moorings are administered by the Department of Land and Natural Resources (DLNR). The big project that we are just completing is the removal of asbestos from that shed. That is a project we started early on in 2022 and wrapped up earlier this year. We had some inquiries regarding the feasibility of moving cargo containers at this pier. In its current state and condition, it is not safe to move cargo; it is not rated for the weight of containers, or the equipment needed to move containers onto a vessel or offload vessels. In its current state, the pier strength itself is probably not suitable for a barge and tug to moor to, so we have done a rough estimate based on these inquiries about what it would take to move cargo and we are looking at a minimum investment of twenty million dollars (\$20,000,000) in improvements and upgrades to strengthen the pier and make it safe for container operations. In addition to those upgrades at the pier, we would need to look at the area behind the shed to determine where we would stage containers and equipment to move the containers.

(Councilmember DeCosta was noted as present.)

Ms. Kalili: I expect we might receive questions about that today, which we will reserve for after, but that is a general overview of what we are looking at, as far as feasibility for Port Allen. As you can see in the photograph, the facility is currently used for what we refer to as “day tours,” such as catamarans that will take passengers off the coast for a few hours for a tour and then come back, and we collect revenue from them for the use of our facility.

The last item I wanted to share with you is a grant that we submitted in August. We are seeking three million one hundred thousand dollars (\$3,100,000) in Federal funds to do an extensive and comprehensive plan for what Harbors should do about sea level rise and other climate change stressors. We see science and projections, but everyone has their own: the State has one that I think the University of Hawai‘i (UH) has prepared, the National Oceanic and Atmospheric Administration (NOAA) has another set of numbers and projections, and for O‘ahu, the City and County of Honolulu has their own projections of what they are looking at in inundation areas and sea level rise, but none of those projections tell us what types of improvements we need to work on today, so that in twenty (20) years from now our harbors are not under water and we can still move cargo that we all need off the vessels, onto our facilities, and then out to the communities that need them. This is a request. I have shown two (2) projections for both Port Allen Harbor and Nāwiliwili Harbor regarding what we are looking at should sea levels rise three and two tenths (3.2) feet higher than were they are. You can see the blue areas are where we expect to be flooded, and areas not in blue seem to be okay, but we need this Federal funding to take these projections and translate them into specific projects to know what we need to invest in and what we need to fund to build for resilience. That is the Harbors presentation. Thank you.

ROBIN K. SHISHIDO, Deputy Director, Highways Division: Hi. Good morning, Councilmembers. I am Robin Shishido, Deputy Director for the Highways Division. Thank you for having us here this morning. This location map shows the current projects we have on our highways on Kaua'i. Most of these are in construction or will be starting construction soon. As you know, we are currently in the bird fledgling season, and night work is not allowed between September 15 and December 15, so a handful of these projects will be starting after that, and especially as we roll into the holidays, we will likely start in the early part of next year. A couple of the bigger projects to highlight here is the Hanalei Hill Slope project. We are doing permanent repairs from the landslide that occurred the other year. With this one, we will be putting in soil nail walls to further stabilize that slope. The other big project on here is the Wailua River Bridge Repair project. In this project, we are shoring up foundations and new drill shafts will be installed outside of the existing wooden foundations so that it can withstand the erosion that has been occurring. The majority of the other projects are pavement preservation-type projects, so it is similar to what you have been seeing with the two (2) inch mill and fills. I believe many of those will be night work, so that we can mitigate traffic concerns. There are more details on the projects at the end of your packet, so if you want to know more, you can go through them afterwards.

When specifically speaking about the Wailua/Kapa'a Corridor, the short-term improvement project was recently completed and opened. The additional lane was opened on June 23, 2023. Also in this area, we are looking at the Kūhiō Highway Capacity project. This was identified in the Kapa'a Transportation Solutions Study. We will select a consultant soon, so we can begin the planning and environmental work on this. Right now, with the Infrastructure Investment and Jobs Act (IIJA) funds, there are a lot of grant opportunities available, so we want to get this project ready to see what best fits for the grant opportunities that come up. Additionally, last year and going forward, we will be transferring money from our federal highway funding to the counties for their bus programs. This is a statewide initiative that we have been doing and will help with the purchasing of new buses or to start converting their buses to electric vehicles and other alternative fuels. Lastly, we will be doing an islandwide traffic signal optimization project. For this, we will collect data for traffic counts and retime all the signals in order to have better coordination between the signals throughout the area. That way, you will, hopefully, hit each green light as you drive through the area.

Regarding the contraflow operations, I know earlier in the year there was a day in which the truck used for contraflow operations broke down and caused a lot of traffic and angst among the community members. The district office here has a consultant/contractor on board that can also facilitate the in-house crews to provide contraflow services. They also outfitted one of the other trucks to be a backup vehicle if the first truck goes out and traffic control operations are needed, and we will be purchasing a new truck to further provide alternatives for the issues that occur through the contraflow operations.

Something that we also started and has become critical due to the recent events on Maui is vegetation management. Statewide, we are coordinating with all the fire departments and are identifying areas that have a lot of fire fuel that we want

to take care of. This is not only along our roadways. We want to address whatever land is out there that has that potential. The district office on Kaua'i has already cleared out one (1) area in the Department of Hawaiian Home Lands (DHHL) property in Wailua and they will be starting another property soon. Again, this is in coordination with the county, fire departments, and looking at the priority areas that we want to address. We are also working with the landowners so they can maintain these fire breaks and ensure we have these mitigations going forward.

Not on the slide are three (3) projects that will be advertised soon. Actually, one (1) opened for bids last week. This is a guardrail project on Kūhiō Highway in various locations. There is another resurfacing and safety project in the Hanalei area, which includes the resurfacing of sidewalks. Lastly is an intersection improvement project on Kōloa Road; it will be a roundabout. That is all for the Highways Division.

Mr. Sniffen: Thank you, Vice Chair. We are open to questions.

Council Vice Chair Kualifi: Okay. Let us try to ask our questions in an organized manner, so let us start from the top.

(Councilmember Carvalho was noted as not present.)

Council Vice Chair Kualifi: The first presenter was Ford Fuchigami. Are there any questions for Mr. Sniffen with the assistance of Ford Fuchigami on the first section on the Līhu'e Master Plan? Councilmember Cowden.

Councilmember Cowden: Thank you so much for the work that you do and for recognizing that the Līhu'e Airport is in inadequate condition. I went to a number of those meetings. Do you understand why the community fought it? Their intention is a reaction of the visitor volume on the island. It is not about the airport. The community is stressed with the overwhelming number of visitors, so they are trying to turn the nozzle down. Do you understand that is the main problem with not wanting the airport fixed? That is what I got from attending the meetings.

Mr. Sniffen: I totally understand the concerns of the community. From our perspective, we do not turn up or turn down nozzles. We take care of the needs of the public, and right now the facilities that we have do not take care of the existing need, so we are looking at upgrades at the airport to ensure we take care of the need. The discussion on tourism with the Department of Business, Economic Development & Tourism (DBEDT) and managing tourism appropriately with the Hawai'i Tourism Authority (HTA) are still ongoing. We just want to make sure that when our residents travel and when visitors come in through our airports, we have the capacity to do so.

Councilmember Cowden: This question was for you.

Mr. Sniffen: I am sorry.

Councilmember Cowden: It is okay. I just want to make sure that you folks understood that. It was not that...

Mr. Fuchigami: I thank you for that. I do not know if anyone has looked at the destination management plan for Kaua'i, as it relates to the airports. I have vetted that very, very thoroughly. I realize that destination management, specifically for this island, is a major concern, and we are tied directly to that. It makes perfectly good sense for us to work with HTA and the visitors industry to make sure that their plan can equate to what we are doing at the airports as well.

(Councilmember Carvalho was noted as present.)

Mr. Fuchigami: One of the major concerns I have is that right now we do not have the ability to allow aircraft to come in and get people in and out in a timely manner. We have spent millions of dollars trying to reduce our carbon footprint at the airports. We have put in what we call "pre-conditioned air units," wherein when the aircraft comes in it no longer needs to run its engine as you do with your car. They do not need to do that. They can plug it in with some of the renewable energy resources that we have. We have four hundred Hertz (400 Hz) power that they can plug in. Now, that is all to no avail, because aircraft are waiting on the ramp to get to a gate. Until they get to a gate, they need to run their engines and cannot make use of the resources put in to help reduce their carbon footprint and greenhouse gas emissions. Thank you for that comment. We perfectly understand where the community came from, and that is the reason why it is important to get community input and see where their concerns are when we do this Optimization Plan. That way, we are able to communicate to the community the reasons why we are doing it. It has nothing to do with increasing capacity. It is about increasing the level of service for what we have today.

Councilmember Cowden: Thank you for that. How that relates to the entire traffic element when we have an increased...one could argue that maybe people are still coming regardless of the frustration of getting off and on the airplane, the challenges that can happen at the airport causes significant frustration for all of us. When we make it easier and we have more people, then they will be getting on the highways, right? The more we open that nozzle at the airport...you see the connection that the open or quality use of the airport, when it is up to standard, will add more to the highway. Am I correct on that?

Mr. Sniffen: From my perspective, I do not know that it is mutually exclusive. We are managing the volume based on what HTA sees coming in. We make sure that we have the capacity to do so at the airport. We make sure that we have the capacity to do so on the highways as well, which is why we moved forward on the thirty-million-dollar, and now another forty-four-million-dollar project, to ensure that Kūhiō Highway throughout that Kapa'a Corridor is sufficient in capacity for everyone. I am not trying to attract anyone with the work that we are doing. I am trying to make sure we take care of the needs of the island right now, and the island's needs are not being met in the airport capacity or the highway capacity, which is why we are upgrading the facilities. If we upgrade the facilities and more

people come, I do not know how to address that, except that we are working with HTA to make sure that destination management is a priority in the way we approach things.

Councilmember Cowden: I have one (1) last question, to which you might now have the answer. If so, you do not need to go along with it. Yesterday, it was brought to my attention that flying cars are now on the market, so I looked on these websites. They are about one hundred thousand dollars (\$100,000), they have a 250-mile range, you can order and purchase them, and in my community, there are people who certainly have the capacity to buy a flying car. I do not know if that will be landing at the airport. They can just land on a road. Has HDOT and the airports looked at that and paid attention to it? There are three (3) manufacturers, one (1) of which is in Florida, and these are now available to buy.

Mr. Sniffen: We have not.

Councilmember Cowden: That would be something we can talk about later, and you might put in your dashboard.

Mr. Fuchigami: It is interesting that you brought that up. One of the things that Hawaiian Airlines and Mokulele Airlines are looking at is the REGENT electric airplane.

Councilmember Cowden: The what?

Mr. Fuchigami: The electric airplane.

Councilmember Cowden: Okay. I did not know we had one.

Mr. Fuchigami: Knowing that it is an electric airplane and only flies five hundred (500) feet above the water, it does not register as aviation, so it does not fall under FAA rules or regulations. It falls under the Coast Guard and Harbors, so perhaps Dre can speak to it more. It would take off and land at either a small boat harbor or one of our harbors, but it would have absolutely nothing to do with the airport system. I will look into what you are talking about for the Director, but I do not know where it would fall under, whether it be federal highways, airports, or elsewhere.

Mr. Sniffen: That is why we have not looked at it yet. From a federal perspective, there is no regulation that allows it in any space yet. We cannot put it in our system, until our federal partners, who provide the authority over which we utilize the properties, have it in their system. At this time, it is not anywhere in the system.

Councilmember Cowden: I will send a link to you folks, because a person could buy it, receive it, and...so just be prepared.

Mr. Sniffen: Okay.

Council Vice Chair Kuali'i: Members, we are still on questions for airports and the Līhu'e Master Plan. Councilmember DeCosta was next, followed by Councilmember Kagawa.

Councilmember DeCosta: Thank you. Mr. Sniffen, may I ask a question that is important to me? Is your position appointed by the governor?

Mr. Sniffen: Yes.

Councilmember DeCosta: You mixed tourists and local residents in your Master Plan with serving the volume right now. I beg to differ with you on that, because I believe we have less residents on this island, as many from the younger generations are moving away. I believe our local residents were flying more in the '70s and '80s than they are today because of the costs. I think you are alluding to us having more visitors coming to our airports right now. We have more visitors, and the airport is not set to handle that volume. I was at the meeting at Chiefess Kamakahalei Middle School and was one of the people who wanted the expansion, because I am a firm believer that economics is not run on tourism, it is run on the construction industry, so if we do not have work, we will be like Lāna'i—there will be no work, because the tourism industry is gone. I wanted the expansion of the airport, but I wanted to be very clear that when we expand the airport, we will allow larger airplanes to come in, we will allow more visitors, and that might congest the island, because a lot of local residents feel that the holding capacity is at its maximum right now. I went to the airport and did a bit of homework myself and saw that we will not have the parking lot. You said it, and I know you will not do the extended parking lot, but we have a lot of Turo vehicles that were using that parking lot. You folks did a good job of getting them out, but when I went to dump rubbish, I saw tourists walking with their suitcases towards the FedEx or the post office, and to Aloha Air Cargo and Hawaiian Cargo, using the parking lot where there is no one. I even saw them walking further down. I am thinking that we have an extended parking lot that was made for the employees or the overflow, but it seems there are Turo vehicles in there. That is one thing that needs to be addressed.

Council Vice Chair Kuali'i: Before you keep going, be sure to stop, ask a question, and allow them to answer.

Councilmember DeCosta: Okay. Can you address the Turo vehicles outside of the parking lot, which seems like a problem right now?

Mr. Sniffen: We can look into that. We can look to see how many.

Councilmember DeCosta: Thank you. That answers my question. Am I still able to continue?

Council Vice Chair Kuali'i: Yes, if you have other questions.

Councilmember DeCosta: I do have another question. On your Master Plan, you spoke about the three (3) extra gates, the carbon footprint, and the

greenhouse gases. I respect that. I was an environmental teacher for the State for a long time. No matter what we do in Hawai'i, it will not impact the world. Other countries are not on the same page as us, so I believe that when we sell an idea, and put that carbon footprint in, that it is a façade. I am sorry for saying that, but it is, because if India and China are not on board with the United States (U.S.), no matter what we do in this little state, there will be no impact on our clean air action. It will not. When you spoke about the airplanes needing to run and you have a plan that, in case the gates could be closer, you could turn off the airplane, but it is not possible, so airplanes need to run. Are airplane engines like diesel engines in that it is better to keep them running rather than to turn them off? As a diesel truck owner, I know it is better to keep that engine running, because it prolongs the life of the engine compared to turning it on and off. Are the airplane engines the same? I know you use different fuel—you use jet fuel, as opposed to diesel fuel. Is there a comparison between keeping the engine running and turning it off?

Mr. Fuchigami: A lot of the airline engines are based on the number of hours they are running and dictate when they need to be maintained, so the maintenance schedules are based on that. The longer you run the engines, whose time is calculated by hours, the shorter the time that aircraft can be in circulation before it needs to go to maintenance. That is the reason why turning it off sooner is better for everyone. I agree with your comment. When it comes to carbon footprint and greenhouse gases, one of the things the State of Hawai'i is trying to do is a good news, bad news situation. There is a federal fund called the Voluntary Airport Low Emissions program (VALE) money. For VALE money, I can apply through the FAA to receive this federal grant, which will help me with carbon footprint, greenhouse gas emissions, and whatnot. However, we cannot qualify for that money in the State of Hawai'i, because we have clean air. We are disadvantaged by it, but I do not have a problem with that. The Director and I are doing our part to ensure the carbon footprint is reduced in the State of Hawai'i, because if you take a look at most of our airports, they are really close to the water, and that is where climate change comes in—sea level rise and everything else. We will do whatever possible to reduce the carbon footprint and greenhouse gas emissions, even though, as you said, we might not have a global impact. If we take a lot of our airports and do what we think is best, at least the State of Hawai'i will benefit from it.

Councilmember DeCosta: Thank you for that elaboration. My last question is in regard to the dry grass surrounding the airport. I became a huge fire mitigation person when I first started as a Councilmember three (3) years ago. We toured the grassy County property outside the airport, which has homeless people living in it. The last fire was started by homeless people on the Westside. You also have another large grassy area on the north side of the airport. I think the grass is seven (7) or eight (8) feet tall and is dry right now. What are we doing with those landowners—I think one (1) is private property and the other is County property—for our state's airport in case there is fire? We have huge gas tanks that are about three hundred (300) feet right across the helicopter pad. If that grass catches fire and the wind rolls, it will be bad news. I have not seen anything being done to take care of that fire hazard. What are you doing to mitigate this?

Mr. Sniffen: We are working with all county fire departments and emergency management agencies to make sure we are looking at all properties—State, County, private. I do not care what they are. If the fire department determines it is a risk, we will address it. Regardless if it is with the fire breaks or the fuel reduction, it does not matter to me. We will put the money in and make sure that we can address those different areas. After that, we will work towards what the long-term management will be. In areas that we put in fire breaks...we just worked on two (2) DHHL properties and they will manage the fire breaks in the future. In the areas where we are looking at fuel reduction, we are looking at other native plantings that we can consider, to ensure that we can start getting rid of the invasives that are the culprits that burn quite a bit. That is how we are addressing everything—not just the airport areas or the County areas, but all properties throughout Kauaʻi.

Councilmember DeCosta: I will wait for the transportation and roadways to ask you about fire mitigation on one of our properties. Thank you.

Council Vice Chair Kualifi: Councilmember Kagawa.

Councilmember Kagawa: Can you go over the State sources of funding for airports?

Mr. Fuchigami: First of all, it is called “airport revenue,” which comes from the airlines and stakeholders—concessions and everything else. That is number one. Number two, is our revenue bonds. We float revenue bonds about every two (2) years or so. Our next revenue bond will happen in 2024. The third, and probably the most important, is Federal funding. With Director Sniffen and his affiliation with many of the different Federal agencies, we are going after every federal grant that is out there. Previously, we concentrated more on FAA grants, but now we are looking at the BILAIG, which was put out recently. We are going after that and IIJA money. For every Federal grant that is out there, the Director has an individual in his office who we coordinate with. Whatever grant we are notified of, apply for...and we belong to many different associations, plus the Congressional Member Delegation (CODEL) informs us...we put a grant together, we submit it to the Director’s office, and between the Airports Division and the Director’s office, we both “bird-dog” it, to make sure that whatever avenue it goes out to, there is constantly someone from the HDOT making sure that grant goes through.

Councilmember Kagawa: Being that we are the only island State in the country, how do we spread out what each island’s portion is?

Mr. Fuchigami: We fall under the Hawaiʻi-Pacific Region of FAA, so we compete with the Pacific—Guam, Puerto Rico, and others. We work directly with the airport district office located in the Federal building in Honolulu. We also fall under the Western Region. Mr. Mark McClardy, who is the Region Director in charge of “turning the faucet on” and “turning the faucet off,” and we work directly with him for Federal grants. Based on the types of projects, every airport has a different designation. The Daniel K. Inouye International Airport (DKI) is considered a large airport, based on the number of enplanements. The Kahului

Airport (OGG) on Maui is considered a medium-sized airport. Līhu'e Airport, Kona Airport, and Hilo Airport are considered small airports, based on their enplanements. When Federal grants are issued, it is based on the size of the airport. Secondly, our share differs depending on the size of the airport. For example, our share for Honolulu and Kahului is twenty-five percent (25%) of the total grant. With smaller airports, such as Līhu'e Airport, it is only ten percent (10%). What we do is look at the federal need, because we still need to qualify for these grants. We will submit an application on behalf of Līhu'e Airport. The FAA or any Federal agency says, "Yes, this is a grant that we will approve," which is based on the actual project that we put forth. Again, we need to make sure we have the State match so that we can move that grant through.

Councilmember Kagawa: Thank you. When you spoke about our airport not having the capacity to take care of our current needs, which is the reason why you cannot use the things you put in to reduce carbon footprint, were you saying we do not have enough gates right now?

Mr. Fuchigami: Yes.

Councilmember Kagawa: The big outcry was if you add more gates, then we are encouraging more flights, in addition to what we currently have, but are you saying we cannot meet the current needs, and that is why we need more gates?

Mr. Fuchigami: Yes. Unfortunately, or fortunately, travel to Hawai'i is dictated by all the connecting flights, either on the West Coast or the regional airports, such as Seattle-Tacoma International Airport (Sea-Tac), Los Angeles International Airport (LAX), and San Francisco International Airport, where everyone flies into them and from there, they come to Hawai'i, or they fly directly. The marketing strategy, because we try to have them de-peak their schedules and spread them throughout the day, but because it is competitive, they are unable to do so, and we, as an airport, cannot dictate when they can come in. You will notice that the majority of the flights that come in are during a certain period, anywhere between 10:00 a.m. and 2:00 p.m., and they depart around or a little after 7:00 p.m. That is one of the challenges. When we do an optimization study, it tells us that during a 24-hour period, we have more than enough gates to accommodate, but the airlines do not come in a 24-hour period. They come in during certain time periods, and during that time period, we do not have enough gates to accommodate everyone coming in at the same time. One of the miscommunications was we said we needed three (3) gates the last time we did this, but we do not need them now. We might need one (1) now to work through it, and as the passenger counts increase, if we need another one, then we will add it on. That is what the Master Plan or the Optimization Plan will help us dictate. For us, it is more about what is efficient, what is the most beneficial, because the sooner we get the aircraft in, get the passengers to deplane and leave the airport, then we will have that rotation. That is what we are trying to do.

Councilmember Kagawa: Are you saying the plan right now is to go with one (1) additional gate?

Mr. Fuchigami: No. Again, I cannot say what the plan is until we do the Optimization Plan and the Master Plan.

Mr. Sniffen: We would like to come back out to the community to “talk story” with the community about it.

Councilmember Kagawa: It seems that if we have all these measures to reduce carbon footprint, which is the direction we all want to see, if adding that gate will allow us to reduce the carbon footprint, then it seems like a “no-brainer.” The community just needs to be assured that when we add the gates, we will not see a lot more flights coming in and using that same rationale of coming in during the peak time period. If we add the gate, let us say, “This is just to spread your current business out with the current number of flights. This is not to add more flights during the peak time.” I think that is what the public is saying.

Mr. Fuchigami: Yes, that is the message I received based on some of the comments when talking with people who were previously involved. As soon as they heard we were adding more gates, they thought we were increasing capacity, which we are not. We are simply trying to improve the level of service that exists today, but you are correct. Nothing will prevent the airlines from saying, “Okay, since there is another gate, we will bring another flight in at this time.” You need to remember that we are a public airport, and it is a State-run public airport. That is the double whammy.

Mr. Sniffen: That being said, no one comes to Kauaʻi to see the airport, so adding a gate or making it nicer there will not increase the demand that comes in. The demand is the demand. They are coming right now. We want to make sure we can take care of the demand that is available right now.

Councilmember Kagawa: With Southwest Airlines expanding, has the feeling been...and there are many positive things about Southwest Airlines. A lot of people on Kauaʻi love that they are offering more and cheaper flights...but has that been the reason everyone is pointing to? Are they saying the congestion at the gates is happening because of Southwest Airlines? Hawaiian Airlines had a monopoly, right? Now we are back to having two (2) major carriers, but instead of Aloha Airlines, we have Southwest Airlines. Has that been the reason why there is more congestion at the gates?

Mr. Fuchigami: It could be. Like I said, after Aloha Airlines went out of business, there was only Hawaiian Airlines. We had Go! Airlines, Mokulele Airlines, and others flew, but their seat capacity was not the same. Based on the numbers I looked at a couple of days ago, one (1) in every three (3) passengers are flying on Southwest Airlines for interisland flights right now. Yes, I would say the flights brought into Līhuʻe Airport by Southwest Airlines do have an impact on it. That being said, it has always been our goal to make sure there is competition so that the citizens of the State of Hawaiʻi can benefit. As you said, the rates are very, very competitive now. We need to be able to allow any airline company wishing to do business in the State of Hawaiʻi to do so, because we are a public airport.

Councilmember Kagawa: Thank you. Thank you, Vice Chair.

Council Vice Chair Kualii: I have a whole list, Members.

Councilmember Cowden: I have a follow-up.

Council Vice Chair Kualii: I have a follow-up as well. This is the big, broad thing, and I am glad you said it the way you said it. I was unable to attend the public meeting, but when you did have it, did you actually show a chart or a graph with the history of the number of gates in this year, the waiting area capacity in this year, the number of passengers, and the number of flights, and show how in five (5) years and ten (10) years that it changed, but the infrastructure did not improve? Clearly, what you are saying is for what is happening now, the infrastructure does not meet it. Obviously, no one wants to fly to Kaua'i just to sit on the runway for an hour or so. That is horrible for anyone—visitors or returning residents. Is the real issue that in order to add infrastructure to meet the existing need, you need to assure the public that new infrastructure does not mean more flights? Who decides more flights? Are you saying that or are you telling us that as a public airport, run by the State, you cannot deny additional flights by airline companies? That is what the people are concerned about. Sure, we want the right infrastructure for where we are now. There are probably people out there who want you to leave it alone and to reduce the flights so that everyone can be more comfortable, safe, or what have you.

