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M I N U T E S
INFRASTRUCTURE MANAGEMENT COMMITTEE
COUNCIL OF THE COUNTY OF MAUI
WAILUKU, MAUI, HAWAII
JUNE 14, 2010

APPROVED:



Committee Chair

ORIGINAL

Transcribed by:
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1 CONVENE: 9:01 a.m.

2 PRESENT: VOTING MEMBERS:

3 Councilmember Bill Kauakea Medeiros,
4 Chair
5 Councilmember Joseph Pontanilla,
6 Vice-Chair
7 Councilmember Gladys C. Baisa
8 Councilmember Sol P. Kaho`ohalahala
9 Councilmember Danny A. Mateo (In 9:05
10 a.m.)
11 Councilmember Michael J. Molina (In 9:03
12 a.m.)
13 Councilmember Michael P. Victorino

14 NON-VOTING MEMBERS:

15 Councilmember Wayne K. Nishiki (In 9:02
16 a.m.)

17 STAFF: Michael J. Geers, Legislative Analyst
18 Camille Sakamoto, Committee Secretary

19 Morris Haole, Executive Assistant to
20 Councilmember Bill Kauakea Medeiros

21 ADMIN: Milton M. Arakawa, Director, Department of
22 Public Works (Item No. 40)
23 Gregg Kresge, Deputy Director, Department of
24 Environmental Management (Item No. 8)
25 David Taylor, Chief, Wastewater Reclamation
26 Division, Department of Environmental
27 Management (Item No. 8)
28 David A. Galazin, Deputy Corporation
29 Counsel, Department of the Corporation
30 Counsel

31 Seated in the gallery:

32 Roy Silva, Executive Assistant, Office of
33 the Mayor (Item No. 40)
34 Ellen Kraftsow, Planning Program Manager,
35 Water Resources and Planning Division,
36 Department of Water Supply (Item No.
37 8)

38 OTHERS: Item 40: Jimmy Muschiette
39 Four (4) additional unidentified
40 attendees

41 Item 8: Two (2) unidentified attendees

1 PRESS: Akaku: Maui Community Television, Inc.
2 -----
3 CHAIR MEDEIROS: ...(gavel)... Aloha and good
4 morning, everyone. I am Councilmember Bill Medeiros, I
5 am the Committee Chair for the Infrastructure Management
6 Committee. We do have quorum present, so I'll call this
7 meeting to order. And today is June 14th, 2010, and
8 it's approximately three minutes after 9:00 a.m. that
9 we're starting. Thank you, Members, for being here
10 early Monday morning, after the weekend. Hopefully, you
11 all had a restful weekend, which sometimes I doubt
12 because we have a lotta activities we even have to
13 attend or want to attend on weekends.
14 So I'd like to introduce at this time the
15 Members present. First of all, starting from my left,
16 I'll introduce Committee Member Gladys Baisa. Good
17 morning.
18 COUNCILMEMBER BAISA: Good morning, Chair. I
19 hope I get some rest today. Restful weekend?
20 CHAIR MEDEIROS: Yeah. And next we have
21 Member Kaho`ohalahala.
22 COUNCILMEMBER KAHO`OHALAHALA: Aloha. Good
23 morning, Chair.
24 CHAIR MEDEIROS: Aloha and good morning.
25 Another Committee Member is our -- Member Pontanilla.

1 VICE-CHAIR PONTANILLA: Good morning.

2 CHAIR MEDEIROS: Good morning. And, also,

3 Member Victorino.

4 COUNCILMEMBER VICTORINO: Good morning, Chair.

5 Aloha.

6 CHAIR MEDEIROS: Aloha, good morning.

7 Non-Committee [sic] Member joining us today is Mr. Wayne

8 Nishiki.

9 COUNCILMEMBER NISHIKI: Morning.

10 CHAIR MEDEIROS: Thank you for being here.

11 And we have Council Vice Chair, Committee Member

12 Mr. Molina.

13 COUNCILMEMBER MOLINA: Good morning,

14 Mr. Chairman.

15 CHAIR MEDEIROS: Good morning. Excused at

16 this time is Committee Member and Council Chair Mateo.

17 We'd like to -- I'd like to also introduce the

18 Administration. Joining us this morning from the

19 Department of Corporation Counsel, we have Deputy

20 Corporation Counsel Mr. David Galazin. David, good

21 morning.

22 MR. GALAZIN: Good morning.

23 CHAIR MEDEIROS: From the Administration, we

24 have, from the Department of Public Works, the Director,

25 Mr. Milton Arakawa. Good morning, Milton.

1 MR. ARAKAWA: Morning.

2 CHAIR MEDEIROS: Okay. And Director Arakawa
3 is here for IM-40. Joining us later for the other item
4 will be the Director of Environmental Management, or a
5 representative, which will be for IM-8.

6 Members, for your information, we also have on
7 call the Budget Director or representative for IM-8.
8 And we also have on call the Director of Water Supply or
9 a representative for IM-8, also. I'd like to recognize
10 Council Chair and Member, Mr. Mateo, to the proceedings.

11 COUNCILMEMBER MATEO: Thank you. Good
12 morning.

13 CHAIR MEDEIROS: Good morning. And on my
14 left, I'd like to introduce our Committee Secretary,
15 Ms. Camille Sakamoto, to my far left; and, to my near
16 left, our Legislative Analyst, Mr. Mike Geers.

17 Members, if you look at your agenda, we have
18 two items for this morning's meeting. We have IM-40,
19 which is the Downhill Bicycle Tours Study, and we also
20 have IM-8, the New Non-Potable R-1 Water Transmission
21 Line, Kihei Wastewater Treatment Facility.

22 Before we go any further, Members, I'd like to
23 ask everybody to turn off their cell phones or any other
24 devices that may go on during the meeting so that we
25 would minimize the disruption to the meeting. The Chair

1 will be accepting public testimony at this time. And
2 before we do that, I wanna say, anybody interested in
3 testifying, please go to the table in the lobby at the
4 door to sign up for testimony. And let me ask our
5 Committee Secretary if we have anyone signed up so far?

6 MS. SAKAMOTO: No, Mr. Chair.

7 CHAIR MEDEIROS: Thank you. So we do not have
8 anyone signed up at this time. And I'd like to give any
9 opportunity to people that are in the gallery that have
10 not signed up, but that would like to testify, this is
11 your opportunity to come forward, and you can sign up
12 after you have testified. Anyone in the gallery wanting
13 to testify? Okay. Seeing none, Members, without
14 objection, the Chair will close public testimony at this
15 time.

16 COUNCIL MEMBERS: No objections.

17 CHAIR MEDEIROS: Thank you, Members. So
18 ordered.

19 ITEM NO. 40: DOWNHILL BICYCLE TOURS STUDY (C.C. No.
20 10-93)

21 CHAIR MEDEIROS: So for this morning, Members,
22 on the first item, IM-40, relating to the Downhill
23 Bicycle Tours Study, the Committee is in receipt of
24 County Communication No. 10-93 from Councilmember Gladys
25 C. Baisa, relating to a downhill bicycle studies tour --

1 bicycle tour study being conducted by Kimura
2 International, Incorporated. And so, with that, I'd
3 like to ask the Director of Public Works, Director
4 Arakawa, to provide an overview of this item. Director?

5 MR. ARAKAWA: Thank you, Mr. Chair. As you
6 note, this item pertains to an April 27, 2010 letter
7 from Councilmember Gladys Baisa, pertaining to downhill
8 bicycle tour, Kimura bike study. And as the letter
9 notes, the study has not yet been finalized. Our
10 consultants on the matter, Kimura International, Inc.,
11 have been working on finalizing the study and we expect
12 that the study should be completed before the end of
13 July 2010. And when that completed version is received,
14 it is our intent to then transmit the study to the
15 Council for review, discussion, and, hopefully,
16 implementation. So that -- that concludes my comments
17 on the matter.

18 CHAIR MEDEIROS: Mahalo, Director Arakawa. So
19 at this time, Members, the Chair will open the floor for
20 discussion. I'd like to first recognize the initiator
21 of this County Communication and this item. Member
22 Baisa?

23 COUNCILMEMBER BAISA: Thank you very much,
24 Chair, for the opportunity. And thank you for putting
25 the item on the agenda on behalf of my constituents of

1 Upcountry who are very, very interested in the status of
2 this study.

3 Question for Mr. Arakawa: When was this study
4 contracted?

5 MR. ARAKAWA: I don't have the exact contract
6 date, but the funds for the study were appropriated by
7 the Council in Fiscal Year 2007. And if I may, the --
8 just to give you some historical background, when we
9 started the study, our intent was to try and include the
10 National Park Service --

11 COUNCILMEMBER BAISA: Uh-huh.

12 MR. ARAKAWA: -- as part of the -- the study,
13 because it made sense for us to include planning for
14 Federal roads as well as State and County roads.
15 However, the National Park Service imposed a stand-down,
16 temporary stand-down, in 2007. And they have a
17 moratorium on bike tours, which was -- which we thought
18 was gonna be temporary. We are not certain when that
19 moratorium would be -- will be lifted. So -- and the
20 moratorium still has not been lifted until this day. So
21 we have decided to go ahead and complete the study on
22 State and County lands. And so that study should be
23 done next month.

24 If there is a change that may be warranted on
25 Federal lands, it may involve a change to the Downhill

1 Bicycle Tours Study on State and County properties. But
2 we'll have to see what comes up on -- on Federal
3 properties.

4 COUNCILMEMBER BAISA: So it appears that from
5 (inaudible) -- appropriation in 2007, and we are now in
6 halfway of 2010, we're still working on this thing.

7 MR. ARAKAWA: That is correct.

8 COUNCILMEMBER BAISA: Well, I -- you know, the
9 reason why I wrote the letter to the Chair was I get a
10 lotta calls in my office and a lotta concern. You know,
11 the bike tours are a big issue Upcountry. They have a
12 big impact on traffic. And we've worked on solutions
13 with the bike people to try to fix things. But everyone
14 is very anxious because the meetings that preceded, I
15 guess, the consultants really getting into this were
16 held a long time ago, and we really had no feedback from
17 the Kimura people ever since then. And so everybody
18 wants to know, you know, what's the status, why -- why
19 is it taking them so long and what are they doing. And
20 every now and then, there is an incident. And I cannot
21 verify this, but I been contacted and told that there
22 have been deaths. And we don't know anything about
23 anything -- any of that. Nobody gets any information.
24 And that's why we're here today.

25 CHAIR MEDEIROS: Director, would you like to

1 make some comments to the Members?

2 MR. ARAKAWA: As I mentioned, we -- we are
3 working on finalizing the study. And we intend to bring
4 it to the Council as soon as we receive it from our
5 consultants. And then we can have a full discussion on
6 how to address this issue.

7 COUNCILMEMBER BAISA: Chair, if I might
8 request a very brief recess so we can read the testimony
9 we just received from Mr. Muschiette. It's very
10 important because he's been one of the prime movers in
11 this issue.

12 CHAIR MEDEIROS: Yes, Member Baisa. I -- I
13 just saw the correspondence submitted, you know,
14 distributed to all the Members. And it is important for
15 us to read that. So it may, you know, generate some
16 questions. So at this time, Members, without
17 objections, we'll take a -- maybe a five-minute recess
18 and reconvene. Let's make it at 9:20. Meeting in
19 recess. ...(gavel)...

