

1 BOARD OF WATER SUPPLY

2 COUNTY OF MAUI

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10 REGULAR MEETING

11 THURSDAY, May 28, 2009

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16 Held at the Department of Liquor Control Conference

17 Room, David Trask Building, Room 105, Wailuku,

18 Maui, Hawaii, commencing at 9:06 a.m.

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28 Transcribed from the audio recording by Gaye

29 Hayashida, Commission Support Clerk, Department of

30 Water Supply, County of Maui.

1 (The meeting was called to order by Chair Howden)

2 CHAIR HOWDEN: Deputy Director Yamashige, Deputy
3 Corporation Counsel Ed Kushi...

4 MR. KUSHI: Good morning.

5 CHAIR HOWDEN: Members Ted Yamamura, Phyllis
6 Robinson, Vice Chair Scott Luck, Kui Lester and
7 John Hoxie. In our audience from Council Services
8 is Kim Willenbink(sic) and 2 potential testifiers,
9 Carl Freedman and John Buell of Hana and I'm sorry
10 I don't know your name?

11 MR. SCOTT: I'm Nigel Scott.

12 CHAIR HOWDEN: Nigel Scott and from the Department...

13 MR. ANDRADE: George Andrade from staff.

14 CHAIR HOWDEN: What?

15 MR. ANDRADE: Water Department staff, George.

16 CHAIR HOWDEN: Yes, George. Ok. Are there any
17 announcements? Hearing none. Are there any
18 amendments to the minutes or might we have a motion
19 for approval of the minutes?

20 MEMBER HOXIE: I so move.

21 CHAIR HOWDEN: Is there a second?

22 VICE CHAIR LUCK: Second.

23 MEMBER LESTER: Second.

24 CHAIR HOWDEN: Many seconds. Ok, those in favor?
25 (a chorus of ayes)

26 CHAIR HOWDEN: Ok. Unanimous. So, Testimony from
27 the Public. Kim is here to answer, do you have
28 anything to say or...

1 MS. WILLENBRINK: I'm here just to say, I'm not
2 here to answer.

3 (laughter)

4 CHAIR HOWDEN: Oh, that's disappointing.

5 MS. HAYASHIDA: You might introduce yourself.

6 MS. WILLENBRINK: Ok. Good morning, Chair and
7 members of the board. My name is Kim Willenbrink
8 and I am the legislative analyst for the Water
9 Resources Committee for the Council. And I'm here
10 this morning on behalf of Councilmember Michael
11 Victorino who chairs that committee, who
12 unfortunately can't be here because as most of you
13 know, this morning is the second reading of the
14 budget, which was a very long budget session and
15 all the members really need to be there for that
16 this morning. But he did want me to come and let
17 you know that on your agenda you will be receiving
18 or having discussion on the Central Maui Water Use
19 and Development Plan and we do intend to either
20 receive that plan in the near future or at least
21 get an update on the plan and he is very interested
22 in hearing your comments, questions, concerns as it
23 will help him and the members of the committee to,
24 as they move forward in the discussion which we
25 anticipate will take some time. Most, maybe even
26 of the rest of the term will be focused on the
27 Water Use and Development Plan. But before that
28 comes to us, we will be working very hard to codify

1 the rest of the Water, the Department's Water
2 Supply Rules and that's what you'll see on our next
3 several agendas along with a few other things. One
4 thing that also is going to be coming up, it will
5 be on the next council meeting and then will be
6 coming to our committee probably as concerning
7 potable water on golf courses. And just want to
8 make you aware that this isn't a really big issue;
9 it's mostly a housekeeping issue to move that
10 chapter which is in Chapter 20.24 right now of the
11 county code into Title 14 where everything relating
12 to water is now being placed. When this chapter
13 was originally enacted we didn't have a title
14 devoted to water. So that really shouldn't be a
15 big deal but I do know that it might cause some red
16 flags for some folks. And thank you.

17 CHAIR HOWDEN: Any questions for Kim? Thank you
18 for coming.

19 MS. WILLENBRINK: Thank you.

20 VICE CHAIR LUCK: I knew not to ask any questions
21 'cause she said she didn't have answers so.

22 (laughter)

23 CHAIR HOWDEN: She's, she's just being modest.
24 Typical county employee. Any other public comment?
25 Ok. No Appeals, mercifully. No Unfinished
26 Business. So, Other Business, A, East Maui Water
27 Issues. John Blumer-Buell is with us today from
28 the Hana community. John has been a member of the

1 long-lived GPAC and is very active in the Hana
2 Community Association.

3 MR. BLUMER-BUELL: Ah, good morning, Chair Howden
4 and members of the board. My name is John Blumer-
5 Buell and I'm here today to testify regarding
6 agenda item 7A which is the update on the East Maui
7 Water Issues and Concerns and that is a follow-up
8 to a letter I submitted to the committee on January
9 22nd. I was thankful the chair, Aldridge let me
10 speak at that meeting. That was very urgent
11 because when you read the January 22nd letter we
12 have the impression that the County was moving
13 ahead with the proposed Hamoa to Koali waterline
14 which the community is not willing to let happen
15 unless there's an environmental assessment or
16 environmental impact statement. So, just a little
17 background on myself. My wife and I have lived in
18 Mu'olea Hana same place for around 35 years. We've
19 had 2 kids born and raised in Mu'olea. Both
20 graduated from Hana school. My wife's a teacher.
21 I was a long-time landscaper and farmer out there.
22 I've been involved with water issues in Hana for
23 literally 35 years and in 1992 Parley Kanakaole and
24 were the representatives for Hana Community
25 Association in the Kuhiwa Well Contested Case which
26 was a case we were in with Maui Land & Pineapple
27 and our, our primary expert witness was Bill Meyer
28 of the U.S. Geological Survey. We had, that was a,

1 that case was a very educational on every level.
2 It's actually coming back up this week, the whole
3 issue of the Kuhiwa Well is coming up in regard to
4 a proposed development in Nahiku. I've been a
5 long-time member of the Hana Community Association
6 Board, served 2 terms on the Hana Advisory
7 Committee to the Planning Commission and the last 3
8 years I spent working on the General Plan with 25
9 other people from our various communities. I would
10 just like to, I've, I made copies again of my
11 January 22nd letter and then I amended that today
12 and I would just, I'd like to just go over and
13 highlight, I expected your chair will give some
14 direction to this in the future and maybe some of
15 the issues or maybe the whole thing you want to
16 file, we'll see. But I'd like, referring now to
17 the, my letter of today, May 28th. And I said my
18 testimony today is a follow-up to written and oral
19 testimony I gave before the Board on January 22nd,
20 2009. To date, I have not received a written
21 response to that testimony and assistance regarding
22 the 6 Hana District water issues. I have added a
23 7th issue which is number 7, with quote, establish a
24 fair market and legal cost of water taken from the
25 4 license areas, identified as Honomanu, Huelo,
26 Keanae, and Nahiku. And to continue down the list,
27 I'm requesting today an unedited copy of the video
28 made by the Department of Water Supply last

1 December in Hana. I just talked with Carl Freedman
2 about that. He was, that was his meeting. We
3 should be able to get that. I would like a copy of
4 the Director's report which is referencing the
5 February 26, 2009 agenda. Apparently Jeff Eng made
6 a report in response to my letter but I never
7 received copies of, of that. And I don't want to
8 put words in his mouth but I talked to him after
9 the meeting and he indicated that the Water
10 Department was not going to move ahead with the
11 Hamoa to Koali waterline until, unless there was
12 a(n) EA completed. Now that's, that is extremely
13 important for the community and that's the most
14 urgent thing that the community's assured which we
15 have never been, that they're applying to do an
16 environmental assessment for that proposed project
17 and that will put a lot of issues to rest. And,
18 there, that particular area, Hamoa to Koali, is
19 full of, there's issues that need to be resolved in
20 there regarding hui and kuleana lands regarding a,
21 a whole number of issues that are laid out in the
22 Hana Community Plan that need to worked out and
23 resolved prior to putting an 8-inch waterline out
24 there. I had told Jeff Eng that I, I would admit
25 that we're, we're using the water issue to, to call
26 a time-out until we resolve a number of important
27 community issues in Hana. And I have talked during
28 the GPAC with John Summers and the GPAC and other

1 members of the Long Term Planning department.
2 We're hoping that as part of a(n) EA that we will
3 have cultural landscape done in, from that area,
4 Hamoa to Koali. This was done for Keanae and
5 Wailuanui in 1995 with the County of Maui and this
6 is a, this is a great piece of work. Everybody
7 should try to read this at some point. It really
8 helped to put to rest a lot of the issues that the
9 community was concerned about. And my personally
10 and I think other people feel too, look, if we deal
11 with the cultural issues and the land, and the land
12 use issues and so forth, then it doesn't matter how
13 the big the pipeline is but right now if you put an
14 8-inch pipeline out there, we are basically
15 accommodating speculative shoreline development out
16 there which the community does not want. And I say
17 the community, I would, I would never say anything
18 intentionally representing the community if it
19 weren't true. The, our, the positions regarding
20 development in Hana are well documented in the 1988
21 survey the Hana Community Association did. I'd be
22 happy to give you a copy of that if you like. Two
23 thousand five, there was an additional poll which
24 was really in response to the 12-inch unwanted and,
25 pipeline that went in from Hamoa to Hana town. And
26 if, if you don't remember that that was very
27 controversial. The community was very much opposed
28 to it. And there is, there's already a redundant,

1 2 redundant 12-inch water flow systems in Hana town
2 before that. One was the county and the other was
3 the Hana Ranch. And, so that's just touching on
4 some of the issues and these would all be dealt
5 with in an environmental assessment. So, the
6 community association has 2 letters and the January
7 22nd letter and we simply wrote Director Tengan and
8 Wendy Taomoto who is the chief engineer to make a
9 commitment to that environmental assessment.
10 That's the law. By the way, there's no question
11 about that but the county has not been upfront with
12 the community. So that's the first issue. I think
13 that's the most urgent if you, if this board will
14 say look and the county Water Department at this
15 point to say look, if we do that we're gonna go
16 back, follow the law and do an environmental
17 assessment, then we're, we're, we're ok with that.
18 The second issue on my, is, is the, that I wanted
19 (to) touch on was the, in bold letters that they're
20 numbered the same as the Hamoa Well Final
21 Environmental Impact Statement. If they do an
22 environmental assessment for the proposed Hamoa to
23 Koali pipeline, virtually all the issues we're
24 concerned about with the Hamoa Well will have to
25 covered in there. And so that is not an urgent
26 issue. That's just something that we'd like to
27 work with the Water Department on and I think right
28 now there's a couple issues that have come out in

1 the community, we'd like work with the department,
2 Water Department on. One is, I think the Hamoa
3 Well is an excellent place to put in alternative
4 pumping energy source for that well. It's a low
5 elevation well. The gallons dependent on it, it's
6 great, will be great spot for solar, possibly wind.
7 So that would be something we'd like to go ahead
8 with. Secondly, I met last week with a geologist
9 from the U.S. Geological Survey regarding a well
10 out near where I live and there's we were, there's
11 an organization that's concerned about its impact
12 upon an endangered species. Well, we talked about
13 a lot of potential monitoring we could do and I
14 think that his suggestions of the way to monitor
15 the fresh water is very important to be applied to
16 Hamoa. The Hamoa Well, the County and, I'll be
17 happy to be corrected on the, but the County's
18 removing about roughly half a million gallons a
19 day, maybe 400,000, between 4 and 500,000 from the
20 Hamoa Well. Now that's, everybody knows that's an
21 extremely important aquifer right there. There's
22 fishponds along the coastline. They are very
23 dependent upon the mixture of salt and fresh water
24 and you can witness the iwa birds which at low tide
25 dive into those fishponds to get fresh water. So,
26 if we were to put a permanent monitoring device in
27 one of the fishponds we could really start to
28 monitor the impact on the salinity. We did the,