Mr. Sniffen: You are exactly right. Since we are a public airport, we cannot deny access to incoming airlines, we cannot deny their use of the gates throughout the different areas, and if they wanted to bring more flights in, they work through the flight plan to make sure we can accommodate them.

Council Vice Chair Kualii: But you just said the infrastructure is not appropriate for the level that we already have, so can you say, "Until we have additional infrastructure, we are not able to take on additional flights?" Because we have gotten to this point by allowing more and more flights with the same old infrastructure.

Mr. Sniffen: Ford can speak to the FAA requirements, but I will say...and you have seen this in the past...if there are no open gates, people will just sit on the runway. It is already happening here, on Maui, and on O'ahu. It is not a facility thing that is bringing that demand in. The demand is Hawai'i. They are just coming into our ports now and getting stuck in those different areas, along with our residents. I am trying to make sure we de-peak that and get rid of that piece to ensure that everyone has a better experience as they come through. I do not know if that better experience at the airport will drive more demand. I do not. I do not think it is, because I think the demand is coming from Hawai'i itself, and not from their experience at the airports, but when they are at the airport, I want to make sure that experience is as good as possible, and sitting on the runway without the capacity for gates is not a good experience. You can speak for FAA.

Council Vice Chair Kualii: While you cannot turn away flights, you do need to schedule them to fit in the schedule and land, right?

Mr. Sniffen:

Yes. That is correct.

Council Vice Chair Kualii: Are the times when people end up sitting on the runway for an hour because they did not make the schedule?

Mr. Sniffen: There are several reasons: delays in the schedule, delays on the take-off, delays on the landing, there may be additional flights that may have come in, because they were sent from one island to another for some reason. We had mechanical breakdowns on Maui, which required everyone to fly into Hawai'i Island instead. Those are the types of situations that just occur at the airports.

Mr. Fuchigami: We have a certain number of gates, and, as Director Sniffen alluded to, the problem for us is that on paper, we can make it work. We can have a gate available for this flight to come in, but as you all know, because you travel, flights come in early, flights come in late, and sometimes there are situations like the one on Maui, whereby there was a mechanical issue and we could not move the aircraft off the gate and all of a sudden one (1) gate is out of inventory. These are the types of situations we deal with every single day. One of the things we put together every single month is what we call a "gate utilization report." Recently, I put out the December gate utilization study. The airlines send all their schedules based on the Official Airline Guide (OAG) for what is being scheduled. We put it together and tell everyone what gate they go into and at what time based on the type of aircraft they have, because some gates can accommodate larger aircraft, while others accommodate smaller aircraft. On paper, everything fits, but to your point, one of the things we are doing, like in Kahului...we do not have any gates in Kahului. We recently added an additional gate in Kahului, and we are still short, because we are doing work on some of the other gates. What the airlines have done is come to us saying, "We do not need a gate. Ground load us just as you do in Kona. Find us a spot, we will put our aircraft there, we will bring our jet bridges right up to the door, we will have the passengers come down, like in old Hawai'i, and from there you come up with a plan on how to get them to baggage claim." We did a walkthrough. We were supposed to do a pilot test, but, unfortunately, the fire broke out. The airplane will come in, we will ground load them, we will put them on the bus and take them to the baggage claim area. This is what we will do, because we do not have enough gates and the airlines do not want to change. I do not want that to occur here. Based on the current schedule and utilization reports, we can accommodate people. It is when you have a delayed flight or a flight arriving early that there is daily congestion resulting in people sitting on the runway. That is how we need to get around it. We need that open gate so we can put someone in there just until we can clear things up and then move on.

Council Vice Chair Kualii: Members, I have the list, but I think there are follow-up questions. It will be Councilmember DeCosta, then Councilmember Cowden with follow-up.

Councilmember DeCosta: My follow-up is regarding the airline runway. You mentioned it is too short, but that there is an exemption. How did you receive that exemption? Are there statistics based on the size of the aircraft that fly

throughout the nation and are being allowed to fly to Kaua'i that have crashed because of the length of the runway? You are making an exemption with people's lives at stake on the airplane. Why did you not push through with lengthening that runway when people's lives are at stake with the runway being too short? Or is it just a façade?

Mr. Sniffen: Let me just say that when we say "we," we mean HDOT. This Administration came in nine (9) months ago. It was not "us," but the previous Administration that received the exemption. "We," this Administration, are working to make sure that we get the runway extension; to get the funding to extend the runway. That is where we are going. We can follow up and find out how they received the exemption if you would like.

Councilmember DeCosta: Mr. Sniffen, you took a role...

Mr. Sniffen: Absolutely.

Councilmember DeCosta: Let me finish. You took a position within the State by the governor. There was another person in the seat before you, you absorbed whatever problems and situations, and your job is to solve it.

Mr. Sniffen: Absolutely. My job is solving it. In the presentation, you saw that we are looking at extending the runway. We are not saying that we are not doing it. We are saying that we are pushing for the safety of that runway.

Councilmember DeCosta: May I ask another follow-up question on the gates?

Council Vice Chair Kuali'i: Yes, the follow-up questions should be about the gates, the facility, the infrastructure, the arrivals, and the scheduling.

Councilmember DeCosta: You seem very confident on the additional one (1) to three (3) gates not allowing more tourists to come. Do you know why tourists are being held up in the airplane for an hour?

Mr. Sniffen: Why?

Councilmember DeCosta: It is because there are not enough gates. Tourists may not want to come back to Kaua'i, but the local residents in the airplane will come back to Kaua'i. Do you know why? It is because it is their home. Maybe we have too many tourists coming to Kaua'i right now, Mr. Sniffen. Thank you.

Mr. Sniffen: Thank you.

Councilmember DeCosta: I am finished with my questions.

Mr. Sniffen: What type of legislation is the Council doing to address that? I told you that from my perspective, we are working with HTA to try

and manage tourism. We are making sure that we can address the capacity needs right now. The local residents who are coming through are still getting stuck on those airplanes regardless of what we do right now. My perspective is I want to get them off the airplane. Thank you.

Mr. Fuchigami: Can I clarify this?

Mr. Sniffen: No. We are done.

Council Vice Chair Kualii: Councilmember Cowden with follow-up.

Councilmember Cowden: This is truly a clarifying question. My understanding when I attended the meeting at Chiefess Kamakahelei Middle School is that the FAA is who determines the volume and routes of the airlines, and that the public responsibility of the State is to provide a place to land, but the FAA is who decides how many routes United Airlines can have...I do not want to pick a name, I am just trying to pick a big carrier...the FAA is who determines the routes. Is that correct?

Mr. Fuchigami: FAA and U.S. Customs determines routes on international flights.

Councilmember Cowden: Customs for international flights, and FAA for domestic flights.

Mr. Fuchigami: Correct, and they are called "slots." If United Airlines wants to fly into Haneda Airport, the U.S. government has a certain number of slots allotted to them. If the slots are already taken, you cannot go into Haneda Airport. When it comes to public airports, anyone who can file a flight report can come into that airport. The only difference is an airport can say, "If you come during this time period, I will charge you this rate. If you come in during another time, I will charge you a different rate." Unlike the other airports, which are governed by authorities, corporations, or the city, they can dictate things differently than how we are able to dictate. In other words, because we are a state airport system, we need to abide by state statutes in terms of what we do, and because it is a public entity, it is really different. I cannot take someone who I believe to be loitering around the airport and ask them to leave, because it is a public airport and during public operational hours, they have every right to be there just like everyone else. Those are some of the challenges that we have. Back in the '60s, there was a statute written, because back in the Hare Krishna days people would come in and bang on drums. Singing and other forms of entertainment are not allowed outside of what is organized by the airports. It is a state statute. It restricts us from doing a lot of different things, because we are a public airport.

Councilmember Cowden: To help me understand the slots, I remember during COVID-19, when there was no one on the airplanes aside from two (2) or three (3) people, it was amazing that those airplanes needed to keep flying. Was that because they were retaining their slot?

Mr. Fuchigami: No, they can give it up. Let me use Maui as an example. Right now, we have “preferential gates,” which is when an airline goes to one (1) gate, it has six (6) turns, meaning they come in, they take off, and this needs to be done six (6) times. If they do that, it makes us efficient, so we give them a lower rate, because they are controlling the gates that we want. Due to the situation with Maui right now, they are saying that they can reduce their flights...which they have done by fifty percent (50%)...but will not lose any opportunity to continue using those preferential gates in the future. It is the status quo.

Councilmember Cowden: Okay. Thank you.

Council Vice Chair Kualii: Next on the list is Councilmember Bulosan for a new question.

Councilmember Bulosan: Thank you for being here. I appreciate the presentation and for you flying over to spend time with us. I have several clarifying questions. Please do not mind my ignorance. Līhu‘e is a public airport, but what are Princeville and Port Allen Airports?

Mr. Fuchigami: Port Allen is also a public airport that falls under the airport system. We have fifteen (15) airports in the state airport system. We have the five main ones: Honolulu, Kahului, Līhu‘e, Kona, Hilo; we have the other ones, which are Moloka‘i and Lāna‘i. Port Allen is considered a general aviation airport. Princeville is privately owned, so we have no jurisdiction over Princeville. During COVID-19, I would receive complaints about airplanes flying into Princeville Airport. They were yelling and screaming at me about how we have all these restrictions, but I told them that I have no jurisdiction over that airport.

Councilmember Bulosan: You shared mostly about Līhu‘e Airport, which I really appreciate, but are there any updates on Port Allen Airport? Are there any improvements or optimizations planned?

Mr. Fuchigami: Right now, we do not have anything. The FAA gives us one hundred fifty thousand dollars (\$150,000) a year for all our general aviation airports. To be honest, you cannot do anything with one hundred fifty thousand dollars (\$150,000) a year for any type of airport. What we are able to do is receive an exemption from the FAA saying we can combine all the one hundred fifty thousand dollars (\$150,000), because we have eight (8) airports that are considered general aviation, and we can use it for specific projects. For Port Allen, we have not done anything in terms of seeing what we want to do with that airport.

Councilmember Bulosan: Okay. I have a couple more questions. This is a big picture question. Regarding revenue, budget-wise, is Līhu‘e Airport revenue neutral?

Mr. Fuchigami: I just looked at the numbers yesterday. To my great pleasure, Līhu‘e Airport did make money. It was about twelve million dollars (\$12,000,000).

Councilmember Cowden: How much?

Mr. Fuchigami: Twelve million dollars (\$12,000,000). When I say, “make money,” we run the airport system like a nonprofit organization. Our rates and charges are based on the fact that we break even. We have a residual system at the airport, meaning if our expenses exceed our revenues, then it is the obligation of the signatory airlines that operate in the State of Hawai‘i to come up with the revenue to pay the expenses. That being said, if our revenue exceeds our expenses, that revenue is supposed to go back to the airlines, but the airlines, to their credit, have basically said, “Ford, you hang on to the money and instead of increasing our rates and charges each year, use that overage to offset some of the rates and charges, so that we can keep our operating expenses lower.” That is what we have been able to do with them.

Councilmember Bulosan: That is awesome. I love to hear when we are not in the red. If that is possible, can you also use overage for maintenance, optimization, and whatnot?

Mr. Fuchigami: The special maintenance project (SMP) money comes out of the operating funds, and it comes out of the operating funds of all airports. In other words, we could take money from other airports to supplement what we are doing here.

Mr. Sniffen: And we have.

Mr. Fuchigami: Yes.

Councilmember Bulosan: Awesome. In the Optimization Plan you are working on right now, what is the consideration with connection...this might be for Transportation, but...let me give a quick example. I use the airport a lot to fly back and forth. I live a thirty-minute walk away. I would love to walk. It is a five-minute drive, and I need to drive, because there is no connection. Is the Optimization Plan also looking at multi-modal usage? I know that was being considered with the Master Plan. This is only because downtown Līhu‘e is so close, and if we want to reduce all the things we are doing, such as traffic, I assume that is part of the plan. What are your thoughts on that?

Mr. Sniffen: Previous Administrations looked at the transportation modes for airports, highways, and harbors separately. This Administration is tying everything together.

Councilmember Bulosan: That is awesome. Thank you.

Council Vice Chair Kualī‘i: Councilmember Carvalho is next.

Councilmember Carvalho: On the Līhu‘e Master Plan, one (1) side is about the cancelation, and the other lists projects deferred due to cancelation.

Mr. Fuchigami: Yes.

Councilmember Carvalho: Deferred meaning you still...because I think these are very important. Can you explain that one more time, so I understand it? It is just deferred, but still happening, right?

Mr. Sniffen: I will start, and Ford can jump in to speak on the details. In general, we cannot move those projects forward unless we come back out to the public and talk about it with them.

Councilmember Carvalho: Okay, so it is the whole process.

Mr. Sniffen: Exactly, because once we get into the environmental processes, there are areas wherein we need public input. If we do not update the public upfront and make sure this is a positive move for the community, as a whole, then there is potential for it to become stuck in the environmental process. It says "deferred," because those are projects we are pushing back, because we need to get through the environmental processes. Ford, do you have anything to add?

Mr. Fuchigami: We never like to cancel projects.

Councilmember Carvalho: Yes, I saw that.

Mr. Fuchigami: Moving forward with a lot of these...some work went into it, money went into it, so the projects listed here as "deferred" are exactly that. As we go through the Optimization Plan, these projects will come up. The Optimization Plan calls for community input, so that is when we will bring up the consolidated car rental facility, the parking lot expansion, the existing holdroom expansion, and the new gates and holdrooms. Again, because some work has been done and money was spent on it, we will revisit these projects through the Optimization Plan. We will go to the community and say, "Listen, these are projects we deferred when we canceled the Master Plan, and we want to go ahead with them." Just so you know, the Master Plan was canceled. These are just deferrals.

Councilmember Carvalho: I just wanted clarification, because it is important to put the people's voice on the table to make it move forward, and timing-wise, it will not happen tomorrow, but the commitment is there.

Mr. Sniffen: Absolutely. As we discussed before, as the funding comes into the airport, so that revenues come in, that money goes into a bucket, and we look at all the needs for all the airports throughout the State. This is especially true for the five (5) main airports. We see the needs for all these projects and would love to do it here, but if the public flat out says, "No, we do not want it," then we would move that money to somewhere else. I would rather not, because those are big needs that we see for Lihue Airport.

Councilmember Carvalho: Just to clarify for the people who are watching, is it that after the Optimization Plan comes the Master Plan?

Mr. Sniffen: No. We changed it a little. What we see as being the detriment to the previous process is when the Master Plan came out, the

way it was dictated to the public was, "This is what we are going to do. We are doing this." Of course, that immediately set people off, so we pulled back. Right now, the Optimization Plan is not a Master Plan...and we are not considering what the universal possibilities are within the next twenty-five (25) years. We are looking at the next five (5) to ten (10) years of need, based on the need that exist today. The Optimization Plan is what we talked about. Three (3) gates might be needed in ten (10) years, but we will start with one (1), because that is what is needed right now. Then, we will look at what steps or what numbers would trigger the construction of the next gate. We are looking at optimizing the facility, as opposed to a Master Plan buildout wherein future needs are unknown.

Councilmember Carvalho: Again, for clarification, the door is open for community input. That is what you are looking for right now and you are hoping to move forward as soon as possible.

Mr. Sniffen: Absolutely.

Councilmember Carvalho: Thank you.

Council Vice Chair Kualii'i: We will need to take a caption break, but I will ask one (1) question before that. On your six-year SMP, you spoke about using that instead of a CIP process. On average, how much time do you save by going that route, as opposed to a CIP?

Mr. Fuchigami: I do not know if you have ever done a CIP in the State of Hawai'i.

Council Vice Chair Kualii'i: Are you saving six (6) months, a year, or a couple of years?

Mr. Sniffen: At least a year.

Council Vice Chair Kualii'i: Members, we will go on a caption break and when we come back, we will move on to questions for the Harbors and Highways Divisions.

Councilmember DeCosta: I have one more question for the Airports Division.

Council Vice Chair Kualii'i: Okay, get it in quickly.

Councilmember DeCosta: I will get it in now, unless you are allowing me to get it in later.

Council Vice Chair Kualii'i: No. Right now. Go ahead.

Councilmember DeCosta: Thank you. I know you cannot do it right now, but can you give me the statistical data showing the length of runway needed for the same airplanes, our biggest airplanes, that we have flying in across the nation, and

how many accidents have happened over a ten-year period? I want to process why we are still taking a chance with passengers on these airplanes with our short runway and the exemption. I know we need to fly them in, I know the airport needs to continue to operate, but if we have an accident and have never touched base on this, the liability is huge. Perhaps you could email me that number or something.

Mr. Sniffen: We can send it to the Council Chair's office.

Councilmember DeCosta: Thank you for that.

Council Vice Chair Kuali'i: Thank you. With that, we will recess for a caption break.

There being no objections, the meeting recessed at 10:33 a.m., for a caption break.

The meeting reconvened at 10:47 a.m., and proceeded as follows:

(Councilmember Kagawa was noted as not present.)

Council Vice Chair Kuali'i: We are still in questions on the presentation and the section we are on now is harbors—Nāwiliwili Harbor and Port Allen Harbor. Let us start with Councilmember Bulosan.

Councilmember Bulosan: I will backtrack a little. I wanted to ask Ford, but I am sure Ed can answer. We did not talk about any big red flags for our Līhu'e Airport, such as climate change. Are there any big red flags for Līhu'e Airport in the next five (5) to ten (10) years that we need to look at?

Mr. Sniffen: No, there are no big red flags.

Councilmember Bulosan: Okay. Thank you.

Council Vice Chair Kuali'i: Are there any Councilmembers with questions on harbors? Councilmember DeCosta.

(Councilmember Kagawa was noted as present.)

Councilmember DeCosta: I am giggling, because I needed to make peace with Mr. Sniffen. For the record, I felt I was a bit confrontational, so I told him I was sorry, only to find out my wife was only one (1) year younger than him in high school. They are friends, so I just told my wife that I am in the doghouse now. Just so I do not get into trouble again, could you please tell me, are you a Kamehameha graduate?

Ms. Kalili: Yes.

Councilmember DeCosta: Thank you for that handshake and hug, Ed. You spoke about sea level rise and what is being done for the harbors. Before I became a teacher, I worked for Young Brothers for ten (10) years. It was my first job. Inches

per year that the harbor will rise over the last ten (10) years will give you a good indication, with the buffer of a percentage with the climate change that is happening, to see how much it will grow over the next decade. You can then assess the length of the pier. We did this about twenty-three (23) years ago, when I was working there. It was not called "sea level rise." It was just called the length of the pier when Nāwiliwili was renovated. Basically, if you want to figure out where you need to be if you have a six-foot depth between the concrete, where the machines and the deck, where the barge meets the concrete pier and the ramp. If you have six (6) feet and it is rising two (2) inches per year over a ten (10) year period, then you will have twenty (20) inches in the next ten (10) years, so that will give you a good little base. I appreciate what you are doing. I am excited to ask about the commercial businesses that are operating around the small pier in Port Allen. Is it possible to shore up the infrastructure to get some type of business, besides the tourist industry, at Port Allen? Is there a possibility of getting freight out of there in the future or not?

Ms. Kalili: For Port Allen, the size of the vessels we have operating there is about the maximum we can do, because if you ever go to Port Allen and set foot on the pier when a catamaran is loading and unloading, you will see the sheds start to shake and the ground does not feel steady. That is the condition of it. It is safe for what they are doing, but if you were to put a barge with any weight or containers on it and pull that up against the pier right now, it would not be safe. We need to strengthen it up, put the bollards to tie the vessels up to, and make sure those are the right strength for any larger vessel. There is quite a bit of upgrades that needs to happen. Is it feasible? Today, no. With a significant amount of investment to upgrade the pier, it is possible, but we need to make sure that...because like airports, we do generate our own revenue to fund our enterprise. We just need to make sure that the investment required matches the activities that we expect in the future.

Councilmember DeCosta: What is the projected number you think we would need to renovate that pier? Was it the twenty-million-dollar project?

Ms. Kalili: We would need twenty million dollars (\$20,000,000) to make it safe, but that is not talking about the operator that needs to come in.

Councilmember DeCosta: Thank you.

Ms. Kalili: Thank you.

Council Vice Chair Kualii: Councilmember Kagawa.

Councilmember Kagawa: Thank you. When was that pier last built up or fixed, in terms of stability?

Ms. Kalili: That is an excellent question. I do not know. I would need to get back to you...just on what our history of significant in-water substructure is. As I was saying with Nāwiliwili, we come back every couple of years to look at the paving, the substructure, and make sure that everything is okay, but as far as significant work at Port Allen goes, I would need to double-check.

Councilmember Kagawa: I think people were saying that it shakes a lot when the fueling barge comes in. Did it always shake, or does it shake now because the footings are unstable? I remember when I was younger, the Kaiwo Maru, which is a huge ship, would come from Japan and would tie up there. I think it is as big as a fueling ship, if not bigger.

Ms. Kalili: I will assume that whoever constructed it, did not construct it to shake, but that it is a matter of age and the aging infrastructure. We do make sure that it is safe, but it is safe for the operations that are there right now.

Councilmember Kagawa: Okay. As Councilmember DeCosta said, for exportation of agriculture and other things, a lot of our prime agricultural lands are on the Westside—Pākalā, Kaumakani, Waimea. We have Aloun Farms now. They send as many as nine (9) containers of onions at a time. They are trying to compete with the sweet Maui onions, saying the ones from Kauaʻi are even better. They are saying it is difficult to make a profit when you need to hire trucking companies to bring them all the way to Nāwiliwili, and need to make it within that window, but the trucking companies have other stops, I guess because we only have so many large trucks that can deliver. I do not know if there is some flexibility that can be worked out with Young Brothers, although I know you cannot tell them what to do. Has there been discussion about those things? When there is a pressing island need, like diversifying off tourism and encouraging large agriculture and exportation to that extent...nine (9) containers is a lot. They are trying to produce just as many watermelons. Have you had the chance to talk to Young Brothers and ask, “Can we open the window for these folks?” That way, they can find enough trucks to bring it over within that window.

Ms. Kalili: I have had conversations with Council Chair Rapozo as well as YB. No one from Aloun Farms has talked to us about what they need to better support their operations and perhaps reduce some costs to support local agriculture. For us, I think a solution could be setting aside an area at Nāwiliwili where they can bring those containers and leave them, because I know it can be challenging to get from the farm all the way to Nāwiliwili before the gate closes. If we can set aside an area where they can drop the containers, and in the morning, they just need to drayage them into YB, that could be an option, but we need to have that conversation with Aloun about what the need is. We can solve problems, but need to know what the problems are that we are aiming for.

Councilmember Kagawa: I will encourage them to have those direct conversations, and that might avoid the need to look at Port Allen, since Young Brothers does not want to do it anyway. I heard they ship workers from Honolulu to serve the Kauaʻi office, which is understaffed. Thank you, Council Vice Chair.

Council Vice Chair Kualii: Councilmember Cowden.

Councilmember Cowden: I have a follow-up. I am glad Councilmember Kagawa brought up those narrow hours. That is your *kuleana*, correct?

Ms. Kalili: No. Young Brothers runs their facility and operation, which includes the gate, so they set it, and because they are governed or controlled by the Public Utilities Commission (PUC), there are some constraints that they need to deal with within that. HDOT owns and controls the facility, so where we have space available, like I was describing a staging area, I could make that available. As far as the gating goes, that would be our shipping companies.

Councilmember Cowden: Is it the same for Matson?

Ms. Kalili: Correct.

Councilmember Cowden: I will make one little statement that I regularly hear from the freight companies. The narrow windows are really hard, and am told that one of the reasons they are parking the big rigs on the side of County roads is because they cannot back in. Can I have a fresh question for Nāwiliwili, or are there more questions for Port Allen?

Council Vice Chair Kuali'i: Does anyone have any follow-up questions? Go ahead.

Councilmember Cowden: Okay. Is it possible for us to look at slide 7? It has an image of Nāwiliwili. You will see a ship, and just inland from the middle of the ship are these white fuel containers. Is the location of where the fuel containers are your *kuleana* or is that private?

Council Vice Chair Kuali'i: It is across the road.