20 RECESS: 9:14 a.m.

21 RECONVENE: 9:20 a.m.

22 CHAIR MEDEIROS: ...(gavel)... The meeting of
23 the Infrastructure Management Committee is reconvened.
24 At this time I'd like to offer Member Baisa a
25 continuation on the questions and discussion following

1 our short recess to review correspondence that was
2 offered this morning. Member Baisa?

3 COUNCILMEMBER BAISA: Yes, Chair. Thank you
4 very much. And I deeply regret that the -- this was not
5 able to be read, for everyone to understand what we have
6 before us, but maybe we can talk about it and see what
7 we can find out about it.

8 Mr. Arakawa, in this letter from
9 Mr. Muschiette, he mentions making requests to discuss
10 the study and the recommendations with Public Works and
11 asks -- saying that nobody has asked to see the plan
12 that the Upcountry Citizens for Bike and Traffic Safety
13 have come up with. Are you aware of this?

14 CHAIR MEDEIROS: Director?

15 MR. ARAKAWA: Councilmember Baisa, we -- we
16 had a fairly recent meeting with Mr. Muschiette. He did
17 request to see the Kimura study. And, basically, we
18 mentioned the same thing to him that we are mentioning
19 to the Council today, that the -- the -- the study is
20 not completed. We're working on completing it. And
21 once that is done, it'll be submitted to the Council so
22 that everyone can have a fair chance at providing
23 comments to the study. As far as a plan by
24 Mr. Muschiette, I am not aware of any plan per se. But
25 the Kimura study did involve several rounds of public

1 meetings as well as contacting individuals and groups
2 and organizations directly for their -- for their
3 comments.

4 And if this is a new proposal, we would ask
5 that it be given to the Council when the completed plan
6 is given to the Council. And then Council can decide
7 whether or not to amend the plan or in -- or -- or not.
8 So it'd be, basically, the Council decision because you
9 are the policy body for the -- the County.

10 COUNCILMEMBER BAISA: Thank you very much.
11 I'll say one more thing and then I'll be quiet. And
12 that is, those rounds of meetings, I don't know how many
13 rounds they had, but I attended the meeting Upcountry
14 where we sat and, you know, went over ideas and we got
15 in groups and gave recommendations. But I have to say
16 there has been no follow-up with me since then. And
17 that's not really very good in a study. You should come
18 back to the group and, you know, discuss what you found
19 out before you make your final study. But that's
20 neither here nor there because, obviously, it's gonna be
21 the way it is. Thank you, Chair.

22 CHAIR MEDEIROS: Thank you, Member Baisa. I'd
23 like to recognize Member Molina, also, of the Upcountry
24 area.

25 COUNCILMEMBER MOLINA: Yeah. Thank you very

1 much, Mr. Medeiros. The question's for the Director.
2 Let me first start off by saying, I'm not gonna be as
3 nice as my colleague from Upcountry Maui, Mr. --
4 Mr. Chair.

5 Mr. Director, this has been an ongoing problem
6 in this District. And, you know, this is shocking when
7 I read here that there have been five more deaths since,
8 I guess, the Council took some action with regards to
9 appropriating the monies for the study. And I'm glad
10 you mentioned that it was Fiscal Year 2007 the Council
11 released the money. So that's July 1st, 2006, am I not
12 correct? So that's, what, we're -- we're going on four
13 years for a study? 250,000 taxpayer dollars. Does this
14 Administration even care what the hell is going on in
15 Upcountry Maui? This is a darn shame. Can I ask you,
16 Mr. Arakawa, was the consultant given a timetable to
17 finish this study? I mean, does it take three or four
18 years to get a study done? And where is the consultant
19 today? Is he in the audience, Mr. Chairman? Was the
20 consultant invited? I'm -- I'm sure the Department
21 would have notified the consultant to be on standby.
22 Are -- are they here today, Mr. -- Mr. Chair?

23 CHAIR MEDEIROS: I am not aware if they're
24 here today. And I don't know if -- Director, do you
25 have any knowledge if the consultant has a

1 representative here?

2 MR. ARAKAWA: No. The consultant is not here.

3 CHAIR MEDEIROS: Not here.

4 COUNCILMEMBER MOLINA: Well, that's -- that's
5 frustrating in itself. I mean, you know, when they
6 first started, Mr. -- Mr. Chair and Mr. Director, they
7 seemed to be very welcoming, they were getting a lotta
8 input, I guess it was in 2006-2007. And all of a
9 sudden, we stopped hearing anything from these guys.
10 And I have people in my District -- you know, Makawao is
11 affected by these bike tour studies. And they're
12 wondering what's going on, you know. Does -- and,
13 again, I'm just wondering -- and it's ironic, the Mayor
14 is from this District, she's from Kula. And she lived
15 in Pukalani. And I don't know. Mr. -- Mr. Director,
16 has the Mayor taken any active role in this? And who is
17 the -- aside from yourself, who from the Mayor's Office,
18 if not herself, had been working on this?

19 CHAIR MEDEIROS: Director?

20 MR. ARAKAWA: Councilmember Molina, the Mayor
21 is aware of the study. And like I mentioned, we had
22 hoped to come up with a comprehensive plan that would
23 include the National Park Service properties at
24 Haleakala; however, there has been a moratorium and we
25 are uncertain as to the timing as to when that

1 moratorium would be lifted. So that's been the cause of
2 the delay. We apologize for that. However, like I
3 said, we will -- we just forged ahead. And we're gonna
4 do the plan for, basically, State and County properties.

5 COUNCILMEMBER MOLINA: But the bike tours are
6 still continuing to operate. So -- so now where are
7 they starting the bike tours now? If not the National
8 Park, where are they -- what's their route now?

9 MR. ARAKAWA: My understanding is they -- they
10 are banned from the National Park, so they start their
11 tours outside of the National Park boundary.

12 COUNCILMEMBER MOLINA: So the -- the bottom
13 line is they still go through Kula and then down through
14 Makawao and Paia. So, again, we're -- there's, you
15 know, no study, at the very least. I'm sure the
16 industry would like to get some word of this study as
17 well to be fair to them. And to be waiting this long is
18 terrible, terrible, terrible, terrible, you know. And,
19 you know, we -- we -- we did our part here on the
20 Council to give the -- put our trust in this
21 Administration. And I guess this was a -- it started
22 from the prior Administration, and now it's continued on
23 into this Administration. And to just tell us that, you
24 know, we're -- we're waiting for them to give the -- to
25 release the studies in July, I mean, what -- what

1 guarantee is that? It -- it would've been nice,
2 Mr. Director, if the consultant was here. I mean, if
3 this consultant team or organization truly cared about
4 the -- the health and welfare of the citizens of, you
5 know, the Upcountry area, I think they would've been
6 here. So --

7 One more last question. So the consultant's
8 not here. Have all the monies been expended at this
9 point, Mr. Director?

10 CHAIR MEDEIROS: Director?

11 MR. ARAKAWA: I don't have the exact
12 accounting for how much has been expended thus far, but
13 the bulk of it has been expended because most of the
14 study has been already done. We're just finalizing at
15 this point.

16 COUNCILMEMBER MOLINA: Yeah. Some of these
17 answers are just too broad for me, Mr. Chairman, at this
18 time. I mean, my -- people in my District would like
19 more specifics about this. And we're not getting it
20 from the Department or this Administration. And it's
21 incumbent upon us to get the answers to these people
22 because we certainly don't wanna hear about any more
23 accidents. And we need more info. And -- and it -- it
24 just gives the appearance that -- that this
25 Administration is just foot-dragging on this issue.

1 And I don't blame people like Mr. Muschiette
2 for being frustrated. And -- and as you read from his
3 testimony. And -- and it's not only Mr. Muschiette,
4 Mr. Chair. You hear it on the street in my area. And
5 when is this gonna be addressed? There are -- various
6 associations are -- are -- are questioning what is the
7 Administration doing about this, when is this study
8 going to be released, and why all the -- I don't wanna
9 say the appearance of secrecy, but let's just get it out
10 there and get it done. I mean, if we have to light a
11 fire under this Administration to get it done, well,
12 we'll do whatever, you know. Of course, as you know,
13 we've been under criticism from this Administration for
14 other things. Well, here's a little bit back to the
15 Administration, you know. Take a more active role, you
16 know, and show us you care about the -- the -- the
17 health and welfare of the citizens of Upcountry Maui.

18 Thank you, Mr. Chair.

19 CHAIR MEDEIROS: Mahalo, Mr. Molina. Members,
20 I'll go down the line from left. Mr. Kaho`ohalahala?

21 COUNCILMEMBER KAHO`OHALAHALA: Yeah, thank
22 you, Chair. Director, I guess the real simple question
23 is, what the status of the contract itself?

24 CHAIR MEDEIROS: Director?

25 MR. ARAKAWA: The contract is active. It's an

1 active contract.

2 COUNCILMEMBER KAHO`OHALAHALA: So it's been
3 encumbered? All of the --

4 MR. ARAKAWA: Yes.

5 COUNCILMEMBER KAHO`OHALAHALA: -- funds have
6 been encumbered? Is -- is there a -- a set timeline for
7 the contract?

8 MR. ARAKAWA: I'll have to go back and check
9 as far as the -- the contract terms. And we can get
10 back to the Council in writing on that.

11 COUNCILMEMBER KAHO`OHALAHALA: Okay. So right
12 off the top, you don't know what that --

13 MR. ARAKAWA: I don't know --

14 COUNCILMEMBER KAHO`OHALAHALA: -- terms are?

15 MR. ARAKAWA: -- what the timeline is.

16 COUNCILMEMBER KAHO`OHALAHALA: Okay, Chair. I
17 mean, I -- I guess the contract itself would tell us a
18 lot about what's required and what's been expended,
19 what's been encumbered. And then it would give us some
20 timeframe, I'm sure. If the Director doesn't know
21 currently what that status is, then it doesn't help us
22 for this discussion. Thank you.

23 CHAIR MEDEIROS: Thank you,
24 Mr. Kaho`ohalahala. Council Chair Mateo?

25 COUNCILMEMBER MATEO: Chairman, thank you.

1 Chairman, would your Staff know? Would they have had
2 the opportunity of taking a look at the existing
3 contract?

4 CHAIR MEDEIROS: Let me check. Staff? We --
5 did we have an opportunity to review that contract?

6 MR. GEERS: No, Chair. I haven't seen the
7 contract.

8 COUNCILMEMBER MATEO: Okay.

9 CHAIR MEDEIROS: Okay. And I'm assuming that
10 contract would be with the Department of Finance?

11 COUNCILMEMBER KAHO`OHALAHALA: Yeah. I would
12 assume so.

13 CHAIR MEDEIROS: So maybe we can request a
14 copy?

15 UNIDENTIFIED SPEAKER: Okay.

16 CHAIR MEDEIROS: So that the Members can get a
17 copy of that contract.

18 COUNCILMEMBER MATEO: Thank you. Director
19 Arakawa, what was the -- the actual scope of the
20 contract that was authorized?

21 MR. ARAKAWA: Well, the -- basically --
22 basically, it's to come up with a solution to bicycle
23 tour. It's -- it's a bicycle tour study. There was a
24 State law passed in -- I believe it's 2007, which,
25 basically, allowed the County to do a bike tour study on

1 State roads. And that's why this study includes State
2 roads, including the portions on Crater Road and
3 Haleakala Highway, which are State properties.

4 COUNCILMEMBER MATEO: And Kimura
5 International, the only obstacle they met was when
6 National Parks put a moratorium on the bikers?