1 the, the geologist that I met with, he just had a
2 handheld device and dropped it in and we
3 immediately got a salt reading. We could do this
4 on an ongoing basis; that would be really good
5 baseline information for the County to have. So
6 that's the second issue and some suggestions. The
7 third one was, and this is another one that I think
8 is very critical but a little bit more long term
9 and that is support of the County budget requesting
10 an implementing action from the 1994 Hana Community
11 Plan. This is 1994. This was in the implementing
12 actions; it's never been done and that is to
13 prepare a domestic water system master plan and
14 wastewater master plan for the Hana region. That
15 is in our community plan. It is never been done.
16 And it just, this is very discouraging to people
17 that had been involved in these issues for decades.
18 The Hana Community Association Development
19 Committee identified wastewater problems in 1988
20 and we've had reports from night divers that were
21 seeing toilet paper and fecal matter come into Hana
22 Bay. And the community knows that a number of the
23 houses above the bay hit lava tubes when they put
24 in that subdivision. So, and we invited over Dr.
25 John Harrison from the University of Hawaii
26 environmental studies program. We worked out a low
27 tech system that could've been put in around Hana
28 Bay. So, the, once again if you looked at this

1 year's county budget, the year 2015, we're looking
2 at a study for the wastewater system. Now that's
3 27 years after the community identified the problem
4 and there's, there's Dr. John Mink, in 1988 found
5 high levels of coliform bacteria in Hana Bay down
6 near the Hana Kai Waikoloa side when he was doing
7 studies for the Hana Ranch redevelopment of the
8 hotel. So we have documentation that there was
9 already high levels of coliform form bacteria in
10 Hana Bay. That is a result of an injection well at
11 the Hana Kai Resort. So, this, this is something,
12 so if the Water Board could make a recommendation
13 that these things should be put in the budget
14 immediately; there is so much, you know, let's face
15 it, there's a lot of things that are funded that
16 aren't as important as this. The next issue I
17 have, Issues 4 and 5. These are, these are
18 policies I'm asking the members for policies, I
19 would just like the Board to consider so this is
20 the, this is I think to make the Water Board more
21 effective; it's clear to me Mike Victorino's trying
22 to work with you folks and you would be doing a,
23 all the communities a favor to establish yourself
24 as a review committee for all these environmental
25 assessments for water issues. So, the next one is
26 PK4 zoning which is number 5. That I expect to be
27 resolved through the general plan process. That
28 shouldn't concern you at this point. I'll report

1 back to you. We seem to have a definitive reading.
2 I mean, I tried for 3 years to get the County to
3 put in writing their position on that and I think
4 we will get there before the end of GPAC. So you
5 don't need to worry about that. The sixth issue
6 was I said, "Please schedule a timely Board Water
7 Supply meeting in Hana." And I've amended that a
8 little bit. I said in today's letter I said,
9 "Perhaps the Board of Water Supply could establish
10 smaller subcommittees to meet in each of the
11 communities for their input." And I know your
12 chair used to live in Kaupo. There's a system out
13 there. People from Keanae and Wailuanui that, boy,
14 do they appreciate when people show up in there
15 community to say what, what do you want? Same with
16 Hana, same with Kipahulu, same with Molokai, Lana'i
17 and so forth. So I'm suggesting that this board
18 make a real effort to get out into the community
19 even, even if it's just a couple of you and can get
20 the pulse of the community and work with Mike
21 Victorino and the Water Committee to become more
22 helpful to the communities. Now, I had a chance to
23 talk with Carl Freedman before the meeting and I
24 asked Carl if East Maui Water Use and Development
25 Plan, if we did a comprehensive enough plan, could
26 that satisfy the legal requirement the Hana
27 Community Plan for a domestic water thing. Well,
28 we not sure legally about that, but he's interested

1 in coming out and going to each of the communities
2 and getting their input. That's how we'll get a
3 meaningful plan. So, I hope this is not all too
4 much. I'm just about finished. I did, this is,
5 this occurred to me, I've been concerned about this
6 for a long time, but this last budget hearing, when
7 we're hearing about all the budgetary shortfalls, I
8 hear about the, what looked to be a lack of money
9 for reservoir up in Waikamoi and so forth; I'm
10 going, I suggested a new issue and that is
11 establishing a fair market and legal cost for
12 public trust water legally taken from the 4 license
13 areas identified as Honomanu, Huelo, Keanae and
14 Nahiku. And I have been a concerned citizen for
15 years knowing the privatization of public trust
16 waters do not reflect the public's interest or
17 wishes or true market value. In effect, the public
18 is subsidizing private companies millions of
19 dollars per year with little accountability. I
20 request the Board of Water Supply to put this issue
21 on a future agenda for discussion. Potentially we
22 already have the financial resources available to
23 finance reservoirs for water storage in Upcountry
24 and more sustainable farming; there's times when we
25 have more water than we know what to do with that
26 needs to be stored at that point. We still have
27 water for other agricultural activities. I've been
28 a long time supporter of agricultural rates for

1 farmers and that sort of thing but I did a little
2 arithmetic and if I got it wrong then you'll let me
3 know, but based upon information I have, the ditch
4 system removes about 160 million gallons a day from
5 East Maui. That's roughly 58 billion gallons of
6 water per year and A&B and EMI pay about a fifth of
7 a cent per gallon...

8 MEMBER ROBINSON: Per thousand.

9 MR. BLUMER-BUELL: Per thousand, pardon me. And I
10 recently checked the Department of Water Supply and
11 was told the rate charge for agricultural water is
12 \$1.00 per thousand after the initial base charges.
13 And I have no problem if the, for the sake of this
14 exercise I think it would be good to run the
15 numbers at 50 cents a gallon or 25 cents per
16 thousand, pardon me. So, I did the simple
17 arithmetic and I hope, I think it's correct. I put
18 my calculator paper at the bottom. A 160 million
19 gallons a day for 365 days is 58 million, ah, that
20 is, I got that wrong. It's 58 billion, shouldn't
21 say million, pardon that, 58,400,000,000 gallons
22 per year. We divide 58,400,000,000 by a thousand
23 to get the number of thousands of gallons and that
24 number is 58,400,000 and you multiply that times
25 \$1.00 and you get \$58,400,000 per year in potential
26 revenue if the County was, if, if the, if the users
27 were paying a fair market price. Now I understand
28 that there's lots of ways to look at that. We know

1 that EMI and A&B have, there's expenses to running
2 the ditches. There are other issues and I, I, for
3 example the, every times there's one of these water
4 hearings you see the, the, the ILWU workers, ag
5 workers that are there and I think it's really a
6 kinda of sad and phony issue. Nobody's interested
7 in putting those people out of work. I mean I have
8 a lot of respect for people that get out and
9 actually do hard work in the fields. So, that's
10 not the issue. They're valuable people in this
11 community. The issue is how are we, how can we
12 best manage the, what is clearly a public trust
13 which is our water for the public good. And, I, I,
14 I just urge you to take this up as an issue and,
15 and just collect information. I know Mr. Hoxie's
16 got a lot of experience with East Maui Water. He's
17 a valuable resource. And we need to, we need to, I
18 think to have a constructive conversation about
19 these things and get to the next, to the next point
20 of agreement. It, it seems clearly that the, at
21 this point the strategy is to just stay in court
22 forever and not to resolve the issue. I think
23 we're being hurt by not resolving the issues as
24 community members. And there is, there is
25 reasonable ways to do this. Now, there's a few
26 years ago we had the, Bill Tam who's former deputy
27 state attorney general was, came to Hana, was part
28 of a workshop, there're a number of different

1 subjects OHA helped to put it on, and he talked
2 about the water and one of questions he got was,
3 was what do we need to do to get to revise the
4 state and county laws to make this work for East
5 Maui? And Bill, Bill Tam said look you don't have
6 to revise anything. He said it's all, the laws are
7 very good, you simply have to have the state and
8 the county start following the laws. And so, I'm,
9 I'm a big advocate of, of sitting down with people
10 that don't necessarily agree and trying to really
11 look at the future. I think we're all be, we're
12 being, I mean as a society and as individuals we
13 are being really tied up and held back by being so
14 litigious(sic) and hardheaded and everything else.
15 So I would urge you to open up a, you know, a
16 constructed dialogue regarding all that. And so,
17 that's all I have. I, I do have the one, the one
18 thing I, I wanted to add, this goes back to having
19 a domestic and wastewater system as asked for in
20 the community plan, I noticed that in reviewing the
21 information today that in the original letter that
22 was sent, well, in the 2004 letter which is
23 attached to you, and I was on the Hana Soil & Water
24 District at the time, we sent a letter to the
25 county water, I mean budget director, Danny Agsalog
26 at the time. And I noticed that it said, "enclosed
27 are copies of letters to the County Board of Water
28 Supply from 1997 and 1998, stating health concerns

1 from Hana medical professionals. The Board of
2 Water Supply did not help to resolve the serious
3 medical concerns." And so I went back, this was
4 addressed not to anybody but to the Board, now it
5 was semi-autonomous I think at that point; but I
6 dug up those letters. There's a letter from Dr.
7 Jean L. Fitzpatrick, who worked at the Hana Medical
8 Center for awhile, and her letter stated, August
9 12, 1998, she's an m.d. and she talks about the
10 medical problems that she saw in the Nahiku area.
11 The second letter which is on, on a medical center
12 stationery dated June 30, 1997 is from Delores
13 Solar, who we know as Loli, she's a registered
14 nurse, nurse practitioner at this point, and was
15 talking about giardia, cysts, and a bunch of other
16 things that were coming into the Hana Medical
17 Center. So, it's not only just having a plan this
18 is where the water, I mean where the, the ah, this
19 is, this is a medical problem that has never been
20 met and it was addressed to Board of Water Supply.
21 I'm just about finished. I was going through some
22 information and this is just a piece of information
23 I want to give you. This is an opinion by Mr. Ed
24 Kushi written in 2005. And, I think it's ah
25 interesting piece of work and has, may have some
26 application in looking at some of the Upcountry
27 water meter list issues. It has to do with
28 issuance of water meter for a property located in a

1 previously approved subdivision where the existing
2 water system improvements do not meet nor conform
3 to current departmental standards. And, I think
4 this is, is an interesting piece of information. I
5 got this I think because we were having the same
6 issue where I lived for a subdivision approved back
7 in the 1950's where they never brought things up.
8 So I'd like to just, maybe I'll just give this to
9 your chair and I think it's be interesting..

10 CHAIR HOWDEN: Yeah, Gaye, Gaye would take it.

11 MR. BLUMER-BUELL: Ok, and then the second one,
12 just so that you have it for your records is the
13 Water, the Department of Water Supply made it, ah,
14 Carl Freedman believes this was a CIP presentation
15 to the Hana Community in February 2005. And I
16 think it's good to have this in your record 'cause
17 it shows that you know, where we're really at and
18 where the committee wants to be is really not the
19 same place. This means, this, this, if this is an
20 objective it hasn't been met. The last one is a
21 letter dated April 14, 2003 from the Hana Ranch
22 Partners. The Hana Ranch was offering to sell the
23 County of Maui its entire system, its entire water
24 system for I think it's a couple million dollars
25 but they, this is when the proposed 12-inch
26 waterline from Hamoa to Hana Town was proposed.
27 You have the Hana Ranch offering to sell the County
28 an intact state of the art system that was already

1 in place and was already a redundant system. The
2 County turned it down because of, my understanding
3 is because of the substandard portion of their
4 system in Ka'eleku which is above the airport. But
5 this is something you should look at in the long
6 run and that is the County acquiring the Hana Ranch
7 system. They'd like to sell. It's a state-of-the-
8 art system. It may make sense when you look at all
9 the way from Koali which is towards Kipahulu and
10 all the way to Nahiku, that'll, those systems are
11 all potentially inter-connected so that's a long
12 term proposition and I thank you for your time and
13 I hope I haven't confused you too much but ah, ok.