Councilmember Cowden: It is across the road. You will see it right there. If you look on slide 7, you see where all those fuel containers are. About every other year, I receive a letter of deep concern from someone who has worked in the hazards industry, and I have spoken with our hazard mitigation specialist. Do you see it behind the smokestack right in the middle? It is on the edge. Is that a normal place for fuel tanks to be relative to harbors?

Ms. Kalili: At our commercial harbors across the State, you will see tank farms near the harbor, and it is for efficiency, because fuel comes off the barge and storage is right there. At one point in time, that was the solution because of that efficiency. I think I hear the question about safety and if that is the right thing. I am not an expert when it comes to managing those materials and what goes in storage, so I cannot answer whether or not that is safe. For that specific location, I need to confirm whether or not we own the land, but we certainly do not own or operate the tanks.

Councilmember Cowden: Okay, because I would like to look at that as us doing our hazard mitigation. I spoke to our hazard mitigation specialist. I had an appointment and asked him again about that, and he said it was absolutely not a good location. I do not want to create fear by saying all the reasons why it is not a good location. It is not the responsibility of HDOT to look at the safety of that area. The best I can tell it is a concern, and I went to the O'ahu area, asked, and got a tour

of the area. Interestingly, my Uber driver worked at the harbor and was there when there were some explosions, so I paid for it.

Mr. Sniffen: Let us follow up on this.

Councilmember Cowden: Yes, if you could follow up on that. I do not see that as something that needs to be done tomorrow, but if it has been a problem for a long time...it has certainly been called to my attention since I have been in office.

Ms. Kalili: We will follow up on that.

Council Vice Chair Kuali'i: Councilmember DeCosta.

Councilmember DeCosta: I have a follow-up on Nāwiliwili Pier. Thank you for being a problem solver, because Councilmember Kagawa and I want to help agriculture on the Westside, and coming up with that lightbulb idea of staging containers on a piece of property outside the pier, so they could do it after hours when the traffic is not so congested—evening runs and early morning runs—is brilliant. That is not from a Punahou graduate, but a Kamehameha graduate. I love it. I noticed when we were talking about the airports, we have peak times and nonpeak times, and we adjust our gate fees during non-peak times. You have different airlines—Southwest, Hawaiian, et cetera—but you just have one (1) company that runs piers—Young Brothers. Matson is next door, but there is no competitiveness in that harbor. How can we use the rate incentive program that is used at the airports down at the harbor to have people come in at different times? Young Brothers work half-days on certain days—Monday, Wednesday, Thursday—and they work all day on Tuesday and Friday, which are barge days. Our people are sitting down with their fruits, vegetables, cargo, cattle, and they can only bring it down one (1) day. I have cattle. I need to take off from work so I can bring it down during the window of 1:00 p.m. to 2:00 p.m., because it is accepted only during those times. I know the Jones Act. Not many people understand why we have competitiveness at the waterfront. It is the Jones Act. They do not allow it. The PUC regulates their costs, but they can make as much as they want as long as they only show a three percent (3%) profit margin, so they can put it back in the company and pay the salaries. Please look at how we can incentivize Young Brothers to have a little better schedule so our farmers and the people delivering products are not stuck to that small window and have a little more customer service.

Ms. Kalili: I cannot speak to Young Brothers regarding operations, but I am happy to have a conversation with them about modifications, especially if it directly relates to the facility, because if it is the facility, it is something I can step in, assist, and help with regarding those modifications. For the operations, it is them, PUC, and their labor contract, but I can have that conversation with them.

Mr. Sniffen: Councilmember, one of the things Dre is doing on all islands is talking to agriculture, so we would love to speak with you and Aloun Farms to see what needs the island has. She is looking at adjusting the facilities so that there are water spigots where necessary for cattle or shaded areas for produce

and the like. It would be good to have that conversation about what the needs are so we can start adjusting the facility.

Councilmember DeCosta: With that being said, I got a bit excited, because I know we cannot take a big barge or containers to Port Allen, but I notice small flat barges with pallets and that smaller forklifts put the pallets on. I know Young Brothers frowns upon that. They want to put all the cargo into containers and do away with palletization, but if pallets would work for our farmers and they could transport those on a flat barge to Nāwiliwili and then container it off the flat barge with the forklift, that could be another option, so that farmers are not stuck in traffic. That is just a little more insight to your...and I will speak with you more on that.

Council Vice Chair Kuali'i: Councilmember Bulosan, followed by Councilmember Kagawa.

Councilmember Bulosan: Thank you so much for your presentation. This is the same question I asked the Airports Division. Are our harbors on Kaua'i revenue neutral or positive? Do you know from an operations standpoint?

Ms. Kalili: Speaking generally of our day-to-day operations, I would say all our harbors are revenue positive. When it comes to larger projects...and we do run our system like an enterprise, so it is not as though the revenue generated from Kaua'i is the only resource that Kaua'i has from our two (2) harbors here. In general, as I was showing with the projects on the next slide, we go through and reassess need, we prioritize it across the system, and do the projects accordingly. Are the two (2) facilities on the island revenue positive? Yes, however, for a much larger project, we might need to look at the pool of funds that come in across the system.

Councilmember Bulosan: What are the revenue streams for the harbors?

Ms. Kalili: That is a very good question. Unlike highways and airports, harbors are a self-funded enterprise, so we do not receive Federal formula funds or any State general fund appropriations. We collect fees from our harbor users, and the fees fall into a couple of categories. One (1) is port entries, so when the vessel comes in, we assess a fee for that. When they tie up to a pier, there is another fee for that. When they offload cargo, even if it is for a pipeline, we have a fee schedule for containers, cars, livestock, agriculture, and as you can see in the image, we also collect rent from the sheds where Matson and YB operate. We pull all that together and over a calendar year, we will generate about two hundred fifteen million dollars (\$215,000,000) a year.

Mr. Sniffen: How many harbors?

Ms. Kalili: Nine (9).

Mr. Sniffen: Overall, we are trying to minimize the amount of profit that comes into the State, because, in general, any increase in cost

to the shippers comes out of us, so we try to minimize that as much as possible. What Dre is trying to collect is just enough to ensure that we can move forward on the larger projects that are necessary to keep our piers safe, sound, and operational without costing any additional funding for everyone.

Councilmember Bulosan: I have more questions.

Council Vice Chair Kualii: The floor is still yours.

Councilmember Bulosan: Thank you. As always, people of Kaua'i prepare for disasters, given all the hurricanes we have had, and we always worry about the ports and harbors, because of how much we import. If there are issues with Nāwiliwili and we cannot bring shipping containers to Port Allen, is there a backup plan? What is the mitigation plan? Are there smaller containers or shipping that can go to Port Allen? I am in the worst-case scenario mindset right now.

Ms. Kalili: That is a very good question and resilience, not just for climate change, but for disasters and specific events, is a concern. We are going through a process with the shipping companies and going through some "if-then" scenarios. They are things that we already know, because we have seen them happen in storms, hurricanes, and in other plans for emergencies. We are trying to document them into a single document across our harbor system. It is, "If something is blocking the harbor entrance, then what happens," and it includes who responds and who is responsible. Sometimes it is HDOT, sometimes it is the Army Corps of Engineers, sometimes it is the Coast Guard, and sometimes the response is on the shipping companies—Matson and/or Young Brothers. We are going through that process, and will document and organize it, but as far as what the contingency is, with the primary ports on all the islands—Nāwiliwili on Kaua'i, Honolulu on O'ahu, Kahului on Maui, and either Kawaihae or Hilo on Hawai'i Island—the plan is always to clear the harbor as quickly as possible. Only in a situation for Nāwiliwili where all three (3) piers are absolutely non-functioning would we look to bringing in cargo by air. It is difficult to bring any volume of cargo into Port Allen, but we did see in Lahaina that people became creative. All types of vessels brought in, obviously not containers or pallets, but boxes of goods to get to the people who needed them. Know that we have, and we are working with the shipping companies to make sure it is well-documented, and the scenario that would require a very big deviation from our normal operations is incredibly severe.

Councilmember Bulosan: In the same vein, and as I asked the Airports Division, are there any big red flags? You mentioned working on climate change things. Are there any red flags that you feel we should work together on?

Ms. Kalili: There are two (2) things. Generally, for our two (2) harbors here, when we look at the projected inundation areas, I think our side is okay, but I am concerned about the Small Boat Harbor, because the infrastructure is not the same, our piers are a little higher and more resilient for sea level rise, but just because it is not our facility, it does not mean we do not pay attention or are not careful in how we plan. I do not want to build up our pier or make any improvements only to have it accelerate the impact on the Small Boat Harbor, so there is

coordination. The other thing, which is more so for Nāwiliwili than Port Allen, is where our County roadway facilities interface with our harbor facilities. I am not as familiar with the infrastructure here as I am with some of the other harbors, but if there is storm water or other infrastructures in the roadways that interface into the harbor, we need to look at that as we plan for sea level rise. There is a lot more work, research, and coordination that needs to happen. I do not know what that will look like, but it is something that as we get through this planning process, we will need to ask certain questions and engage with our County partners.

Councilmember Bulosan: Awesome. Thank you.

Council Vice Chair Kualī'i: Councilmember Kagawa.

Councilmember Kagawa: Going back to Port Allen Harbor, what is the condition of the large building there and who are the users?

Ms. Kalili: We just finished a project to replace the asbestos and make it sturdier with the siding. Half of the facility is the Navy, and the other half is our facility. We have an office inside the shed and have blocked off areas for storage for some of the smaller vessels, like catamarans, that operate there. They have extra life vests and some maintenance equipment stored in there.

Councilmember Kagawa: If you can disclose this, then please do. If you cannot, then do not. What types of things does the Navy use that for, or what do they store in there?

Ms. Kalili: I will need to double-check, but just from our observation, it looks like mooring and testing equipment.

Councilmember Kagawa: Thank you.

Council Vice Chair Kualī'i: Councilmember Cowden, then
Councilmember DeCosta.

Councilmember Cowden: All I am asking for is a simple answer. With the removal of the Superferry ramp, has there been nothing else that could utilize that? I know putting that in was a big deal. Is it that there is nothing else it can be used for, and it is in the way?

Ms. Kalili: Generally speaking, the ramp was designed for this specific vessel, so it is hard to find another vessel that might match with it. There are also some issues with the ownership and liens on the ramp, so it took some time to get to the point where we could get a contract to remove it. I might be confusing this with the same ramp that was at Kahului. I believe we tried auctioning it, but are now at a point where we are cleared to demolish and remove it.

Councilmember Cowden: Does that end up in our landfill? I am curious, because it is almost full. Is all that garbage, or can we give it to someone who can somehow use it?

Ms. Kalili: It could be scrapped depending on what the components are, but I need to double-check with our engineering team on what the plan is and what is the scope of work. It is removal and probably disposal, but I am not sure on that.

Councilmember Cowden: Perhaps you could send us something. I am curious how much square footage or square meters of rubbish that would create. Is it something that can be grounded up, or will it go in our landfill? As you may know, our landfill is almost topped. It is more than topped and we are in a landfill crisis, so I would be curious where it would be thrown away at, and I want to make sure that it comes not only to us, but that it also goes to the Department of Public Works. You may already be in that conversation, but just so we do not miss that little nuance, because we are desperately budgeting our solid waste capacity.

Council Vice Chair Kualifi: Councilmember DeCosta.

Councilmember DeCosta: It was answered.

Council Vice Chair Kualifi: Perfect. We will move onto highways if no one has any more questions. Do you have a question about harbors?

Councilmember Carvalho: One last question.

Council Vice Chair Kualifi: This is the last question for the Harbors Division.

Councilmember Carvalho: Following up on the three million one hundred million dollars (\$3,100,000) of Federal funding, I see it here, but is it going solid?

Ms. Kalili: We just submitted it. August 18th was the deadline. We need to wait a couple months, then they will let us know, but we have a couple of plans in place if we do not receive the grant, because we still need to do the work.

Councilmember Carvalho: I see.

Ms. Kalili: There are a couple of "forks in the fire" to make sure we can get that work done.

Councilmember Carvalho: It is good that you are reaching out. I just wanted to understand where you actually are, since we had that conversation.

Mr. Sniffen: One of the big things, and when you saw the presentation, all the divisions spoke about Federal grants, given IIJA and where we are in the Federal Administration, all of HDOT is trying to maximize Federal grants as much as possible. We worked closely with the counties to make sure they did as well, and they did a tremendous job of pulling in the Rebuilding American Infrastructure with Sustainability and Equity (RAISE) grants, which started from

your Administration during that time. It is really good that everyone is maximizing that. We try to hit that as much as possible. Dre is also utilizing some of the highways grants, because we had set up a marine highway under Ford that connected all the harbors. That allows us to use federal roadway funding for those portions, so she is going under discretionary grants with Robin to tie in the multi-modals for harbors and highways to ensure we can maximize the funding first, and then maximize the impacts that come with it.

Councilmember Carvalho: A marine highway?

Mr. Sniffen: Yes, it is the Daniel Akaka Marine Highway.

Council Vice Chair Kuali'i: Before you go, Councilmember Bulosan.

Councilmember Bulosan: Sorry, I have one more question. We talked about the fees coming from the harbors. There are two (2) questions to this. Are the fees different for usage, meaning are cruise ship fees different from cargo fees? In the fees for a cruise ship, are there additional impact fees, specifically related to moving people around, or is it standard? I can give a bit of background. When a cruise ship comes to Kaua'i, after they offload, traffic gets backed up there. I was wondering what other additional impact fees there are.

Ms. Kalili: Two (2) things: all vessels pay port entry and all vessels pay to tie up. With a cruise ship, instead of paying the wharfage, which is for cargo, they pay a per passenger fee, so for every passenger on the vessel that is not a crew member, there is a fee that we collect, and that fee goes towards the wear and tear of the cruise passenger facility. As to the impact, some of the discussion came up with the airports, where it is a broader HTA and Visitor Bureau issue. However, if there is congestion around the port because of it...again, related to some of the discussion we had earlier...if there is a facility issue that we can adjust and make available...we started noticing that there is some congestion with the Uber and Lyft drivers around there, so we carved out and cleared an area where Uber and Lyft drivers can pull in and pick up, instead of hanging out at the Kaua'i Athletic Club, which was causing issues. This just opened about two (2) weeks ago, so we are trying it. If it works, great. If it does not, we will see what else we can do to make sure we are not making trouble in that area.

Councilmember Bulosan: Awesome. I think everyone watching who is in that area appreciates that. Thank you.

Council Vice Chair Kuali'i: Thank you. Our last area is highways. Members, are there any questions on highways? We will start with Councilmember Kagawa.

Councilmember Kagawa: One of the congestion points, primarily from after lunch through 7:00 p.m., is the traffic going west from Lihu'e. It seems like the Puhi traffic light is possibly one of the issues. It seems that the light for left turns to Kaua'i Community College (KCC) and Puhi Road are too long. Has the timing been looked at in that area?

Mr. Shishido: That is one of the things they are doing islandwide. The district office is collecting traffic data to readjust the signals. That is something we try to do every five (5) years, because volumes change and so does traffic. We will look at that and adjust the timing based on what we see, and we can set the timing for morning peak hours, afternoon peak hours, and during the day.

Councilmember Kagawa: Any measure to allow the green lights going west during those peak traffic hours...if we can leave that green light go a little longer, I think it would help. The Kalāheo traffic light is another one. Morning traffic for both directions is terrible and backs all the way down to the west merge lanes. I know it is a tight area and I think we talked about it the last time. It is hard because property acquisitions and whatnot might be needed, but is there a continued look to possibly doing eminent domain if it could allow at least two (2) lanes of travel through that green light. I think it would be great for both ways. There is always a bottleneck, but if double the number of cars can go through that green light, then that is already a big solution.

Mr. Sniffen: We can take a look at it. The difficulty with capacity funds right now to take property and widen is that there is no support on the Federal side. On the Federal side, capacity is about seventh on the priority list, so we try to see what we can do with the State funds that we have and try to maximize things. We will look at these intersections to see how they can be modified to make them more efficient and see how we can proceed from there. Then, we can still look at the long-term plan on widening in that area. I know it is still on Larry's list.

Councilmember Kagawa: The final one is the "Kapa'a crawl." When those final improvements are made at Wailua Bridge, do we expect significant improvements? People want to see contraflow all day long without having the crew to work the contraflow, which is basically two (2) lanes going through each way in the congested area. When the final bridge improvements are done, where will we be in terms of needing crew to do manual contraflow?

Mr. Shishido: The bridge improvements are only for the foundation, because there is erosion and wood piles from the tides coming. That is replacing that. There is no additional capacity there, so the manual contraflow lanes will still be there.

Mr. Sniffen: With just the short-term improvements, you can see when going through the area by Coco Palms that traffic flow has improved. Knowing that, we are still looking at having an additional lane going further in towards the golf course. That is the forty-four-million-dollar project that we are currently looking at.

Councilmember Kagawa: What about the lanes going east? Is there any more room?

Mr. Sniffen: Going through that area is very tight.

Councilmember Kagawa: Is it hard to get to four (4)?

Mr. Sniffen: Yes. We would need to take property through that area, which would be difficult to do. We can look at it to see what other options are available.

Councilmember Kagawa: If it is an area that is filled with buffalo grass, it is perfect eminent domain property to me.

Mr. Sniffen: I totally agree. What we have done in the past is instead of taking property to turn a two-lane road to a four-lane road, we looked at having three (3) lanes in some areas. Having three (3) lanes will allow us to have one (1) lane in each direction, and a continuous turning lane throughout. It takes away turning vehicles from stopping traffic, and allows a contraflow lane, which can be used in peak times.

Councilmember Kagawa: Perfect. Thank you.

Council Vice Chair Kualii: Councilmember Cowden, followed by Councilmember DeCosta.

Councilmember Cowden: What spot are you talking about?

Mr. Sniffen: The area in front of Coco Palms.

Councilmember Cowden: Okay, the area right in front of Coco Palms. By the way, thank you for that extra lane. It made a massive difference. I am surprised at how much of difference it has made. I have a question about the forty-four-million-dollar project, which is the fourth lane from Wailua Bridge to Hanamā'ulu. Can the County partner with you to work on former cane haul roads to make evacuation routes, because when you get south of that bridge, there is that road...I asked Larry Dill about this already, but there is that road that could take you all the way to Puhi. I think it will take years to widen that road. It took nine (9) or ten (10) years for that short distance.

Mr. Sniffen: It took longer than that. We wanted to do it in 2010.

Councilmember Cowden: Getting to Puhi took at least six (6) years. Can we work together, have a lower standard of road, have some of your funding, to take that to get from that area south of the bridge to Puhi, which was going to be an evacuation route? I think it would make a big difference. I know it is a problem for you folks, somehow. Can we do that instead?

Mr. Sniffen: I do not know about doing that instead, but we are happy to work with the County on anything. If it is a County initiative...we work well with the Administration to see how we can partner up and get things done faster. I am happy to work with them.

Councilmember Cowden: I have been concerned about this from before, but the Lahaina tragedy put a sharp highlighter on how many one-way in and

one-way out areas there are. I will just do one (1) example. Moi Road in Hanapēpē goes up to Hanapēpē Heights. A lot of people live up there. If they ever needed to come out, it would be hard. You have a canyon on one side and fuel load on the other. I know there is a cane road that goes from the top down to the highway. I would love to see us be able to open some of these cane roads, so we would have...there are a number of places on the island, but I would really like to see us work with the Highways Division, so we can attempt to fix some of our escape routes.

Mr. Sniffen: As I said, I am happy to partner with the County. That being said, establishing new routes will be difficult. It will take time. In the interim, the fuel reduction needs to happen, that is why we are moving forward on that. We know we can do that.

Councilmember Cowden: I was happy to see that. It was another bullet point I have here with big smiles around it. Did I hear you correctly with the vegetation maintenance picture that you did? That image looked like it was not next to a road. Are you doing fire barriers with your equipment that are not necessarily right next to a road?

Mr. Sniffen: Yes.

Councilmember Cowden: How do we, as a County, communicate with you, like I just gave that example of Moi Road? Can we have that road right there from DHHL land right alongside that neighborhood?

Mr. Sniffen: Just send an email.

Councilmember Cowden: To you?

Mr. Sniffen: Yes.

Councilmember Cowden: Okay, you will hear from me. You will be my hero.

Mr. Sniffen: What we are trying to do is work with the Fire Department, so they can give us the priorities that they are looking at. They are the ones who identified DHHL's property as the priority first, and we will work with them on all of that. The more input we get, the more we will work through with those priorities throughout to ensure we hit all of them. It does not need to be a one-at-a-time thing. It is not as though we need to go from property to property to property. If we have ten (10) different properties to do that are all number one (1) priority, we will do them all to make sure we get the resources out there.

Councilmember Cowden: I am so happy to hear that. He looked like he had something to say.

LAWRENCE J. DILL, Highways Division, Kaua'i District Engineer: Good morning, Councilmembers. Larry Dill, HDOT. On that particular location, we have asked the Kaua'i Fire Department (KFD) to identify their priorities for us. That is

why we took care of that one in Wailua first, which was their top priority. The second is the one you are talking about, so tomorrow, I have an on-site meeting with the DHHL landowner, their cultural monitor, KFD, and our contractor to scope out that particular one.

Councilmember Cowden: When you get a chance...I know it is not your highest priority, but it is really high for me...can we have a list? If that is second on the list...if I was able to see the top ten (10)...if we know those, yet...because I am anxious and deeply appreciative of hearing this.

Mr. Dill: We have identified our top four (4) within our right of way—three (3) on the Eastside, one (1) on the Westside—but I am listening to KFD regarding the rest. I have not heard beyond their top two (2).

Councilmember Cowden: What are your top four (4)?

Mr. Sniffen: We will send it to you.

Councilmember Cowden: I have asked for this for a while. Thank you so much for fixing the road in Hā'ena, as you go past Wainiha and are coming around the curve. Hooray. It is dark, it is usually raining, there is no road stripe and there are no reflective dots, so some people going fast could easily cross the line and take someone out. When can we have striping, because it seems like it has been at least three (3) or four (4) months?

Mr. Sniffen: We will address it. We will send you a schedule.

Councilmember Cowden: Is it longer? We have a person from Wainiha here. Hopefully she will testify in a minute, because that is an area of concern that I know I have been sending in requests for, it could easily take someone's life, and is a curve where if someone needs to go a little far...we have a number of people who went off the cliff here.

Mr. Sniffen: We will send you the schedule.

Councilmember Cowden: Okay, send me the schedule and let us bump the schedule up. Thank you.

Council Vice Chair Kualii: Councilmember DeCosta.

Councilmember DeCosta: Thank you. Please do not tell me you are a Kamehameha graduate, too. Did you graduate from Mid-Pacific Institute (Midpac)?

Mr. Shishido: I graduated from Maui High School.

Councilmember DeCosta: Maui High, I like it. I have just a few words of encouragement on the roads-in-limbo between the State and the County. We always get that. We go to our County's Department of Public Works and ask, "Can we fix this

pothole,” but they say, “We do not own that road. It is a road-in-limbo.” Work together with us, especially with the road going to Kalalau Lookout in Kōke’e. The road past the State Park is busted up. The road is not owned by the State. I am not sure if it is owned by our County, but for some reason work has not been put into that road. I see Mr. Dill shaking his head back there, so perhaps I can speak with him.

Mr. Sniffen: If I can add, Councilmember. I think what happened was in the past there were roads that were run by DLNR that, for some reason or another, they decided that based on their statute, they cannot own roads outside of parks anymore, but they never told anyone, so we ran into several roadways that were in bad condition and needed improvements, but no one knew who owned what. We are running into those issues more and more now, and we are working with the counties directly to make sure that we address them.