7 MR. ARAKAWA: That's -- that's been the
8 primary cause of the delay, 'cause they had wanted to do
9 a comprehensive plan, including the -- the -- the roads
10 within the National Park. But we are uncertain as to
11 when that moratorium will be lifted. So we just decided
12 to complete the study. Because the Council is correct,
13 the -- the community is waiting for the results of it.
14 So we are trying to finalize it and get it up to the
15 Council for --

16 COUNCILMEMBER MATEO: And -- and --

17 MR. ARAKAWA: -- decision.

18 COUNCILMEMBER MATEO: -- finally, Mr. --
19 Mr. Director, Kimura International, is -- is this -- is
20 this an on-island consultant firm or is this an
21 off-island?

22 MR. ARAKAWA: No. It's a Honolulu-based
23 consulting firm. They are the same firm that did the
24 State bike plan for the State of Hawaii several years
25 ago.

1 COUNCILMEMBER MATEO: Okay. Thank you. Thank
2 you, Mr. Chairman.

3 CHAIR MEDEIROS: Mahalo, Council Chair Mateo.
4 I'm gonna go down the line. Mr. Nishiki?

5 COUNCILMEMBER NISHIKI: Yeah. Thank you.

6 This meeting is quite a frustrating one. And,
7 you know, I think Mr. Molina has stated his frustration
8 as far as even getting simple answers, such as why
9 wasn't Kimura brought before this Committee today, after
10 all, they're doing the study, number one. I think at
11 the next meeting, we should have them here.

12 Number two: Why the National Park is not
13 allowing these bike tours to occur? Has there been
14 deaths? And I'm asking this of this Committee, to go
15 and get this information. National Park Service should
16 be here, also. Why are they not allowing it? Obviously
17 -- not obviously. Perhaps there have been deaths there
18 that have occurred, and perhaps it appeared -- it has
19 happened on their property. And so what about the
20 ensuing liability? What is the reason why National Park
21 Service has not allowed them to come on? We should get
22 that answer.

23 Number three: If that has occurred,
24 Mr. Corporation Counsel -- and we need to check this --
25 is there liability now to the State and the County? And

1 that's the reason why our National Park Services is so
2 concerned.

3 Finally, Mr. Chairman, maybe our County Code
4 needs to have more bite in it. I don't know what the
5 current ordinance reads in regards to the County bike
6 tours, but do we control, with these bike tours, the
7 amount of people that are on it? Do we say in our Code
8 that there should be people in the front and the back,
9 that they can proceed on certain roads or whatever? And
10 I think we need to look at this.

11 A quarter million dollars and three years, I
12 think, surely is justification for this Committee to
13 get, again, the Kimura people here. I think that's our
14 responsibility. So those are my concerns.

15 Finally, do we have a -- a -- the latest
16 reports of accidents here? And where have these deaths
17 taken -- taken place on these five deaths? Oh, this is
18 the -- the writer of the letter says, first, I --
19 first -- since I first introduced this issue, there have
20 been five more deaths. So, obviously, more than five
21 people have left their body. And -- and are -- is the
22 County being sued? Is it -- and -- and we should be
23 concerned about this, Mr. Chairman. So if we could get
24 that stat, also.

25 CHAIR MEDEIROS: Okay.

1 COUNCILMEMBER NISHIKI: And so those are
2 requests that I make of this Committee so that Council
3 Members, we have more information.

4 CHAIR MEDEIROS: And -- and our Staff has
5 noted that, Member Nishiki.

6 COUNCILMEMBER NISHIKI: Yeah. And -- and I --
7 and I think when you -- when you -- when you hear from
8 Committee Members Baisa and Molina, who live in this
9 area, you know, they, and as -- as many of us have
10 heard, it's been an ongoing situation. And, yet, three
11 years down the line and -- and there is nothing from
12 this Administration?

13 Is there a timetable, Milton, as to when this
14 study was supposed to have been completed in this
15 contract? And I -- I don't have it. Your staff has
16 said that they haven't read it, so -- and Danny has
17 asked that question. So maybe we can review it, unless
18 Milton knows. Is there a deadline? Has this been
19 extended?

20 CHAIR MEDEIROS: Director?

21 MR. ARAKAWA: Offhand, I -- I don't know the
22 answer to that question. And I can respond to the
23 Committee in writing.

24 COUNCILMEMBER NISHIKI: And -- and -- and here
25 lies the -- the frustration, I think. Out of 10

1 questions that have been asked, eight have brought us no
2 answers. Thank you.

3 CHAIR MEDEIROS: Thank you, Mr. Nishiki.
4 Member Pontanilla?

5 VICE-CHAIR PONTANILLA: Thank you, Chairman.
6 You know, it's been a while since we reviewed this
7 downhill bicycle tour issue.

8 COUNCILMEMBER BAISA: (Inaudible).

9 VICE-CHAIR PONTANILLA: And I know Mr. Kimura
10 company had come to this Council, probably two years
11 ago, to discuss their study. I -- I just wanna make
12 reference that Mr. Fred Rohlfing of Kula, you know, had
13 gone to the State and lobby the State in regards to
14 amending the law to have County do studies or have some
15 jurisdiction on the State highways. This was about two
16 -- three -- two to three years ago. I -- I don't know
17 how many projects Mr. Kimura has done for this County.
18 Probably only this one. I not too sure. And then maybe
19 if Mr. Arakawa knows, is this the first study for Kimura
20 International, Incorporated for the County of Maui?

21 CHAIR MEDEIROS: Director?

22 MR. ARAKAWA: Councilmember Pontanilla, I --
23 I'm not aware of Kimura International doing consulting
24 work for the Department of Public Works in the past. I
25 -- I don't know if they've done work for other County

1 departments.

2 VICE-CHAIR PONTANILLA: Thank you. So for the
3 Public Works Department, it is the first one. Yeah,
4 we -- we did have some legislation maybe two years ago,
5 three years ago, in regards to -- I -- I think it was
6 part of the -- the liability area for the County,
7 increasing the insurance liability that the downhill
8 bicycle tour companies need to comply with. And it was
9 pretty stiff. We were gonna make it stiffer, but, in
10 the end, it was reduced from -- I think it was five
11 million to probably three million dollars. But I'll
12 await until Mr. Kimura -- well, Kimura International,
13 Incorporated is complete with the study and, you know,
14 we'll provide this Committee with more information
15 sometime in July. But when we do have that meeting, we
16 need to have, you know, the parties that were mentioned
17 earlier here at the meeting in regards to getting more
18 information on this bicycle tour and the issues that we
19 have with them for Maui.

20 Thank you.

21 CHAIR MEDEIROS: Thank you, Member Pontanilla.
22 Member Victorino, you have any questions at this time?

23 COUNCILMEMBER VICTORINO: Well, thank you,
24 Chair. And I guess most of the questions have been
25 asked. And I tend to agree with my colleagues, you

1 know, that something is long overdue.

2 My question to Mr. Arakawa -- and it's more
3 along the lines, we had this meeting planned, do you not
4 believe we should've had more information available to
5 us from your side? I mean, you know this meeting's
6 coming up, these questions are not new questions,
7 they've been asked in the past many times. Right?
8 And -- and I just feel that, you know, no offense to
9 anybody -- well, let's -- let's be honest. If I offend
10 somebody, then that -- that's the way it is. But why
11 can't we have that information? 'Cause when I opened
12 the book -- and I had opened up on Friday -- and I saw
13 one page, so I assume, okay, when we come here, there's
14 gonna be other information laid out before us. Right,
15 Chair? It's happened. I come this morning, nothing
16 more than this one page which is the letter from Member
17 Baisa to the Administration. Actually, I take that
18 back, to Chair Mateo, requesting the information.

19 CHAIR MEDEIROS: Uh-huh.

20 COUNCILMEMBER VICTORINO: And that's it. And
21 so I find it very difficult that in this day of age of
22 information networks that we cannot get more as far as
23 what's happening, why it's taking this long. I mean,
24 your explanation doesn't stand very -- very tall in that
25 respect. And we've had the changes, like Mr. Pontanilla

1 mentioned. And we all received those changes. So the
2 State put it on our -- our lap because they didn't want
3 to do the work. So they said, go ahead, County, you do
4 the study. So we gonna take it on. So why aren't we?
5 Why -- why -- why can't we have more information in this
6 binder, Mr. Arakawa, from your -- your Department? And
7 as far as -- even if this was gonna be July 1st, like
8 you just stated to us, why not have a letter of
9 explanation, or at least something outlined, so that we
10 all knew before we walked -- walked in that this is what
11 was happening. I find it difficult to understand, you
12 know. And this has been a long-term, many years, many,
13 you know, more than one Administration. So I not gonna
14 just pick on one Administration. This has been going on
15 for years and years. But it doesn't only affect the
16 Upcountry people, it affects people like me, when I
17 drive up there and I see these tours and I don't see
18 anything being done. So, Mr. Arakawa, the simple
19 question is, why couldn't you have put more information?
20 Was there a reason that you felt that was -- this was
21 not important?

22 MR. ARAKAWA: Councilmember --

23 CHAIR MEDEIROS: Director?

24 MR. ARAKAWA: -- Victorino, as -- as I
25 mentioned, we -- we have no information to present at

1 this point because the plan is still a draft plan. They
2 are working -- the consultants are working to finalize
3 it. They're working to finalize it as soon as possible.
4 And once it's done, it'll be transmitted to the Council
5 and then we can fully discuss it. I realize the
6 frustration in not getting the information presently;
7 however, it's just not available. And like I said,
8 we're just working on getting it to you as soon as we
9 can.

10 Please be cognizant that this issue has been
11 in our community for the past -- more than two decades.
12 And there are many sides to this issue, many different
13 viewpoints. And the Kimura folks have done a -- a good
14 job in trying to incorporate all of those viewpoints.
15 And we just wanna be fair to everybody involved. Once
16 the -- once the study is done, it's going to be
17 submitted to this Council, and then we can get a full
18 and fair discussion of the facts.

19 COUNCILMEMBER VICTORINO: Chair, I -- I
20 appreciate Mr. Arakawa's response; however, if you look
21 at our -- in my Committee, I have brought draft plans
22 forward --

23 COUNCILMEMBER BAISA: Yes.

24 COUNCILMEMBER VICTORINO: -- for discussion
25 purposes, Chair, for review purposes. And I state that

1 very much up front. It's not completed. And I say that
2 up front, Chair. You are a member of that Committee,
3 and many of them are -- in this room are Members of that
4 Committee. So I find that not an acceptable answer.
5 Sorry, Mr. Arakawa. And if I offend you, then -- then
6 so be. But even if you had a draft, and you say this is
7 draft, we haven't finalized it, at least we understand
8 what's going on. So I -- I'm sorry, that's not a great
9 answer. In fact, that's not an acceptable answer.

10 Mr. Chair, I'll stop here before I get angry
11 and say the wrong thing. And I do apologize. Thank
12 you, Chair.

13 CHAIR MEDEIROS: Mahalo, Mr. Victorino. I'm
14 gonna go back to Member Baisa. Member Baisa?

15 COUNCILMEMBER BAISA: Yes, Chair. Thank you
16 very much. And, you know, this is a -- a sad kind of
17 discussion we're having here today. And I really think
18 that it would have been much more productive had we been
19 able to at least have a representative from Kimura's
20 with us, because all we're asking for is a -- is a
21 progress report. And I don't think that that is an
22 inappropriate request, for us to know. It's been a very
23 long time. How are you doing, how close are you. And I
24 totally agree with Member Victorino that, perhaps, a
25 draft of where they're going, which had been -- come

1 back to the community to discuss with us so we could
2 have input before it's finalized. You know, once it's
3 -- once it's finalized and they're paid, that's what it
4 is. Whereas a progress report could have been brought
5 back to the community to talk about, and then the
6 options and the solutions identified.