14 MEMBER ROBINSON: Not at all.

15 MR. BLUMER-BUELL: Ok. Thank you.

16 CHAIR HOWDEN: Thank, thanks so much...

17 MEMBER ROBINSON: Thank you.

18 CHAIR HOWDEN: For the..

19 MR. BLUMER-BUELL: If you have any questions I'd be
20 happy to..

21 CHAIR HOWDEN: Wealth of information that you're..

22 MEMBER ROBINSON: Fantastic.

23 CHAIR HOWDEN: Sharing with us in such a balanced
24 manner and you're coming in from Hana. Ah, do
25 members have any questions?

26 (silence)

27 MEMBER YAMAMURA: I don't have a question but I do
28 have perhaps a concern, it may just be a personal

1 concern. In that, on agenda items that we be fair
2 in how we describe what the agenda item is and then
3 we, we may have to in that case open it up to other
4 neighborhoods who might wanna speak their issues
5 that are germane to their particular neighborhoods.

6 CHAIR HOWDEN: Uh huh,

7 MEMBER YAMAMURA: I was under the impression today,
8 based on this agenda we were gonna discuss
9 something to do with East Maui in general. Nothing
10 against you John but it's just, but I think we were
11 a little bit more specific in dealing or discussing
12 the Hana issues or in that particular neighborhood
13 so. I, I would hope that if in the future that our
14 agenda items are a little bit more specific as to
15 what the topics gonna be.

16 CHAIR HOWDEN: Yeah, of course. How, how, how
17 would members of the Board feel about some us of
18 going to the various communities and meeting with
19 community associations?

20 MEMBER HOXIE: That'll be good.

21 MEMBER ROBINSON: Yeah. That'll be great.

22 CHAIR HOWDEN: Ok. I'm sure Ed will tell us what
23 we can and..

24 VICE CHAIR LUCK: Yeah, that was, was actually
25 gonna be my question for Mr. Kushi was what
26 guidelines are there?

27 MR. BLUMER-BUELL: Mr. Chair?

28 CHAIR HOWDEN: Yes.

1 MR. BLUMER-BUELL: Just to, if I could I'd like to
2 respond to Ted and that's just that I'm, I'm not
3 sure if you were here but in January I came and the
4 urgent issue was this Hamoa to Koali Pipeline which
5 had been published in a shovel-ready form that was
6 on site, on the federal web-site, so that's why I
7 came and so, they, they all really do come in under
8 today's agenda but this was also a follow-up from
9 that and so I hope that I'll get the, get feedback
10 and response to those urgent requests anyway. So,
11 anyway thank, thanks for your service.

12 CHAIR HOWDEN: Thank you, John.

13 MR. BLUMER-BUELL: Alright.

14 VICE CHAIR LUCK: Mr. Chair, I, I did have a couple
15 questions for...

16 CHAIR HOWDEN: Oh, please go ahead. John...

17 VICE CHAIR LUCK: Actually no, for, for Mr. Kushi.

18 CHAIR HOWDEN: Oh, ok.

19 VICE CHAIR LUCK: I was wondering on 2 points. One
20 part of the letter has a request for the Director's
21 Report from a previous meeting and that's public
22 information, is it not?

23 MR. KUSHI: The Director's Report?

24 VICE CHAIR LUCK: Yeah. I think the, let's see
25 which number...

26 MEMBER HOXIE: Number one, I think.

27 VICE CHAIR LUCK: Number one.

28 MEMBER LESTER: Front page.

1 VICE CHAIR LUCK: Yeah.

2 MR. KUSHI: You know Mr. Chair, I recall that after
3 John came and then maybe the next meeting Jeff Eng
4 did say something or did respond..

5 MS. HAYASHIDA: It was a verbal...

6 MR. KUSHI: It was a verbal...

7 MS. HAYASHIDA: Update, not a written response.

8 CHAIR HOWDEN: Then maybe we could give John...

9 MR. KUSHI: The minutes.

10 CHAIR HOWDEN: A copy...

11 MS. HAYASHIDA: Of the minutes.

12 CHAIR HOWDEN: An excerpt.

13 MS. HAYASHIDA: The minutes are on the website so
14 Mr. Blumer-Buell can access the minutes anytime.

15 CHAIR HOWDEN: Ok. He's an IT expert so you
16 needn't worry about that.

17 VICE CHAIR LUCK: Thank you for that. And then the
18 second question was just regarding Number 6 which
19 was, what type of guidelines would there be in
20 terms of having board members visit different
21 communities? If that's reasonable at all. And,
22 and whether or not an actual official meeting could
23 be held in Hana, I guess is on the table as well.

24 MR. KUSHI: Your, your rules provide, you can meet
25 anytime, anywhere you want provided that you will
26 be properly noticed, that meet the time and place
27 of the meeting. And at least there's a quorum of

1 your, and it is at a publicly accessed facility,
2 not at somebody's house or private property.

3 VICE CHAIR LUCK: Right.

4 MR. KUSHI: But you know it's up to you.

5 VICE CHAIR LUCK: Ok. And what about the issue of,
6 of potentially individual members or subcommittee
7 meeting with community...

8 MR. KUSHI: Ok. You could, your entire board could
9 appoint a subcommittee to, to go and go to a
10 certain community and then hear their concerns. No
11 action will be taken but, and then you do a report,
12 come back to main, main board.

13 VICE CHAIR LUCK: Ok. Thank you.

14 MR. KUSHI: You could always do that. I would, I
15 would, I would also recommend although it's not
16 required, the subcommittee notice the meeting
17 properly. So everybody knows that they'll be
18 there.

19 MEMBER ROBINSON: And I also would suggest that we
20 make it clear to any community that we go into
21 exactly what our powers are...

22 VICE CHAIR LUCK: Yeah.

23 MEMBER ROBINSON: Because I don't want people
24 thinking that we have more power than we have.

25 VICE CHAIR LUCK: That we can do anything?

26 MEMBER ROBINSON: Yeah.

27 VICE CHAIR LUCK: We can't.

1 MEMBER ROBINSON: So, so in any public notice,
2 let's make sure that we, that we state what our
3 powers are as the Board of Water Supply.

4 CHAIR HOWDEN: Yeah, I mean, on, on your own as
5 long as it's 2 members or less I believe.

6 MR. KUSHI: Well...

7 MEMBER ROBINSON: He's saying a quorum?

8 MR. KUSHI: I wouldn't recommend that. On your own
9 you can do what you want but again if it's board
10 business it should be either the entire board or a
11 proper duly appointed subcommittee of the board.
12 You do it on your own, I don't want to know about
13 it.

14 VICE CHAIR LUCK: Right.

15 (laughter)

16 CHAIR HOWDEN: So, Ed, Ed..

17 MR. KUSHI: Be, be, because, because of this.
18 Maybe one of the issues that they wanna talk to you
19 about may come in the future to the Board and it
20 may require an action. May even become a contested
21 case hearing. The fact that you went there
22 previously without the benefit of other members of
23 the Board may, may have to, you may have to recuse
24 yourself. So, I don't want you to put yourself in
25 that position. Either hear it all at once or in a
26 duly authorized subcommittee, as, as a, as board
27 members. Like I said when you do it on your own I
28 don't wanna know about it.

1 MEMBER ROBINSON: Yeah, and so then that
2 subcommittee would be required to give a report...

3 MR. KUSHI: Back to the entire board.

4 MEMBER ROBINSON: Back to the entire board.

5 MR. KUSHI: Right.

6 MEMBER ROBINSON: And then any thing that we have
7 to do in regard to that would come from the entire
8 board.

9 CHAIR HOWDEN: Ok, anybody wanna be on that
10 subcommittee?

11 VICE CHAIR LUCK: Well, I think it would depend on
12 the community too, right?

13 CHAIR HOWDEN: Sure.

14 VICE CHAIR LUCK: So...

15 CHAIR HOWDEN: I mean obviously if we're talking
16 Molokai, Kui's on that, I mean we can all be
17 members of that subcommittee, right?

18 VICE CHAIR LUCK: Right.

19 CHAIR HOWDEN: And, and, but you can selectively
20 go, say ok, for this assignment these people going
21 to Hana or Keanae or Molokai like that. And then
22 we duly notice it of course.

23 MR. KUSHI: Yeah, I'll give you an example. The
24 Maui Planning Commission has a subcommittee and
25 it's by, I believe it's by the rules, or maybe by
26 ordinance. Hana, Hana Planning Advisory committee
27 and they meet regularly in Hana about Hana issues.
28 But they, they have no actual authority to act.

1 They report to the Maui Planning Commission and
2 they advise the Maui Planning Commission on Hana
3 matters. But they're more really established. And
4 for course Molokai and Lanai they have their own
5 planning commissions.

6 CHAIR HOWDEN: So, shall we take this up next time
7 around?

8 VICE CHAIR LUCK: Yeah.

9 CHAIR HOWDEN: When Don's here and hopefully
10 Patricia's here and Kelli is here, like that. But,
11 but I would really encourage you to consider
12 participation on this kind of thing as time permits
13 and as your interest permits. But I think it's
14 good and I'm sure Ed will provide, advise us on
15 what the constraints are on that kind of thing.

16 MR. KUSHI: Yeah, go and listen to.

17 CHAIR HOWDEN: Yeah, I mean for me going out into
18 the community and listening to what different
19 communities have to say and receiving their mana'o
20 helps me understand what the issues are. I'm not
21 taking a side..

22 MEMBER ROBINSON: Right.

23 CHAIR HOWDEN: But, but I am listening and, and I
24 think part of, given the constraints on the Board
25 in terms that we really have very little power per
26 se, which is actually I think a great thing.
27 Because then it, then it's a matter of heart, it's
28 a matter of what our feelings are and what our

1 understanding is and we're purely in service to the
2 community; we're not playing games with people and
3 I think the Board and its former incarnations was a
4 kind of imposing creation. A lot of people were
5 very hesitant about coming before the Board. But
6 as I said last time, I think that this is a vehicle
7 for educational information so that we can move
8 forward as a community and we can really serve this
9 community without, without any heavy hands
10 involved. John, you were gonna say something?

11 MEMBER HOXIE: I was just gonna say that one
12 possible thought is that we set up these
13 subcommittees by different districts...

14 CHAIR HOWDEN: Uh huh.

15 MEMBER HOXIE: So that we could all focus on the
16 district that we're interested in. We can discuss
17 that.

18 CHAIR HOWDEN: Great. Ok, well, Gaye, perhaps we
19 could bring this up next time around. Anything
20 else? Ok, Carl, Central Maui Water Use and
21 Development Plan. Carl's...

22 MS. HAYASHIDA: He just stepped out.

23 CHAIR HOWDEN: He did. In a timely manner.

24 (laughter)

25 MS. HAYASHIDA: But Ellen is here if you have any
26 questions. Ellen Kraftsow is here. Do you have
27 any questions?

- 1 CHAIR HOWDEN: Oh, great. Ellen, do you want to
2 come forward in case we have questions for you.
- 3 MS. KRAFTSOW: Umm.
- 4 CHAIR HOWDEN: I mean I know you're not prepared to
5 like...
- 6 MS. KRAFTSOW: We, we were planning to more or less
7 just listen to what you folks had to say.
- 8 CHAIR HOWDEN: Ok, well, feel free to come forward
9 if you'd like a more comfortable chair.
- 10 MS. KRAFTSOW: Ok.
- 11 CHAIR HOWDEN: Carl? There's Carl.
- 12 MS. KRAFTSOW: I'm pretty far forward already,
13 aren't I?
- 14 MR. FREEDMAN: You want me to come up?
- 15 MS. KRAFTSOW: Oh.
- 16 CHAIR HOWDEN: That's always a matter of
17 perspective. So, Ellen, you'd like to encourage us
18 to make comments on this?
- 19 MS. KRAFTSOW: Well, I understood that the Board
20 had requested this agenda item because they wanted
21 to discuss the chapter and so we came more or less
22 to hear what the Board had to say.
- 23 CHAIR HOWDEN: Ok.
- 24 MS. KRAFTSOW: Yeah. Let me just get my copy.
- 25 CHAIR HOWDEN: Board members, any comments on this.
26 Gaye?