Councilmember DeCosta: I appreciate that, because I am the Chair for the Public Works & Veterans Services Committee and have worked with our County regarding a couple of roads-in-limbo. We do not need to point the finger. We should work together to solve it. I received this text from the Chair. He wants to ask about the *mauka* access to possibly two (2) areas of gravel road, which is very important in case there is an accident or a natural disaster. With the Lahaina fires, we saw how important it is to be proactive, instead of reactive. One (1) area would be from Kahili to Līhu’e—the back road of Knudsen. You would touch Knudsen and Grove Farm before you can get...and that is coming from Kalāheo and ‘Ōma‘o. You would have an emergency bypass going past the Kōloa Tree Tunnel, Knudsen Gap, and all the way though Līhu’e. On the Eastside, a road from Wailua back to Līhu’e on the upper level of the mountain. Right now, we only have Wailua Bridge. It is a funnel. If we ever have a tidal wave or hurricane, it is not possible for people to get out of Wailua. What is so hard about having a *mauka* access point, because the road was in place when they were hauling sugar cane. Talk with the landowners, and if we need to do something on our end, as far as a tax break for those areas that have an easement maintained with gravel, so we do not run into another Lahaina...that was per Chair Rapozo. Then, the big one...and I am not trying to be a problem solver, but like you are from Maui High School, I am from Waimea High School, we solve problems. The traffic light in Kalāheo is not a four-way intersection, because one of the intersections is at a turn, and that is the reason why there is a big traffic hold. We need to put a roundabout in Kalāheo. If you see the traffic coming into Kalāheo around 1:00 p.m. and going past there...it is a “no-brainer.” It can be fixed easily. Put a roundabout, but do not make it small like the Wilcox roundabout. Make it a little bigger. We learned from it. Do not make the turn four (4) inches high, but rather gradual, so that rims and tires do not get busted up. Lastly, and this is an engineer’s advice, the Kōloa Tree Tunnel can be fixed easily. The Kōloa Tree Tunnel is the biggest cause of traffic. If you think it is the contraflow lane on the Eastside, then come to work. I work at Kapa‘a High School, and I need to leave my house at 6:30 in the morning, because the traffic from ‘Ōma‘o goes all the way into the Kaua‘i Humane Society. With the lane coming out of the Tree Tunnel, Councilmember Kagawa made an excellent point, and Mr. Ed Sniffen gave an excellent rebuttal saying we cannot take Federal money to claim private land. That road coming out of the Tree Tunnel should have been a two-lane road all the way to Knudsen Gap. That road is too short. It needs to be extended, or ask Grove Farm to use that tunnel, since there is a new landowner on

the opposite side of their tunnel. Perhaps the new landowner would be more willing to work with you to allow some type of bypass, because that was used as a road for cane hauling. Regarding the Tree Tunnel, the lane coming from Līhu'e and turning left into the Tree Tunnel needs to be either an overpass bridge or an underpass bridge. They cannot turn into the lane. I know it is easier said than done, but if we did an overpass...and I know Kaua'i people do not want to see it developed and will say, "We like Kaua'i just the way it is," but that is for the retired individuals who can go shopping at 11:00 a.m. For those who need to go to work, need to go to the babysitters, or have two (2) jobs and need to bartend or wait tables in Kōloa, infrastructure and different routes are needed to make traffic flow. Please look at those four (4) areas. The last one was the Kōloa Tree Tunnel area, which would help the traffic from the Westside a lot.

Mr. Shishido: Will do.

Councilmember DeCosta: Thank you.

Council Vice Chair Kuali'i: Councilmember Bulosan.

Councilmember Bulosan: Thank you folks, again. I will ask the same questions. First, revenue-wise, are the roads on Kaua'i revenue neutral? That one seems harder to figure out.

Mr. Sniffen: It is very easy to figure out. They are negative. I am serious, because highways are funded by...I am sorry. Mr. Shishido, go ahead. I keep forgetting that I am no longer in charge of the Highways Division.

Mr. Shishido: Our four (4) primary areas of local sources are registration, weight tax, car rental surcharge, and gas tax. After this, we will have a presentation on road usage charge, which is an alternative or replacement potential to gas tax revenue source. A lot of our revenue comes from federal funding. Right now, we receive a little over two hundred million dollars (\$200,000,000) in federal funding every year. The IIJA bill went up significantly, and it goes up incrementally each year by about five million dollars (\$5,000,000). Also, with the IIJA, there are some discretionary programs, like for bridges. There is an additional three hundred thirty-five million dollars (\$335,000,000) that came into the State, which is dedicated to bridges only. A lot of the funding helped the counties. There is some funding dedicated to being one hundred percent (100%), so a local match is not needed. It is available to all the counties, and we have told all the counties, "Bring your projects. It is first come, first serve. We will fund it." With our revenues, we have also used advanced construction, which means we have leveraged our future funding coming in so we can put out a lot more projects than our revenue at the time can cover. I checked the other day, and right now we have about one billion dollars' (\$1,000,000,000) worth of statewide "committed to" projects. For this upcoming Federal fiscal year, we plan to put out at least another four hundred million dollars (\$400,000,000) to six hundred million dollars (\$600,000,000). With the grants available, the County of Kaua'i just received the Po'ipū twenty-five million dollar RAISE Grant earned year, and we have a total of four (4) or five (5) grants statewide, totaling one hundred fifty million

dollars (\$150,000,000). We are always for those opportunities and encouraging and assisting everyone.

Mr. Sniffen: Overall in the distribution, about seventy percent (70%) of the revenues for our highways comes from O'ahu, and thirty percent (30%) are from the other islands. I think Kaua'i comes in at about five percent (5%). If we only gave Kaua'i the amount of revenue it generates from gas, registration, and the like, you could not run many projects, so Kaua'i receives about ten percent (10%) to twelve percent (12%), in general. It is like a donee county, based on how we distribute the funding throughout the State. That being said, Larry is really good at pulling more money in than he is allotted, and so is the County. One of the things we tried to adjust from the past, is each County was distributed a certain amount of money that they would receive in their Federal fiscal year, and everyone would manage towards that amount. For Kaua'i, it was about eight million dollars (\$8,000,000) to ten million dollars (\$10,000,000). It is difficult to manage just eight million dollars (\$8,000,000) to ten million dollars (\$10,000,000) gluts of funding every year. Instead, we asked the counties to give us your project needs, and we will figure out how to fund it, so you will see a lot more money going into both State and County projects on Kaua'i, versus in the past.

Councilmember Bulosan: Awesome. I will ask a follow-up question, and I know it will not be popular with those watching. How do we get to being at least revenue neutral, while other mechanisms in which we have explored, considering...

(Councilmember Kagawa was noted as not present.)

Mr. Sniffen: I do not know that you want to get there. From my perspective, based on the land-use that we dictated to the public in the past, we have commercial centers in certain areas and bedroom communities everywhere else. We told everyone that they need to drive. That is what we said when we set up the State years ago. We are trying to make sure that we adjust, to ensure that we have more commercial centers in different areas to minimize the commute for people who need to, but until we give them that option, we are telling them they need to drive. I would rather we minimize the cost to the public as much as possible and maximize the amount of Federal funding that we can receive. Instead of thinking that we will balance the highway system to the Hawai'i public, I would much rather balance it on the Federal government, because we are all paying into it anyway, so we might as well try to get back our piece, especially given a time when there is significant Federal funding available from our IIJA funding and significant discretionary grants that are available. We are maximizing everything out there. We are trying to bring in the money from there. After that, we can figure out what costs are necessary on the local level. I would much rather stop from the State's perspective, as well...stop touching the gas tax, the registration fees, and the like. I want to keep all of these things as flat as possible and try to level the Federal funds as much as possible.

Councilmember Bulosan: What does IIJA mean?

Mr. Sniffen: That is the infrastructure grant that funds us.

Councilmember Cowden: What does it stand for?

Council Vice Chair Kualifi: Infrastructure...

Mr. Shishido: Infrastructure Investment Jobs Act.

Council Vice Chair Kualifi: ...Investment Jobs Act.

Mr. Shishido: It is the bipartisan infrastructure law.

Councilmember Cowden: It is just that I struggle with acronyms.

Mr. Sniffen: Do not worry.

Councilmember Cowden: I was trying figure it out this whole time.

Councilmember Bulosan: In the same vein in that question, it is good to hear that perspective and I think the community loved the idea of not increasing taxes. I did not want to allude to going in that direction, but you made the great point image that the other option is not available.

(Councilmember Kagawa was noted as present.)

Councilmember Bulosan: Following up into that same vein, what is the strategy around having to drive your own car, such as mass transit, bikes, and the other modes?

Mr. Sniffen: Absolutely. Every year, we receive two hundred forty million dollars (\$240,000,000) or so in normal federal authority, which comes from the IIJA bill, and that is good for another three (3) years.

(Councilmember Kagawa was noted as not present.)

Mr. Sniffen: After that, we need to negotiate another bill with Congress to fund transportation. During this time, there are a number of states that cannot use their formula authority, so by June of every year, the federal government says, "States, if you cannot use your money, we will sweep it all into this big account, we will see who has needs, and we will redistribute it." We spend our money every year. We, and the counties we work with, spend the funding that comes through, and we have been more and more aggressive each year in taking more of the redistribution pot. When we first started, it was about forty million dollars (\$40,000,000) that we would receive, on top of two hundred forty million dollars (\$240,000,000) in authority. Last year, we received one hundred million dollars (\$100,000,000). When we do this, it is not just for HDOT's roads or HDOT's and the counties' roads. For the past couple of years, we have been pulling in money and redistributing it to transit as well. We pushed out twenty-five million dollars (\$25,000,000) to transit programs, ten million dollars (\$10,000,000) to Honolulu, because they can only use it for rolling stock, and five million dollars (\$5,000,000) to each island, to ensure they can use it for operations or rolling

stock, which could be for electrification, new buses, or making sure they can maintain the system they have.

(Councilmember Kagawa was noted as present.)

We will continue to do that, because investment into transit is big. You folks all know, and you folks all see the budget. There is no way that any transit agency will ever break even. It will not happen, because if you try to price it that way, no one will ever use it. We try to assist as much as possible from that perspective. Any roadway we touch...Robin showed a bunch of the resurfacing projects that we are doing. Every resurfacing project is a Complete Streets Project. Once we touch it and paint it black, we start looking at what uses we can consider for the needs today. Of course, we try to stay within the travel way that we have at the time, but if some widening is necessary and it does not the project, we can potentially push it out and have more walking or bike paths in those areas. That is the way we look at it. We are trying to make sure we give everyone a choice. We also look at our investments and see how we are improving facilities and what we are incentivizing, so in different areas, we want to make sure we incentivize affordable housing. We will be working with the counties to identify areas of the State system that we should be upgrading to ensure we are incentivizing more affordable housing construction. We will see how we can incentivize more commercial opportunities in different areas. I do not want everyone driving into town every day. I want them to be able to work where they are. If we can incentivize more development of commercial opportunities where people live, and we can shorten that connection between good services and opportunities for all our residents, then we get more people within that sweet spot of fifteen (15) minutes. That 15-minute sweet spot is where everyone lives. If it takes you fifteen (15) minutes to walk, then you will probably do it. If it takes more, you probably will not. If it takes fifteen (15) minutes by bike, then micro-mobility will be big in those spaces, and then of course, there is transit. That is how we look at things.

Councilmember Bulosan: Are there any red flags that might be of concern?

Mr. Sniffen: Yes, there are literal red flags—fire. That is the big piece that we are trying to address right now fully understand that there are communities that just have one (1) way in and one (1) way out across the State. In knowing that we cannot address those access needs tomorrow, we need to make sure we are addressing the fuel, or the mitigation of the impacts.

Councilmember Bulosan: Thank you.

Council Vice Chair Kualii: Councilmember Carvalho.

Councilmember Carvalho: Going back to Wailua River and the urban stream maintenance, is there anything there with the debris that comes down?

(Councilmember Kagawa was noted as not present.)

Councilmember Carvalho: You are working on the structure of the bridge, right? Does anything include that type of urban stream maintenance program?

Mr. Sniffen: That is the difficult part, and because it is multi-jurisdictional, it is very difficult for us to mandate what will happen upstream.

(Councilmember Kagawa was noted as present.)

Mr. Sniffen: However, we have been working more and more with the counties and with DLNR to make sure we can minimize the potential of those types of things coming down. While we are having those conversations, all we can do right now is to press upon everyone the importance of clearing the stream sooner rather than later, and not wait for the storm and have our staff go out right before a storm to clear things as much as possible.

Council Vice Chair Kualii: Councilmember DeCosta with follow-up.

Councilmember DeCosta: I want to follow-up on the fire mitigation you mentioned on the State roads. We talked about Kōke'e and the DLNR roads-in-limbo, but the roads from Kekaha and Waimea are both State roads. They are the evacuation routes in the case of a tidal wave or a hurricane, but the grasslands, which are owned by Agribusiness Development Corporation (ADC), which is our State entity, are not being maintained. I know we have a private and we need to take care of our own within our State. Many fires have jumped from the ADC property, gone over the highway, and into the forest reserves of Waimea Canyon. I was in one of those fires once. I helped fight the fire with KPD two (2) years ago, but there were tourist vehicles stuck in between the fire hazards, so I am trying to be proactive. I am working on a fire mitigation plan right now that could use your support. As the Committee Chair, I would like to reach out to you. Perhaps I could get your email before you leave. We are planning something. I believe you folks use it right now in Makakilo, and in Maui I know it is called livestock grazing. It is livestock grazing to keep the grasslands down, but it seems like we have had some opposition by ADC, so I would like to work with you a bit.

Mr. Sniffen: I would be happy to.

Councilmember DeCosta: Thank you.

Council Vice Chair Kualii: Councilmember Kagawa.

Councilmember Kagawa: Regarding the Albizia tree problem, how can the State mandate or partner with private landowners and utility companies to eliminate the Albizia that threatens to block our roadways? Is there any way to set up a program to mandate that, private landowners, or if they are near utility lines, then of course we need the utility companies to...a lot of people tell me, "Those trees are so weak. If one should fall, it will block traffic, because they are huge."

Mr. Sniffen: The Legislature has been hesitant to mandate land in the past, but the closest thing they got was giving us two million dollars (\$2,000,000) in General Funds to match four million dollars (\$4,000,000) in Hawaiian Electric Company (HECO) funds to clear Albizia on Hawai'i Island, where there was a big problem. I am sure we could push something like that for each island to try and see how we can incentivize private owners and utility companies to clear the Albizia.

Councilmember Kagawa: Is that a huge concern as you are driving around?

Mr. Shishido: It is not only Albizia trees, but also other trees that down powerlines. That even happened in the upcountry Maui storms. We are clearing that within our right-of-way and speaking with utility companies.

Councilmember Kagawa: I suppose the Albizia trees are of particular concern, because they are so weak, right?

Mr. Shishido: Yes, I think so.

Councilmember Kagawa: They are filled with water and are very weak trees.

Council Vice Chair Kualii: Councilmember Bulosan.

Councilmember Bulosan: Going back to the revenue streams, just to clarify, so there is fuel tax, car rental surcharge, and registration. What is the fourth one?

Mr. Sniffen: Weight tax.

Councilmember Bulosan: Weight tax. Did you say you were considering another form of fuel tax, because of electric vehicles?

Mr. Sniffen: Yes. That will be in the next presentation.

Councilmember Bulosan: This might be a very unpopular question for you folks. Have you considered toll fees for bridges or use of State highways, particularly targeted towards non-residents, which could be built into the rental surcharge?

(Councilmember Kagawa was noted as not present.)

Mr. Sniffen: We considered toll fees in the past. The response we received from Federal Highways was if we put that in, there is the potential of us impacting the Federal Highway Administration's ability to fund that facility in the future, so we would be trading off one funding source for another, and in general, the volumes that we get through different areas are not sufficient to fund that facility, so we held off on it. If we do move forward on tolling, we would need to

receive authority from the Legislature. After that, we would need to set a plan to ensure that the Federal Highway Administration understands how we would operate and maintain the system to provide that continuity even though it is not on the system anymore.

Councilmember Bulosan: Thank you.

Council Vice Chair Kualifi: In the map of your highway projects, are these projects coming up in the future? I ask because there is a project right now in Anahola and Keālia, which includes major resurfacing. It has been going on for quite a while, but it is not on this map.

Mr. Shishido: These projects are being awarded to contractors and they have the notice to proceed.

Mr. Sniffen: They have not started yet.

Council Vice Chair Kualifi: So, it is not showing up because it is ongoing. These are future projects. With the project that is ongoing, the roads are turning out beautifully, because they are digging them out and they seem to be repaving it again. It seems like it will last forever. The shoulders, however, are not being paved to match the road. They are in some places but not in others. Is it just that you are not done yet, because it seems like you are moving on to other areas?

Mr. Sniffen: It is just that they are not done yet. Everything will be repaved.

Council Vice Chair Kualifi: When you spoke about incentivizing commercial opportunities and things like that, one of the biggest issues in Anahola is the highway divides the community, and the way that the roads come to the highway does not lend for safe from the *mauka* side to the *makai* side. As we go forward, our transportation planners and whatever investments are made in Anahola...especially because there is a Anahola Bubble Plan, and a Town Center Plan, there will be more commercial development, more housing, although it is limited by the wastewater limitations, but there will be more development happening toward the Līhu'e side of Anahola, and as we improve the roads there, like Councilmembers suggested for another area, before there used to be this thing about not putting roundabouts on the highways, because it slows people down, but the truth is we need people to slow down in Anahola, because you are driving through the middle of our neighborhood, and you are headed to the North Shore at fifty-five (55) to sixty (60) miles an hour in a forty-five (45) mile per hour zone. They have had the speed limits there forever, but it does not work. They are supposed to slow down from forty-five (45) to thirty-five (35) as you go through the neighborhood. It does not really work, but the design could help us in the future, and a roundabout that supports the connection between the *makai* neighborhood and the *mauka* neighborhood while also supporting the economic development in that area would be really, really helpful, so I hope you are considering that for the future.

Mr. Sniffen: I always consider roundabouts. Do you like the one in Kapa'a? Is it pretty good?

Council Vice Chair Kualifi: Yes.

Mr. Sniffen: It is pretty nice, right? It works out well. In general, the way we look at the system is we kill about one hundred seven (107) people each year on our highways in the State. If you look at the reasons for the fatalities, we can tell you that fifty-five percent (55%) is from drunk driving, thirty percent (30%) or so is from excessive speeding, twenty percent (20%) to twenty-five percent (25%) is from distracted driving. There are reasons that the crashes occur, but no matter what, the reason why the fatality occurred is because of speed. In general, there is too much speed on the system, and in general, we do not have enough law enforcement throughout the State. We love our law enforcement partners. They are really good partners, but they are just strapped for resources. We are trying to put out a system that helps manage speed without the worry of someone having to comply with the law, or without having enforcement there twenty-four hours a day/seven days a week (24/7). We are putting in roundabouts, raised pedestrian crosswalks, and speed humps throughout the system to make sure that regardless of the reason for the crashes in the past, we can reduce the speed, and if we reduce the speed, we can potentially reduce the fatalities on the system, so that is what you will see throughout.

Council Vice Chair Kualifi: Earlier, when you were speaking with Councilmember Bulosan about when you are putting in all these improvements, resurfacing, or whatnot, you try to also incorporate what you just spoke of—the Complete Streets Project. Right there in Anahola, the most economic development in commercial opportunities that is happening right now is by the Community Homestead Association. They have a café, marketplace, hairdresser, and are planning for future rental housing at whatnot, but their turn off from the highway is just gravel. Even right now where you are paving, I do not know if it is because it is gravel that you are not taking the further paving of the shoulder or whatnot. Perhaps it is not done, because some of the areas before and after it are not done as well, but that is something to consider and to work with the nonprofit there, because they are not a commercial entity. They do not have millions of dollars, but that would truly support the commercial opportunities there.

Mr. Sniffen: We will always pave the shoulders. In general, we cannot use State or Federal funding to benefit a private entity. We just cannot do it. I cannot go in there to pave their facility for them, because it would be against our law. That being said, what we have done in the past is build infrastructure for private entities, provided the State receives a benefit from it. We have worked with developers to say, "If you have this infrastructure need that you must meet in order for you to move forward in development, we can do it for you, but you need to give us something in exchange. At this time, we are exchanging for affordable housing. We have already set that precedence; we need to make sure we receive a benefit for the State in order to move forward on any infrastructure opportunities that go outside of our right of way.

Council Vice Chair Kuali'i: I know what the affordable housing part of their plans is in the back of the property and has another entrance through the neighborhood, but ultimately that entrance from the highway could also connect. I think that is important, and I will have them connect with you.

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

Council Vice Chair Kuali'i: Go ahead.

Councilmember Cowden: I might not have understood that correctly. When I am going Southbound, out of Anahola, going up the hill and coming out of the village... Council Vice Chair Kuali'i, what is the name of the road that is so steep that making a lefthand turn is really hard... is that where you will put the roundabout?

Council Vice Chair Kuali'i: I think it is all Anahola Road.

Councilmember Cowden: Anahola Road.

Mr. Sniffen: We do not have it designed or considered at this time. He asked if we are considering roundabouts in different areas, which we definitely are.

Councilmember Cowden: Okay. I want to just highlight that spot that is difficult, and right now, we have a bridge down in Anahola, which is the responsibility of the County. It has been broken for a long time, so it is hard within Anahola to get from Anahola to Anahola while people are coming out in this dangerous intersection. If you are in a little car or you are not quick to respond, it is a nerve-wrecking area. I also want to ask about where Whaler's Store is in Anahola, we had a very tragic accident with three (3) of my young friends, who passed away. They were high school students. I was told we would have a traffic calming thing right there, so that they can... there is also a bus stop, so people are darting across the street. How do we make it so that we do not... it was their fault that they had that problem, but tragic as can go. How do we fix that area in Anahola? I was told that when the roads were fixed, it would be narrower, or traffic-calming, but it did not happen.

Mr. Sniffen: Let us take a look at it, and we will get back to the Council on the improvements that we are making.

Councilmember Cowden: Okay.

Council Vice Chair Kuali'i: Councilmember DeCosta.

Councilmember DeCosta: I have a follow-up to Mr. Ed Sniffen's comment on the tradeoff between the State and private entities, but it is not in Anahola.

Council Vice Chair Kuali'i: Is it a question, or is it for discussion?

Councilmember DeCosta: I am willing to give my time to Councilmember Bulosan, since his question deals with Anahola.

Councilmember Bulosan: I have a follow-up on the entire conversation around enforcement knowing that funds are limited. Have you folks considered what you are doing on O'ahu, which is using traffic cameras for enforcement and usage for crime?

Mr. Sniffen: What we pushed and received from Legislature is a two-year pilot program for red light running cameras, and we needed express authority from the Legislature in order to do it, but we can only do it at ten (10) intersections, because that is what the pilot program covers. Once that ten-intersection pilot is complete and it comes up for discussion at the next legislative session, then we can ask for authority for all counties or for red light running cameras to be used in all counties. Then the State and counties would have the authority to push it at any intersection that we deem necessary. The second thing we are pushing this year...we dropped a bill last year and will ask for it be heard again this year, is speed enforcement. With the speed enforcement piece, everyone has flashbacks of van cameras and the concerns that they had from that. This speed enforcement is a little different. We are not asking for cameras to be placed in vans that move around to different areas. I will mount it on the system, mount it in different areas, look at areas that we know are of concern—definitely school zones, areas where we have had low volumes, but high numbers of incidents, and work zones. I would love to be able to set them up in those areas, monitor them 24/7, and make sure we have signage throughout. Everyone driving into this area will know that it is enforced by photograph enforcement. We will send the information to the public sixty (60) days in advance, we will send out warnings in the beginning. After that, if you speed, it is all on you. That is the way I am looking at this, because if we can minimize speed throughout our corridor, we will save lives immediately.

Councilmember Bulosan: Thank you.

Council Vice Chair Kualii: Councilmember DeCosta.

Councilmember DeCosta: Mine is a new question, but it stems around what you said. This deals with our airport and the State highway right outside the airport, which is a four-way intersection going back south. We have one (1) lane going north, one (1) lane going west, and one (1) lane going south to the police station. I have addressed this with Mr. Larry Dill, and he has been so kind and very *akamai* about it, even though he is not a Kamehameha graduate. We recently allowed a commercial Turo parking lot to resonate. I almost got into a traffic accident, because I needed to jam on my brakes when tourists were crossing the highway without a crosswalk. There was a car waiting to turn into the Turo parking lot, but there is no turning lane on that State highway. There was also a taxicab behind me who needed to jam on their brakes, because I jammed on my brakes in order to not hit the tourists coming across from the airport with their luggage in an area where there are no sidewalks. The taxi pulled to the side to drop people off, although there is no shoulder. What is the protocol? How do we allow commercial entities to resonate like that without making infrastructure improvements on a State highway. I saw it happen in

‘Ōma‘o this past weekend at the Keala Foundation Trail Run. Keala Foundation has an annual event, and they had police managing the turning lanes for cars to go in and come out. This is the same thing, but instead of being a fun run, it is a parking lot. They do not have police officers directing traffic. I want to understand, but I have not received a response yet. How do we allow this to happen?

Mr. Sniffen: We do not. They should not be parking on or operating on a State highway.

Councilmember DeCosta: It is a private parking lot right off the State highway.

Mr. Sniffen: Are there access points?

Councilmember DeCosta: There is a road in and out, but there are no turning lanes, turning sides, crosswalks, or shoulder for people to pull on the side.

Mr. Sniffen: I am sure if Larry investigated it, he would have already responded. Let us take a look at it first, and we will get back to the Council.