7 You know, this is -- we're all participating
8 like in the water development plans. And we've had
9 many, many meetings with the consultant, with the
10 groups, to discuss, this is what we're thinking about,
11 how do you feel about this, do you think this is an okay
12 solution. Therefore, when the plan is finalized, it
13 should be very easy to agree to it because we've had the
14 discussion along the way and we now have a document that
15 most of us can buy in to. As it is, we've had nothing.
16 There's this void of information. And there's concern
17 in the community 'cause it's a problem that everybody
18 sees every day. If -- you cannot drive up and down the
19 hill and not run into the bicycles, and wonder, gee,
20 what are they doing with that study. And I think that's
21 what's boiled it to this point.

22 So, for me, I would like to see us maybe defer
23 this action today, come back and have a copy of the
24 contract so we can look at the dates that were involved
25 and the requirements that are in it and kinda have

1 somebody come and give us an update. And that's all
2 we're asking for. The community wants to know what
3 they're getting for \$250,000. Thank you.

4 CHAIR MEDEIROS: Mahalo, Member Baisa. Member
5 Molina?

6 COUNCILMEMBER MOLINA: Thank you very much,
7 Mr. Chair. And -- and -- and my thoughts are along the
8 line of Member Baisa. Just a follow -- a follow-up, at
9 least some kind of progress report, because -- if I
10 could ask the Director. So the consultant is not
11 telling you anything as far as what's at least
12 preliminarily been found? And, I mean, they don't wanna
13 share this information with the County? I mean, is this
14 atypical of when we -- when our departments, for
15 example, Public Works, puts out a study from a
16 consultant, that they don't release any information to
17 the Department until everything is finalized? Because
18 from the taxpayers' standpoint, or at least when you
19 look at it from a more simplistic viewpoint, if I pay
20 for something, for somebody to do services for me, and
21 even though the services are not completed, I think I,
22 as the consumer, or the one that's paying the bill,
23 should deserve some type of progress report. Yeah. Is
24 this the case here, Mr. Arakawa?

25 CHAIR MEDEIROS: Director?

1 MR. ARAKAWA: No. The Kimura International
2 folks have been good as far as providing the County, as
3 well as the State DOT, with information on the study.
4 We -- and, perhaps, I've used the wrong words as far as
5 finalizing the study. Keep in mind that we've gone
6 through this whole planning process, involved a number
7 of groups in the planning process, but it still has to
8 go to the Council. And the Council, as a policymaking
9 body, has to decide whether or not to accept the study.
10 So in -- in that sense, it is -- once it gets to you, it
11 is still a proposed plan. And the Council can amend it
12 as they see fit, or not accept it as they see fit, but
13 it -- it's gonna be your decision. And we intend to
14 provide all of that information to you so you can make a
15 full and fair decision on the matter.

16 COUNCILMEMBER MOLINA: Okay. Well, that's, I
17 guess, part of the frustration here today, is that we --
18 we would have hoped that the consultant would have at
19 least given you some tidbits, if you will, of what
20 they've already found. And -- and at this point, it
21 doesn't seem that nothing was shared with -- with the
22 Department that you could've given us today. So, again,
23 we -- we -- we're the gatekeepers for the taxpayer
24 dollars. So when the public is aware that, you know, we
25 authorized 250,000 taxpayer dollars for a study back in

1 Fiscal Year 2007, or July 1st, 2006, we're going on
2 almost four years, and we've, at this point, received
3 nothing as far as information in return, it's quite
4 frustrating, especially for those affected by this whole
5 issue. So, you know, Mr. Director, please understand
6 why some of us here are very not too happy with what's
7 been reported thus far.

8 And, Mr. Chair, you know, for your next
9 meeting on this matter, when you do have it, if I could
10 put in a request for, I guess, copies, details of the
11 contract, how much money's been expended thus far, et
12 cetera, as well as, of course, the consultant and maybe
13 Police Department representatives, I think Mr. Nishiki
14 made an inquiry as far as that, with -- with regards to
15 any accidents since the monies were appropriated for
16 this study. So if your Committee would be, you know,
17 obliged to that request, Mr. Chair.

18 So, anyway, thank you for letting us blow some
19 steam here, but this is certainly a -- a matter that
20 needs to be addressed, you know. Otherwise, you know,
21 we're gonna get the calls again. And we're -- we're --
22 we're doing our part to stay on -- on top of this issue
23 now. I don't know -- I just find it unusual that the
24 consultant seems to be taking a, you know, very relaxed
25 attitude towards this. That's the way I see it, unless

1 they can come here and defend their actions. And we
2 don't see them here today.

3 UNIDENTIFIED SPEAKER: (Inaudible).

4 COUNCILMEMBER MOLINA: Thank you.

5 CHAIR MEDEIROS: Thank you, Mr. Molina. And
6 your requests have been so noted by our Staff. Member
7 Pontanilla?

8 VICE-CHAIR PONTANILLA: Thank you. Chairman,
9 is this the only thing that we got for IM-40? Haven't
10 we received like a draft when Mr. -- every time, I say
11 Mr. Kimura -- but Kimura International, when they first
12 made this presentation to the Council? And -- and --
13 and if they did, how come it's not part of this agenda
14 item?

15 CHAIR MEDEIROS: Okay. Let me ask Staff.
16 Staff, do we have anything that was part of the -- or
17 would have been made part of the binder for the Members?

18 MR. GEERS: No, Mr. Chair. All's we have is
19 this County Communication that was referenced.

20 VICE-CHAIR PONTANILLA: So nothing was passed
21 out during their presentation to this Committee?
22 Probably not everybody was here, but prior.

23 CHAIR MEDEIROS: When we took on this
24 Committee work this term that's what we had in the
25 binders. I'm not sure previous to that if there was

1 other information that may not have been passed on for
2 the binders, but we can certainly check on that.

3 VICE-CHAIR PONTANILLA: Thank you. Because I
4 -- I feel for Mr. Arakawa at -- at this time because
5 he's been bombarded by this Committee in regards to the
6 lax work that, you know, is being done in regards to the
7 downhill bicycle tour. Because I worked with
8 Mr. Arakawa when I was the Chairman of the Public Works
9 Committee. And we've had meetings with the community.

10 CHAIR MEDEIROS: Uh-huh.

11 VICE-CHAIR PONTANILLA: And we've had
12 presentation in this Chambers in regards to the very
13 thing that we talking about this morning. It -- it's
14 not that he's lax, but -- you know, yeah, maybe some
15 follow-up should have been done prior to this meeting,
16 but, again, I -- I -- I don't know what was discussed
17 prior to this meeting in trying to get all of the
18 parties involved this morning. And if -- if no
19 communications were sent out, then, you know, he
20 shouldn't be feeling the brunt of this thing. We had
21 all of -- all -- you know, we had chances in regards to
22 the contract. Because I file contracts every month.
23 And we paid this Kimura International, Inc. several
24 years ago. You know, it's not the full payment of the
25 contract, but partial payment that was made. And, you

1 know, once he's done with his proposal or study, then,
2 you know, we'll pay him the rest of the money. But,
3 again, I -- I -- I think we need to -- yeah, you know,
4 we -- we need the answers from Mr. Arakawa, but to
5 crucify this poor guy over here because he doesn't have
6 the answers, you know, it -- it -- it just -- well, for
7 me, it's not too respectsable -- respectable. Thank
8 you.

9 CHAIR MEDEIROS: Thank you, Member Pontanilla.
10 Let me say that this item was initiated for this
11 Committee by Member Baisa's communication. So even
12 though this item has been around as far as the -- the
13 topic of the -- this is a new communication for this
14 Committee, and that's why it's on the agenda, because
15 Member Baisa has expressed to me, the Chair, the
16 importance of getting it on the agenda for discussion.
17 So if there was another item that may have been under a
18 different communication, that may have been in another
19 Committee, I'm not certain of. But this is what we
20 received and this is what we initiated this meeting on.
21 So I appreciate the -- you know, the request that the
22 Members have made.

23 VICE-CHAIR PONTANILLA: Chairman, just my last
24 comment. Maybe you can have Staff review previous
25 agenda items in regards to downhill bicycle tours.

1 Because, if I can recall, you know, I -- I think there
2 was a draft plan that was presented by Kimura
3 International, Incorporated. Thank you.

4 CHAIR MEDEIROS: Yeah. And -- and this item
5 is agendized strictly for this study, yeah. And so
6 we're -- we're staying with that. And, Member Baisa,
7 did you have a follow-up?

8 COUNCILMEMBER BAISA: Yeah -- yes, Chair. I
9 think there's some confusion. And the confusion is
10 that, I'm trying to recall, when I first got on the
11 Council, we had several meetings on this issue, but we
12 were looking at it in a different context. We were
13 looking, if I remember correctly, about how much
14 insurance requirement we would have these downhill
15 bicycle operators require. And so we had a lot of them
16 come and talk to us, and we had quite a few meetings
17 about it, until we finally passed the legislation. And
18 I think that's -- might be what a lotta people remember.

19 CHAIR MEDEIROS: Uh-huh.

20 COUNCILMEMBER BAISA: But this Kimura study,
21 the reason why I initiated the letter was because I am
22 asked all the time -- in fact, I'll be attending another
23 meeting of Kula Community Association, it seems to be a
24 standing agenda item -- what is the status of the study.
25 And I thought it was important that we at least let

1 people know that, yes, we're aware that there's a study
2 and we'd like to know when it's coming. And now
3 everybody will know that it probably -- I think I heard
4 Mr. Arakawa say probably the end of July, we'll have a
5 report. And, hopefully, we can address it at that time.
6 But that was what kicked this off. But it was two
7 separate issues, the issues of the insurance and now
8 just the study itself.

9 Thank you.

10 CHAIR MEDEIROS: And -- and I -- I think
11 that's why there's a lack of any other correspondence --

12 COUNCILMEMBER BAISA: (Inaudible).

13 CHAIR MEDEIROS: -- in our binder --

14 COUNCILMEMBER BAISA: (Inaudible).

15 CHAIR MEDEIROS: -- because this is brand new
16 communication from you.

17 COUNCILMEMBER BAISA: Yes.

18 CHAIR MEDEIROS: So thank you for adding to
19 that.

20 Let -- let me ask the Director. I have a few
21 questions. And some of the questions are kinda tied in
22 with what other Members have asked about. Director,
23 when -- when -- when a contract is formulated to have a
24 study like this done, is it part of the contract to have
25 a completion date? Director?

1 MR. ARAKAWA: Generally, yes, there's a time
2 of performance.

3 CHAIR MEDEIROS: And so did this contract have
4 a time of performance?

5 MR. ARAKAWA: As I mentioned earlier, I -- I
6 can't recall what the time of performance is for this
7 contract.

8 CHAIR MEDEIROS: Okay.

9 MR. ARAKAWA: We'd have to --

10 CHAIR MEDEIROS: Is there --

11 MR. ARAKAWA: -- respond to that in writing.

12 CHAIR MEDEIROS: Okay. Is there a normal or
13 regular time of performance that are made part of the
14 contracts that we initiate?