1 MS. HAYASHIDA: Ted had something, Ted had, did you
2 have something? You said you had some
3 recommendations or something?

4 MEMBER YAMAMURA: Oh no. I, what I said was I just
5 went straight to the recommendations...

6 MS. HAYASHIDA: Oh.

7 MEMBER YAMAMURA: Which is in the back.

8 MS. KRAFTSOW: Cut to the chase.

9 CHAIR HOWDEN: Ok, on page 5 of the original draft
10 given to the Water Advisory Committee for Central
11 Maui, the reports states and I quote, "all feasible
12 means to meet future water needs." And as, as Carl
13 knows I, I've been, I, I, I think the report is
14 thorough. I can't imagine the amount of work that
15 went to pull this off, not to mention all the other
16 water plans you're doing. But when you look at all
17 feasible means to meet future water needs, I'm
18 still, I'm still concerned that the use of eminent
19 domain for both the waters of East Maui and the
20 waters of Na Wai Eha; it's just kind of, it seems
21 like it's kind of like a little after-thought.
22 It's not really addressed as a viable means, means
23 of accessing public trust waters for the benefit of
24 our communities. So, and Carl knows, I mean I just
25 bring this every time I see him. But, I've also
26 looked at in terms of, of energy use or energy
27 creation, micro-generation for the streams. Let's
28 see, it's hard to read my own handwriting. And

1 folks are free to jump in on this if you have
2 other; I kind of wonder where we are with the
3 Waiale Treatment Plant, that seems to be noticeable
4 in discussions before the Planning Commission as of
5 December. Maui Lani indicated that they accepted.
6 They would be able to access additional water from
7 that treatment plant.

8 (silence)

9 CHAIR HOWDEN: And on page 92, a question of source
10 credits being in dollars not capacity or meter
11 equivalence because our, our, our cost of meters,
12 especially if you follow Carl's advice, our, our
13 costs for a water meter may well go up.

14 MS. KRAFTSOW: Where are you on that one?

15 CHAIR HOWDEN: Page 92. That, that was the
16 original draft that we had...

17 MS. KRAFTSOW: Oh.

18 MR. FREEDMAN: Yeah, it's...

19 CHAIR HOWDEN: I, I think it's probably gone through
20 a few...

21 MR. FREEDMAN: Well, we're looking at March 2nd, on
22 the front page it says March 2nd, 2009, is that...

23 CHAIR HOWDEN: Yes, that's it.

24 MR. FREEDMAN: Ok.

25 MS. KRAFTSOW: Yeah, that's the...

26 MR. FREEDMAN: This is the, that is the publicly
27 distributed draft at this point.

28 CHAIR HOWDEN: Ok.

1 MR. FREEDMAN: That's the last one that's out, just
2 for clarity.

3 CHAIR HOWDEN: Ok.

4 MEMBER ROBINSON: And you're saying page 92?

5 CHAIR HOWDEN: Yes.

6 MEMBER ROBINSON: And you're talking about language
7 that is in...

8 CHAIR HOWDEN: Talking about source credits in, in
9 dollars not in capacity. The second major
10 paragraph, "the source and trans, transmission
11 components of the current fees are not sufficient
12 to pay for commen, commensurate new source and
13 transmission improvements." And then Carl suggests
14 here that "source credit should be denominated in
15 dollars towards the cost of system development fees
16 at the time the source credits are redeemed, rather
17 than in terms of capacity or meter equivalents,"
18 that would make it, which I think is actually a
19 very good suggestion. And then something that I
20 believe that Ed and Jeff as well have emphasized in
21 the middle of page 92, "From the perspective of
22 potential source developers as well as for the
23 interest of the County there need, there is a need
24 for clear policies and standards regarding water
25 source contracts." Again, I think that's very
26 germane.

27 MS. KRAFTSOW: And again I missed, what page?

28 CHAIR HOWDEN: Ninety-two.

1 MEMBER ROBINSON: We're still on 92.

2 MS. KRAFTSOW: Again 92. Ok.

3 CHAIR HOWDEN: Yeah, 92 is a very rich page. And
4 then on 93 the second paragraph, "The Department of
5 Water Supply needs to have a clear method to
6 determine whether there are sufficient water
7 resources and sufficient infrastructure to supply
8 new water demands," which is something we seem not
9 to do. Maybe Eric would like to comment on that.
10 Ok. You're welcome to comment on it. We don't
11 have to agree with each other. Ok.

12 MS. KRAFTSOW: I can comment on the comment before
13 this past one.

14 CHAIR HOWDEN: Of course.

15 MS. KRAFTSOW: Which is that there is actually a
16 well siting policy in draft ordinance, that have
17 been drafted in my division now for more than a
18 year.

19 CHAIR HOWDEN: Uh huh.

20 MS. KRAFTSOW: Which I had held up bringing to you
21 for a couple of reasons. One is that it's a good
22 policy but we were hoping to possibly address some
23 other issues at the same time, and it may or may
24 not be possible in the timeframe to get both of
25 those issues tied into one policy and ordinance but
26 the policy as drafted is based purely on water
27 quality and there are some other issues that we

1 wanted to address as well. So, it's a great
2 recommendation and we wholeheartedly agree with it.

3 CHAIR HOWDEN: Good. Do you see, do you see any
4 potential in somehow the Department accessing
5 wastewater? I mean, wastewater is under Public
6 Works isn't it? The wastewater treatment plants?

7 MR. FREEDMAN: Right.

8 CHAIR HOWDEN: Yeah, but it's still, it's still
9 water, it's still water that used for irrigation
10 and stuff like that. We seem to be turning a blind
11 eye to that in some ways. I mean so much water
12 goes back into injection wells.

13 MR. FREEDMAN: But one of our strategies was
14 looking at, well we looked at both the Central Maui
15 Wastewater Treatment Plant and the Kihei Wastewater
16 Treatment Plant and using the water, effluent from
17 those plants. Both of those plants already have
18 treatment of water, Central Maui to R-2 standards
19 and Kihei to R-1 standards. Of course R-1 is the
20 highest standard, where you can take the water and
21 distribute it on landscape irrigation. So, that
22 was one of our strategies, was to look at using
23 that water. The most economic was Kihei because
24 first it's R-1 so it didn't require any further
25 plant upgrades for distribution. And secondly,
26 there's a lot of concentrated water use so the cost
27 of the water transmission to a place where a lot of
28 that water could be used was lower than looking at

1 Kahului for example, where first you'd have to
2 upgrade from R-2 to R-1, that's, the R-2 water
3 could be used out in the cane fields..

4 CHAIR HOWDEN: Uh huh.

5 MR. FREEDMAN: And that's something that I know
6 Steve Parabolicoli, Department of Environmental
7 Management, would like to see. And that's
8 something that would be arranged between the
9 Department of Environmental Management and HC&S, if
10 that were to work. But the way that we looked at
11 it in the report was from the Department of Water
12 Supply's perspective. We looked at the options
13 that would actually displace potable use. So that
14 if you were to go ahead like and just put it on an
15 ag field that might be a good thing to do but it
16 wouldn't affect the Department of Water Supply's
17 plans in terms of how much potable water sources,
18 whereas in Kihei the idea was that you would take
19 the R-1 water and you would be distributing, I
20 think the scenario we estimate to be about 3
21 million gallons a day going south, down to the
22 Wailea area and we figured about half or a third of
23 that, under different scenarios, would be
24 displacing potable water..

25 CHAIR HOWDEN: Yes.

26 MR. FREEDMAN: And therefore would affect the
27 Department of Water Supply's stuff. So we kinda
28 did it, in one sense it was from the County

1 perspective, you know, what's good for the County,
2 but in terms of the economic analysis it was what's
3 good for the Water Department in the terms of how
4 would the use of that wastewater, treated
5 wastewater affect the planning of the, of the Water
6 Department. So I didn't if there was something
7 beyond that that you were looking for in terms of
8 using the wastewater.

9 CHAIR HOWDEN: I just wondered what the reluctance
10 might be on the part of the County to move forward
11 to capitalize on the use of the R-1 water.

12 MR. FREEDMAN: Right. I think the way I put the,
13 it in the recommendations was a, was a favorable
14 recommendation on the concept but we do need more
15 follow-up feasibility analysis than I gave it. For
16 example, I did an initial analysis of how much
17 potable water could be displaced by doing GIS
18 overlays on that area, in the south Kihei area, and
19 I came up with some estimates and I'm not sure,
20 what it really takes is some ground proofing,
21 somebody to go out and actually property by
22 property go through and make a more detailed
23 assessment. So before you spend the \$20 million,
24 is what the pipeline would cost, you need to go a
25 little further than what I have. The other angle
26 is that we need to look at the long-term capability
27 of the Kihei Wastewater Treatment Plant to maintain
28 its R-1 water service at its rated output and

1 that's something that the Department of
2 Environmental Management is now reviewing. They're
3 going through a review process of the plant. So
4 you don't want to hook up a line to a, to a
5 treatment plant that we don't have a verified
6 source for. So, the idea of, this is a very
7 popular idea in all the water advisory committees
8 we went. Everybody likes the idea of using water
9 efficiently. Everybody likes the idea of re-using
10 the wastewater. This all seems like a very good
11 thing to do. So what I did is the economic
12 analysis of how that might work. It needs to be
13 verified, some of the feasibility aspects of it.
14 And at some point we need to be able to, to look at
15 the cost. This is an item that would cost in the
16 range of about \$20 million for a limited amount of
17 water. It would definitely buy some time in terms
18 of water development and would meet some of our
19 objectives for sustainability and it's a very kind
20 of good project but the details need to be
21 verified. So, what's holding it back I guess is
22 some feasibility and then budget. The other issue
23 kinda ties in with, you had mentioned the Waiale
24 Water Treatment Plant.

25 CHAIR HOWDEN: Yes.

26 MR. FREEDMAN: Now, the Waiale Water Treatment
27 Plant is a project that is very far along in its
28 development. I mean it's a completely engineered

1 project. There's an environmental impact study
2 that has been, I guess a draft has been issued.
3 The, you have a property owner, I mean Alexander
4 and Baldwin, is a, you have a site, you got a
5 developer, you have financing, you got kind of
6 ducks are in a row except for one big duck. And
7 the one big duck is that there's no assurance of a
8 long-term water supply for that plant. That plant
9 would use water from the Na Wai Eha streams. And
10 as you know there're some proceedings before the
11 Water Commission about how much water has to stay
12 in the streams and then the second proceeding of
13 the water that comes out of the stream, the off-
14 stream uses, how much of that is allocated to
15 various sources. And this would be a new use. So,
16 until, I guess the way I put my recommendations,
17 I'm actually gonna change the wording of what I put
18 because what I put ended up being kind of
19 provocative, I think, to some parties. So, I'm
20 gonna word it, it's essentially the same
21 recommendation but word it a little differently.
22 But basically it's saying let's keep looking at
23 Waiale and to the extent we can, knowing that we
24 have this one duck that we don't know about. And
25 until we know about that which may be several
26 years, then we need to consider other options. And
27 if you look at those other options then certainly
28 the wastewater treatment plant would take care of

1 our water needs beyond 2012, which is where this
2 kind of says we need a new water, major water
3 source. Until Waiale would, would resolve itself
4 or until we can have other, we have some other
5 options then we go in maybe the northward expansion
6 or eastward expansion, kind of further on down the
7 line. So the wastewater treatment option is
8 finite. I mean it's a smaller amount of water than
9 some of these other ones. So it can play a role
10 but it doesn't answer the whole question of a water
11 supply so...