Councilmember DeCosta: Thank you.

Council Vice Chair Kuali‘i: Okay. Thank you.

Mr. Sniffen: Thank you.

Council Vice Chair Kuali‘i: Seeing no further questions, is there anyone wishing to provide testimony? Is there anyone in the audience wishing to testify?

Councilmember Cowden: We did. I think we had more than one.

Council Vice Chair Kuali‘i: Come forward.

MICHAEL CURTIS: My name is Mike Curtis. I am a pilot. Aircraft commanders will not land if the airport is unsafe. The Līhu‘e Airport is safe, regardless of what you say or the extra length. The other problem that we have is staffing at the County, State, and airlines level. I have waited on the runway for about fifteen (15) minutes for Hawaiian Airlines staff to man the jetway. There is also the weather factor. None of us control the weather. These folks are doing a great job with what they have, but there are staffing problems and weather problems that are beyond our control. Thank you.

Council Vice Chair Kuali‘i: Thank you. Is there anyone wishing to testify? Seeing none. Members, is this any final discussion? Councilmember Cowden.

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

Councilmember Cowden: First of all, I really want to thank our State Department of Transportation for coming over. I always want to give a shoutout to Larry Dill, one of our community heroes, who does an excellent job. When we are at the perimeter of a circle, it is hard to be able to have all the roads that we need. I want to make a comment about the visitor challenge. I understand it is not the airport's responsibility for the way our economy has an imbalance. I want to let you know that on any given day, probably one (1) out of four (4) people on the island does not live here, but in certain communities, about four (4) out of five (5), if not nine (9) out of ten (10) people do not live here. For all of us on this Council, I think we are all blessed enough to live in places that are not in a high-impact zone. When I lived in Hanalei, I was in a high-impact zone, and I definitely benefitted from the visitor industry, but you are right. It is the Destination Management Action Plan (DMAP), but it cannot be overstated how highly impactful that is in certain communities, so when you have profound resistance, it is because people can hardly function. There are so few opportunities to have a home. An issue that we have later is housing. There is nothing left for people. That is where the airport pushback is. I appreciate that you folks do as much as you can with not enough funding. I am really excited about the idea of you doing vegetation management. "Big ups" on that one. I am also really excited that you are doing after the extra funding and am hoping our County can work with you folks on that to create more evacuation routes, some of which may be government roads, so we have more areas. Thank you, thank you, thank you.

Council Vice Chair Kualii: Thank you. Is there anyone else with final discussion? Councilmember Bulosan.

Councilmember Bulosan: Again, echoing Councilmember Cowden, thank you so much for being here with us. As the newest member, I just love the collaboration, the ability to have these conversations, and helping our community understand all the work being done by the State and County, and how we are all in partnership in making this better for our community. I am happy and thrilled to hear that some of our transportation areas are net positive, because when looking at challenges, the ultimate challenge often falls at not having enough resources, so I appreciate that the department is working hard to make sure we have the resources and use it in every way possible to make it better. I am so glad to hear that all the red flags that I share is being shared by the department, and you folks are looking at doing your due diligence to make sure our community safe and is at the level of service needed to live on Kaua'i. I appreciate the presentation and look forward to continuing to work with you folks to make lives better for Hawai'i, and I appreciate that you folks are doing the cost sharing. Hearing that although we do not have the population or revenue to do some of these big projects on Kaua'i, that you folks are willing to prioritize the needs of our community and not let us feel astray. Thank you.

Council Vice Chair Kualii: *Mahalo nui loa* to all of you, especially my fellow Kamehameha graduates. I should have worn blue today. I learned a lot. I think we all learned a lot. I especially learned a lot from Mr. Ford Fuchigami. Thank you so much, I learned a lot. If there is no further discussion, we will vote. I asked you earlier. Go ahead, Councilmember DeCosta.

Councilmember DeCosta: Thank you for that. First of all, I want to say thank you. It was a great presentation. I want to apologize for being the person who asks the tough questions, but if someone does not do it, then all of our constituents are not being represented, because there is a small group of people who want the questions I asked to be asked. Mr. Sniffen, after hearing you, I must be honest. I like your positive and comprehensive responses. I feel like we are in a good place with you. At first, I felt that you were a little too confident, but that is how I am, and I have comprehensive and positive responses when you ask me a question, so you have my respect. You are on a good team. I was very impressed with the gentleman from Maui. When we spoke about roads-in-limbo, the fire mitigation on State lands, traffic flow and the roundabout in Kalāheo, and the turning lane in Kōloa, I think we are good. If we can address those problems, I think we are good. The last one I wanted to do was the *mauka* access from Chair Rapozo of two (2) major areas. With the Wailua overpass to Līhu'e, we will have a bottleneck at Wailua Bridge if there is a natural disaster. Please look at that. A simple solution is to open the plantation road with gravel. It does not need to be paved. This is just in case something happens. The other one was Kahili to Līhu'e. The last thing I want to say is to the Nāwiliwili and Port Allen Harbors Division head. Do you know why I do not have anything for you? It is because you are doing a really good job.

Council Vice Chair Kualī'i: Councilmember Carvalho.

Councilmember Carvalho: Ed and the transportation team did a great job overall. No matter the level or department, we all need to work together. I really liked the presentation; I think we are on the right path. From what I heard, to move forward more, we needed to step back, reevaluate the process, and make sure that the decisions are the right decisions to move forward and to bring in the resources, so we can move forward. Good job, keep going, and we will "talk story" again. *Aloha.*

Council Vice Chair Kualī'i: Thank you, Councilmembers.

The motion to receive C 2023-208 was then put, and carried by a vote of 6*:0:1 (**Pursuant to Rule No. 5(b) of the Rules of the Council of the County of Kaua'i, Councilmember Kagawa was noted as silent (not present), but shall be recorded as an affirmative for the motion; Council Chair Rapozo was excused.*)

Council Vice Chair Kualī'i: The motion carries. Clerk, could you read what will hopefully be our final item before lunch?

C 2023-175 . Communication (07/25/2023) from Edwin H. Sniffen, Director of the State of Hawai'i Department of Transportation, Highways Division, requesting agenda time to present an update on the HiRUC project and to share details about Act 222, legislation enacted this year that implements a road usage charge for electric vehicles (EVs) beginning on July 1, 2025.

Councilmember Cowden moved to receive C 2023-175 for the record, seconded by Councilmember Bulosan.

(*Councilmember Carvalho was noted as not present.*)

Council Vice Chair Kualii: Mr. Sniffen, the floor is yours for another presentation.

Mr. Sniffen: Thank you very much Vice Chair and Members. Today, we have our team with an update on our road use charge legislation that came through last year that allows us to move forward on this and an update on how we would love to work with the County as we move forward on this. I will have them introduce themselves.

MINDY KIMURA, Project Manager: Hi. I my name is Mindy Kimura and I am the Project Manager for the Hawai'i Road Usage Charge (HiRUC) Program.

ANDREW MCCLANE: Good afternoon, everyone. My name is Andrew McLean, I work for CDM Smith, and I am part of the consulting team working with HDOT on this project.

Ms. Kimura: The HiRUC Demonstration Project was first initiated by analyzing Hawai'i's transportation revenue sources. Most states fund for a reliable, safe, and efficient transportation system. There are multiple revenue sources, and currently the biggest share of our contribution to roads and bridges comes from our gas taxes. In Hawai'i, the gas price is comprised of three (3) different fuels taxes: a County rate, a State rate, and a Federal rate. Kaua'i County's fuel tax is set seventeen cents (\$0.17) per gallon, and the State fuel rate is set at sixteen cents (\$0.16) per gallon.

(Councilmember Carvalho was noted as present.)

Factor of the fuel tax revenue is determined by the fuel efficiency of the vehicle being used. As you can see by the increasing trends, vehicles' average efficiencies are generally increasing resulting in the sale of less gasoline and fewer dollars generated towards the gas tax revenue. Because Hawai'i's vehicle fleet contain relatively high fuel efficiencies, due to the increasing adoption rate of EVs, it is predicted that this trend will continue to increase as vehicles become even more efficient over time.

Hence, increasing vehicle fuel efficiencies have changed the fuel taxes generated for road funding sources. Hawai'i is beginning to see a flattening, and in some cases a decline, in our fuel tax revenue. Combining increasing vehicle fuel efficiencies with increasing demands and inflated construction costs only furthers the challenge of finding sufficient revenues that are needed to maintain the State's transportation infrastructure. Hence decreasing fuel tax funds causing a growing and challenging reliance on other revenue streams such as the car rentals...

Councilmember Cowden: Could you speak a little more clearly? It sounds like you are reading, so I am missing some of what you are saying.

Ms. Kimura: There has been a challenge with the reliance on other revenue sources, such as car rentals, registration, and the weight tax streams. In 2000, the fuel tax was the single largest revenue source, making up nearly fifty percent (50%) of our annual income. In 2020, the fuel tax share nearly decreased

by half, shifting the overall contribution towards other revenue streams. With Hawai'i's 2045 clean transportation goals, it can only be predicted that the fuel tax share will become nearly obsolete.

(Council Vice Chair Kualii was noted as not present.)

Ms. Kimura: Improving fuel efficiencies of vehicles only further exacerbates the marginality of the gas tax inequities. As you can see, owners of older and larger vehicles, which are generally less fuel-efficient end up paying more towards the gas tax versus owners of newer vehicles, hybrids and EVs, which generally have higher fuel efficiencies, paying little to nothing. Obtaining revenue for the transportation system becomes unproportionate and inequitable.

States are looking at road usage charging (RUC) as a replacement for the fuel tax in order to achieve a sustainable and equitable system for all.

(Council Vice Chair Kualii was noted as present.)

Ms. Kimura: There are currently three (3) states that have a live RUC program—Oregon, Utah, and Virginia—and Governor Green just signed Senate Bill (SB) 1534 on July 5th, making Hawai'i the fourth state. RUC is also being explored by many other states in the form of either pilots, demonstrations, or research programs.

Here are some details about what RUC entails. RUC is a pay-per-mile fee that charges drivers for the miles that they drive as opposed to the gallons of fuel that the driver uses. A RUC system preserves the user-pays approach, which is more equitable, ensures sustainable funding, and provides a long-term solution to funding our transportation system because it is not relying on the type of fuel consumed.

HiRUC was started by HDOT seven (7) years ago. The program was enacted through a Federal Surface Transportation System Funding Alternatives (STSFA) grant in 2017, in which the counties were a partner in the application process. In the study, HDOT conducted one thousand five hundred (1,500) phone surveys, fourteen (14) community meetings, and ten (10) focus groups throughout all islands. For Kaua'i, these community meetings were held in Līhu'e and Kōloa. The Driving Report was sent to Hawai'i drivers, introducing them to RUC and providing a personalized insight into how RUC would impact them. This was followed by a technology test drive, which allowed participants to better understand RUC through a hands-on approach. Lastly, the final report conveyed the project's findings, addressed the policy issues, and provided a final analysis for which we would be sharing with policymakers, Federal highways, and other states.

These are the results from our Technology Test Drive and the Driving Report. More than twenty-four thousand (24,000) driving reports were sent to Kaua'i residents and more than one thousand seven hundred (1,700) residents sent back responses. Additionally, more than one hundred (100) residents also took part in our Technology Test Drive on Kaua'i.

A Stakeholder Advisory group was also formed to provide strategic guidance for how HiRUC would be programmed. This group comprised of organizations, individuals, and legislators all have a stake in sustainable transportation funding. Some notable members of the Kaua'i Stakeholder Advisory Group are the County of Kaua'i Department of Public Works and Senate President Ron Kouchi.

Stakeholders and the public raised concerns about HiRUC's cost-related fairness and the mileage reporting options. In addressing cost-related fairness in comparison to the gas tax, research concluded that on average, lower-income and rural household residents would pay less using RUC versus the existing fuel tax. Additionally, research also found that ninety percent (90%) of drivers preferred to utilize the existing vehicle inspection system to report their mileage.

During this process, there were also many policy questions and misconceptions that were raised. One misconception being drivers would be double-taxed. However, the policy was made for a RUC to be a replacement for the gas tax and the surcharge for EVs. It is not an additional charge. Hawai'i residents also wanted to ensure that rental car users would also be paying equitably into the RUC system. RUC ensures that the rental car users would pay into a RUC just like any other driver through the means established by rental car companies. Finally, it must be noted that EVs are cheaper to operate than other vehicles even in this RUC system. As part of Hawai'i's 2025 clean energy goals, RUC is meant to be a holistic approach to making those goals achievable.

In January 2023, legislation introduced SB 1534 to enact a small-scale RUC program starting with EVs, which mirrored the recommendations from the HiRUC Phase I. In July 2023, the bill was signed by Governor Green. The bill is comprised of the following provisions and three (3) key dates. Beginning July 1, 2025, HDOT must implement a State RUC for EVs with elimination of the mandatory annual EV registration surcharge. Instead, drivers will be given to the option to opt into RUC by either paying the RUC rate, which is capped at fifty dollars (\$50), or by paying the existing the fifty dollar (\$50) flat fee. Right now, the RUC rate is set at legislation as being less than one cent (\$0.01) per mile or at eight dollars (\$8) per one thousand (1,000) miles. To obtain the odometer readings needed for the RUC, the State will be utilizing Hawai'i's annual motor vehicle inspections. Beginning July 1, 2028, the State RUC will become fully enacted and mandatory, in which all EV drivers will be subject to paying a RUC, however the RUC cap amount of fifty dollars (\$50) per year will still remain in place. Finally, HDOT must submit a plan to the Legislature to transition all vehicles to a RUC by 2033. This plan must be submitted to the Legislature prior to the 2026 Hawai'i Legislative Session, be comprehensive, and lay out the plan to transition all vehicles to a RUC.

In HiRUC Phase II, the overall project will be geared towards implementing this live RUC system. To achieve this, the STSFA program goals are to develop and execute a detailed RUC system implementation plan, to partner with State and local agencies in producing an efficient and cost-effective RUC program, to provide information to policymakers to refine and expand RUC, and to provide the results of Phase II to the federal government and other jurisdictions.

HDOT has recently been awarded another STSFA grant for this implementation phase. To implement this State legislation, HDOT will continue to coordinate with the County department heads, Department of Motor Vehicles (DMV), and county councils to implement this Bill. HDOT is also offering the State's consultation services and assistance in drafting a RUC bill like SB 1534 for the counties to support their RUC exploration efforts in the system. Whether the counties decide to pursue a county RUC to replace the existing county fuel tax, to take a "wait and see" approach towards the State's RUC system, or to further their options with implementing different registration surcharges, HDOT will continue its communications with the counties to make this process efficient for all those involved.

This is an overview of those deadlines again. Thank you.

Mr. Sniffen: Thank you, Mindy. Overall with the discussions, the State is moving forward with this RUC program with just EVs at this time. We are keeping the cap in place, so we can let everyone know if you drive an EV, you can opt in or out of the RUC program, but if you opt in, you can potentially pay less than fifty dollars (\$50). You will not pay more. We are trying to make it easy for everyone to get in there while we set up plans for the future. By 2028, that opt in is out. You will be in the program no matter what, but the cap will remain at fifty dollars (\$50) at this time, because the legislation has not changed. With the portion at the bottom, we are trying to see how best to incorporate the counties into all of this, because the easiest thing for all our residents would be to either just pay a RUC or a gas tax. It is very difficult if they need to pay one or the other, or one and the other, depending on the jurisdiction. Part of the discussion is to come to the Council to see what your thoughts are regarding RUC and to let you know that while we are going through this process, the State is happy to have our consultant work with you on any conversions or discussions that you may have. We have been working well with our consultant, who has national exposure to this. We have presented at Washington, D.C. several times to make sure we are keeping up with the rest of the nation regarding how this is moving forward. We wanted to make sure that we opened that opportunity for the Council to use our consultant as you see fit, whether it is to get more information on and consideration, get more information to your public to see if this is the right thing for the County of Kaua'i to do, or whether you want to move forward on the RUC as it is as well. This year, we would like to put in legislation to the Legislature asking them for the approval for all the counties to be able to move forward on a RUC, but it will not lock you in or require you to do so. If you folks are okay with it, we would love to send you that proposed legislation, so you can see if there is anything we missed, should add, or should consider as we move forward.

Councilmember Kualii:

Councilmember Cowden.

Councilmember Cowden.
continue?

In general, I like this. Would the weight tax

Mr. Sniffen:

Yes.

Councilmember Cowden: Okay, so if someone has a big vehicle and they are moving a boat, they will not pay the same thing as someone with a tiny car?

Mr. Sniffen: Yes.

Councilmember Cowden: When does it start to phase in regular gas vehicles? To me, it seems like a good plan.

Mr. Sniffen: We would love to phase in sooner rather than later, fully understanding that this is a big lift for the HDOT. I will say that the fuel tax is a really elegant tax. People pay it without knowing they are paying it. I collect it for HDOT by kicking back and waiting for the Hawai'i Department of Tax (DoTax) to cut a check quarterly. It is super simple. All of those procedures, processes, and mechanisms are in place. When we move forward on this RUC program, we started with EVs only to make sure we set up all the processes necessary to get this rolling in. The plan right now is to give a plan to the Legislature by 2026 to fold all vehicles in by 2033, at the latest, so if we can come up with a plan that gets it done faster, we can do it, but, in general, we set that date and timeframe, because the three (3) states that are ahead of us—Oregon, Utah, and Virginia—that said it takes about that length of time in order to get a program operational.

Council Vice Chair Kualii: Who was next for further questions?
Councilmember DeCosta.

Councilmember DeCosta: Thank you. First of all, that is a very detailed and comprehensive plan. You look like you could be my daughter's age. You did an excellent job. It was very detailed, and you spoke well. I am impressed. What got me a little confused was the fuel tax being raised from twenty-nine percent (29%) to forty-nine percent (49%), while the car rental tax will not move from being twenty-four percent (24%). I am for taxing tourists. Why is the car rental tax not being increased?

Mr. Sniffen: If you look at that detail again on those charts, we actually kept the gas tax from raising, while we raised the car rental surcharge tax significantly to ensure that we could capture more than just the residents bringing funding to our system. The intent of RUC is to not raise any taxes. We will keep the rate where it is right now. We set the rate of per mile cost based on the revenue we receive right now, so that you generally pay the same. If you have a car that goes twenty-two (22) miles per gallon, you will pay the same this year and next. If you have a car that travels less than twenty-two (22) miles per gallon, then you will pay less. If you have a car that is more efficient, you will pay more. It is all based on keeping everything flat. I am not trying to raise any money on this type of system. The intent is to bring more money in from other places.

Councilmember DeCosta: The taxes that we do get from the surcharge are for our roads and bridges. It seems like our infrastructure needs some attention and I am glad it is being worked on, so good job.

Council Vice Chair Kualii: Councilmembers, are there any other questions? Councilmember Cowden.

Councilmember Cowden: I have a question and an image to bring up. This is something that caught my attention when we had the hurricane recently in Florida. It surprised me that when the EVs and electric scooters there were exposed to saltwater, they were blowing up. Did you see that? There were a bunch of videos on that, so I just pulled up two (2) articles, which I tried to send to you. One says, "Burning ship carrying lithium EV cars sank outside of the Azores." The picture did not come through, but there was a cargo ship moving a bunch of EVs. They spent thirteen (13) days trying to put that fire out. It was that hard. The ship eventually sank. The Comité Technique International de prévention et d'extinction de Feu (CTIF) is a cargo ship trade journal. The one below came from a Fire and Rescue thing. "Florida Firefighters warn EVs soaked by saltwater from hurricane can go up in flames." There were a bunch of videos of Tesla vehicles burning up and flatbeds filled with Tesla vehicles burned in their frames. I wanted to call this to your attention, because when we have this goal, I think by 2050, to mostly be EVs...we have ten (10) buses coming in that are electric...I saw this and said, "Oh my." I was in the middle of a fire prevention meeting in the Kōloa and Po'ipū area. We have a lot of concerns, especially since the Lahaina tragedy, and interestingly our Fire Prevention Team that was there...we had two (2) good firefighters there...when they left, they needed to go because of a lithium battery fire. It was a water sport hydrofoil in someone's garage. The fire, caused by salt and it being parked in there, burned down the garage. Just like how I gave you the thing about flying cars being up for sale now, that we might be able to look at it. I do not think that takes away from the RUC, because no matter how we use our cars, I like the idea of a RUC. That seems like a very fair and equitable way of doing it, but I got nervous thinking we are trying to replace all our vehicles with things that could blow up spontaneously in our garages. I think there might be one about an electric lawnmower. We might be dealing with problems on that with any of these and we definitely have salt air. I sent that over to you before, but maybe pay attention to you. It went to you. Did you see it?

Council Vice Chair Kuali'i: What is your question?

Councilmember Cowden: I just wondered if you folks saw that and if you were paying attention to that. It caught my attention.

Mr. Sniffen: I have not seen it, but we will take a look at it.

Councilmember Cowden: That might be something we need to give to our Legislature. Hopefully, they can either fix these batteries, because we certainly have salt air, or reconsider our goal, because if all our vehicles turn to something spontaneous. Regular cars can certainly blow up, but it takes really predictable catalysts. Salt air is ubiquitous here.

Council Vice Chair Kuali'i: Councilmembers, we are trying to get to our lunch break. Are there any final, pressing questions? Councilmember Bulosan.

Councilmember Bulosan: Thank you so much for the presentation. For RUC, I know you need to go to the Legislature one (1) more time to get the new

legislation to allow counties to look at it. Without that legislation currently, we could not look at it internally until that change is made. In that legislation that you will send over soon so we can look at, is it looking at implement effective immediately, or is there a roll out timeline?

Mr. Sniffen: It is to give authority to the counties.

Councilmember Bulosan: So essentially, July 2024 is when that might be something that our County could look at?

Mr. Sniffen: We would love to be able to push it during this legislative session. The thing is, I want to make sure the counties are on board. If we push it forward and it turns out that the counties are against it, it makes it very difficult.

Councilmember Bulosan: Okay. In the presentation, it looked at introducing RUC and moving both fuel tax and...

Mr. Sniffen: It is just the fuel tax.

Councilmember Bulosan: Okay. Nevermind.

Council Vice Chair Kuali'i: Seeing no further questions, is there anyone registered to speak? No. Is there anyone in the audience wishing to testify? Seeing none, Members, is there any further and final discussion? Councilmember Cowden.

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

Councilmember Cowden: I just want to give simple feedback that I went to both of those public hearings and am basically in support of this. Almost anything needs a little bit of fine tuning, and I have typically always driven a fuel-efficient car, but I feel it is fair for me to pay for the road I am driving on, so I am happy to support whatever you need from us.

Council Vice Chair Kuali'i: Councilmember Bulosan.

Councilmember Bulosan: Thank you again for the presentation. I echo the full support. I would love to introduce it as soon as possible. I think it is much more equitable and much more fair, and it will allow us to have a better system in which it justifies the costs of what is going on and supports our efforts to be more sustainable as a community in general. Anything that can get us away from combustible vehicles would be the best idea to move towards, so my goal is to support this effort in any way possible.

Council Vice Chair Kuali'i: Councilmember Carvalho.

Councilmember Carvalho: I am supportive. I liked the presentation. It had a good layout. We are moving forward in a more efficient and responsible way, which I like. Thank you.

Council Vice Chair Kuali'i: Councilmember DeCosta.

Councilmember DeCosta: I will be supporting this. I think being equitable and equal across the board with our EV owners and drivers versus the combustible 2000 Ford F-350 diesel that I drive. I am not an EV person and will probably never be an EV person. I like my fossil fuels, but I think everyone deserves to know the truth of the person they voted for, so this is who I am. Perhaps my wife, the Kamehameha graduate, will drive an EV, so I might put a line in my garage to charge her car. I think that since we are paying tax on our fossil fuel vehicles, the EV owners should pay the same tax. There are some great incentives right now to buy EVs. With that being said...can I sum it up quickly?

Council Vice Chair Kuali'i: Yes, this is final discussion.

Councilmember DeCosta: All of you out there listening, look at how lithium is mined. Look at how batteries are made. Do it. Look at those states and counties that have lithium mines in their backyard and how devastating they are. Look at other countries that have lithium being extracted out of the earth's core, then come back and tell me if you want to drive a combustible diesel or gas vehicle or an EV. Thank you.

Council Vice Chair Kuali'i: Thank you. I will just say *mahalo nui loa* for a very thorough and informative presentation. I think we all learned a lot and you have our support, more or less, so let us know what the next steps are and what you need from us so we can develop that bill or whatever it is that you need so we can support you.

(Councilmember Kagawa was noted as present).