15 MR. ARAKAWA: No. It -- it depends on the
16 scope of the contract itself.

17 CHAIR MEDEIROS: Okay. Is the time of
18 performance predicated on when you provide the scope of
19 work, and consultants are deciding if they wanna bid on
20 it? How does it affect them when there's no time of
21 performance? Does it just make it an open-end contract
22 to whenever it's completed?

23 MR. ARAKAWA: No. Usually, there is a time of
24 performance.

25 CHAIR MEDEIROS: Okay. And -- and --

1 MR. ARAKAWA: But --

2 CHAIR MEDEIROS: Oh.

3 MR. ARAKAWA: But it can be extended as well
4 for a good reason. I -- like I said, I don't know what
5 the case is in -- you know, for this particular
6 contract, but we can get back to the Committee in
7 writing on it.

8 CHAIR MEDEIROS: Okay. Yeah. We'd appreciate
9 that. And, you know, on -- on behalf of Member Baisa,
10 when she initiated this and we got through the Budget,
11 you know, I said I would put it on the agenda. And I
12 think by putting it on the agenda, we may have
13 accelerated, you know, trying to get this completed.
14 Because now we hear it should be completed by the end of
15 July, which is, you know, just about a month and-a-half
16 away. So, hopefully, by having it on the agenda, you
17 know, it initiated that kinda acceleration.

18 Director, how does the -- and -- and a Member
19 asked this, but I wasn't sure if it was a complete
20 answer for my question. How does the compensation
21 proceed with a contract like this? Is it paid in
22 increments? Is it paid in totality? Director?

23 MR. ARAKAWA: It -- it is generally paid in
24 increments.

25 CHAIR MEDEIROS: And -- and what -- what

1 triggers the different increments? A -- a certain
2 amount of performance on the study and -- and the -- and
3 meeting the contract requirements?

4 MR. ARAKAWA: That's correct. When the
5 consultant does certain portions of work, they bill us
6 for that portion of work.

7 CHAIR MEDEIROS: Okay. Thank you. So,
8 Members, we have any further questions? My -- my office
9 Staff got a hold of the contract and part of the study.
10 And so if you would like to read this before we end the
11 discussion on this item, I would say that, if we take a
12 mid-morning recess and give my Staff time to make copies
13 of it, it'll be available to you. Member Molina?

14 COUNCILMEMBER MOLINA: Yeah. Thank you,
15 Chair. Just before we go on our break, just one quick
16 question for the Department --

17 CHAIR MEDEIROS: Sure.

18 COUNCILMEMBER MOLINA: -- in terms of other
19 entities asking for information. We -- we see the
20 testimony from Mr. Muschiette, he represents one
21 organization. Have you also networked with -- or has
22 the consultant networked with folks like the Maui Bike
23 Alliance? I think that's Mr. Enomoto's group. And I
24 guess Mr. DeLeon is also involved with that. Have they
25 made inquiries about the study as well and, to your

1 knowledge, have -- has the consultant shared
2 information? 'Cause that seems to be the underlying
3 problem I see here, Mr. Chairman. There isn't --
4 there's -- since the consultant first started on the
5 study, they're out in the community -- and they were
6 great, and I commend them for that -- but since that
7 time, it's just been, dare I say it, almost silence.
8 It's like nobody knows what's going on since that time.
9 So you have these groups like Mr. Enomoto's group,
10 Mr. Muschiette, and they're wondering why can't we get
11 information or -- or what's been gathered thus far. So
12 I don't know if -- if Director can give his comments on
13 that.

14 CHAIR MEDEIROS: Director, you have any
15 response or comments?

16 MR. ARAKAWA: No. The consultant has -- as I
17 mentioned, had several rounds of community meetings.
18 And they've also touched base with a -- a number of
19 organizations and -- and groups, including the Bicycle
20 Alliance.

21 COUNCILMEMBER MOLINA: Uh-huh.

22 MR. ARAKAWA: So they were consulted. And
23 like I said earlier, we apologize for the delay, but,
24 you know, we had been waiting for this policy from the
25 National Park Service. And so, finally, we just said we

1 can't wait any longer and we're completing the study.
2 So it should be done end of July. And it -- it's not --
3 summer has been our target date for completion of the
4 study for quite some time now. And so we're -- we're
5 still on schedule, actually, to get it done by the end
6 of July.

7 COUNCILMEMBER MOLINA: All right. Well --

8 CHAIR MEDEIROS: Member Molina?

9 COUNCILMEMBER MOLINA: Well, I guess they --
10 they have made contact, but, since the initial round,
11 the word I'm getting is like there hasn't been any
12 contact from the consultant or networking. I guess the
13 groups are like us, they want updates on what's going
14 on. And they're frustrated, too. So, again, it's -- it
15 comes down simply to just communication from the
16 consultant and, you know, with the groups in with us.
17 So I'll -- I'll leave it at that. I -- I've -- I've
18 never been so frustrated over a study in my tenure on
19 this Council, Mr. Chair. Thank you.

20 CHAIR MEDEIROS: Thank you, Member Molina.
21 Members, let me say that when we agendized this item, it
22 was strictly for discussion and a update on this study.
23 There was no request to have any other entities, you
24 know, present here because my -- my feeling is that --
25 and not including the consultant, certainly the

1 consultant could have been here. But I think when we
2 talk about the National Parks, the Police, you know,
3 different organizations, with bicycle associations or
4 organizations, their attendance here would have been to
5 react to the study. But the study isn't completed. And
6 we're frustrated about that. So with all your requests
7 that have -- you -- you have expressed, we will make
8 those requests for the next meeting and to be sure that
9 -- that we have those people in attendance. We're
10 hoping that the study will be completed by the end of
11 July. And I certainly will schedule it immediately
12 after the completion of the study so we can continue
13 this discussion. And we can invite the people that you
14 have asked for to be at this -- the next meeting on this
15 item.

16 One more question, Director. Because the
17 Members have expressed their frustration with the
18 process and completion of the study, does Department of
19 Public Works have a log of all the contacts they've made
20 with the consultant in -- in requesting information for
21 updates and their progress to completing the study? Do
22 you have any phone logs, Email logs, or written
23 correspondence to the consultant? Director?

24 MR. ARAKAWA: I don't think we have any phone
25 logs of it, but Emails, of course, we can dig through

1 the Emails. I -- I'm not sure if that was the primary
2 form of communication. It may have been Emails or via
3 letters. But there have been a number of communications
4 between our staff and the consultants on this matter.

5 CHAIR MEDEIROS: Okay. I -- I -- I think
6 we're gonna make a request, via correspondence from our
7 Committee, with my signature, to produce that record so
8 we can know and understand the process and the
9 communications back and forth to the consultant about
10 moving the study along or receiving reports from the
11 consultant as to why the process -- I -- I can't say
12 delayed because you say it's on schedule, but why it
13 hasn't been completed yet in the number of years that it
14 has been in effect. So we'll -- we'll be making that
15 request through my Committee. Member Nishiki, do you
16 have a follow-up question?

17 COUNCILMEMBER NISHIKI: Not a follow-up
18 question, but, you know, the overriding concern has to
19 be why the Feds have stopped the tours. And I'm sure
20 it's because it was too cold up there, there was frost.
21 I'm sure that people needed to supply these people with
22 oxygen tanks. I'm sure that they were giving these
23 people cherry pie. And I'm sure that, perhaps, the view
24 was too beautiful. Those are all the reasons why the
25 National Park stopped 'em. But jokingly, cutting aside

1 and cutting to the chase, Mr. Chairman, I'm almost
2 positive it was because perhaps too many, perhaps,
3 accidents and, finally, because of deaths. Now, if that
4 is a question and the concern that the eight -- the nine
5 of us here have and -- and, again, further putting the
6 County taxpayers in a liability situation, upping the
7 insurance doesn't stop accidents. Opening up liability
8 because our roads or whatever is -- are too narrow to
9 handle this surely puts negligent [sic] on the County.
10 Merely saying \$5 million is enough, you and I know that
11 if the insurance doesn't cover everything, the County is
12 finally the deep pockets.

13 So, again, really interested in finding out
14 the reason why National Park Service stopped the tours
15 from going there. And I would pre -- ask that we have
16 this letter in writing. Thank you.

17 CHAIR MEDEIROS: Thank you, Member Nishiki.
18 And we -- we certainly will make those requests from the
19 Committee. Members, any further questions? Okay. And
20 it's been a discussion. And I see my Staff, you know,
21 has made copies. Now, it's up to you, Members, the
22 Committee, if you wanna review that or if you wanna
23 retain that to the next meeting that I schedule, do you
24 have comments on that? Member Kaho`ohalahala?

25 COUNCILMEMBER KAHO`OHALAHALA: Yeah. Chair, I

1 think, you know, to make efficient your -- your meeting
2 here, for us to -- to defer this item would be a waste
3 of time. I mean, I think that the Department is not
4 prepared, but we've already spent an hour trying to get
5 information. And if we have the documents and a
6 contract, at least it's a point to begin the discussion.
7 At least we can get a -- an update on -- by the contract
8 itself from the Department. And it would allow us to
9 move your item forward rather than putting it off for
10 one more meeting or a rescheduled meeting. So you have
11 only two items today. I'm not sure how much time you
12 want to allocate to the second item, but if we spent a
13 little more time looking at the contracts, perhaps we
14 could get some good answers before you decide on -- on
15 -- on today's meeting.

16 CHAIR MEDEIROS: Uh-huh. And realize I,
17 myself, haven't been able to review what's, you know,
18 been provided by Department of Finance.

19 COUNCILMEMBER VICTORINO: Chair?

20 COUNCILMEMBER KAHO`OHALAHALA: Yeah. You
21 know, chair, I just wanted to say that I think we came
22 to this meeting expecting that we would get some
23 information and update from the Department. And getting
24 no information is the frustration that we're all going.
25 I think the Department needs to be at least considerate.

1 And they understand the agenda items. You know, you
2 have contact with the Department. Even just looking at
3 the communications here, it would have led us to at
4 least understand that the Department would come forward
5 with some information concerning this item.

6 CHAIR MEDEIROS: Uh-huh.

7 COUNCILMEMBER KAHO`OHALAHALA: But having none
8 leads us to this next step. So I -- I'd like us to move
9 to the next step so we can -- we can continue to move
10 your item along. So --

11 CHAIR MEDEIROS: Member Victorino?

12 COUNCILMEMBER VICTORINO: Well, I -- I think I
13 would like to see, you know, if you would defer this
14 matter to our next meeting certain. And this way, we
15 could review all of that. Also, you know, all the
16 requests have been made, so I don't have to go over the
17 (inaudible). But the ultimate and the most important
18 one is to have Kimura and associates, whoever, you know,
19 their -- their representative be here to answer specific
20 questions. I think that's the bottom line. You know,
21 as far as the National Parks and all the other stuff,
22 that's great, you know, we need to know. I can tell you
23 exactly why. You know, we all know why, you know what I
24 mean. There's too many accidents up there, they stopped
25 it. And they -- and they're not going to resume it.

1 From all the indications from the National Park, they do
2 not wanna ever resume it. So -- but I'm not gonna be
3 asking -- answering questions as an expert, this is what
4 I've been told by people up there. But let's -- let's
5 defer this so we can work on the next one. And if you'd
6 make sure that this would be on our next meeting as an
7 agenda item, with all the information, anything else we
8 request, if that can be received by then -- that's
9 another issue.

10 CHAIR MEDEIROS: Uh-huh.

11 COUNCILMEMBER VICTORINO: 'Cause you and I
12 both know sometime we request information and it takes
13 longer than the next meeting to arrive.