12 MS. KRAFTSOW: Can I just add one thing to your
13 comments...

14 MR. FREEDMAN: Sure.

15 MS. KRAFTSOW: About the re-claimed water. What
16 Carl meant when he said looking at over viewing a
17 long-term capacity of that plant, I don't know if
18 that, basically for them reducing a certain amount
19 of water, having the ability to produce a certain
20 amount of, or treat a certain amount wastewater is
21 one thing. But it's like way more expensive for
22 them; say they, say the demand were 10 million
23 gallons a day, to have a plant that can treat 10
24 million gallons a day is one thing but to have a
25 plant that can reliably treat 10 million gallons a
26 day to serve demand is a much more expensive thing
27 for them. Is that kind of a good basic way of
28 phrasing it?

1 MR. FREEDMAN: Yeah, they, but they designed the
2 Kihei Wastewater Treatment Plant to serve more
3 water than it's serving now. And the idea is the
4 plant's gonna be paid for as new development comes
5 on and hooks up to the water treatment plant. So,
6 they've got the plant, it's still not at full
7 capacity but it's also aging and they're producing
8 R-1 water which is the highest grade water and
9 they're injecting this water. So of course what
10 we're saying is instead of injecting this water,
11 let's use that water, that's good. But the
12 capacity of that plant to produce R-1 water is less
13 than the capacity of the plant to just produce
14 water that's not up to that high treatment level.
15 So, I guess what they need to review and determine
16 is based on their, the Department of Environmental
17 Management, their primary objective and goal with
18 that plant is to treat wastewater. It's not
19 necessarily to supply R-1 water. So, pending the
20 analysis, they have to figure out how R-1 water, if
21 they're gonna keep to R-1 water standards, can they
22 still have enough wastewater treatment plant over
23 the life of this aging facility. That's how I
24 understand..

25 MS. KRAFTSOW: That's a better explanation.

26 MR. FREEDMAN: The, the issue there. And of course
27 that's another issue, financial issue for (the)
28 Department of Environmental Management is that they

1 may have to make some kind of improvements in that
2 plant and I'm not, I'm not, I don't know the
3 specifics on that.

4 MS. KRAFTSOW: He did say something, R-1 a 100% of
5 the time.

6 CHAIR HOWDEN: Yeah, when we toured, last year when
7 I toured the Kahului Treatment Plant, Steve
8 indicated that the difference between the water,
9 the R-2 water that they produce and the R-1 in
10 Kihei was minimal. That it would just take a
11 little bit of tweaking to bring the Kahului
12 Treatment Plant up to R-1...

13 MR. FREEDMAN: Right.

14 CHAIR HOWDEN: Assuming that's up; I mean, if
15 you're using it for agriculture and I, and I, Steve
16 indicated that HC&S's reluctance to use that water
17 was that it was so strong in nitrates that it
18 encouraged vegetative growth rather than sugars
19 which is, you know you want vegetative growth the
20 first year and then the second year when you really
21 want your sugars then you don't want so much
22 nitrogen in your water. But certainly for first
23 year crops I think that would, in terms of sugar, I
24 think that would be a great thing and certainly
25 worthwhile to alleviate pressures on HC&S.

26 MEMBER HOXIE: One question.

27 CHAIR HOWDEN: John.

1 MEMBER HOXIE: But that, if they, if they took that
2 water that wouldn't displace any Department of
3 Water source water.

4 CHAIR HOWDEN: Mmm, but it, it, it might, it, you
5 know I mean, god, god knows where these things
6 actually go, but it might lessen pressure on HC&S
7 so that more water might be freed up coming out
8 East Maui or some, something, something like that.
9 I mean you know it's give and take.

10 MEMBER HOXIE: But your comment about the nitrate,
11 sugar is very sensitive to nitrogen so you don't
12 wanna have any nitrogen applied in the second year
13 of growth.

14 CHAIR HOWDEN: Uh huh. And Carl, let me ask you,
15 one of your suggestions which I really like, was
16 possibly putting a treatment plant near the Waihee
17 River because it'd be more energy efficient; you
18 wouldn't have the pumping costs associated with
19 Waiale, which the way energy costs are, it seems to
20 be self defeating if we wanna streamline our, our
21 budgetary common sense. Would you comment on that?

22 MR. FREEDMAN: Yeah, well, a lot of the analysis
23 that I did was I'd say, I mean we initially looked,
24 you're talking about looking at all the options and
25 so when you look at all the options you kind of
26 start off not worrying about a lot of feasibility
27 issues and you kinda say you know what makes sense.
28 And we got into some trouble with this because some

1 of the, all the options included going out to
2 Honopou and drilling wells out there and so the
3 Honopou community came out and was very vocal about
4 that issue. But kind of in that vein of looking at
5 all these different things, one of the things we
6 looked at was different locations for a water
7 treatment plant that would use the Na Wai Eha
8 water. Well, one obvious one is instead building
9 the water treatment down at the bottom, Waiale kind
10 of down at the bottom of the hill where the
11 reservoir is; go upstream and capture the water
12 before it runs through the urbanized area so you
13 can eliminate some potential water quality issues
14 and capture the water up above so after it's
15 treated then it can flow, you're not pumping water
16 uphill basically, it's kind of a flow issue. Kinda
17 like we do very economically on the Upcountry
18 systems with the water treatment plants, every
19 thing's on grade. So, you're pumping water against
20 filters but you're not pumping water uphill, right.
21 And so, so it's kind of an obvious thing to look at
22 and the analysis that I did said that yes, it is
23 more economical to put a water treatment plant
24 upstream. You do eliminate some water quality
25 issues. In the near, near term though, if you were
26 to look at the Waiale option and the Waihe'e option
27 you have feasibility differences. They both have
28 the one big duck missing, you know the, the issue

1 of is there available water. That issue's the same
2 for both locations. But the Waiale Water Treatment
3 Plant is something that is kinda fully spec'd out,
4 there are no, the feasibility issue's kinda been
5 answered except for that one big duck. If you go
6 up stream then you have another set of feasibility
7 issues up there and land ownership, right of way
8 and that kind of, so my recommendation in the
9 initial draft that you're looking at was to proceed
10 with feasibility, proceed to look at the
11 feasibility of putting a water treatment plant
12 upstream. The other thing, it depends on how you
13 want to bet on the Water Commission right now. The
14 Water Commission, the hearings officer's report in
15 the petition to amend the interim instream flow
16 standards for the Na Wai Eha streams has
17 recommended about 35 million gallons a day to be
18 left in the streams. And if the commission were to
19 adopt the hearings officer's report without change,
20 that's not a certain thing at all, right?

21 CHAIR HOWDEN: Of course.

22 MR. FREEDMAN: But, but if they were to adopt that
23 then you could not do either of those options
24 without a storage reservoir because you would not
25 have the base flow, enough base flow remaining for
26 off stream uses to run a 9 million gallon a day
27 water treatment plant with enough reliability to
28 serve potable needs. You'd need a reservoir. If

1 you need a reservoir then the Waiale Treatment
2 proposal is not necessarily on the table anymore.
3 You might want to look at some other sites, proceed
4 with looking at some other sites because it still
5 would be possible, ostensibly, to still, to use
6 treated water with, in conjunction with a reservoir
7 but that, that kinda throws up the issue again into
8 the air, you know, where's it's gonna be; you might
9 wanna take a fresh look at, at where it is. In
10 which case I think the upstream location is still
11 something you wanna look at. If it's not that it
12 might be further out in the middle of the island.
13 The energy issue is the fact that once you run the
14 water all the way down the hill, in order to pump
15 it to the system pressure, it's kinda like pumping
16 water up another 300 feet. So in order, you have
17 to pump the water up the hill to the tank level or
18 the tank pressure in order to inject it into the,
19 into the Central system. So that's like a 300 foot
20 lift for the life to the facility ends up being in
21 energy costs. Some of that could be ameliorated if
22 the water for Waiale Treatment Plant comes down
23 Hopoe chute, they drop it from the Waihe'e Ditch
24 system down to the bottom. If you put in an in-
25 line hydro facility in line there you could capture
26 maybe up to half the energy back. So you'd get
27 about half of it back with some costs for capital
28 equipment but not the whole, if you just use it on

1 grade then you kinda save that energy. That's
2 probably more of an answer than you wanted.

3 CHAIR HOWDEN: Oh no.

4 MEMBER ROBINSON: That was great.

5 CHAIR HOWDEN: That was wonderful. That was
6 wonderful.

7 MR. FREEDMAN: I, some of the, I'd like to just
8 briefly go through some of your comments. About
9 the eminent domain, I did put in the draft in
10 several places the discussion about using eminent
11 domain. As far as the, the, the actual strategies,
12 at least for the Central using eminent domain to
13 acquire the water, or the access to the water, I
14 treat as a different way to pay for the water, or
15 to acquire the water but it doesn't end up being
16 any different in terms of how that water actually
17 flows. You're not changing the flow of the water,
18 you're changing the ownership or the way you'd go
19 about accessing it. So one of the, and, and who
20 pays for it, addresses who pays for it, so that's
21 some discussion about that. But it's not a
22 separate strategy. I didn't put it as a separate
23 strategy using eminent domain because what it,
24 using eminent domain in this context would
25 essentially be identical to the Na Wai Eha surface
26 water treatment strategies in terms of the use of a
27 water treatment plant, reservoir if necessary, but
28 it would be a different way to acquire the water

1 basically. And so all I did was put a discussion
2 in. I did not make a separate strategy. The
3 micro-generation on the streams, I did not look at
4 rigorously but one of the recommendations is to
5 hire a full-time person on, for the Department to
6 address energy issues, both on the energy
7 efficiency side and energy production.

8 MEMBER ROBINSON: That's on page 94.

9 MR. FREEDMAN: And, yeah. And I've had some input
10 back from the Department, you know, why don't we
11 just hire a consultant or whatever, but whether
12 it's by consultant or full-time staff person, I
13 think that the Water Department is the largest
14 energy consumer on the island.

15 CHAIR HOWDEN: Amen.

16 MR. FREEDMAN: Their large, and...

17 MEMBER ROBINSON: By far.

18 MR. FREEDMAN: You're MECO's, and they're MECO's
19 largest customer...

20 MEMBER ROBINSON: Uh huh.

21 MR. FREEDMAN: Basically. And energy costs are the
22 largest expense of the Water Department.

23 MEMBER ROBINSON: That's right.

24 MR. FREEDMAN: So even if you were to just save a
25 little bit of money or produce some fraction it
26 would pay for the upfront work that has to get
27 down. Right now, people at the Water Department
28 are very busy. I kinda, it's just my

1 recommendation. If that's gonna move forward it's
2 gonna take somebody to carry the ball. I did not
3 look at all the different options. I think that
4 really they do need to be looked at kinda
5 systematically throughout the Department and that's
6 a whole, that's a whole job in itself. The
7 analysis that I have done is favorable. About the
8 micro-generation on the streams I did, I did not
9 look at that. The, for the Water Department that's
10 kind of "not on our property" kind of a thing. I
11 was looking at the micro-generation in the Water
12 Department's pipes but micro-generation in the
13 streams is something that could very well work.
14 And I think the other things I kinda touched on; I
15 won't comment where you agree because, well.

16 MEMBER ROBINSON: There's no way that the
17 Department could become a, a source of electricity
18 for the, for MECO, I mean you kinda say in here
19 working with MECO to do various things but...

20 MR. FREEDMAN: Well, well in the Upcountry plan,
21 actually it's not in this first round of the
22 Upcountry draft you're gonna get but I did a, a
23 whole analysis on wind generation for the Upcountry
24 system and that looks at a whole number of
25 scenarios of the institutional side, you know, if
26 you put up wind generators; I looked at different
27 numbers of generators, different sizes, and
28 different ways to incorporate them into the, into

1 the Water Department's system. So they could serve
2 just dedicated loads and I looked at the Kamole
3 Water Treatment Plant, which is one big
4 concentrated load. It's near, you know, a good
5 wind zone. On the Central system you don't really
6 have good wind generation. Upcountry you've got
7 all kinds of places where water's going up and down
8 hill and you've got wind, right?