Council Vice Chair Kuali'i: Thank you. Councilmember Cowden.

Councilmember Cowden: I support what Councilmember DeCosta said about looking at how lithium batteries are made, but for those who are big EV fans, Saturday morning from 9:00 a.m. to 12:00 p.m. at the West Kaua'i Technology & Visitor Center in Waimea, there is an event when people can drive EVs. They want people to see it and you can go out there and drive them.

Council Vice Chair Kuali'i: Thank you. Is there any further discussion.

The motion to receive C 2023-175 for the record was then put, and carried by a vote of 6:0:1 *(Council Chair Rapozo was excused).*

Council Vice Chair Kuali'i: The motion carries. Members, before we break for lunch, I want to take a point of personal privilege on behalf of all of us, because I know you were as exciting as I was when they walked in the room. I just

wanted to take a moment to introduce National Association of Counties (NACo) President Mary Jo McGuire, NACo 1st Vice President James Gore, and NACo Executive Director Matt Chase, who are in the gallery. Having arrived this morning, they are here for our Hawai'i State Association of Counties (HSAC) Conference that Kaua'i is hosting and for which our staff and Councilmember Carvalho, who is the HSAC President, have been working so hard on and is coming up in the next couple of days. Welcome and we look forward to seeing you there.

Councilmember Cowden: NACo means, "National Association of Counties." These individuals are heroes for us. Thank you for all the education.

Council Vice Chair Kuali'i: They are all NACo rockstars. Thank you. Aloha. See you after lunch, in one (1) hour.

There being no objections, the meeting recessed at 12:41 p.m.

The meeting reconvened at 1:53 p.m., and proceeded as follows:

(Councilmember DeCosta and Council Vice Chair Kuali'i were noted as not present.)

(Note: Councilmember Kagawa was noted as the Presiding Officer.)

Councilmember Kagawa: Next item, please.

COMMITTEE REPORTS:

COMMITTEE OF THE WHOLE:

A report (No. CR-FED 2023-10) submitted by the Finance and Economic Committee, recommending that the following be Approved as Amended on second and final reading:

"Bill No. 2901 – A BILL FOR AN ORDINANCE AMENDING CHAPTER 5A, KAUAI COUNTY CODE 1987, AS AMENDED, RELATING TO REAL PROPERTY TAX *(RPT Reform Tax Year 2024)*,"

A report (No. CR-FED 2023-11) submitted by the Finance and Economic Committee, recommending that the following be Received for the Record on second and final reading:

"Bill No. 2903 – A BILL FOR AN ORDINANCE AMENDING CHAPTER 5A, KAUAI COUNTY CODE 1987, AS AMENDED, RELATING TO REAL PROPERTY TAX *(Long-Term Gap Housing Rental)*,"

A report (No. CR-FED 2023-12) submitted by the Finance and Economic Committee, recommending that the following be Received for the Record on second and final reading:

“Bill No. 2904 – A BILL FOR AN ORDINANCE AMENDING CHAPTER 5A, KAUAI COUNTY CODE 1987, AS AMENDED, RELATING TO REAL PROPERTY TAX (*Separated Married Persons*),”

Councilmember Carvalho moved for approval of the reports, seconded by Councilmember Cowden.

Councilmember Kagawa: Is there any discussion? Is there anyone from the public wishing to speak on these items? Seeing none.

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

The motion for approval of the reports was then put, and carried by a vote of 6*:0:1 (**Pursuant to Rule No. 5(b) of the Rules of the Council of the County of Kauaʻi, Councilmember DeCosta and Council Vice Chair Kualii were noted as silent (not present), but shall be recorded as an affirmative for the motion; Council Chair Rapozo was excused*).

Councilmember Kagawa: The motion is carried. Next item, please.

RESOLUTIONS:

Resolution No. 2023-58 – RESOLUTION SUPPORTING EFFORTS TO ACQUIRE THE COURTYARDS AT WAIPOULI AND PRESERVE LONG-TERM AFFORDABILITY

JADE K. FOUNTAIN-TANIGAWA, County Clerk: We have registered speakers for this item.

Councilmember Cowden: Do we want to read the Resolution?

Councilmember Kagawa: Does anyone need the Resolution read? If anyone needs the Resolution to be read, raise your hand. We do not need it to be read.

Councilmember Cowden moved for adoption of Resolution No. 2023-58, seconded by Councilmember Carvalho.

Councilmember Cowden: Can we at least say what it is? “Resolution Supporting Efforts To Acquire The Courtyards At Waipouli And Preserve Long-Term Affordability.”

Councilmember Kagawa: With that, can we have the first speaker?

Ms. Fountain-Tanigawa: The first registered speaker is Summer Yadao, followed by Samantha Kaʻiulani O’Brien.

Councilmember Kagawa: I am sorry for you folks having to wait all day for this. You have three (3) minutes and if you have additional testimony, you can

have a second chance after everyone has gone once. Thank you. Start by stating your name and you may begin.

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

SUMMER YADAO: *Aloha*, my name is Summer Yadao. Yes, I am related to every Yadao on this island, but I grew up on O‘ahu. I am here because we have the same issues not only in Hawai‘i, but throughout the world with housing. The biggest problem is that we have used housing as a commodity, instead of for people. For that to happen in Hawai‘i is insane, because we all know one another, we are all related to one another, and we take care of one another here. That is our culture, but what we have been seeing in...I do not know how many decades now...is because there has been a movement of people from here moving away with a replacement of people not from here, we have a different culture now. It is all about money, status, and what I can get out of it. We need to make housing for people, because we have *kūpuna* and *keiki* living on the streets, and that should not be happening in Hawai‘i, where we all know one another and are supposed to be taking care of one another. In this time, we have an opportunity to make it for people, and it is a “no-brainer.” We have people who are willing to invest. We have people in the buildings right now wanting to do a cooperative model, which is being done on O‘ahu. It has been there for fifty (50) years, and it works. The only thing is that it did not make money and that is why not talked about or duplicated over and over throughout Hawai‘i.

(Councilmember DeCosta was noted as present.)

Ms. Yadao: I have been helping Aunty Rowena at Ho‘omana Thrift Shop with feeding the houseless and having relationships with them. We just need to remember these are people that we are talking about. They are people willing to work, but if you cannot live in the area where you work, how will that happen? It cannot. We need to have housing for the people, for the workers, especially for medical workers, people who are here on-island.

(Council Vice Chair Kualii was noted as present.)

Ms. Yadao: We need housing specifically dedicated to people who live here. We need it on every island, but especially for here on Kaua‘i, because it is beautiful. I love this *‘āina*. We have people from here, who grew up here for generations, but cannot stay. That is a travesty. It should not be happening, so I hope you folks do anything and everything you can to look at this cooperative model that will be presented further down the line when you need information. Kenna will be speaking later; she has more information. Please. We need to invest in the people now. We cannot think about money. It goes away. You cannot eat it. That is all.

Councilmember Kagawa: Thank you, Summer. I would like to yield the floor back to Council Vice Chair Kualii.

Councilmember Kagawa, the Presiding Officer, returned Chairmanship to Council Vice Chair Kualii.

Council Vice Chair Kuali'i: Are we in the middle of public testimony?

Councilmember Kagawa: Yes, the first one. Summer Yadao.

Council Vice Chair Kuali'i: Members, are there any clarifying questions?
No. Thank you. Next speaker.

Ms. Fountain-Tanigawa: The next registered speaker is Samantha Ka'iulani O'Brien, followed by Corina Aidakoff.

SAMANTHA KA'IULANI O'BRIEN: I am Sammie O'Brien. I just wanted to speak to you about our housing situation. It was very entertaining to see the proposal from the State to approve an airport. Yes, it looked like a lot of money, but it made sense. It is a good build for us, but what is the use of improving an airport if you do not have the workers to work there. It would be a waste of the funds requested by the State to improve something that we will not be able to staff. Why waste the funds on that? Why are we hurting the people of Kaua'i who have invested their time? They have lineage here. They have pride and heritage here. We have seen massive changes in the way we treat one another. Our society here on the island is not what it used to be. We used to be role models for what it meant to love and respect elders. Now, we love and respect money. We only care about the wrong things. If you look at the Constitution of the United States, it is written a certain way, with a purpose, and starts off with, "We the People." The reason it starts off with "We the People" is because we are the ones in control of our future, we are the ones who can best make the decisions to move forward for the benefit of the people. It is also a reminder that those in politics and those who are called to be in leadership are to, first off, be representatives. We, the People, employ the government. It is not the other way. We, the People, are looking to you, the Council, for the aid needed to save what we have left.

Council Vice Chair Kuali'i: Thank you. Members, are there any clarifying questions? Thank you.

Ms. Fountain-Tanigawa: The next registered speaker is Corina Gonzales-Aidakoff, followed by Evans John.

Member of the Public: They left already.

Ms. Fountain-Tanigawa: Kenna Stormogipson, followed by Rowena Contrades Pangan.

KENNA STORMOGIPSON: Aloha, Councilmembers. I will pass these around for your consideration. My name is Kenna Stormogipson. Thank you for putting the consideration to keep Waipouli Courtyards permanently affordable on the agenda today. That seems like an excellent opportunity to create eighty-two (82) affordable units in a part of town that does not have enough housing. In talking to people that live in that building, I can say that more than half of them, maybe seventy percent (70%), currently work in the local economy. In that building, there are teachers, people who work at Costco, construction workers, and doctors. I think that

we should consider housing models that allow for mixed incomes or a range of incomes and that prioritize people that we all need in the local economy. One of the models that does this is a cooperative housing model. A cooperative housing model allows people to buy shares, so they become invested in it, and then they manage the property themselves through a corporation. They have their own corporation and become responsible. It is more *kuleana* on the part of the residents, but through that, they take ownership of it. There is one (1) that has been on O'ahu for fifty (50) years. It was the last HUD-funded cooperative in 1971, they are extremely common in other parts of the U.S., and we think this deserves consideration for Kaua'i. I know Kaua'i has amazing cooperative models in other areas. I believe some of your energy and electrical power comes through cooperatives here. I just wanted to put it out there that this is an opportunity to invest in your local workforce. I hope it is given consideration.

Council Vice Chair Kuali'i: Are there any clarifying questions?

Councilmember Cowden: I have clarifying questions. I also read what you sent. I am considering this part of your testimony. How much money are you suggesting that the County should put in and who are the other funders?

Ms. Stormogipson: The way to make buildings affordable is you need to have some level of outside investment. At the current sale price of forty-three million dollars (\$43,000,000), if it sells for that price, the only way to earn that money back would be to turn it into a timeshare. Public investment...if the County can put in ten million dollars (\$10,000,000) to fifteen million dollars (\$15,000,000), if DHHL can chip in a similar amount...I know that some folks within the department have talked about investing, so that their beneficiaries could have access to rentals. We know that philanthropic donors on the island also want to help the local workforce. If the County could come in that range of ten million dollars (\$10,000,000) to fifteen million dollars (\$15,000,000), combined with other funders, that could bring the loan on the building down to within a range where it is sustainable and affordable, and can remain so in perpetuity.

Councilmember Cowden: When I look at this, you have a certain amount set aside for people who are workforce, so they pay their rent...there is a certain amount set aside, it looks like sixteen (16) for HUD vouchers.

Ms. Stormogipson: Yes. That would maximize the vouchers on the building. Up to twenty percent (20%) of the units can have a voucher, so that would be sixteen (16) units. As you heard earlier, we currently have hundreds of people on this island who cannot use their voucher. That would be a place to use federal money to help subsidize the building.

Councilmember Cowden: When you have DHHL investing, does that mean that a certain amount of the units would be set aside for waitlist beneficiaries?

Ms. Stormogipson: Yes.

Councilmember Cowden: Does that take them off the normal waitlist?

Ms. Stormogipson: No.

Councilmember Cowden: Would this give them housing while they are waiting for their house to become available on that list?

Ms. Stormogipson: Yes. It would not take them off the waitlist. It would just provide them housing while they are awaiting their lots.

Councilmember Cowden: How many beneficiaries does your vision have in here? How many apartments are dedicated to beneficiaries?

Ms. Stormogipson: That would depend on how much the department wants to invest. One vision would be roughly thirty percent (30%) of the units, so twenty-four (24) units could go for beneficiaries, which would help with the affordability of the building, as well as help DHHL, which is looking for more available apartments.

Councilmember Cowden: When I am looking at your testimony and it is cooperative, in my mind that means tenants, probably not DHHL tenants, but other tenants can potentially buy the sharehold, so they are essentially buying their place in that building and protecting themselves.

Ms. Stormogipson: Yes.

Councilmember Cowden: Could they use any of their rent payments to start becoming part of that downpayment so that they can get funding?

Ms. Stormogipson: The way it works is you would buy a share and usually they set the shared loan. It is just like a mortgage. You get a mortgage for your share in the cooperative and when you buy that shared loan, they set it up so your monthly payment includes...so in other words, you do not need to come up with the twenty percent (20%) downpayment. The twenty percent (20%) downpayment is not needed. A lender—a credit union or bank—who provides a loan can say, "If you can put together two (2) or three (3) months of rent, we can get you a shared loan," and it works out, because the rent would go down for most of the people in that building. For the woman from this morning, who is paying three thousand dollars (\$3,000), we have calculated that her rent would go down about twenty-five percent (25%). If you have been paying three thousand dollars (\$3,000) and your rent goes down, you will be able to make that shared loan payment.

Councilmember Cowden: Thank you for your patience with my questions, because this is a lot to look at and I see the Housing Director in here. Does this imply that you have spoken with the Housing Director?

Ms. Stormogipson: Not necessarily about the specifics of this plan, but definitely about the County's need to have local workforce housing and also that the County has invested previously in owning the land and doing ninety-nine-year leases on the improvements. That has been a strategy where the

County does not need to come up with the full amount, but the County can put in funds to say, "Okay, we will own the land and keep it affordable in perpetuity."

Councilmember Cowden: If I still have the support of my colleagues for asking another question...when I am looking at cooperative housing and shareholding, do I understand correctly a way it is different than simply being a tenant in the building is when people buy into the sharehold, they buy into a value system that is held by a homeowners association, and if they want to leave, that the rest of the shareholders have some say over who buys their share?

Ms. Stormogipson: That is a big difference. When you are in a cooperative housing model, because you are getting a really good deal on your monthly payment, when you move out, you do not pick the next buyer, because you are not selling for market price. The cooperative says, "Okay, we will interview people from a list."

Councilmember Cowden: They might have a waitlist that is basically comprised of people who are in agreement. Am I hearing you correctly that the model that you are suggesting with cooperatives is superior to even what we do with some public housing, because you have people come in that have an agreement of the ideas of how people would live together?

Ms. Stormogipson: They need to work together. It does take more work on behalf of the residents to manage the property themselves, but on the flipside, the government often does not need to come back in with more money. For example, with the cooperative on O'ahu that is fifty (50) years old, they are paying for their own repairs. They have budgeted it themselves.

Councilmember Cowden: And they manage it themselves?

Ms. Stormogipson: They manage it themselves.

Councilmember Cowden: I could ask a lot more questions, but I want to respect the nature of all the people wanting to testify and our timeline. I do not know if anyone else has questions, but I appreciate what you bring to the table—the commitment of your life—to be looking at these processes. Thank you.

Councilmember Kualii: Thank you. Members, are there any clarifying questions. Thank you for your testimony. Next speaker, please.

Ms. Fountain-Tanigawa: The next registered speaker is Rowena Contrades Pangan, followed by Ervin Contrades, Jr.

ROWENA CONTRADES PANGAN: *Aloha.* My name is Rowena Contrades Pangan. I am the Executive Director at the Ho'omana Thrift Shop in Wailua. I have been there for almost twenty (20) years. I will make twenty (20) years next month. I am asking for the County to support this buy-in to help our people get off the streets. On a weekly basis, I feed anywhere from one hundred sixty (160) to one hundred seventy (170) people on Fridays. More and more people are coming. I receive phone

calls...I just needed to turn off my phone, because this individual is saying, "I am getting pushed out of my home. I cannot afford the rent." I have a *kūpuna*, who is eighty-seven (87) years, who is living in her car and whose husband was a colonel in the military. Shame on us. We cannot even give her a home. She makes too much money to live in *kūpuna* housing, but not enough to live in market housing. She was paying one thousand five hundred dollars (\$1,500) in Kekaha, while this papa that she was renting from for nearly thirty (30) years has passed. He has three (3) children, who want a "bite of the pie." Her rent is not three thousand dollars (\$3,000). She cannot afford that, so at eighty-seven (87) years of age, she lives in her car at the Safeway parking lot. She is bullied by the Police Department. Shame on us. Where can she go? We have the people out at "Slaughters" who were pushed out last week. Where can they go? The County of Kaua'i needs to look for a safe public housing area. If they can park their car there or they can stay there for the night and be safe...this *kūpuna* said, "I need to change sleep pattern, because I am not allowed to sleep at night. I need to stay up all night," because when she sees the blue lights, she needs to start the car and drive off. She drives around the parking lot and comes back. She cannot stay at Lydgate Beach Park. She has a handicap parking stall. She cannot sleep there either. She does not bother anyone. She is eighty-seven (87) years old, what type of harm can she do? She cannot stay there. She is bullied by the Police Department and is kicked out. County of Kaua'i, what are we going to do? Shame on us. We can take care of all these other countries, but we cannot take care of our own people. She is native Hawaiian. She does not have enough *koko* to qualify for the Hawaiian Home Lands program. What are we going to do? Our numbers are growing every single week. I have touched nearly five hundred (500) people at Ho'omana. If you come twice, you are still on number one (1). It is almost five hundred (500) in the last two (2) years. I just made two (2) years of feeding the homeless.

Council Vice Chair Kualii'i: Thank you, Rowena. That is your time.

Ms. Contrades Pangan: Okay.

Council Vice Chair Kualii'i: You will have an opportunity to come back after we go through everyone.

Ms. Contrades Pangan: Alright. Thank you.

Ms. Fountain-Tanigawa: Ervin Contrades, Jr., followed by Hazelmae Overturf.

ERVIN CONTRADES, JR.: Good afternoon. My name is Ervin Contrades, Jr. I am here to support the County Council's Resolution to get the Waipouli Courtyards acquired so we can go back to affordable rentals. I lived there...I still live there, but was evicted on January 20, 2023. When we initially moved in, it was affordable rentals. Within that weeks' time, that all went away. Our rent went from one thousand eight hundred dollars (\$1,800) to two thousand five hundred dollars (\$2,500) for a three-bedroom unit. Again, we are still there and still looking for a place to move to. We have applied all over. Every place we have been has a waitlist. I know it is not your problem right now. The property manager, being as gracious as she has been, has prolonged and tried to keep us there, because she cannot

see two (2) disabled people living on the street and she has told the owner that. Again, we are there, we are safe, and we are working on ways to see if we can use our voucher there. I do not know when that would happen, but it would really put us in a better place. That is all I have. Thank you.

Council Vice Chair Kuali'i: Thank you, Ervin. There is a clarifying question from Councilmember DeCosta.

Councilmember DeCosta: Can you tell me what size the one thousand eight hundred dollar (\$1,800) to two thousand five hundred dollar (\$2,500) apartment is?

Mr. Contrades: It is a three-bedroom unit. When we moved in, there were three (3) of us—my dad has since passed away, I have my *hanai* brother, who is eighty-three (83) years old, and myself.

Councilmember DeCosta: I think two thousand five hundred dollars (\$2,500) is still considered a County low-income rental. I am sorry for saying that.

Mr. Contrades: It is currently three thousand dollars (\$3,000), and we received a notice yesterday saying it will increase by two hundred dollars (\$200).

Councilmember DeCosta: Did you say it is three thousand dollars (\$3,000) and will go up another two hundred dollars (\$200), so it will be three thousand two hundred dollars (\$3,200)?

Mr. Contrades: Yes. That is over the course of four (4) years.

Councilmember DeCosta: Wow. Thank you for the information.

Mr. Contrades: You are welcome.

Council Vice Chair Kuali'i: Thank you, Ervin. Next speaker, please.

Ms. Fountain-Tanigawa: The next speaker is Hazelmae Overturf, followed by Joell Edwards.

HAZELMAE OVERTURF: *Aloha.* My name is Hazelmae Overturf. Today I will be speaking as a constituent of this island for four (4) months. In two (2) months, that may no longer be the case for me. I have been working for a local organization for over a year and it took me that long to find housing. It took nine (9) months to find one that was affordable and made sense for my lifestyle, due to the fact of the dire straits of housing here on this island. With the work I get to do, I get the extreme pleasure of being close to data and looking at housing solutions. One of the things that I wanted to bring forward as part of this testimony is you are hearing the stories of the people that are directly impacted by what is happening here on this island, and you are hearing it from me. In the work I get to do, and please forgive me if you know

about this particular statistic, but since 2007, there is a designation from the United Way from people they look at called Asset Limited, Income Constrained, Employed (ALICE). In Hawai'i, we have forty-four percent (44%) as of the last reported number in 2022 of our population being ALICE and below, which means ALICE and below the poverty line. It is the most that has ever been reported since the beginning of that reporting in 2007. This problem just continues to worsen. When you think about those numbers...I will give you those numbers now...the island of Kaua'i has a population is around seventy-three thousand (73,000) people. Forty-four percent (44%) of that is around thirty-three thousand (33,000) people, and those people are facing these issues. I came here to implore you to consider this Resolution and to lean into alternative options and innovative ideas of how to look at this to, hopefully, prevent me from having to leave this beautiful island. I was born on O'ahu, and I returned from the U.S. Mainland to come here and do this great work, and I want to do that. Thank you.

Council Vice Chair Kualii: Thank you. The next speaker, please.

Ms. Fountain-Tanigawa: Joell Edwards, followed by Christine Chow.

JOELL EDWARDS: Good afternoon, Councilmembers. Thank you so much. Joell Edwards of Wainiha. I am here representing small business owners, and I am a renter myself, so I am here hoping that you support the Resolution to acquire Waipouli. I did submit written testimony. In that, I mentioned that I have an employee that is born and raised in Hawai'i and a single mother of three (3), who could not afford to live here. We pay her a decent wage, but it was the housing that was the struggle, so she needed to leave. Graciously, she is back, and in affordable housing. We worked hard and did a lot of paperwork, because we and her family needed her to return. Now she is in affordable housing in Kōloa. She works for me in Wainiha, and her children attend an immersion school in Anahola. She is struggling over there, because it is rampant with drugs. She has that issue, but just wants to be in a safe space. My son, daughter, and small baby needed to leave. They were business owners and farmers here. While their young baby was in the neonatal intensive care unit (NICU), they received their first notice. They were three (3) days in and the landowner from the U.S. mainland said, "We sold the house." This was during COVID-19, when they were just flipping the houses. They received three (3) notices in eighteen (18) months, and the anxiety was too much, so they left. I am sad on that part, so I want to implore that there are many good people who work hard here and that want to, but that there is this misnomer. Sometimes it happens with visitors and tourists who think, "They are closed, because no one wants to work. They do not want to work. They must not want to work. They do not work hard." There are days that I have to close because of workforce-related issues, and a lot of times it is because I cannot find anyone due to where I am located. The housing prices in Wainiha are ridiculous. It is the same in Princeville. When I first moved to this island, I lived in Sandpiper Village, like many others did. It was probably eighty percent (80%) of long-term rentals. It might be five percent (5%) now. I saw an ad this morning for a one-bedroom. It is probably a studio at Paniolo Condominiums. They want three thousand seven hundred fifty dollars (\$3,750) for an eight hundred (800) square foot unit, and you know it will come with restrictions—no children, no dog. I am here in support of our workforce and our people. Thank you for your time.

Council Vice Chair Kuali'i: Thank you. Next speaker, please.

Ms. Fountain-Tanigawa: Christine Chow.

CHRISTINE CHOW: Hi, everyone. Christine Chow. I am nervous about this. I currently live at another affordable housing project that was part of...you know when they build a development, they need to provide for these affordable housing units. My concern is that our property will turn into something like this, where in ten (10) years the rent will increase and I will not be able to afford it. Right now, I am on the verge of eviction as well. At the beginning of last year, there was a flooding incident in my unit and the property manager determined that it was my fault. It is the tenant's responsibility, so they are charging me twelve thousand dollars (\$12,000) in damages. I had no problem with that. I said, "If that is what I need to pay, I will be more than happy to pay it, but it needs to be something that I can afford." I am a single parent, and I was working in the hotel industry, because that is the only area you can sort of afford. Even as a single parent working in the hotel industry, it was hard to make ends meet. I was not able to pay for my car, so I lost my car. I ended up having to walk to work. Fortunately for me, my apartment is within walking distance, so I could walk to work with no problems. When I went to my property manager to negotiate the payments, it was, "You pay four thousand dollars (\$4,000) a month for three (3) months." That was their payment plan. It would be four thousand dollars (\$4,000) in addition to my rent. I went to talk with them and said, "I can afford three hundred dollars (\$300) at most. As a single parent trying to get by, and with everything else that I pay, that is how much I would be able to afford." They said, "No. One thousand dollars (\$1,000)." One thousand dollars (\$1,000) in addition to my rent or no-go. Eventually, we went to court and through meetings were able to negotiate through mediation. I do not know if I will be in trouble for speaking, but I need to say something, because having to look at your children in the eyes and say...