14 CHAIR MEDEIROS: Right.

15 COUNCILMEMBER VICTORINO: But this is very
16 urgent in that respect. And no offense to no one. I
17 think everybody's frustrated because it's been a long
18 item, long and waiting. And I think the other side of
19 going -- I'm not mixed up in what -- what -- I know we
20 did the insurance thing, that was totally different, but
21 that was predicated on the fact that we needed a plan.
22 And the State turned it over to us, the Feds stopped
23 entirely, but they're still on the roads and people are
24 being hurt and killed. That's the bottom line.

25 CHAIR MEDEIROS: Uh-huh.

1 COUNCILMEMBER VICTORINO: And unless we have
2 some kind of plan, Mr. Chair, we're gonna continue
3 meeting back here and maybe, one day, be held liable.
4 So --

5 CHAIR MEDEIROS: Uh-huh.

6 COUNCILMEMBER VICTORINO: I would -- that'd be
7 my -- my -- my take to you, sir, is we need to do the
8 time on -- on the review. And today wouldn't give us
9 much time. And especially, we have another item that's
10 very important. So thank you, Mr. Chair.

11 CHAIR MEDEIROS: Okay. Thank you,
12 Mr. Victorino. Any other questions, Members? You know,
13 it -- it's the Chair's feelings that there's so much
14 that has been requested, and, as we know, we don't wanna
15 move items out of -- out of Committee and then have it
16 go to the Council for discussion, further Committee
17 work. So I can appreciate Member Kaho`ohalahala's
18 concern of moving it, but I think, for the majority of
19 us, we'd like to defer it and, you know, have another
20 meeting on it. Realize, Members, that we will be
21 waiting as a Committee for the study to be completed to
22 schedule the next meeting.

23 So any further discussion? Seeing none,
24 Members, the Chair would make his recommendation.

25 COUNCIL MEMBERS: Recommendation.

1 CHAIR MEDEIROS: The Chair, without
2 objections, would like to defer this item.

3 COUNCIL MEMBERS: No objections.

4 CHAIR MEDEIROS: No objections. Thank you,
5 Members. So ordered.

6 COUNCIL MEMBERS VOICED NO OBJECTIONS.

7 ACTION: DEFER pending further discussion.

8 CHAIR MEDEIROS: Okay. We're gonna move on to
9 the next agenda item.

10 ITEM NO. 8: NEW NON-POTABLE R-1 WATER TRANSMISSION
11 LINE, KIHEI WASTEWATER TREATMENT FACILITY
(C.C. Nos. 09-130 and 10-15)

12 CHAIR MEDEIROS: Thank you, Director Arakawa,
13 for being here. And if you turn to your agendas, that
14 would be IM-8. And IM-8 is the item on New Non-Potable
15 R-1 Water Transmission Line, Kihei Wastewater Treatment
16 Facility. So, Members, at -- at this time we have
17 here -- from the Department of Environmental Management,
18 we have the Deputy Director, Mr. Kresge. And we have,
19 from the Wastewater Division, Mr. Taylor. So welcome
20 this morning. Thank you for being here.

21 Members, at this time I'm gonna ask the Deputy
22 Director to give us an overview of this item. Deputy
23 Director Kresge?

24 MR. KRESGE: Yes. Good morning, Committee
25 Chairman Medeiros and Council Members. The Department

1 is here today to discuss Item IM-8 and a new non-potable
2 water transmission line from the Kihei Wastewater
3 Facility for reuse of R-1 water.

4 I would like to start off by saying that the
5 Department and Administration strongly believe in the
6 reuse of the County's reclaimed water for its highest
7 and best use. Use of the reclaimed water, however, is
8 addressed in the Water Use and Development Plan in
9 reflective costs for expansion, especially in regards to
10 displacement of potable water. To free up potable water
11 resources, all costs for system expansion and
12 development of new water resources must be looked at.

13 The cost for R-1 system expansion is very
14 expensive and will require this body's allocation of
15 funds for development. The question appears to be that
16 the funding of that -- is the funding of this R-1
17 additional development the highest and best use of the
18 funds? To help the Council with this tough matter, the
19 Department is here to answer questions. I would like to
20 turn the mic over to Mr. Dave Taylor, Wastewater
21 Division Chief, for some additional comments. Thank
22 you.

23 CHAIR MEDEIROS: Mr. Taylor?

24 MR. TAYLOR: Thank you, Mr. Chair. In front
25 of you, I think you all have a copy of what's titled the

1 South Maui Recycled Water Verification Study. This is
2 something that the Council requested us to provide.
3 And, basically, this compares some different options for
4 extending reclaimed water in the South Maui area.

5 If you turn to Page 15 of the document, which
6 is really a summary of the entire document, there are
7 six options listed on Page 15. And each one has a
8 description of what the option is, how much it would
9 cost for capital outlay, how many gallons of potable
10 water it would displace, then it divides the number of
11 -- the cost by the amount of potable water it would
12 displace. That's this column called Cost Per Gallon
13 Displaced Per Day. This is just the capital cost of
14 what each option would cost to generate that much water
15 every day. And then there's just some comments about
16 each individual item.

17 So the key, the key, the -- the bang for the
18 buck column is this Cost Per Gallon Displaced Per Day.
19 And that's a number you can compare directly with, say,
20 building a new well. Let's say if you build a well and
21 it costs \$10 million, and it generates one million
22 gallons of water a day, that's \$10 per gallon per day.
23 If you build a desalination plant that costs 100 million
24 gallon -- costs \$100 million that generates 10 million
25 gallons per day, that's \$10 per gallon per day. So this

1 column lets you directly compare each of the options
2 against each other for bang for the buck, and, also,
3 lets you compare them to any other water source
4 development for the same -- the same way.

5 The next thing the Council probably wants to
6 do is have some discussion with us and with the
7 Department of Water Supply about how -- first of all,
8 how these options compare to other things they're
9 working on, whether it's conservation or desalination,
10 new water systems, et cetera. And then you probably
11 wanna have some discussion of, if we are gonna go ahead
12 with these, how would we pay for them. Would we use
13 Sewer Funds, would we use Water Funds, we use General
14 Funds, et cetera. So in order to move forward, those
15 are the -- really the big issues, how do these compare
16 to other water source development options and how would
17 we pay for it. And so we're certainly available to help
18 with any of that discussion.

19 CHAIR MEDEIROS: Thank you, Deputy Director
20 Kresge and Mr. Taylor. Before the Chair opens up the
21 floor for discussion, let me just give a little bit more
22 information on this item.

23 The Committee is in receipt of the following:
24 Number one, County Communication No. 09-130 from
25 Councilmember Wayne Nishiki, relating to the matter of a

1 new non-potable water transmission line from the Kihei
2 Wastewater Treatment Facility; and, number two, County
3 Communication No. 10-15, from Council Chair Danny Mateo,
4 transmitting a copy of the December 2009 South Maui R-1
5 Recycled Water Verification Study prepared by the
6 Department of Environmental Management and the
7 Department of Water Supply.

8 So, Members, with that information and opening
9 remarks from the Department, without objections,
10 Members -- Mr. Nishiki is the initiator of this County
11 Communication and -- but he's not a Voting Member. And,
12 normally, we go to the Voting Members first. But
13 without objections, Mr. Nishiki, being the initiator, I
14 would like to recognize him at this time. Any
15 objections?

16 COUNCIL MEMBERS: No objections.

17 CHAIR MEDEIROS: Mr. Nishiki?

18 COUNCILMEMBER NISHIKI: Yeah. Thank you.

19 Close your ear, Committee Members.

20 First of all, I'd really like to thank the
21 Department of Water Supply and the -- Cheryl Okuma for
22 the Environmental Management for doing this study
23 in-house. As you know, when Budget time came,
24 Mr. Chairman, and Mr. Pontanilla asked me, well, what is
25 this going to cost, and the Department came up and said,

1 we know that we can do this study in-house. And I think
2 that we need to give our accolades when they are
3 deserved. So I wanna thank you guys for doing it and
4 doing it within the year so that we got all this
5 information. And you are to be commended. And thank
6 you so much.

7 And, no, I did not join as a member of this
8 Administration.

9 But let me get to the crux of this matter. In
10 my April 13th letter, you've read that, according to the
11 Draft Water Use and Development Plan, which is in
12 Mr. Victorino's Committee, at least 60 percent of the
13 potable water used in the Kihei-Makena Community Plan
14 District is used for outdoor irrigation. In other
15 words, not for consumption, not to take showers with,
16 but just for irrigation. And then, again, approximately
17 three million gallons of wastewater from Kihei
18 Wastewater Treatment Facility is disposed through -- via
19 injection wells.

20 Now, we won't get into the matter of injection
21 wells because I know that there is a suit right now in
22 the Kihei area with our injection well system. So I'm
23 sure that Administration cannot give us more information
24 in regards to this. However, these are the kinds of
25 costs, I think, that this Council, who is the

1 policymaking body, needs to look at.

2 We know already -- and -- and -- and
3 Mr. Taylor has pointed out we need to look at what these
4 costs are. We know, as we discuss budgets all the time,
5 the Water Department is always saying, in order for us
6 to do this, in order for us to do that, we need to
7 increase water rates, Mr. Chairman. And so we see that
8 as a reason why water costs will constantly go up.
9 Similarly, as we develop new sources, we are also told
10 that there is a cost to it. And we've told -- we were
11 told that in some areas, way deep in Kahakuloa, that the
12 cost is really, really expensive.

13 Finally, I think that most of us have bought
14 into the concern, and it has been raised by the Federal
15 Government, that the injection wells, and that way of
16 dealing with it, has brought on big concerns. And these
17 have been proven out. And, of course, the County has
18 not yet to finish those studies demanded by the Federal
19 Government, to look at what is now occurring in our
20 ocean. And if we look at, if that bears true, what the
21 cost is going to be to this County to deal with fixing
22 this concern.

23 Finally, we talk about the main economic
24 engine being tourism, Mr. Chairman. And -- and --
25 and -- and I don't wish to make light of this. I think

1 that we as decision-makers need to be very serious about
2 this. And I only take it to what has happened in
3 Florida, environmental degradation. We don't know this,
4 but we've seen our reefs being destroyed. The cost,
5 when we know, as we've discussed with aquarium -- the
6 Aquarium Fish bill, that amount of capital generated by
7 that industry for our ocean environment, how much that
8 helps the County.

9 And -- and -- and, finally, if this precious
10 ocean environment creates any kind of impacts such as
11 the water now, perhaps, creating a health concern, all
12 the money that we have put in to getting corporations to
13 come into Maui County and develop mega hotels, all the
14 money we give to the Visitors Bureau to fund getting
15 visitors here, all the money that we deal with, with the
16 airlines to bring our people here, and -- and, finally,
17 all the people that are perhaps employed by the visitor
18 industry, could lead a total collapse of our number one
19 industry here because of our negligence. And so my aim
20 -- and I thank the Department -- is to find a solution
21 to stop the injection of this water if it is truly going
22 into the ocean environment that we, as residents, use.
23 And, again, we, as a industry depend upon so valuably
24 into who knows what the millions and billions of dollars
25 is.

1 So, to me, it would be of utmost important
2 [sic] to spend whatever money we can, Mr. Chairman, to
3 reuse this valuable resource, bottom line. And --
4 and -- and these studies have been conducted by -- when
5 I talk about studies that the Federal Government is
6 quoting, independent groups such as the University of
7 Hawaii and, also, the USGS. So let's not kid ourselves.
8 We've not -- and we need to -- Department, you need to
9 conclude -- let's not play with the Federal Government.
10 We need to conclude these studies and -- and -- and find
11 out if there are any impacts and -- and what that cost
12 may be to us.

