

**Department of Environmental Management  
Maui Wastewater Community Working Group Meeting IV  
Thursday, February 4, 2010  
Velma McWayne Santos Community Center**

**Meeting Notes  
FINAL - February 24, 2010**

**I. Welcome & Introductions**

Facilitator Leland Chang opens the meeting.

Cheryl Okuma thanks CWG members for their participation and introduces presenters Fred Pablo (Budget Director from the Mayor's Office), Kalbert Young (Finance Director), and Wendy Taomoto (CIP Coordinator from the Managing Director's Office)

Leland covers CWG process objectives and anticipated work products, as well as plans for the remaining meetings of the CWG.

Cheryl informs CWG members that the County is subject to a third legal proceeding and reminds the group that as a result, there may be issues that the Project Team cannot discuss.

**II. Agenda Review**

Leland reviews the agenda for the meeting.

**III. CWG III Meeting Summary**

Leland invites comments/corrections from CWG regarding the CWG Meeting III Summary. Receiving no comments, the CWG III Meeting Summary will be posted on the website as distributed.

**IV. Budget and Finance Presentations**

Fred Pablo, Kalbert Young, and Wendy Taomoto provide presentations (refer to Powerpoint handouts). Scott Rollins provides an overview of the WRD Fact Sheet (refer to handout).

Leland: CWG members can email any questions they have for the presenters and those questions will be responded to.

## V. CWG Small Group Discussion and Reports

The following is a summary of the report back by each of the four groups:

### Group 1

Q1: What are possible new sources of revenue?

- Homeowners and farmers convert a percentage of potable water use to recycled water (landscaping)
- Use some General Fund dollars
- Fee for homeowners on septic, cesspool systems, private injection wells (within 1 mile of the shoreline) (pay more than home on sewer system)
- DWS takes more active role in recycled water use, can offset cost of new water sources
- DWS can take over recycled water program
- Require all new structures to hook up to existing recycled water lines
- Cap water use – After that, pay as you use on an escalating scale
- Tax on bottled water

Q2: What are possible strategies for increasing revenues from existing sources?

- Raise sewer fees
- Increase re-use fees
- Raise assessment fees

Q3: How might barriers to increasing revenues be removed or mitigated?

- General Fund – Education for general public, let them know what the concerns are about sustainability, reefs, etc.
- Potable water conversion to recycled water – Change DOH rules; change public perception
- Fee for unsewered homes – Educate people about concerns and benefits; fee for mitigating environmental damage
- Require new structures to hook up – Acceptability of water quality, need to increase treatment (nitrates, salinity, etc), change DOH rules
- Cap water use – Educate public

### Group 2

Q1: Increasing revenue from existing sources:

- Increase fees on sewer, water re-use fees
- Reduce operating expenses through increased efficiency, operations and management of budgets
- Refinancing debt, reduce debt service
- Cost reduction
- Increase conservation on end user side and delivery side, reduce needed capacity of treatment systems

- Grant funding (Federal, State)

Q2: Increasing revenue from new sources:

- Grants
- Auctioning water rights for un-reclaimed water, limited duration
- Use revenue bonds, not being used currently
- Water re-use benefit tax for those not using recycled water
- Lottery, gambling
- Carryover savings to be used towards re-use
- Mini transaction fees on small transactions, people would feel less of a burn than assessment fees.

Q3: Overcoming barriers:

- Use unclaimed funds
- Explore new partnerships and expand existing partnerships, piloting new technologies (need to be proven?)
- Taxing higher income people
- Partnering with a non-profit (Water Trust) that can accept donations
- Require private entities to hook up, “Show me the Treatment” Make processes more efficient. County put in place holder to say that it will go for grants. Policy changes. Financing with revenue bonds.
- Show benefits to community, broaden public consensus through outreach, explain policies, incentives
- Tax increases in small incremental amounts to gain more acceptance; tiered system
- Reduce State barriers, work more closely with them

### Group 3

Q1: Possible increased revenue from existing sources:

- Moderate increase to volume users (commercial) – separate irrigation meter
- Use more SRFL
- Increase general obligation bonds
- Use other types of bonds not currently used

Q2: Possible increased revenue from new sources:

- Lobby congress
- ARRA / Stimulus Funds
- Special assessments
- Reducing expenses
- Smaller reclamation systems; reduce volume of water being pumped

Q3: Overcoming barriers:

- Costs of distribution for re-use
- Public opposition to increased rates – “circuit breaker”

- Lack of value for clean water – educate the public about reefs, gray water for landscaping, etc.
- Lack of a clear mandate on treatment or re-use

#### Group 4

Q1: Increased revenue from existing sources:

- Expanding reuse market, revenues
- Private investment in reuse infrastructure
- Moderate rate increase for larger users

Q2: Increased revenue from new sources:

- Stimulus money
- Environmental funding
- Privatize the system
- Change policy on enterprise funding; use General Funds for CIP
- Educate public

Q3: Overcoming barriers:

- Fair allocation - State Revolving Fund (SRF)
- Educate community - value of shared goals

## **VI. Next Steps**

## **VII. Comments from the Public**

Hannah Bernard: Hawaii Wildlife Fund, DIRE Coalition. Wants to have notes from last time clarified. Disappointed that CWG is not doing a plan. Don't need a year just for recommendations. Could have creative financing people here. California and Arizona are examples of places that changed their water systems in three years or less. Brought documents including DIRE Coalition testimony with 10 examples of 4 states where systems have been changed in three years or less.

Robin Knox: Brought materials for people to read on County injection wells, DLNR coral reef decline. Can these materials be emailed to everyone to save paper? Reuse is optional, but complying with federal Clean Water Act regulations is not.

Netra Halperin: Can materials be sent to project team to send out to members?

Gregg: At each meeting there is a table available where the public or CWG members can place resource materials.

Jeff Schwartz: Discovered a 1995 Brown & Caldwell study. Wants all CWG members to have a copy. DIRE Coalition press release. Invited all CWG members to join their efforts to create a supplemental process to the CWG.

Cheryl: The Department is seeing the DIRE Coalition press release for the first time. This separate effort by DIRE Coalition is not part of the CWG process.

John Sebard: Born here, lives on the West side. CWG is doing a good job, but disappointed in the process. Water Department is digging in their heels here. Don't know why we're even talking about the plan process (CIP). Am frustrated. Goal is simple, stop polluting. It's expensive, we know that. This is not optional. The notion that we're not going to treat all of the water is ridiculous. Injection wells have to stop, but it doesn't mean that you can pollute some other way. You can have eliminating injection wells as a goal; doesn't mean that you're going to meet it. In Orange County, they're drinking recycled water. Should have had public comment before the small group broke out so they could get Hannah's materials/comments. County is slowing down the process and a lot of people are angry about it. There is no information about when or where the CWG meetings are.

Cheryl: There is a press release prior to each meeting indicating date, time and location. In addition the website contains this same information.

**VIII. Adjourn at 4:50 p.m.**