9 MEMBER ROBINSON: Yeah.

10 MR. FREEDMAN: So kinda in the Upcountry district
11 is where I looked at that. So we looked at use in
12 plant of the energy, net energy metering, which is
13 like something you could do as a resident where you
14 actually run your meter backwards up to your
15 capacity and that would be up to 100 kilowatts of
16 generation.

17 MEMBER ROBINSON: Now is that gonna get replaced
18 though by the feed-in tariff, the net energy
19 metering?

20 MR. FREEDMAN: That's, that is actually a matter
21 before the Public Utilities Commission. I'm
22 involved in that docket separately from my contract
23 with the Water Department. But it looks like net
24 energy metering is gonna continue. I think we have
25 kind of an agreement by Hawaiian Electric Company,
26 that they're gonna continue that for at least
27 another 2 years, with a 2 year review of the feed-
28 in tariff.

1 MEMBER ROBINSON: Right, with a...

2 MR. FREEDMAN: I did look at the...

3 MEMBER ROBINSON: With a cap, right?

4 MR. FREEDMAN: With, well, we're talking about what
5 the caps might be. That's both a legislative
6 matter and a PUC matter.

7 MEMBER ROBINSON: Right.

8 MR. FREEDMAN: But we looked then at going on to
9 what you're calling a feed-in tariff, I looked at
10 wheeling, I looked at, at conducting where or, or
11 purchase power agreement where the Water Department
12 would sell power to Maui Electric. We looked at
13 wheeling where we could wheel the power to other
14 spots and we looked at dedicated conducting, we
15 could actually put our own electric conductors on
16 MECO's poles and run our own electricity up to our
17 booster pumps. So I looked at all these different
18 scenarios. Some of them to kinda push buttons, you
19 know get Maui Electric all excited. But, but
20 that's, that's a discussion in a separate, in a
21 separate draft.

22 MEMBER ROBINSON: Right, and it's more having to do
23 with Upcountry than Central.

24 MR. FREEDMAN: Yeah.

25 MEMBER ROBINSON: But you do mention a lot language
26 here about efficiency especially and that's good.

27 MR. FREEDMAN: Right. And, and I wanna say the
28 Water Department operations people are very aware

1 of energy efficiency (as) an issue and they're
2 taking initiatives to look at the efficiency of
3 their, the Water Department's being good about it
4 but I think that to move it to the next level you'd
5 need somebody to actually do some really creative
6 work with MECO. You know, the whole electrical
7 system is moving to kind of a new era with
8 renewable energy and one of the big things has to
9 do with shaping load with these intermittent
10 resources that come on like principally wind. The
11 Water Department has a very valuable asset and can
12 be a very valuable partner with the electric
13 company in terms of how it operates its system.
14 But you wanna make sure you don't sacrifice any
15 operability of the Water Department's system. But
16 in the, but you want the Water Department to be
17 able to get what its value is out of, out of any
18 partnering. So that's something where the electric
19 company is moving ahead quickly. It's gonna be
20 another, within a 2 year timeframe then there are
21 gonna be these options and proposals out there for
22 all customers and the Water Department is a
23 principle one of how to participate in what they
24 call the "smart grid", yeah, the electric version
25 of it is a smart grid.

26 MEMBER ROBINSON: Yeah, we have GE consultants
27 working on that right now with both Maui and Oahu...

28 MR. FREEDMAN: Ok.

1 MEMBER ROBINSON: In terms of fluctuation and
2 storage and all of the issues that have to do with
3 them and piloting and all that stuff. Yeah, it's
4 very, very important.

5 CHAIR HOWDEN: John, the HC&S hydro-electric plant
6 just below Kamole Weir, is that working well?

7 MEMBER HOXIE: Well, it works well when there's
8 water. But that's intermittent 'cause water is,
9 you don't want to drop all your water down and then
10 have nothing upstream for irrigation so.

11 CHAIR HOWDEN: But that's been a successful...

12 MEMBER HOXIE: Oh, yeah.

13 CHAIR HOWDEN: Project over the years.

14 MEMBER HOXIE: And you know, there's lots of hydro
15 plants throughout Hawaii and they all work well but
16 it depends on the source and how reliable it is and
17 whether it's out of a reservoir or out of a stream,
18 out of stream it's up and down.

19 MEMBER ROBINSON: And, and the, the issues around
20 environment are no longer because of a, there's a
21 whole new way that hydro-electric works. We don't
22 have to think about dams anymore. That somehow
23 it's done and in the pipe itself, is that my, or is
24 that way down the line?

25 MR. FREEDMAN: Well, there are different types of
26 hydro-electric plants. And there's what's in-line
27 hydro. And I just worked out a settlement with
28 Hawaiian Electric and the consumer advocate about

1 what definition of in-line hydro was. But in-line
2 hydro is something where you don't have to do a lot
3 of environmental work.

4 MEMBER ROBINSON: Right.

5 MR. FREEDMAN: And this is what would qualify for
6 the feed-in tariff you're talking about. And
7 basically the in-line hydro is hydro-electric
8 that's from an existing water system that is
9 associated with a pipe or a conduit. And so the,
10 the existing, you know if the HC&S Paia plant there
11 would be an in-line hydro because it's a pipe
12 system, it's existing and it doesn't require any
13 new diversions. Then you get to the, you get off
14 the in-line and then you're talking about anything
15 that has to do with the stream and then you're
16 you're into all kinds of, it's not a matter of new
17 technology, it's just a matter of once you deal
18 with a stream or with a water course then you have
19 a lot of environmental issues to deal with. Once
20 it's in a pipe it's kinda like, it, it doesn't
21 trigger a lot of environmental review.

22 CHAIR HOWDEN: Well, we certainly look forward to
23 your further mana'o in terms of energy resources
24 and stuff. It sounds really exciting to me. Any
25 other questions for Carl and Ellen? Ok.

26 MR. FREEDMAN: Could I, I just, John, is John still
27 here?

28 CHAIR HOWDEN: No, he just disappeared.

1 MR. FREEDMAN: He, he just disappeared. He, he
2 mentioned that he had a question of will the East
3 Maui Water Use and Development Plan include
4 sufficient master plan for water and wastewater?
5 And I don't know exactly what sufficient is but
6 we're not doing wastewater, just to clarify that.
7 The Water Use and Development Plan is not looking
8 at wastewater. So that's a very clear answer to
9 half of it. And the other part of it is I think
10 we've been very willing to be as inclusive as many
11 issues in the Water Use Development Plan as we come
12 into contact with the various communities. But
13 we're not doing a thorough master plan type of an
14 approach. We're not looking at pipe pressures and
15 the kind of detail, the hydraulic analysis that
16 might go for master planning a water system. So I
17 don't know how to answer that question in terms of
18 is it as sufficient because I don't really know
19 what level of analysis they want. But, but we are,
20 we've had one set of meetings out in East Maui and
21 primarily what we heard were issues about water
22 source, we heard issues about water service to
23 people who don't have water service now, we heard
24 issues about the diversions of the water away from
25 the streams in that area. But we didn't hear a lot
26 of issues at those meeting about the Department's
27 systems. People didn't have specific issues. They
28 were more, mostly big picture issues. So we'll see

1 as, as we go on. And I'm willing to take a lead
2 from the Water Department on the direction we go
3 at.

4 MR. KUSHI: Mr. Chair? Hear any issues about fire
5 protection?

6 MR. FREEDMAN: About?

7 MR. KUSHI: Fire Protection.

8 MR. FREEDMAN: I don't think anybody mentioned fire
9 protection at our, I, I'm not recalling.

10 MS. KRAFTSOW: We hear it a lot, not in so much in
11 the Water Use and Development Plan meetings but you
12 know, the whole bed and breakfast issue and
13 Planning Commission meetings and special, we get a
14 lot of feedback about that. But I don't remember
15 hearing at a WAC (water advisory committee)
16 meeting.

17 MR. FREEDMAN: We didn't at our East Maui meetings.

18 CHAIR HOWDEN: Thank you so much.

19 MR. FREEDMAN: All right, welcome.

20 MS KRAFTSOW: Thanks.

21 CHAIR HOWDEN: Ok. Receipt of board members for
22 request for agenda items to be place on future
23 agendas.

24 VICE CHAIR LUCK: I guess we have the subcommittee
25 issue.

26 MS. HAYASHIDA: Yeah, I have that.

27 CHAIR HOWDEN: Gaye has that.

1 VICE CHAIR LUCK: And I think that we should
2 prepare some sort of letter to John in response to
3 his official letter to us.

4 MEMBER HALLER: I agree.

5 CHAIR HOWDEN: Who?

6 VICE CHAIR LUCK: Well, it could require...

7 CHAIR HOWDEN: Thanks for volunteering, Scott.

8 (laughter)

9 VICE CHAIR LUCK: It could require further
10 discussion amongst ourselves to address each of
11 those issues, one by one. 'Cause we didn't
12 actually do that.

13 MEMBER HOXIE: Ok.

14 VICE CHAIR LUCK: Some of them were resolved and
15 some of them are open. So maybe it's...

16 MS. HAYASHIDA: At the next meeting?

17 VICE CHAIR LUCK: Yeah. So the subcommittee is
18 part of that but, so I dodged the bullet for a
19 month.

20 CHAIR HOWDEN: Ha ha, for now.

21 VICE CHAIR LUCK: For now.

22 CHAIR HOWDEN: Ok and Mr. Gerbig had asked that we
23 begin to consider a definition of agriculture so
24 I'd like to put that on. And I'd like with the
25 Board's consent, I'd like to be able to invite our
26 public health officer on Maui, Dr. Lorin Pang to
27 make a presentation on health issues concerning,
28 you know, related to water. He has some

1 fascinating things to say and I think that it would
2 be a value to the Board to listen to Dr. Pang,
3 assuming he's available. Is that ok?

4 MEMBER ROBINSON: There's a consultant, Robin Knox...

5 CHAIR HOWDEN: Yes.

6 MEMBER ROBINSON: Who's also done a tremendous
7 amount of study on health issues in water. I don't
8 whether that is entirely what Dr. Pang puts his
9 attention on but it seems like she puts tremendous
10 amount of her attention on that. Has been really
11 vocal about it and has actually asked me whether
12 she could report to the Board of Water Supply.

13 MEMBER HOXIE: Who, who is she?

14 MEMBER ROBINSON: Robin Knox is an independent
15 consultant; she's been hired by the Department of
16 Health, she's had many different hats that she's
17 worn and all of them are having to do with water
18 quality. So, I think she's currently under
19 contract with...

20 CHAIR HOWDEN: Yeah, she's very knowledgeable on
21 EPA compliance issues.

22 MEMBER ROBINSON: Yeah, so maybe we could have both
23 of them together.

24 CHAIR HOWDEN: Now, do we have an appeal coming
25 next month?

26 MS. HAYASHIDA: Yes.

27 CHAIR HOWDEN: We haven't negotiated out a
28 settlement on that?

1 MR. KUSHI: Is this Mr. Davis?

2 MS. HAYASHIDA: Yeah. It's currently in the hands
3 of our, the Department's attorney, Mimi Johnston.
4 So, she's looking over the, the Department's staff
5 report.

6 CHAIR HOWDEN: Ok.

7 MS. HAYASHIDA: And I guess, then she's gonna meet
8 with the Department to go over her strategy or
9 whatever.

10 MR. KUSHI: If I recall this, this person is on the
11 mainland..

12 MS. HAYASHIDA: Yes.

13 MR. KUSHI: So, he wanted a firm date..

14 MS. HAYASHIDA: Yes.

15 MR. KUSHI: So he can catch an airplane over here.

16 MS. HAYASHIDA: And I, and I did give it to him and
17 I have not heard back from Mr. Davis. He did say
18 he was looking at airfares and he was trying to
19 make arrangements with his family, I guess to stay
20 with them. But that was the last I heard. But it
21 is gonna be on June twenty..