Council Vice Chair Kuali'i: I can possibly help you not get into trouble, because you should be testifying on the Resolution, which is whether you support the Waipouli Courtyard acquisition or not. It is probably better that you stop talking about another property.

Ms. Chow: Okay.

Council Vice Chair Kuali'i: Do you support the Resolution?

Ms. Chow: I do support the Resolution. I just hope that you folks take other units into consideration.

Council Vice Chair Kuali'i: We understand the islandwide need for affordable housing. Thank you. Next speaker, please.

Ms. Fountain-Tanigawa: There are no further registered speakers.

Council Vice Chair Kuali'i: Is there anyone else, who did not register in advance, that would like to testify for the first time? Come forward.

BRUCE HART: For the record, Bruce Hart. I have not made up my mind. I have a list of questions that I would appreciate having answers to before I can determine where I stand on this. One (1) testifier mentioned the asking price being forty-two million dollars (\$42,000,000). That was one of my questions. Where will the funds come from? If the government buys it, who will manage this? Will it be the Housing Agency? What is the estimated yearly cost to manage it? How many government employees will we employ? Will we hire any new staff? Who will do the maintenance and cover the cost of the maintenance? What will the rent price be for each unit? How will it be determined? Will it be determined as they do with Section 8, or some other way? I also want to hear what the Administration has to say before I make up my mind and I want to know where it will fit within the annual budget. I would like those questions answered and then I will be able to make up my mind. Thank you.

Council Vice Chair Kualii: Thank you, Bruce. Is there anyone else wishing to testify for the first time? If not, is there anyone wishing to testify for the second time? Seeing none. Members, is there any discussion?

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

Councilmember Cowden: I have a process order question. I see that the Housing Director is here. Can we talk to him?

Council Vice Chair Kualii: Okay. It is a Resolution. If you need clarification in regard to the Resolution, that should be the question. We should not be talking about affordable housing in general, but about the Resolution.

Councilmember Cowden: No, it is not a general question. It is about the Resolution.

Council Vice Chair Kualii: I think I heard that the Resolution was not stated. While Adam is coming up, I will read the "BE IT RESOLVED" statement, which is the primary purpose of the Resolution. "BE IT RESOLVED BY THE COUNCIL OF THE COUNTY OF KAUAI, STATE OF HAWAII, that the Council offers its full support behind all Administrative efforts to obtain this property and encourages the Administration to effectuate an agreement with K D Waipouli LLC to receive a 'fair market price' for the acquisition of the Courtyards at Waipouli, helping ensure affordable rental rates are maintained in perpetuity." This Council supporting administrative efforts...this is not a controversial resolution. We all support this. Councilmember Cowden, please ask your questions.

Councilmember Cowden: I know we all support it. I wondered if you had a comment on the cooperative model. My first exposure was when I was fourteen (14) years old. My older sister was able to move in with her family to a cooperative, and that is what allowed them to become homeowners. It seemed great even back in the day. Do you have experience with cooperatives? I know that is just a suggestion.

There being no objections, the rules were suspended.

ADAM P. ROVERSI, Housing Director: Adam Roversi, Housing Director for the County, for the record. While I am broadly familiar with cooperatives, I am not aware of any on Kaua'i or any that the Housing Agency has been directly involved with. So as far as the intricacies of the documents and agreements necessary to set it up, I need to plead ignorance, but I am broadly aware of how they work and have had brief discussions with Kenna, who testified earlier, about the cooperative model.

Councilmember Cowden: Okay. Are you supportive of our Resolution?

Mr. Roversi: I can offer broadly that we are already doing what the Resolution is asking. We have been working with Ikaika 'Ohana, a nonprofit entity that put in a bid to purchase this property, for some time, and I know that the Administration has been having direct conversations with DHHL about their involvement and potentially pursuing the property. Work is already going on behind the scenes to try to do exactly what this Resolution is asking for.

Councilmember Cowden: Perfect. Thank you.

Council Vice Chair Kuali'i: Do any other Members have any questions for the Housing Director? Seeing none, thank you, Adam. Members, we are now back to final discussion on the Resolution.

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

Council Vice Chair Kuali'i: Is there no one to speak first?

Councilmember Cowden: I can, or would you like to?

Council Vice Chair Kuali'i: Councilmember Carvalho.

Councilmember Carvalho: Obviously, I support the Resolution. We all support it, especially with this particular project and process. Knowing from the first day all the way through and keeping it affordable is important. We need to continue. This is one of many. There are so many different projects happening regarding housing, but this particular project...and the uncles are still living there, so it is very important that we work together. It cannot just be one (1) entity. I just want to make sure you folks understand that there are so many issues that we need to cover from our Housing Agency and everyone, but if everyone is willing, I believe we had that opportunity and commitment to move forward, work closely with the Administration and County Council, reaching out to communities, and securing funding at different levels, but this could be a model for future projects. Good job on all the other projects that are happening, but today it is about this particular project and keeping it affordable for our people and our families. That is what it is. Thank you.

Council Vice Chair Kuali'i: Councilmember Cowden.

Councilmember Cowden: I also am very supportive of this. One of the things that makes me the most enthusiastic is that the housing is already built. It

creates continuity. I like the concept of having workforce housing and people who need the assistance, because we definitely need the housing for workforce and I hope that if we are able...I know that this Resolution is not trying to start the cooperative model, but if we are able to start something like that, we would be able to apply that to other buildings that would perhaps be addressing a different type of need and community. I like how this is what we are sort of calling public housing, except it can basically be owned by the tenants. In a really comfortable way, I would really like us to be moving forward in this way. I appreciate all the work that we are doing in developing housing and we need housing wherein the walls are already up and the roofs are already over their heads, so I am really enthusiastic about it. I thank everyone for the time that you took today. I appreciate your patience and I appreciate the creativity in the room.

Council Vice Chair Kualii: Are there any other Councilmembers with final discussion? Councilmember Kagawa.

Councilmember Kagawa: I just want to thank all of you for waiting and testifying. One of my questions for the developer is, how much did you pay for the land? How much did you pay for the building? I am pretty sure it is nowhere near forty-two million dollars (\$42,000,000) and the developer made a lot in rent over so many years. It goes to show that when they developed Timbers and gave us that in exchange, for the Council at that time to put a sunset on the time for affordable housing to end is crazy. The affordable housing problem with our growing population will only worsen. This is a lesson for the next Council. Never enter into an agreement like that, because the need for affordable workforce housing will never go away. I hope the price will drop and with future developments, if this developer is still active, perhaps we can negotiate the next units off that, but right now, my plea is for the developer to help us get to a more reasonable cost, because if I divide the eighty-two (82) units by the price, you are talking about five hundred thousand dollars (\$500,000) each unit, and it has depreciated over many years. Today, the going rate for a house is five hundred thousand dollars (\$500,000), but this is an apartment complex that has been used for many years, it has depreciated, so I would not say it is worth the full market value. At this time, I think it is overpriced, but I, of course, support having it remain affordable for our local people. Thank you, Vice Chair.

Council Vice Chair Kualii: Councilmember DeCosta.

Councilmember DeCosta: This is the low-hanging fruit, folks. It is a "no-brainer." It is an easy one. I look across all the eyes of the people who are struggling with rent. The two-thousand-five-hundred-dollar unit you spoke about is considered "affordable." There is a tax break if the landowner rents a three-bedroom unit for two thousand five hundred dollars (\$2,500). There is a tax break if the landowner rents a two-bedroom unit for two thousand two hundred dollars (\$2,200). I am proud to say that I rent two (2) two-bedroom, two-bathroom units for one thousand six hundred dollars (\$1,600) apiece. I have not raised it. I can rent it for two thousand two hundred dollars (\$2,200) and still be in compliance, but I do not. Do you know why? It is because when I look across the eyes of each of you...and this Council needs to look at everyone out there...you folks are struggling. We are not, but you are, so anything that we can do to subsidize your living needs to be done, and that tax

money needs to come from somewhere else. If we give you a tax break, the revenue for the County to continue their serves needs to come from some other entity. We cannot give everyone a tax break, but the people who I am looking at deserve it. Thank you.

Council Vice Chair Kualifi: Thank you. Councilmember Bulosan.

Councilmember Bulosan: I am in full support of this Resolution. Thank you, Councilmember Carvalho and Chair Rapozo for proposing this Resolution and the community members who came today and waited to share your experiences. This is a challenge that you have been fighting for so long. It was made known to us a while ago, so to be in this situation and hear a little bit of light from our Housing Director about it being worked on feels good. At least I can feel a little better knowing that the work is being done, but as Councilmember DeCosta shared, I have a hard time looking at you folks. I am over here trying to not cry, because I am not in a good place. If I have an accident now, I am pretty sure I would be right there. There is no...ahead of myself, but the reality is right here with me, so every opportunity we have to make this right are opportunities I am willing to take. It is exhausting. You folks have exhausted every aspect of your energy, and your hearts are on this. I am exhausted, too, even though I just started trying to fix this with you folks. There is renewed energy in the sense that there is opportunity, I finally see the light for this property, and it is particularly through the effort that the Administration has made and through the effort and sacrifices that you all are making. It is hard to sit here and not say, "There are so many other ideas and things that we are working on,"...and yes, there are things that we all are working on, but the painful reality is that it is all difficult. If this Resolution can push it right over the edge to get this done today, I would love to see that happen, so I hope and pray that is the case with this Resolution.

Council Vice Chair Kualifi: Thank you. Is there anyone else with final discussion? Seeing none, I will add and say, *mahalo nui loa* to everyone responsible for this Resolution and for who is responsible for continuing to do the necessary work around affordable housing. We, of course, have talked about it for a long, long time, and there are programs in place and things happening, but it is just not enough. There are affordable housing projects that have been developed and are being developed, but it is just not enough, so we just need to keep doing more. I appreciated seeing this model from Kenna. I am interested to see if she is working with DHHL, because I know there are possibilities there. It has been heartbreaking to hear of the continued struggles that many have told us about, and I think you are just a few examples of what so many are facing across our County. That is why it is even more important that we just continue to push and make affordable housing, and shelters, in general, and helping those who are homeless our very top priority. It is easy to support this Resolution. Obviously, we need to do a lot more. With no further discussion, roll call.

The motion for adoption of Resolution No. 2023-58 was then put, and carried by the following vote:

FOR ADOPTION:	Bulosan, Carvalho, Cowden, DeCosta, Kagawa, Kualii	TOTAL – 6,
AGAINST ADOPTION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	Rapozo	TOTAL – 1,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Six (6) ayes, one (1) excused. The motion passes.

Council Vice Chair Kualii: Clerk, could you read the next item, please?

Resolution No. 2023-59 – RESOLUTION URGING FEDERAL, STATE, AND COUNTY LEGISLATIVE AND ADMINISTRATIVE LEADERS TO SUPPORT DIGITAL INCLUSION WEEK

Councilmember Carvalho moved for adoption of Resolution No. 2023-59, seconded by Councilmember Cowden.

Council Vice Chair Kualii: Members, before we get into questions, this is Councilmember Bulosan's Resolution. I will allow him to tell us about the Resolution. I know he also has an amendment, so he will put that forward after he tells us about the Resolution.

Councilmember Bulosan: Members, this Resolution is in accordance with the national efforts to creating more inclusive and equity for our digital means here on Kaua'i. If you remember, the day we went black in October 2019 and lost all internet and communication services islandwide...My hope is that this Resolution will continue the efforts that our entire community is working towards, creating more equity and justice in our digital means on this island, particularly around broadband internet. There is an amendment I would like to propose. It is as circulated, so I would like to do that first, if possible.

Councilmember Bulosan moved to amend Resolution No. 2023-59, as circulated, and as shown in the Floor Amendment, which is attached hereto as Attachment 1, seconded by Councilmember Cowden.

Council Vice Chair Kualii: Once folks receive the amendment, maybe you could point us to what you are changing.

Councilmember Bulosan: It is a housekeeping amendment. Is it just to clarify that there is more than statewide BEAD that is being addressed. There are actually two (2) different federal programs that are being utilized on Kaua'i.

Council Vice Chair Kualii: Is your amendment in the sixth "WHEREAS"?

Councilmember Bulosan: Correct.

Council Vice Chair Kualii: You are deleting “statewide BEAD” and replacing it “federal broadband”?

Councilmember Bulosan: Correct.

Council Vice Chair Kualii: Is there any discussion or public testimony on the amendment?

The motion to amend Resolution No. 2023-59, as circulated, and as shown in the Floor Amendment, which is attached hereto as Attachment 1 was then put, and carried by a vote of 6:0:1 (*Council Chair Rapozo was excused*).

Council Vice Chair Kualii: Now, we are back to the full Resolution. Would you like to read the “BE IT RESOLVED”?

Councilmember Bulosan: Yes. Thank you for the opportunity. “BE IT RESOLVED BY THE COUNCIL OF THE COUNTY OF KAUAI, STATE OF HAWAII, that it hereby recognizes the week of October 2-6, 2023 as Digital Inclusion Week and urges all Federal, State, and County legislative and administrative partners to join in raising awareness of digital equity and broadband access issues and remain committed to closing the digital divide. BE IT FINALLY RESOLVED,” and it lists everyone that we would like to send this to, including Governor Josh Green, Senate President Ronald Kouchi, Lieutenant Governor Sylvia Luke, Speaker Scott Saiki, our Kauaʻi Representatives, our mayor, and all the mayors and council chairpersons in the State of Hawaiʻi.

Council Vice Chair Kualii: Members, are there any questions for Councilmember Bulosan. Councilmember Cowden, and then Councilmember DeCosta.

Councilmember Cowden: Councilmember DeCosta can go first.

Councilmember DeCosta: Councilmember Bulosan, this is nice and seems like tinsel decorating a Christmas tree. We will decorate the Christmas tree, and we have all the ornaments and the lights out. The state and county governments are getting budgeted money to do digital equity across the island. Why was this Resolution so important when the money federal, state, and counties allocated needs to be spent on digital equity across the different counties, states, and whatnot? When government officials, including Governor Green, get this pot of money coming down, there is only one (1) area to put it into, which is broadband. Why do you feel so strongly about doing this?

Councilmember Bulosan: It is making sure that we also receive our fair share, which is probably the most important thing in this process.

Councilmember DeCosta: Do you mean fair share for Kauaʻi?

Councilmember Bulosan: Yes, Kaua'i. Because we are often overlooked in things, and as you know, one of the biggest conversations from when we went to the NACo conference was making sure that in all the federal funds that go out, all the counties receive their fair share. This is part of that communication we send out, saying, "Make sure Kaua'i is represented and we received our fair share."

Councilmember DeCosta: Perhaps I did not have a chance to read this Resolution. Did you mention wanting to make sure that Kaua'i County is treated equally with Maui, Hawai'i Island, and Oahu in the Resolution?

Councilmember Bulosan: Is it not specified in the Resolution, but the digital equity week is where that comes from. That week is being hosted on Kaua'i. The entire state was looking to host it, but it was our Kaua'i team—Kaua'i Economic Development Board (KEDB) and our representative in the Office of Economic Development (OED)—who picked up the ball and will be hosting this. I just wanted to make sure that our Council shows our support to the actual week and all the efforts that will be made during that week to make more inclusion on the digital equity side.

Councilmember DeCosta: Thank you.

Council Vice Chair Kualii: Do any other Councilmembers have any questions?

Councilmember Cowden: I have a comment.

Council Vice Chair Kualii: We will wait for comments, then. Do we have anyone registered to speak? Is there anyone in the audience wishing to testify? Members, is there any final discussion?

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

Councilmember Cowden: Yes. I would like to make a comment on the second to last "WHEREAS." A part of what is good on having the output and calling attention to it is that a lot of people do not know that qualified applicants can receive between thirty dollars (\$30) to seventy-five dollars (\$75) per month. We have been listening to people who are really struggling and when we can save on taxes or internet costs, or helps them to work or educate from home, every last little piece is important. I do not know if you remember, but when it was being brought in front of us in 2019, I grizzled a little bit, because I thought, "Uh oh, we will have all these towers built everywhere." I want to say, "Yay," to having all this fiber optic cable, and part of that came out of this broadband initiative which was promoted in that first set of NACo meetings that I attended. I was nervous about all the towers that would be built everywhere, so, "Yay." It was better than I thought, I am happy with how it is, and I support your support for the people getting the word out to as many people as possible. When we looked at how many ALICE families we have, almost all of those asset limited, income constrained, and employed people who are struggling to work need this, so whatever we can do...if the paper is listening somewhere, put it out there so people can apply.

Council Vice Chair Kualii: Do any other Members have any final discussion? Would you like to go last?

Councilmember Bulosan: Just to reiterate and to echo Councilmember Cowden, that probably one of the biggest pieces to this Resolution is the Affordable Connectivity Program (ACP). Access to high-speed internet is more crucial today than ever, mainly because of education. Equity-wise, a lot of people get access to information and that is how a lot of people learn, so we want to make sure that our children and our community are not behind of that experience because they cannot have access. I am looking forward to all the work that is being done by our community, especially our State team who has been working on this and making sure we have at least a fair shot at receiving these funds, and it is up to our State and County team to continue making sure we have fair representation for Kaua'i and receive all the funds necessary to have digital equity for everyone on Kaua'i.

Council Vice Chair Kualii: The only thing I would add is that the ACP benefit of thirty dollars (\$30) to seventy-five dollars (\$75). Basically if your income qualifies, they will pay that amount directly to your internet provider—Spectrum, or whoever—and that the thirty-dollar rate is islandwide, while the seventy-five-dollar rate is on tribal lands, which includes Hawaiian Home Lands in Hawai'i. That is for ACP direct assistance. If there is no further discussion, can I get a roll call vote?

The motion for adoption of Resolution No. 2023-59 as amended to Resolution No. 2023-59, Draft 1 was then put, and carried by the following vote:

FOR ADOPTION:	Bulosan, Carvalho, Cowden, DeCosta, Kagawa, Kualii	TOTAL – 6,
AGAINST ADOPTION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	Rapoza	TOTAL – 1,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Six (6) ayes, one (1) excused. The motion passes.

Council Vice Chair Kualii: Clerk, could you read the next item?

BILLS FOR SECOND READING:

Bill No. 2901, Draft 1 – A BILL FOR AN ORDINANCE AMENDING CHAPTER 5A, KAUAI COUNTY CODE 1987, AS AMENDED, RELATING TO REAL PROPERTY TAX (*RPT Reform Tax Year 2024*)

Councilmember Kagawa moved to approve Bill No. 2901, Draft 1 on second and final reading, and that it be transmitted to the Mayor for his approval, seconded by Councilmember Cowden.

Council Vice Chair Kualii: Councilmember DeCosta, would you like to introduce your floor amendment?

Councilmember DeCosta: Sure. Thank you. I would like to introduce a floor amendment per Chair Rapozo. I would like to give an explanation and read a testimony per Chair Rapozo.

Councilmember DeCosta moved to amend Bill No. 2901, Draft 1, as circulated, and as shown in the Floor Amendment, which is attached hereto as Attachment 2, seconded by Council Vice Chair Kualii.

Council Vice Chair Kualii: You can explain it.

Councilmember DeCosta: May I have the floor?

Council Vice Chair Kualii: Yes.

Councilmember DeCosta: Thank you, Council Vice Chair. May I have a few moments to read this? This amendment relates to the Section previously numbered as Section 3, which was deleted from the Bill last week via an amendment that was opposed by Council Chair Rapozo and me. The topic of that Section 3 is the historical residential exemption. I am introducing this floor amendment by request of Council Chair Rapozo, who could not be here today. He is awaiting the birth of his grandson in Oregon. I also support his amendment. I see the amendment as a compromise, because although it poses to put Section 3 back into Bill No. 2901, Draft 1, the language would be slightly modified. The Section 3, proposed by this amendment, would continue to prohibit Transient Vacation Rentals (TVRs) for properties that receive the Historic Residential Exemption, but the amendment would retain the wording currently present in the Kaua'i County Code, which allows nonprofit organizations to receive the Historic Residential Exemption if they have an eligible residential property. The Kaua'i County Code currently allows nonprofit organizations and TVRs. Bill No. 2901 originally proposed to prohibit TVRs and to delete nonprofit organizations, because nonprofit organizations also generally apply for the charitable exemption. We received public testimony from people who want both TVRs and nonprofit organizations to continue to be eligible for the Historic Residential Exemption. Last week, the entire Section was removed, which means that both nonprofit organizations and TVRs would continue to be allowed. Council Chair Rapozo and I feel that allowing properties to receive this enormous tax break, while they are benefiting by being allowed to operate and earn revenue in an inappropriate use of taxpayers' money. We are looking and hoping for your support. I would like to read a letter of testimony by Council Chair Rapozo. Council Chair Rapozo says, "I apologize to the Council for not being there in today's meeting. I am currently in Oregon awaiting the arrival of my first grandchild. I am asking all of my colleagues to reconsider their vote on Bill No. 2901. As I stated in last week's Committee Meeting, the local taxpayers should not be subsidizing any TVR operations. While I fully support the preservation of historical properties and the exemptions available to them, the use of these properties as TVRs should require the TVR owners to pay the TVR tax rate. After all, do we not tax our locals at the highest and best use? Thank you for your support. Council Chair Mel Rapozo."

Council Vice Chair Kualii: Members, do you have any questions on the amendment for Councilmember DeCosta, assuming he can answer for Council Chair Rapozo?

Councilmember DeCosta: Yes, as I do support this amendment.

Council Vice Chair Kualii: Are there any questions? Seeing none. We have one (1) registered speaker. Mauna Kea Trask.

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

MAUNA KEA TRASK: *Aloha.* Thank you, Vice Chair Kualii and Councilmembers. For the record, Mauna Kea Trask. I am here on behalf of Waioli and Nuhou Corporation again. I would like to thank the Council staff and administration. Prior to seeing this amendment, I was going to thank you for doing the right thing in taking our Section 3. Given the amendment, I appreciate that nonprofit organizations are included, however, I fundamentally disagree with this concept of TVRs as defining this Bill, because taking Councilmember DeCosta's statement, under this definition the County does subsidize TVRs, because anything under six (6) months is a TVR. If you have a local person living month to month, two (2) months, three (3) months, four (4) months, five (5) months, or five (5) months and thirty (30) days, you are subsidizing a TVR, because it is less than six (6) months. The issue here is the misconception that you do not have a tax problem here; you have a housing problem, and the fundamental truth is you cannot tax new houses into existence, nor can you protect existing homeowners via tax policy. What you need is more houses, and that is not easy; you need to build more houses. You need to redistrict subpar (inaudible) lands to rural or urban. You then need to rezone those lands to residential or something else and put people on land. We always say, "Keep local lands and keep Hawaiian lands in Hawaiian hands." What you need to do is...prior bodies have "kicked the can" for decades. Unfortunately, it is before you now. You need to put land in people's hands. It is not about keeping it, because there is no more product. You will either make new product and bring the price down...this is basic economics...or you are not, and the current product will get more expensive. That is all. It is a land-use issue. It is an infrastructure issue. You need more sewer, more water sources and storage, more water diversions, and more wells. That is how you deal with this problem. You have seven (7) or eight (8), depending, houses in this program that are critical to our history and culture. You do not create a strawman and sacrifice them in order to not create any more houses. That is it. This issue is small. Tackle the big issue. There is a bully, it is a housing bully. Do not fight the weak one—the tax policy. It is the big one that you need to fight. Thank you.

Councilmember DeCosta: I have a clarifying question.

Council Vice Chair Kualii: You have a clarifying question?

Councilmember DeCosta: Yes. How did you come up with the County supports TVRs with the month-to-month and up to six-month rental agreement? How did you link that to the County supporting TVRs? Can you explain that to me?