13 So when I look at what the Council as the
14 policy decision has made, and we look at the Water Use
15 and Development Studies, it is talking to us about
16 reusing this water that is now being injected. And I
17 think that we need to shake hands with this
18 Administration in -- in -- in -- in -- in really dealing
19 with this sincerely, not just pay words. I think that
20 this community, its taxpayers, its future generations,
21 our children and our grandchildren, the economic engine
22 deserves us to be -- to take this utmost with importance
23 as to trying to reuse this injection well water,
24 Mr. Taylor and Mr. Kresge. So I appreciate the
25 information given, Mr. Chairman.

1 There is one area that I feel we need to look
2 at. And as I pointed out at our last meeting -- I can't
3 remember whose Committee it was -- when we have even an
4 industry that is expanding their facilities, wishing to
5 participate in the reuse line, when that becomes
6 available, I think this is where, perhaps,
7 Administration, we can really -- because you've not
8 stated today as to how, but this may be another venue
9 that we can look at, in looking at private/government
10 partnership into paying for these lines that I feel is a
11 priority, is something that we -- we cannot stop from
12 doing. And -- and -- and I think that maybe this
13 Administration should be cast with the responsibility of
14 trying to work with the different users that you've
15 pointed out here in each study, who the people are that
16 perhaps can be affected and -- and work with them to try
17 to create a line that we can start using.

18 I am really afraid that -- and this is not
19 being paranoid. I'm really afraid that should the
20 Federal Government, after these studies, start telling
21 us what may happen, we're going to have to do it,
22 anyway. And so just as when I was a Member of the
23 Council when the water treatment plants, because of
24 Federal law, came down on us, the Federal Government
25 surely did not provide us with all the money to do it,

1 but we had to clean up our water for the sake of our
2 residents. So we spent the money to do it. And I think
3 that it was the most prudent decision that we made,
4 despite that it did cost money. And now our residents
5 here have good drinking water in -- in a lot of places,
6 free from, perhaps, bacteria contamination or sickness.
7 Similarly, this is the direction that I hope this
8 Council and this Administration would head towards,
9 Mr. Chairman.

10 And I end with this. Thank you.

11 CHAIR MEDEIROS: Thank you, Member Nishiki.
12 Department, you have any comments to that at this time?

13 MR. KRESGE: No comments at this time.

14 CHAIR MEDEIROS: Okay.

15 MR. KRESGE: Thank you.

16 CHAIR MEDEIROS: Members, any further
17 questions? Member Pontanilla?

18 VICE-CHAIR PONTANILLA: Thank you. I really
19 appreciate Member Nishiki for bringing this thing
20 forward in regards to the possible use of recycled water
21 for Maui County. Although this is only for Kihei that
22 he had noted, you know, it is very important that we
23 start moving forward. And when I first joined this
24 Council, that was one of my highest priority, was to
25 displace potable water north of our Kihei Treatment

1 Plant, but, again, the biggest obstacle was cost, you
2 know, how much it's gonna cost this County. And if we
3 were willing to do the project with that, you know, huge
4 cost that was -- what -- that was gonna be facing us.

5 As far as the Central Maui Water Use
6 Development Plan, I -- I know part of the plan is to do
7 just that, utilize recycled water, but one question for
8 the Department. You know, as we move forward in regards
9 to the Maui Island Plan, one of the objectives is to
10 reduce or eliminate injection wells and the possibility
11 in -- in -- in regards to utilizing recycled water for
12 irrigation.

13 Some of the things that they mention in the
14 Maui Island Plan, of course, have some of the options
15 that you have, but not all of 'em. And not all of 'em
16 show a -- a financial -- I -- I guess financial plan on
17 how we gonna do all these things. So in regards to the
18 numbers that I see in front of me, those are huge
19 numbers. And as far as the Department, I -- I don't
20 know if, you know, it's part of your goals and
21 objectives to move forward on some of these plans.

22 CHAIR MEDEIROS: Department?

23 MR. TAYLOR: Let me say that we worked closely
24 with the Planning Department on the Maui Island Plan.
25 And I don't think the Maui Island Plan gets into the

1 level of detail that you see in front of you. I -- I
2 don't think they're really looking at specific projects
3 and costing them out. So this is something that is
4 certainly consistent with the Maui Island Plan, even in
5 its draft form. It will certainly be consistent with
6 the Maui Water Use and Development Plan even if -- in
7 its draft form, but this is, obviously, in a lot more
8 detail than those documents.

9 I think the big question about moving forward,
10 Member Pontanilla, is what you brought up, is everyone
11 wants to do this, the question is does everyone wanna
12 pay for it. And you can see the costs here. We've been
13 very clear about that. We are certainly willing and
14 able, as we always have been with all of our capital
15 improvement, we've -- I -- I think we probably have
16 about the best capital improvement reputation in the
17 County as far as getting our projects done. And we can
18 certainly build these projects, too, if -- if the
19 Council chooses to prioritize and fund them.

20 VICE-CHAIR PONTANILLA: Thank you. So is --
21 there's a possibility of probably getting some Federal
22 monies from -- well, Federal monies to -- to accommodate
23 some of these projects? I know you've been pretty
24 successful in getting State Revolving Fund to do your
25 projects.

1 MR. TAYLOR: Most of the Federal money comes
2 through the State Revolving Fund program, which I think,
3 as most of you know, is a loan, not a grant. So we pay
4 it back at, basically, no interest, but we still pay it
5 back. It saves a small amount on -- on interest.

6 There are some funds through the Bureau of
7 Reclamation, which are usually about a 25 percent
8 matching. So if you come up with some money, 75
9 percent, they can sometimes come up with 25. And we're
10 -- we're going after that in South Maui, actually. So
11 -- and we're actually doing a -- a public/private kinda
12 partnership, as -- as Member Nishiki suggested. We are
13 doing that and we're trying to use the -- the -- the
14 private money to hedge against this Federal money, so --
15 so the County share is nothing. And we're working on
16 that in South -- in -- in West Maui right now. So maybe
17 there's more of that. We -- we -- we get as much
18 Federal money as we can.

19 The Federal sources are -- are pretty dry as a
20 whole, as you can imagine. I mean, the ARRA funds, I
21 think, were the biggest giveaway of Federal funds in
22 decades. I think we can watch the news every night and
23 realize that environmental money in the United States is
24 probably gonna be driven towards the Southeastern United
25 States for the next decade, as they are gonna have

1 massive environmental problems. We will get as much
2 money as we can. I'd like to try to stay -- stay
3 optimistic, but it's kind of hard when you watch CNN and
4 realize that this country's having the biggest
5 environmental crisis in its history. And it's kind of
6 hard for me to believe that there's gonna be a whole lot
7 of money that goes for anything else but oil cleanup for
8 the next decade. But that's just my opinion. I -- I
9 don't know what's gonna happen.

10 VICE-CHAIR PONTANILLA: Thank you. Thank you
11 for your comments. And, you know, I -- I look forward
12 in the next Budget cycle, because I haven't seen it in
13 this cycle, in regards to some of the things that I look
14 at, you know, here in front of me on Page 15. You know,
15 some of the projects are really, really good projects.
16 And I don't know how you gonna prioritize the number of
17 projects that is located on Page 15. But I look forward
18 in regards to your priorities, or the priorities for
19 this County, in trying to displace potable water for
20 South Maui, at least in the next, you know, forthcoming
21 Budget.

22 But if you did include, in the 2011 Budget,
23 what are the projects that -- you know, looking at this
24 page, can you identify those projects?

25 MR. TAYLOR: Yes. Without any other direction

1 from the Council about the Council's preferences, as an
2 engineering group, we prioritize by the lowest cost per
3 gallon displaced per day. I mean, that's why we do
4 that, we're looking for bang for the buck. And so,
5 clearly, we would -- if -- if we had some money, if the
6 Council allocated money, we would recommend just
7 starting with the lowest number and working towards the
8 highest number. That's -- that's kind of how, from an
9 engineering perspective, we -- we know we're being
10 effective, is the best results at the lowest cost.

11 VICE-CHAIR PONTANILLA: Thank you. One -- one
12 last question, Chairman. In regards to South Maui and
13 the extension of the gray line, is it your Department
14 responsibility to include it in the Budget, or Public
15 Works or Water Department?

16 MR. TAYLOR: I'm sorry. Could you be more
17 specific? I'm not exactly sure --

18 VICE-CHAIR PONTANILLA: Yeah.

19 MR. TAYLOR: -- what you're talking about.

20 VICE-CHAIR PONTANILLA: We do have a gray line
21 that provide recycled water to Kalama Park, I think, and
22 along that particular route. There's that one park next
23 to Safeway in Kihei. Whose responsibility would it be
24 to plan to extend that line further north?

25 MR. TAYLOR: We -- we take the lead in

1 operation, planning and design of the reclaimed water
2 system. There was a project, for example, in north
3 Kihei -- I think it was -- which one was this? It was
4 number one, actually, the Waipuilani Street/South Kihei
5 Road extension.

6 VICE-CHAIR PONTANILLA: Yeah.

7 MR. TAYLOR: That project was actually,
8 originally, in the South Kihei Road widening that Public
9 Works was doing. And when they did that project, they
10 were going to put this line in. I -- I'm not exactly
11 sure. I think they might have even been paying for the
12 -- the -- the capital cost at that time, and then we
13 would operate it. Because that project got canceled, I
14 think, because of trees or something -- I can't remember
15 why it got canceled from the Public Works --

16 COUNCILMEMBER NISHIKI: Collector road.

17 VICE-CHAIR PONTANILLA: Yeah. At the time --

18 MR. TAYLOR: -- perspective. The project got
19 canceled.

20 CHAIR MEDEIROS: Yeah. At the time
21 Environmental Management, actually your Department, was
22 with Public Works when they had planned this North-South
23 Collector Road.

24 MR. TAYLOR: Right.

25 VICE-CHAIR PONTANILLA: And -- and facilities

1 were included in that particular project. But --

2 MR. TAYLOR: I -- I guess my point was it was
3 happening in -- in Engineering Division of Public Works,
4 funded -- which is always funded by, you know, Federal
5 funds and -- and County General Fund. I'm not sure that
6 that was really funded by Sewer Fund, which is how we
7 fund things.

8 VICE-CHAIR PONTANILLA: Uh-huh.

9 MR. TAYLOR: And whether or not we're part of
10 Public Works or now part of Environmental Management, I
11 think if that South Kihei Road widening project isn't
12 happening, there aren't gonna be Public Works monies.
13 It's either going to have to come out of General Fund,
14 Water Department funds or Sewer funds. And, again,
15 that's a -- really, a big question for the Council, is
16 if the purpose of these projects is to displace potable
17 and make that available for new water meters to be
18 given, what's the right way to pay for that.

19 VICE-CHAIR PONTANILLA: Uh-huh.

20 MR. TAYLOR: And that's, I think, a question
21 that you folks maybe need to have some discussion and --
22 and struggle with a little bit.