22 MEMBER ROBINSON: Fifth.

23 MS. HAYASHIDA: Fifth, whether he shows up or not.

24 CHAIR HOWDEN: Ok, does, is he represented by
25 counsel?

26 MS. HAYASHIDA: I asked him and he said he hasn't
27 gotten one yet, he will look into it. So..

28 MR. KUSHI: But the Department will be represented?

1 MS. HAYASHIDA: The Department will be represented
2 by Corporation Counsel.

3 CHAIR HOWDEN: And I think that's another item that
4 we might wanna look at, perhaps not next month but
5 in terms of appeals, how much time it takes to
6 address appeals. Scott brought that up last year,
7 you know, having a committee that would really look
8 at that. My feeling might be to actually hire
9 someone, a hearings officer, someone such as Lee
10 Aldridge, who's really familiar with our
11 circumstances here. It just seem..

12 MS. HAYASHIDA: Oh, excuse me. The, the County
13 does have a list of hearings officers and they do
14 go out for, I wouldn't say bid, but it's kinda,
15 part of the procurement process. All, if, most, I
16 guess all of 'em that I've seen on the list are
17 either attorneys or retired judges. So they do
18 have legal background.

19 CHAIR HOWDEN: Yeah, I, I, I would propose that
20 legal background, I mean, familiarity with the
21 rules and regs of the..

22 MS. HAYASHIDA: Yeah, and so there is a list..

23 CHAIR HOWDEN: Water Department I think at this
24 primary, I mean you can have all kinds of expertise
25 and still make hideous judgments, so, I, I, I think
26 somehow we should try to add people like Lee to
27 that list.

- 1 MS. HAYASHIDA: They would have to submit their
2 names and a description of their services and it
3 goes to the Purchasing Division.
- 4 CHAIR HOWDEN: Purchasing Division?
- 5 MS. HAYASHIDA: Yeah, because it's part of the
6 procurement process.
- 7 CHAIR HOWDEN: Ok.
- 8 MS. HAYASHIDA: So yeah, and the Department would
9 have to send a notice, an advertisement for, it's
10 not bids but just to get on this list.
- 11 MEMBER HOXIE: Proposals.
- 12 MR. KUSHI: Yeah, you know what, I'm sure she's
13 right, but, but I'll check that anyway. See if
14 somebody, I know what you're talking about.
- 15 CHAIR HOWDEN: Yeah.
- 16 MR. KUSHI: Since he has the time and he's done it
17 before.
- 18 CHAIR HOWDEN: Yeah, I mean he's, I mean he seems
19 to me very well qualified.
- 20 MS. HAYASHIDA: But there's the, the other question
21 of compensation now, because..
- 22 MR. KUSHI: Yeah, yeah, yeah, let me, let me check
23 it out.
- 24 MS. HAYASHIDA: Ok.
- 25 VICE CHAIR LUCK: How many appeals do we have at
26 this time? Have any of 'em disappeared:
- 27 MS. HAYASHIDA: Six, I think.
- 28 VICE CHAIR LUCK: Ok.

1 CHAIR HOWDEN: How many?
2 MS. HAYASHIDA: Six.
3 CHAIR HOWDEN: Only 6?
4 VICE CHAIR LUCK: Yeah.
5 MS. HAYASHIDA: Kalama Hills has been postponed to
6 August; Mr. Davis is coming up in June; Pulehu
7 Farms is July; Jacintho, that's on but I haven't
8 really given him a date yet; and so Mr. Blietz and
9 then the latest one is Pauwela Farms Subdivision.
10 Not to be confused with Puleha Farms.
11 VICE CHAIR LUCK: Ok.
12 MS. HAYASHIDA: It's a different subdivision.
13 CHAIR HOWDEN: So and David Goode is what, Pulehu?
14 MS. HAYASHIDA: Pulehu Farms.
15 CHAIR HOWDEN: Ok.
16 MS. HAYASHIDA: And he's being moved up to July.
17 CHAIR HOWDEN: Yeah, we seem, we seem kinda slow in
18 addressing a lot this stuff so if we could
19 facilitate it by procuring a hearings officer
20 that'd be great. Ok. No communications?
21 Director's Report?
22 DEPUTY DIRECTOR YAMASHIGE: I guess it's in the
23 Division Reports.
24 CHAIR HOWDEN: Ok. Division Reports? This is your
25 chance. Ok. Fiscal year write-offs. Do we need
26 to address that?

- 1 MS. HAYASHIDA: I guess you just need to make a
2 motion to accept the recommendations of the Fiscal
3 Division to write off some uncollected debts.
- 4 MEMBER HOXIE: A question. Is this a normal
5 procedure?
- 6 MEMBER LESTER: Yes.
- 7 VICE CHAIR LUCK: Yeah.
- 8 CHAIR HOWDEN: Unfortunately, yes.
- 9 MS. HAYASHIDA: We go through this once a year.
10 Have you, did you notice that the write-offs have
11 increased?
- 12 CHAIR HOWDEN: So, any discussion?
- 13 MEMBER HOXIE: I have another question.
- 14 CHAIR HOWDEN: Yes.
- 15 MEMBER HOXIE: What happens if they re-apply again
16 for water?
- 17 CHAIR HOWDEN: Are they blacklisted?
- 18 MR. ANDRADE: If they re-apply they have to pay off
19 that first before they can get a meter.
- 20 CHAIR HOWDEN: Oh, great.
- 21 MEMBER ROBINSON: Aaah, that's good leverage.
- 22 MEMBER LESTER: Except they just re-apply in
23 somebody else's name, that's the problem.
- 24 VICE CHAIR LUCK: Yeah.
- 25 MR. ANDRADE: We, we keep tabs on that.
- 26 MEMBER HOXIE: So if they re-apply in somebody's
27 else name...
- 28 MEMBER LESTER: Name they get it.

- 1 MEMBER HOXIE: But the meter, you must have a...
- 2 MR. ANDRADE: Well, the meter, yeah, the meter is
3 assigned a number.
- 4 MEMBER LESTER: Oh.
- 5 MEMBER HOXIE: Yeah.
- 6 MEMBER LESTER: I noticed a lot of these people are
7 rentals, well, from Molokai anyway.
- 8 MR. ANDRADE: Yeah, yeah, yeah.
- 9 MEMBER HOXIE: So if you're renting and you walk
10 away from your bill and then somebody else comes to
11 that rental...
- 12 MR. ANDRADE: Well, no, the, the procedure now is
13 if the renter walks away, the land..
- 14 MEMBER LESTER: The landlord..
- 15 MR. ANDRADE: The owner is responsible for the
16 bill.
- 17 MEMBER LESTER: Is responsible.
- 18 MEMBER ROBINSON: Poor landlords.
- 19 CHAIR HOWDEN: Sounds like fun. Ok. Might we have
20 a motion?
- 21 VICE CHAIR LUCK: I move to approve the fiscal 2009
22 write-offs.
- 23 CHAIR HOWDEN: Second?
- 24 MEMBERS HOXIE AND LESTER: Second.
- 25 MS. HAYASHIDA: Second by Mr. Hoxie?
- 26 CHAIR HOWDEN: Multiple seconds, yeah.
- 27 MEMBER HOXIE: Kui.
- 28 CHAIR HOWDEN: Ok, those in favor?

1 (a chorus of ayes)

2 CHAIR HOWDEN: Ok, unanimously passed.

3 VICE CHAIR LUCK: Before we adjourn, could I ask
4 Mr. Kushi a question?

5 MR. KUSHI: Yep.

6 VICE CHAIR LUCK: I should've done it before but,
7 can you tell me when an environment impact
8 statement is required by law?

9 MEMBER ROBINSON: And is it any different than an
10 environmental assessment?

11 VICE CHAIR LUCK: Yeah.

12 MR. KUSHI: Right. Ok. This is out of my league
13 but from what I know of it's Chapter 3.43 of the
14 Hawaii Revised Statutes. There's certain triggers
15 where an EA, I, ok, when they say EA it's an
16 environmental assessment. An EIS is environmental
17 impact statement. Whether you do one or both, the
18 highest grade is the EIS.

19 VICE CHAIR LUCK: Ok.

20 MR. KUSHI: But there's certain triggers when
21 somebody needs to do it. And when I say somebody
22 it's either the applicant posing to do a project or
23 the government. For the government, is that the
24 trigger basically means any use of county's or
25 state's property or funds...

26 VICE CHAIR LUCK: Ok.

27 MR. KUSHI: Within that project; whether it's by
28 the government or a department or an applicant

1 proposing to use government funds. So, that's the
2 general trigger. So, initially, if, if the
3 applicant, be it the agency or a private entity,
4 thinks that it's not so big a deal, they would do
5 an environmental assessment.

6 VICE CHAIR LUCK: Ok.

7 MR. KUSHI: Then they would submit it to an
8 approving agency for review. Now the approving
9 agency has been ligitated to; what is the approving
10 agency? Is it the department that's gonna review
11 and in the, in the, in the end bottom line approve
12 the project. Or is it like a planning commission?
13 Or a state land use commission. The courts have
14 said the approving agency should be the very first
15 agency to review the project. So again, you have
16 the applicant, you have the approving agency then
17 you have this document calling an environmental
18 assessment. And, and these various procedures as
19 to what is included in an EA. Now they submit the
20 EA to like say the Water Department as the
21 approving agency. You can either say, "Ok, no,
22 this project is too major. We will require that
23 you do an EIS, environmental impact statement."
24 Now that is like a, is like a minor league to major
25 league.

26 VICE CHAIR LUCK: Ok.

27 MR. KUSHI: It involves a whole new process, set of
28 processes.

1 MEMBER ROBINSON: And there are guidelines for
2 what, what that needs to be, yeah?

3 MR. KUSHI: Right, right, right, right. Again,
4 however if the environmental assessment is
5 satisfactory to the approving agency they may say,
6 "Ok, we will issue a Findings of No Significant
7 Impact," called a FONSI. That means the project
8 can proceed. However, all of these decisions by
9 the, and the statement themselves are published in
10 this monthly newsletter by the OEQC, Office of
11 Environmental Quality Control, state department.
12 And, they, they publish it and they say "ok, FONSI,
13 statement was issued here, you can find it at the
14 public library. The department review adhere,
15 issued a FONSI here, anybody affected or has
16 standings or will have standing in court can then
17 appeal the decision of the Water Department." They
18 say, "No, department you're wrong. This project
19 needs an EIS." And then they can go to court or
20 the department can just say, "Yes, ok, I reverse
21 mine, the previous findings," ok. This goes on
22 everyday, basically all the time.

23 VICE CHAIR LUCK: Ok.

24 MR. KUSHI: Right now, for instance a fresh case,
25 the Waiale Treatment Plant, correct me if I'm
26 wrong. The Department is, will be deemed the
27 approving agency. They'll be issuing a FONSI or
28 what?

1 DEPUTY DIRECTOR YAMASHIGE: Not yet.

2 MR. KUSHI: Not yet, ok. So the environmental
3 impact statement, right; in this case A&B chose to
4 do an EIS. It's still under their review. What
5 they're gonna do, I'm not sure but the, the clock
6 is ticking.

7 VICE CHAIR LUCK: Ok. So generally speaking at the
8 minimum for a new waterline or well development an
9 EA would be legally required?

10 MR. KUSHI: Ok, there's a lot of exemptions...

11 VICE CHAIR LUCK: Ok.

12 MR. KUSHI: And exceptions to the law.

13 VICE CHAIR LUCK: Alright.

14 MR. KUSHI: Each, each government department has
15 the right to submit a list of exemptions or
16 exclusions from this EIS process, EA process;
17 general maintenance, general clean-up, general
18 repairs, ok; things to maintain an existing
19 facility, waterlines. For every waterline we don't
20 do an EA. 'Cause it's part of the system. If we
21 go out to a new area, we may have to do one. And
22 so, as Blumer-Buell said, we may have to do it.
23 It's not part of an integrated system. Parks
24 maintenance, we're using government funds on
25 government property but we don't do an EA to go and
26 fix the kitchen. So that kind of, everyday
27 maintenance.