Mr. Trask: This is the definition in the floor amendment. “‘Residential’ as used in this Subsection shall mean improved with a building designed for or adapted to residential use and currently used solely as a dwelling,” and you will add, “for human habitation.” You will further add, “Residential shall not include a property which is provided to transient occupants for compensation or fees, including club fees,” et cetera, “with a duration of occupancy of one hundred eighty (180) days or less.” It is the one hundred eighty (180) days or less, and you talk about transient...and you can get into the “nitty gritty,” but the truth is there are no administrative rules to enforce this. A lot of responsibility is put upon the shoulders of our Real Property Tax Division with no further resources or bodies to do the new job and to implement the new responsibilities, therefore they just cannot do it. You can create as many new rules and as many new programs as you want here, but if you short fund them, they cannot implement it. I do not mean to pit one department against another, but how many police officers do we have? How many real property tax assessors do we have? They make the money for the police. That is how you support and improve our program. It is not by making more administrative burdens for them, but by giving them more resources to fight the problem, and we should. We give our police officers new cars, more resources, and grants. There are no grants for real property taxes. There are none. You need to support them.

Councilmember DeCosta: You answered my question.

Mr. Trask: Thank you.

Council Vice Chair Kuali'i: Is there anyone else with clarifying questions? Thank you, Mauna Kea. Is there anyone else wishing to testify?

Councilmember Cowden: I have a comment.

Council Vice Chair Kuali'i: You have a comment? We are still in the question phase. Are there any questions for Councilmember DeCosta or if you wanted anyone from the Administration to come up?

Councilmember DeCosta: I have a question for either Steve or Mike from the Department of Finance.

Council Vice Chair Kuali'i: Okay. Steve or Mike, please come forward.

Councilmember Kagawa: Do you realize it will not change our votes? If we are spending the rest of the day pandering, just call me back when we will vote.

Councilmember DeCosta: I have the right to do this.

Councilmember Kagawa: Go ahead. I am just saying. In my mind, we did the work in the Committee Meeting.

Councilmember DeCosta: What about the other Councilmembers?

Council Vice Chair Kuali'i: Can we have some patience?

Councilmember Kagawa: I am speaking for myself.

Council Vice Chair Kualii: Thank you. Councilmember DeCosta, you can ask your question.

Councilmember DeCosta: Steve and Mike, the comment that Mauna Kea made about the one hundred eighty (180) days, do we not request a one-year lease when affordable rentals receive a tax break?

(Councilmember Kagawa was noted as not present.)

Councilmember DeCosta: We do not accept month-to-month, one hundred eighty (180) days, or five (5) months, correct? It is at least one (1) year, right?

STEVEN A. HUNT, Executive Assistant to the Mayor: For the record, Steve Hunt, Executive Assistant to the Mayor. In terms of the program you are specifically speaking about, which is the Long-Term Affordable Rental Program, the initial application does require a one-year least. However, if they are continuing on a month-to-month basis thereafter...I believe that is a relatively new change, but I will let Mike confirm that.

MIKE HUBBARD, Real Property Tax Manager: For the record, Mike Hubbard, Tax Manager. For the Long-Term Affordable Rental Program, we do require yearly leases, so they would need to come in every year and provide at least a yearly lease.

Councilmember DeCosta: If they do a month-to-month following that first one-year lease, it needs to be with the same tenant who was there for the year lease, correct? It is not someone new coming in from the mainland and staying for thirty (30) days on Kaua'i, correct?

Mr. Hubbard: That is correct, but if they come back in for the program and have reverted to a month-to-month lease, they will not be eligible for the Long-Term Affordable Rental Program.

Councilmember DeCosta: So, the County does not support month-to-month leases to qualify for a tax break?

Mr. Hubbard: That is correct.

Councilmember DeCosta: Thank you. You answered my question.

Councilmember Cowden: I have a follow-up.

Council Vice Chair Kualii: Councilmember Cowden.

Councilmember Cowden: Thank you. I want to keep it brief, because I respect my Council colleague. When people live in their house six (6) months out of the year, and they go away...when I brought up that people on the North Shore might

need to pay fifteen thousand dollars (\$15,000) a month in taxes, what that is usually is someone allowing another distressed neighbor to be able to live in the house while they are gone. Those neighbors charge them eighteen percent (18%), because they are afraid they will get in trouble. Do you have any knowledge on that? That is why it goes up so high. They want to be careful that they are not breaking a rule. This is typically in Princeville, where they are allowed to do it. If they rent to someone for four (4) months, they charge them, and they say they turn in the Transient Accommodations Tax (TAT) and General Excise Tax (GET), because they do not want to get in trouble. Do you know anything about that? Do you folks receive that?

Mr. Hubbard: I am not familiar with that situation.

Councilmember DeCosta: Okay.

Council Vice Chair Kualii: Councilmember DeCosta.

Councilmember DeCosta: I want to allude to what Attorney Trask said about causing more work. Do you see this floor amendment causing you more work or needing to hire more staff to address the floor amendment?

Mr. Hubbard: I will just say that we need to be cognizant of everything that this body is doing, because it does put work on my office. Even if we are talking about seven (7) properties, we do not know how much it could grow in the future. I appreciated the testimony that the previous speaker gave about being aware of the Administrative burden.

Councilmember DeCosta: Mr. Hubbard, I was just asking if this specific floor amendment would add more work for your staff? Would this specific verbiage in mine and Chair Rapozo's amendment require another staff member?

Council Vice Chair Kualii: Were you not just stating the inverse, that if there was an amendment, that the seven (7) properties could become ten (10) or fifty (50), and that would create more work? I am not sure.

Mr. Hubbard: Absolutely. That is also true. What the previous testifier also suggested was that we would need to promulgate administrative rules, which is definitely burdensome on the office and it is something we would be required to do in, hopefully, a timely fashion.

Council Vice Chair Kualii: When the previous testifier said, "under six (6) months, TVRs are okay and it is being subsidized," and Councilmember DeCosta talked about the affordable rentals and the need for the one-year lease, that is out, as far as affordable rentals are concerned, but the other way they qualify for exemptions is to be living in the property, right? If they lived in the property for more than half a year, and "TVR-ed" it less than half of the year, would they still be able to receive their exemptions and do a TVR the way he said that others can?

Mr. Hunt: If I am understanding you, in the context of the Residential Investor, once you TVR even for a single day, with the current

ordinance, not the amendment, you are now only eligible for up to seventy-five percent (75%) of the value discount.

Council Vice Chair Kuali'i: Okay.

Mr. Hunt: If it is your primary residence, and you use it solely as your primary residence with the home exemption, then it is one hundred percent (100%) exempt.

Council Vice Chair Kuali'i: That is what I meant.

Mr. Hunt: If you are doing it fifty/fifty (50/50), living in it half the time and renting it out as a TVR for the other half of the time, you are immediately qualified into the second category.

Council Vice Chair Kuali'i: Which is seventy-five percent (75%)?

Mr. Hunt: Yes, you would not be eligible for the home exemption at that point.

Council Vice Chair Kuali'i: That is still a pretty significant exemption.

Mr. Hunt: That is correct.

Council Vice Chair Kuali'i: It is seventy-five percent (75%), instead of one hundred percent (100%). They would just need to live in it more than they TVR it.

Councilmember Cowden: No, they cannot TVR it at all.

Council Vice Chair Kuali'i: It is seventy-five percent (75%).

Mr. Hunt: Under this amendment you would not be able to TVR it, but under the current Bill you would be able to TVR and live there, but only be eligible for the seventy-five percent (75%) discount, not the entire discount for minimum tax. To clarify because we talk about seven (7) a lot, seven (7) is the total number of registered properties receiving this exemption, but I believe only four (4) of the seven (7) are TVRs.

Council Vice Chair Kuali'i: Members, are there any other questions for the staff or Councilmember DeCosta on the amendment? Seeing none, thank you. Members, before we vote, is there any further discussion on the amendment?

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

Councilmember Cowden: I have a discussion on the amendment. When we have four (4) properties this will impact...I happen to be very familiar with three (3) of them. One (1) is maybe a one-thousand-two-hundred-square-foot house. There is a little house in the back.

(Councilmember Kagawa was noted as present.)

Councilmember Cowden: These are not ostentatious properties, and they are in incredible locations. That little house, which I have lived in before, has bedrooms that are not even twelve (12) by twelve (12). They are small. The tax on that property, before they did this, was eighty-five thousand dollars (\$85,000) a year, and it is a humble family who has owned it for a long time. That is a half-acre property. That would turn into an extraordinary house. There is nothing worth saving on this little house other than having the character that was there. The family that was in here before also has a basic house. If that property was taken, it would be turned into something bigger. The other house is that incredibly historic house of the plantation family's house that defines that whole side of Weke Road and it is incredibly expensive to do that, too, so I feel like we are attacking four (4) families, and it is not like these houses are hardly rented that much. It is not a hotel. I am definitely voting "no" on the amendment.

Council Vice Chair Kualii: Are there any other Members with final discussion on the amendment. Councilmember DeCosta.

Councilmember DeCosta: I want to discuss why I looked into this. I looked into it in-depth because of the unintended consequences that we are sending. I want to read some statistics that I found and are from speaking with the Planning Department. There are hundreds of residential structures currently on Kaua'i that would qualify for the State and/or National Register of Historic Places. Once they register and are qualified, they have the potential to apply for a use permit to be a TVR outside of the visitor designated area. Keeping this tax exempt in place provides a financial incentive for property owners and investors to cannibalize on the existing housing inventory currently occurring within these historic structures and to convert them into much more lucrative tax-free vacation rentals. I was in Kaumakani and Pākalā the past two (2) days. I spoke to over forty (40) people who live along the beach in Pākalā and along the shoreline setback in Kaumakani overlooking the mill. If the Robinson family took those two-hundred-seventy-something homes...and if I need to call Ka'āina here, I can call the Planning Department, because I spoke to him earlier this morning...every one of those homes are and would be considered historic. The Robinson's would have the right to apply for the use permit, it would be in the hands of the Planning Commission, and they may or may not give them that opportunity. That is all Chair Rapozo and I wanted to ensure—that the unintended consequences does not lead other owners of lucrative opportunities, like those plantation homes, to become TVRs. What would happen if the Robinson family files a lawsuit because they were not given the opportunity that is given to all other historic residential homes? Your small ten thousand (10,000) or twelve (12) by ten (10) structure has the ability to do this. I am looking out for all the families who live in Pākalā and Kaumakani and pay, maybe, one thousand five hundred dollars (\$1,500) for a three-bedroom house. That is one of the highest rents right now. Why would the Robinsons want to continue to do that? They do not house plantation workers. They are just housing family members who are heirs to their plantation workers. That is why Chair Rapozo and I introduced this. We are nervous that other people who own old plantation homes will have the same right as these seven (7) historic places, four (4) of which

have the permit. I am sorry if I have upset anyone, but this is why I proposed the amendment. Thank you.

Council Vice Chair Kualii: Councilmember Kagawa.

Councilmember Kagawa: Last week, we spent about two (2) hours on this item. We agreed to disagree. The mayor and the Administration do not support Council Chair Rapozo and Councilmember DeCosta on this item. They are neutral. They are not sure if the people of Kaua'i will be cheated at some point or not. There is paranoia of what may happen or this thinking that historical homes are not important...easy to fix. Do you think it is easy to fix things that are one hundred (100) years old? A lot of times it is more expensive to fix rather than to knock it down and rebuild. It sounds like some may not agree that the State Historic Preservation Division has any merit in its existence, in naming which houses and commercial properties should be identified and reap the benefits of being historical and being preserved for future generations. I am not one hundred percent (100%) against Councilmember DeCosta or Council Chair Rapozo. I just am not convinced that higher taxes on historic properties will be a benefit to the island of Kaua'i as a whole. That is all. We did the work in Committee, and we are floating the same amendment. If do not see how or why it makes sense to rehash the same item at the Council Meeting after we did it in Committee, unless you are speaking one-on-one with Members on the side. As I said, I am not changing my vote, I am a little irritated, but let us move on.

Council Vice Chair Kualii: Democracy is not always smooth and easy. I would say that I was not at the last meeting, because I was ill and at home. I am happy to be here. The process is that it is worked on in Committee, and is voted on by the full Council. That is where the vote actually matters. Unfortunately for Chair Rapozo, he is not here, so he does not have a vote, but I listened to last week's meeting from my sickbed and I listened today. I am agreeing with Council Chair and Councilmember DeCosta, so that is how I will vote today. If there are any other Members with final discussion, we want to hear that and then will take the vote. Seeing none, roll call vote on the amendment.

The motion to amend Bill No. 2901, Draft 1, as circulated, and as shown in the Floor Amendment, which is attached hereto as Attachment 2 was then put, and failed by the following vote:

FOR AMENDMENT:	DeCosta, Kualii	TOTAL – 2,
AGAINST AMENDMENT:	Bulosan, Carvalho, Cowden, Kagawa	TOTAL – 4,
EXCUSED & NOT VOTING:	Rapozo	TOTAL – 1,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: The motion fails.

Council Vice Chair Kualii: The amendment fails, so we are back to the full motion. Members, are there any questions? Seeing none, and having no registered speakers, is there anyone in the audience wishing to testify? Seeing none. Members, is there any final discussion on Bill No. 2901? Councilmember Bulosan.

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

Councilmember Bulosan: I would like to thank Council Chair Rapozo for proposing this Bill, as amended. Property tax reform, in general, is difficult and as the newest Member, truly understanding all the changes needed to make it fair and equitable for our community, while also making sure we have the proper things in place so that we can provide the services we do and do the due diligence to take care of our community...striking that balance is difficult. As this is my first time going through a full reform idea on property tax, I really appreciate the thought and effort from our staff, our Councilmembers, all the testifiers, and the Administration for making this possible. Based on what we have here, I think we found a good place to make some good changes and I think that there is a lot of impact combined with the previous bills that we have passed with the leverages where we can make this other changes, meaning referring to changing tax rates and tiers. I feel confident that we have some of the tools needed to have a fair property tax system. In this experience, my biggest learning piece to this is that we do not have certain abilities because of some challenges in staffing and software. That part is something I look forward to continuing to figure out how we can solve these issues, so that it becomes more just and more equitable, because as it is right now, it is an improvement, but it is not exactly where we need to be in regards to what the community needs and what services we provide, so I am highly committed to continuing working on this. Particularly to the things that did not get through, I understand the purpose of those, I am in full support of the ideas, and I am sure there are other ways we can readjust these perspectives and worries to make sure it is more fair for our community. I am in support and will be in support when we vote.

Council Vice Chair Kualii: Councilmember Cowden.

Councilmember Cowden: I will be supporting this with a heavy heart. I do appreciate the work that everyone has done. I do not see it as reform. I see it as a housekeeping bill. It is good that we cleaned up little pieces from complications that are not really used. The big part of the reform is the twenty percent (20%). I am hearing the Real Property Tax Division tell us, "It is too difficult relative to the software." I really want to see that fixed. As I showed last time, housing and property in the part of the island where I live—North and Northeast—costs three (3) times the amount of what it does in Kapa'a, Lihu'e, or the Westside, and double Kōloa and Po'ipū. Inventory is down, so it will probably and possibly be more expensive. I know there are other elements that will hopefully calm the prices that things go up, but there is nothing in here that will support or soften the profound and rapid displacement for what I am guessing is twenty-five percent (25%) of our island. The North is certainly less than that. It is a small percentage, but there are all these places that are in the beautiful oceanfront areas, like 'Aliomanu and Anahola, so it is great sadness for me that I think we will see, especially in the market rates, when we removed Residential Investor, which had a tremendous amount of problems, so I do celebrate for our Real Property Tax Division in that they will not be burdened as hard with that, because it was unfair that you were dealing with that, but I think that it will not stop the speed of displacement. I know that is bigger than the Department of Finance's challenge. It is our challenge to deal with it and that twenty percent (20%)

is something I was really excited about. I did not get it, but I appreciate the work that everyone has done, and hopefully the tiering will help a little bit.

Council Vice Chair Kuali'i: Are there any other Members with final discussion? I will just say that I appreciate the Real Property Tax staff giving us that tool and I am looking forward to the next session's Council being a courageous and bold Council that will actually work with the tools which gives us all these tiers and the ability to change the rates, so we might even be able to do different things like this Bill was trying to do by putting higher rates in some places, and lower rates in others, but it will take courage, so we will see. Thank you. There being no one with further discussion, roll call vote.

The motion to approve Bill No. 2901, 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 ADOPTION:	Bulosan, Carvalho, Cowden, DeCosta, Kagawa, Kuali'i	TOTAL – 6,
AGAINST ADOPTION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	Rapoza	TOTAL – 1,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Six (6) ayes, one (1) excused. The motion passes.

Council Vice Chair Kuali'i: Next item, please.

Bill No. 2903 – A BILL FOR AN ORDINANCE AMENDING CHAPTER 5A, KAUAI COUNTY CODE 1987, AS AMENDED, RELATING TO REAL PROPERTY TAX (*Long-Term Gap Housing Rental*)

Councilmember Cowden moved to receive Bill No. 2903 for the record, seconded by Councilmember DeCosta.

Council Vice Chair Kuali'i: Members, are there any questions? Seeing none, are there any registered speakers? There being none, is there anyone in the audience wishing to testify? Seeing none. Members, is there any final discussion?

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

Councilmember Cowden: I have one (1), because there is a person who was not here before. For this Bill and the next, we have already decided in Committee...they are both my bills. They failed in Committee, so I cannot imagine that anything would have changed. They are not passing now, because they did not pass previously.

Council Vice Chair Kuali'i: There being no further discussion, roll call vote, please.

The motion to receive Bill No. 2903 for the record was then put, and carried by the following vote:

FOR RECEIPT:	Bulosan, Carvalho, Cowden, DeCosta, Kagawa, Kualii	TOTAL – 6,
AGAINST RECEIPT:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	Rapoza	TOTAL – 1,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Six (6) ayes, one (1) excused. The motion passes.

Council Vice Chair Kualii: Next item, please.

Bill No. 2904 – A BILL FOR AN ORDINANCE AMENDING CHAPTER 5A, KAUAI COUNTY CODE 1987, AS AMENDED, RELATING TO REAL PROPERTY TAX (*Separated Married Persons*)

Councilmember Kagawa moved to receive Bill No. 2904 for the record, seconded by Bulosan.

Council Vice Chair Kualii: This Bill is like the previous one. Members, are there any questions? Seeing none, and having no registered speakers, is there anyone in the audience wishing to testify? Please come forward, Mr. Hart.

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

Mr. Hart: For the record...I realize that you have voted to defeat this, but I want to tell you I am against this Bill. The reason I am against it is because it is not biblical. It actually encourages separation, and that is not biblical. Some of the supporting scriptures are 1 Corinthians 7:10-11, Malachi 2:16, Matthew 19:3-20, Hebrews 13:4, Ephesians 5:22, Titus 3:1, and Matthew 5:32. Thank you.

Council Vice Chair Kualii: Thank you. Is there anyone else in the audience wishing to testify? Seeing none. Members, is there any final discussion? Councilmember Cowden.

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

Councilmember Cowden: I do not believe it is the right of the County to be pushing people into divorce. When someone is separated, they are not divorced. This ordinance, with the way it is and the wording it uses, causes divorce. People need to divorce in order to be able to have a little more financial stability, so I am correcting that, for the record. I do not feel it is our position to socially engineer divorce through economics. I have accepted the loss, but am just saying this prevents divorce between people who cannot live together. They may not want to get a divorce. I do not have to argue with it, but that is my response on that.

Council Vice Chair Kualii: There being no further discussion, roll call vote, please.

The motion to receive Bill No. 2904 for the record was then put, and carried by the following vote:

FOR RECEIPT:	Bulosan, Carvalho, DeCosta, Kagawa, Kualii	TOTAL – 5,
AGAINST RECEIPT:	Cowden	TOTAL – 1,
EXCUSED & NOT VOTING:	Rapozo	TOTAL – 1,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: The motion to receive passes.

Council Vice Chair Kualii: Thank you. Clerk, next item.

Ms. Fountain-Tanigawa: Would you like to go back to correct the motion on the Consent Calendar, Vice Chair? On page 2, with C 2023-207 there was a motion to approve the item on the Consent Calendar. It should have been to receive.

C 2023-207 Communication (08/31/2023) from Councilmember Bulosan, transmitting for Council consideration, a Resolution Urging Federal, State, And County Legislative And Administrative Leaders To Support Digital Inclusion Week.

Councilmember Kagawa: Does the motion need to be withdrawn?

Ms. Fountain-Tanigawa: Yes. We will need Councilmember Cowden to withdraw her motion to approve, and Councilmember Carvalho to withdraw the second.

Councilmember Cowden withdrew the motion to approve C 2023-207, Councilmember Carvalho withdrew the second.

Councilmember Kagawa moved to receive C 2023-207 for the record, seconded by Councilmember Cowden.

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

The motion to receive C 2023-207 for the record was then put, and carried by a vote of 6:0:1 (*Council Chair Rapozo was excused*).

Council Vice Chair Kualii: The motion carries. Clerk, the final item, please.

EXECUTIVE SESSION:

ES-1104 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 the Council with a briefing and request for settlement authority in the matter of Alison Joan Sanchez v. County of Kaua'i, et al., Civil No. 10-1-0265 JKW (Fifth Circuit Court). 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-1104, seconded by Councilmember DeCosta.

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

The motion to convene in Executive Session for ES-1104 was then put, and carried by the following vote:

FOR EXECUTIVE SESSION:	Bulosan, Carvalho, Cowden, DeCosta, Kagawa, Kualii	TOTAL – 6,
AGAINST EXECUTIVE SESSION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	Rapozo	TOTAL – 1,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Council Vice Chair Kualii: The motion carries. We will now go to the chambers for the Executive Session.

There being no objections, the Council recessed at 3:31 p.m., to convene in Executive Session.

The meeting reconvened at 3:46 p.m., and proceeded as follows:

Council Vice Chair Kualii: We just came out of Executive Session and will hear from the County Attorney.

MATTHEW M. BRACKEN, County Attorney: Matt Bracken, County Attorney. Pursuant to State law, the discussion in Executive Session can and will remain confidential. Nothing needs to be disclosed at this time.

Council Vice Chair Kualii: Thank you. There being no further business, and hearing no objections, this meeting is now adjourned.

ADJOURNMENT.

There being no further business, the Council Meeting adjourned at 3:46 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Jade K. Fountain-Tanigawa', written over the printed name.

JADE K. FOUNTAIN-TANIGAWA
County Clerk

:ss

(September 20, 2023)

Attachment 1

FLOOR AMENDMENT

Resolution No. 2023-59, RESOLUTION URGING FEDERAL, STATE, AND COUNTY LEGISLATIVE AND ADMINISTRATIVE LEADERS TO SUPPORT DIGITAL INCLUSION WEEK

Introduced by: ADDISON BULOSAN, Councilmember

1. Amend Resolution No. 2023-59 in pertinent part to clarify the source of funding to read as follows:

“WHEREAS, the State of Hawai‘i is set to receive around \$400 million in [statewide BEAD] federal broadband program funding allocations; and”

(Material to be deleted is bracketed, new material to be added is underscored.)

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(September 20, 2023)

FLOOR AMENDMENT

Bill No. 2901, Draft 1, A BILL FOR AN ORDINANCE AMENDING CHAPTER 5A, KAUAI COUNTY CODE 1987, AS AMENDED, RELATING TO REAL PROPERTY TAX (*RPT Reform Tax Year 2024*)

Introduced by: BILL DECOSTA, Councilmember (By Request)

1. Amend Bill No. 2901, Draft 1, by adding a revised SECTION 3 (appropriately renumbering the subsequent SECTIONS) to read as follows:

“SECTION 3. Chapter 5A, Section 5A-11.22 (Historic Residential Real Property Dedicated for Preservation, Exemption), Kaua‘i County Code 1987, as amended, is hereby amended to read as follows:

“(a) Portions of residential real property which are dedicated and approved by the Director of Finance as provided for by this Section, shall be exempt from real property taxation to the following extent:

(1) Those residential properties qualifying for a home exemption under Section 5A-11.4 and those residential properties owned by a nonprofit organization as defined in Section 5A-11.10(c) shall be exempt to the extent of one hundred percent (100%) of the assessed value of real property as determined by the Director of Finance pursuant to Subsection (c) of this Section, except that the minimum tax provision of Sec. 5A-6.3(g) shall apply; and

(2) All other qualifying residential properties shall be exempt to the extent of seventy-five percent (75%) of the assessed value of the real property as determined by the Director of Finance pursuant to Subsection (c).

“Residential” as used in this Subsection shall mean improved with a building designed for or adapted to residential use and currently used solely as a dwelling[.] for human habitation. Residential shall not include a property which is provided to transient occupants for compensation or fees, including club fees, or as part of interval ownership involving persons unrelated by blood, with a duration of occupancy of one hundred eighty (180) days or less.”

(Material to be deleted is bracketed, new material to be added is underscored. Amendment material is highlighted.)

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