1 MEMBER ROBINSON: Is there an average amount of
2 time that either one of these take, is there some
3 kind of average?

4 MR. KUSHI: Hmmm. I know there's time, time
5 limitations and, and guidelines for once the EA is
6 submitted. And that agency has X number of days to
7 either say ok or not ok, proceed to the next step.
8 Then once that decision is issued, then it's
9 subject to an appeal and the appeal itself they
10 have to file within a certain time.

11 VICE CHAIR LUCK: So if...

12 MR. KUSHI: In a nutshell, in a real short
13 nutshell, that's my knowledge of...

14 VICE CHAIR LUCK: Ok, no that's very helpful, thank
15 you. So...

16 MEMBER ROBINSON: Very helpful, yeah. Thank you.

17 VICE CHAIR LUCK: The one question I guess I have
18 is that in the grey area cases the department
19 decides, "We really don't think we need an EA or
20 EIS. We're just gonna proceed." The Hana
21 community says, "Oh, wait a minute. You have to
22 have this." What's their recourse? They, they go
23 to court?

24 MR. KUSHI: They, I mean, the Hana people could go
25 to court.

26 VICE CHAIR LUCK: Ok.

27 MR. KUSHI: But then we'd have to get 'em to come
28 to our department to make the...

1 VICE CHAIR LUCK: Right.

2 MR. KUSHI: Make sure that we have just cause to
3 not do it.

4 VICE CHAIR LUCK: Right, ok.

5 MR. KUSHI: Again, my, my understanding of, my
6 experience with the OEQC is that if in doubt
7 they'll say go and ahead and you know, you should,
8 they recommend that you do it.

9 VICE CHAIR LUCK: Ok.

10 MR. KUSHI: They can't tell you to do it.

11 VICE CHAIR LUCK: Right.

12 MR. KUSHI: But they can, they'll recommend. And
13 their recommendation will probably convince the
14 court.

15 VICE CHAIR LUCK: Ok, thank you very much.

16 CHAIR HOWDEN: John.

17 MEMBER HOXIE: We talked about the Health
18 Department...

19 CHAIR HOWDEN: Yes.

20 MEMBER HOXIE: We had 2 names. We should do one or
21 the other.

22 MEMBER ROBINSON: Not, not, not both? Ok.

23 MEMBER HOXIE: In my opinion.

24 MEMBER ROBINSON: Well...

25 MEMBER HOXIE: So you can check and decide.

26 CHAIR HOWDEN: Yeah, I think it would kinda be
27 dependent on the appeal. If it's gonna be a

1 lengthy appeal, we obviously can only go for one
2 person.

3 MS. HAYASHIDA: I think if I'm not mistaken I
4 already have stuff on the June agenda. I have to
5 go back and check, but...

6 CHAIR HOWDEN: Ok.

7 MS. HAYASHIDA: Other than the appeal I think
8 there's other stuff on there...

9 CHAIR HOWDEN: Ok.

10 MS. HAYASHIDA: So, and also it would be dependent
11 upon the people scheduled like Dr. Pang.

12 MEMBER ROBINSON: We'll just do Dr. Pang. That's
13 fine.

14 MS. HAYASHIDA: But, yeah.

15 CHAIR HOWDEN: But we, we can bring Robin in...

16 MEMBER ROBINSON: At another time.

17 CHAIR HOWDEN: Later, later point, yeah. Ok. Good
18 point, John. Nothing else?

19 DEPUTY DIRECTOR YAMASHIGE: Excuse me, Mr. Chair.

20 MR. SCOTT: Hi, could I just ask a question? My
21 name is Nigel Scott. I live in Lahaina. I'm just
22 wondering with the write-offs, are you talking
23 about people that haven't paid their bills, for
24 regular consumers? And what sort of, and if that's
25 an annual thing, what sort of amounts, dollar value
26 when you do that?

27 MR. ANDRADE: Well, for this year it's like about
28 14,000 out of...

1 MEMBER LESTER: Total.

2 MR. ANDRADE: Total receivables of over \$3 million.

3 MR. SCOTT: Fourteen thousand dollars?

4 MR. ANDRADE: Fourteen.

5 MR. SCOTT: Right. Thank you.

6 CHAIR HOWDEN: Yeah, every year we look to see if
7 we know anyone.

8 (laughter)

9 CHAIR HOWDEN: Eh, they get money.

10 MR. SCOTT: I was wondering if the homeowner is
11 responsible, if the renters just pack up and leave.

12 MEMBER LESTER: Yes, they are.

13 MEMBER ROBINSON: Yes, that's what he said, yeah.

14 MR. SCOTT: Thank you.

15 DEPUTY DIRECTOR YAMASHIGE: Couple things, Mr.
16 Chair.

17 CHAIR HOWDEN: Oh, please, please.

18 DEPUTY DIRECTOR YAMASHIGE: Gaye, I think this Rob
19 Hoonan for the Grand Wailea is already on your
20 agenda?

21 MS. HAYASHIDA: Yes, I'm sorry, yes. Oh yeah, the
22 Director would like someone from the Grand, Rob
23 Hoonan from the Grand Wailea, to give a
24 presentation on their, what they're doing in water
25 conservation. Director Eng was very excited about
26 their, basically what they're doing in the savings.

27 DEPUTY DIRECTOR YAMASHIGE: They're reduced their
28 water consumption by about 54%.

1 MEMBER ROBINSON: Using ET, yeah?

2 DEPUTY DIRECTOR YAMASHIGE: I guess multiple
3 things, certainly.

4 CHAIR HOWDEN: You talking about the
5 extraterrestrial?

6 MEMBER ROBINSON: Yeah, of course.
7 (laughter)

8 MS. HAYASHIDA: Yeah, so I think if we can get Mr.
9 Hoonan, that'll probably be on the June agenda.

10 CHAIR HOWDEN: Ok.

11 MEMBER ROBINSON: Great.

12 CHAIR HOWDEN: So, we'll go back forth on the
13 agenda. And this, Eric?

14 DEPUTY DIRECTOR YAMASHIGE: What, Gaye distributed,
15 this little sketch I think Jeff put together about
16 2 years ago...

17 MEMBER ROBINSON: Yeah.

18 DEPUTY DIRECTOR YAMASHIGE: And it helps to explain
19 what the upcountry report you get and what these
20 numbers mean. I, I can go over it or if it makes
21 sense then I don't have to explain where the
22 numbers come from. But basically if you look at
23 it, all of the numbers come right off this report,
24 this report. This report or the sketch is
25 reporting on May 27th, 2009 figures. Which is
26 really one day behind, it's, it's based on the 26th
27 actual consumptions. So you can see all of the
28 numbers are right off the report, except the one

1 between Lower Kula and Kula Kai. I've shown that
2 2.2 million gallons is going out this way, to that
3 system. And then the numbers that make up that
4 2.2. It's really 2.3 coming out of Piiholo plus .4
5 that's being pumped up through Phase 10 and then
6 minus .5, is actually going back to the Piiholo raw
7 water reservoir. And you'll notice that the
8 recirculation is half a million gallons at the
9 Phase 10, pumping is .4. That has to be a rounding
10 thing, 'cause we're certainly not going push water,
11 more water into the reservoir than what's being
12 pumped up. So in a real brief nutshell, unless you
13 have any questions that's what this report means.

14 VICE CHAIR LUCK: I have a question but it's not
15 directly related to this. I just remember when I
16 did the tour with Paul Seitz, the, I, pretty sure
17 is that Kamole Water Treatment Plant, where he had
18 mentioned that they had a lot of power generation
19 going on there, they occasionally did actually
20 already sell power back to MECO. Does that sound
21 correct or not?

22 DEPUTY DIRECTOR YAMASHIGE: No.

23 VICE CHAIR LUCK: Ok.

24 DEPUTY DIRECTOR YAMASHIGE: We, we do have power
25 generation. We have a very large diesel generator
26 up there. We have an agreement with Maui Electric
27 to reduce our cost of electricity there. So we go
28 off the grid..

1 VICE CHAIR LUCK: Oh, ok, ok.

2 DEPUTY DIRECTOR YAMASHIGE: During certain times
3 and that's when we...

4 VICE CHAIR LUCK: That's right.

5 DEPUTY DIRECTOR YAMASHIGE: Run the generator.

6 MEMBER ROBINSON: You should think about bio-fuels
7 for that generator.

8 DEPUTY DIRECTOR YAMASHIGE: Bio-fuels from what I
9 recall, you can't have it standing because it
10 separates and is corrosive. So, if you're gonna
11 use it you have to use it quite rapidly.

12 MEMBER ROBINSON: Mmmm. Talk, talk to Ed
13 Reinhardt. They started a whole new program around
14 this and they're starting to understand a lot
15 better about bio-fuels. He said they're thinking
16 about using themselves.

17 DEPUTY DIRECTOR YAMASHIGE: I, I know they are
18 using it when they start up Maalaea because the
19 emission are lower and once they get started
20 they're back to, but I'm certain Maui Electric has
21 a lot more diesel that they're running.

22 VICE CHAIR LUCK: Thank you for that.

23 CHAIR HOWDEN: Mr. Hoxie.

24 MEMBER HOXIE: I had a question. But what's the
25 capacity of Phase 10 pumping and Phase 6? Do you
26 know off-hand?

27 DEPUTY DIRECTOR YAMASHIGE: Yeah. Yeah, I can give
28 you a real rough idea.

1 MEMBER HOXIE: No, I'm just curious. I'll get that
2 later from you.

3 DEPUTY DIRECTOR YAMASHIGE: Ok. So, real
4 generally, the Upcountry system can go as high as
5 about 12 million gallons a day. If we have to
6 pump, say Olinda is down and there's not much water
7 in the reservoir and we have to shut it off. We
8 have to pump Phase 6. Keep in mind that the upper
9 system for Olinda and the lower system for Piiholo,
10 we're using different disinfection. So, we, we
11 will not pump Phase 6 unless we convert the upper
12 system to chlorine.

13 CHAIR HOWDEN: But don't, don't, Eric, don't just
14 that off? The transmission after Olinda so that
15 the chloramines aren't mixed with the, other
16 chemicals?

17 DEPUTY DIRECTOR YAMASHIGE: Yes. But if, if we're
18 start off Phase 6 we do shut down the system here
19 and then we'll pump chlorine up to Omaopio then
20 across to the Upper Kula system. The, the capacity
21 of the Phase 10, I'll say is somewhere around 7
22 million gallons.

23 CHAIR HOWDEN: And Phase 6 would be?

24 DEPUTY DIRECTOR YAMASHIGE: Phase 6 we're only
25 trying meet the demand up there which is about 1.2
26 million gallons.

27 CHAIR HOWDEN: Ok, so that's...

1 DEPUTY DIRECTOR YAMASHIGE: But the capacity is
2 higher.

3 CHAIR HOWDEN: Ok.

4 DEPUTY DIRECTOR YAMASHIGE: Just, just like Phase
5 10. We don't pump seven. So I hope that helps.

6 CHAIR HOWDEN: That's great, yeah. Thank you.

7 MEMBER ROBINSON: Yeah, thank you.

8 MEMBER HOXIE: Now, I, comment, we had an excellent
9 training session last week. And was really, they
10 really did a good job.

11 CHAIR HOWDEN: Great.

12 MS. HAYASHIDA: And we will be holding another one
13 for the benefit of Patricia, but I think there are
14 a couple other board members that may want to
15 attend. But we haven't set a date yet for that.

16 CHAIR HOWDEN: Remedial board meetings.

17 (laughter)

18 CHAIR HOWDEN: Ok, ok. So, ok. Meeting adjourned.

19

20 (The meeting adjourned at 11:55 a.m.)

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Prepared and submitted by:

Gaye Hayashida
Commission Support Clerk

Approved on: _____