23 VICE-CHAIR PONTANILLA: So if -- if -- if we
24 say, yeah, go ahead, who would be the champion? What
25 department would take the bull by the horn --

1 MR. TAYLOR: We would --

2 VICE-CHAIR PONTANILLA: -- to complete
3 project?

4 MR. TAYLOR: We would absolutely be the
5 champions of the project. We would design it, we would
6 build it and we would operate it. The question is, do
7 you want us to raise sewer fees and have the existing
8 sewer users subsidize this water use or do you wanna
9 move the money from either the Water Department
10 Restricted Funds or from General Funds, how do you wanna
11 pay for it? We would absolutely take the lead in doing
12 it, but we need really clear direction in how you guys
13 want us to put it in the Budget and where you want the
14 revenue to come from.

15 VICE-CHAIR PONTANILLA: And I think we should
16 be working together in trying to fund all of these
17 projects. Thank you. Thank you, Chairman.

18 CHAIR MEDEIROS: Thank you, Member Pontanilla.
19 Other Members? Member Baisa?

20 COUNCILMEMBER BAISA: Yes. Thank you very
21 much, Chair. And thank you, Mr. Taylor, for being here.
22 It's always a pleasure to look at work you do because
23 it's so well presented. But I have one question.

24 I'm trying to make sense out of this. Let's
25 pick something that's simple because it's, you know, one

1 project and fairly easy to discuss. You list the South
2 Maui Police Station, and you show the cost of that --
3 getting the potable -- the potable water displacement,
4 \$275,000. And you'd be displacing 16,500 gallons of
5 potable water at a cost of \$16.67 per gallon. At the
6 current time, what does it cost for a gallon of water in
7 that area, real, I mean, potable water?

8 MR. TAYLOR: Well, first -- first let me say
9 that that project is a project that's happening.

10 COUNCILMEMBER BAISA: I understand that.

11 MR. TAYLOR: And -- okay. So as far as when
12 you roll in operations, maintenance and Debt Service,
13 reclaimed water costs currently, let's say, about --
14 well, the cost is about \$2 per thousand gallons. That's
15 about what it costs us to produce, including paying the
16 Debt Service. These projects would almost certainly --
17 would raise that significantly because the current
18 reclaimed water tends to be large users that are near
19 the treatment plants, which are really your -- your
20 really great users, you know, a large user that's close
21 to the plant, short pipelines, a little bit of pumping,
22 large use. As we start getting further and further from
23 the plant, you have long lines that cost a lot of money,
24 they're not using a lot of water, and so your cost per
25 gallon starts skyrocketing. So when you divide all that

1 up, and especially with the pumping costs -- and
2 electricity is a huge unknown -- you know, you could
3 raise that from two to three or four or five dollars or
4 more per thousand gallons. So -- and if you look at the
5 reclaimed water rates, we try to charge less than the
6 potable water rates. And those are subsidized from the
7 sewer fees. So, basically, even right now, we're
8 subsidizing the reclaimed water program about 75 percent
9 from sewer fees. So if you pay your sewer bill, you're
10 paying -- you're paying 75 percent of the -- of the
11 reclaimed water users' bills. If we do these projects
12 and keep reclaimed water rates the same, that subsidy
13 will increase, unless we raise reclaimed water rates
14 substantially, which would almost certainly put them
15 higher than potable water rates. So that's really
16 the -- the gist of the problem here is that making and
17 -- and -- making and transmitting -- transporting
18 reclaimed water is more expensive than what we've been
19 paying for potable water. So the question is, do we
20 really charge for that, do we subsidize it; if so, from
21 where; and are people even gonna wanna use it if you're
22 paying more for reclaimed water than you pay for
23 potable. So this whole thing is less of an engineering
24 problem than it is a --

25 COUNCILMEMBER BAISA: (Inaudible).

1 MR. TAYLOR: -- a fiscal policy issue. And
2 that's really where our struggle is. We can do any of
3 this, we know how. It's how to pay for it when it's
4 less cost effective than, I think, what people are used
5 to.

6 COUNCILMEMBER BAISA: I think it's, you know,
7 a very important point, as we discuss this, is that the
8 money issue is a big one. And it appears to me that if
9 you're going to be building in that area, then you
10 certainly have to be -- I mean, this has to be factored
11 into the cost to a developer because, if we're gonna try
12 to use reclaimed water and get it to where it needs to
13 go, then that's something to be -- to be -- you know, we
14 have to decide, are we gonna make our current sewer
15 users pay or are we gonna ask the person who wants to do
16 it to pay. Because, you know, it looks like we're going
17 in this direction, we have to, because we don't seem to
18 have enough potable water to meet all the needs. And so
19 there's more and more of a -- a need to use reclaimed
20 water. And it's gonna cost a lot of money. I think
21 everybody needs to realize that that is a major factor.
22 It isn't, do we want to do this, it's how do we do this
23 and who pays. I have no doubt that you folks could do
24 this right away, 'cause you're very good with your CIPs,
25 but it's who pays and do they realize how much.

1 MR. KRESGE: Chair, I would like to just add
2 something else in here.

3 CHAIR MEDEIROS: Go ahead.

4 MR. KRESGE: Along with this policy issue that
5 we're talking about, and, you know, who pays for the
6 water and how that is made available and that sort of
7 thing, which is -- it's the driving factor, another part
8 of this -- it's kind of buried in this study, but, you
9 know, these -- some of the developments now have the
10 ability to be able to drill their own brackish wells.
11 And the problem is, is that, you know, if we want them
12 to use the water, but, yet, their cost is less than what
13 we can give it to them for, then how do we make that
14 happen. So, again, that's another policy issue. I
15 don't want it to get lost, but it -- it's important
16 because the largest users have that ability. Thank you.

17 COUNCILMEMBER BAISA: (Inaudible).

18 CHAIR MEDEIROS: Go ahead, Member --

19 COUNCILMEMBER BAISA: Well --

20 CHAIR MEDEIROS: -- Baisa.

21 COUNCILMEMBER BAISA: -- this is a really
22 important discussion because the other thing that we're
23 seeing is this shift towards let's -- I'm gonna build my
24 own plant and then I'll use my own water in my area.
25 And that's another possible area where -- that we can go

1 to avoid this transmission of this water over large
2 areas. Mr. Taylor, comment?

3 CHAIR MEDEIROS: Department?

4 MR. TAYLOR: I've testified a -- a number of
5 times before supporting that concept. I think the most
6 single biggest use of electricity in the United States
7 is moving water. I think that's -- that is a fact.

8 COUNCILMEMBER BAISA: For sure.

9 MR. TAYLOR: And building long pipelines from
10 Point A to Point B and then back to Point A just to move
11 waste is, in my view, kind of crazy. Putting treatment
12 plants near where this wastewater is being generated, so
13 you have a short trip and then the reclaimed water has a
14 short trip back, is a much more energy cost-effective
15 means of moving water around, rather than continuing to
16 move water from outlying areas to a central treatment
17 plant and then pumping it all back. Especially as
18 energy becomes a bigger and bigger and bigger factor in
19 our decisions in the next 30 and 40 years, that energy
20 cost of moving water is huge. And it really starts
21 pushing the direction to decentralizing wastewater
22 treatment, as the technology allows, so you don't have
23 to move water around so much. So I -- I completely
24 agree. And I -- I -- I think we've been very
25 supportive. If you look in the Maui Island Plan, I

1 think some of those concepts are -- are -- are in there
2 as -- as we've pushed for.

3 COUNCILMEMBER BAISA: I think that's a very
4 important point, as we look at projects in -- in the
5 approval process, that we look at those kinds of things
6 because, if it's there, it's certainly gonna make our
7 job a lot better. Thank you.

8 MR. KRESGE: The -- the other thing, too, just
9 to not lose sight of this, too, as part of the -- 'cause
10 it's not an easy issue. It's complicated. And part of
11 -- part of what we need to look at is the net benefit.
12 So if we hook up one of these projects -- let's say, for
13 example, we hook up a project that's farther away, we
14 are going to be receiving that wastewater. That's
15 additional displacement that we have to get rid of. So
16 -- so while it may appear that it would be good to hook
17 up that project, our net -- net benefit may be zero.
18 And the net benefit that we want to realize is we wanna
19 get more -- rid of more wastewater, more of the
20 reclaimed water than we take in on a new project. So
21 that would give us a better bottom line. And so that's
22 kind of what -- that needs to keep in -- you know, in
23 the mix as well, and the calculations.

24 COUNCILMEMBER BAISA: I, too, Chair, would
25 like to thank Member Nishiki for initiating this

1 discussion. This is very, very helpful to us as we do
2 our job in Land Use and in Planning. Thank you.

3 CHAIR MEDEIROS: Thank you, Member Baisa.
4 Members, any other questions? I -- I have a --
5 Mr. Nishiki?

6 COUNCILMEMBER NISHIKI: Yeah. I don't -- I
7 don't know what your answers is, like I said, because
8 like there are lawsuits and you -- you -- you still have
9 not dealt with the Federal Government, but you must be
10 scared with -- with not having to have these questions
11 that the Federal Government are demanding on us. Are
12 you not afraid of what those kinds of costs may be? I
13 mean, you talk about performing these things that they
14 may tell you to do and -- and -- and -- and these are
15 the reasons why, but, you know, like was stated, if it's
16 a mandate and -- and -- and we're constantly delaying
17 these things, you know what, deal with these people,
18 figure out how you're going to do it. Because this
19 Council, in the end, may have to deal with a bigger
20 ticket unless we find out right now what these costs are
21 gonna be.

22 And I pointed this out already, you know, like
23 this is our economic engine. And, you know, if -- if --
24 if what is occurring and -- and, again, you -- you say
25 there's a question mark, well, in what -- solve that

1 already and -- and deal with the Federal Government
2 because this Council is really awaiting from this
3 Administration how you're going to deal with it, because
4 this may cost us our entire economy. And -- and you
5 should be afraid if this is what the impact is.

6 So we bring up all these other costs that talk
7 about dealing with specifically building lines and
8 everything else, but, again, my question is, aren't you
9 afraid? And are you going to deal with this Federal
10 Government so that we can eliminate all the speculation
11 and finally get facts as to what is occurring there? Is
12 that what this Administration is going to do and not
13 delay anymore with the Federal Government?

14 MR. KRESGE: I can only answer just based on
15 what we've been dealing with. And, basically, if it was
16 just a cost issue, I wouldn't be so scared and I
17 wouldn't be afraid of that, because those are things
18 that we can engineer for. We have a great team of
19 engineers. They do CIP really well. If it was just a
20 matter of building something, that I wouldn't be so
21 concerned. What does scare me is what if we were to do
22 some of the things that -- that are being said that we
23 should do and it doesn't change. That's one. And so
24 that is a big concern for me, in addition to the
25 Department. We're looking at that. What would happen

1 if we make these changes and it doesn't -- it doesn't
2 provide the result that we -- that everybody is thinking
3 that is going to happen. That's a huge thing because,
4 then, what happens is the community is saddled with the
5 burden for 20 years, because that's what we look for
6 funding. And we have made this change at huge, huge
7 cost. And -- and we may not get the desired result. So
8 that's --

9 And then, in addition, we -- in our
10 discussions with regulatory agencies, we're trying to
11 make sure that we do provide the biggest bang for the
12 buck and make sure that we -- that we don't -- we don't
13 get saddled with a responsibility that is going to
14 provide either little or no data, to a certain extent,
15 that is -- but, yet, is going to saddle us with a big
16 monetary financial responsibility for years and years
17 and years down the line.

18 So, you know, we're -- we're in discussions
19 for that reason because we're trying to do our fiduciary
20 responsibility to the community of Maui and make sure
21 that we keep these costs controlled. If we just agree,
22 then that -- we wouldn't be doing that. So it's not
23 that we don't want to do the work. If it was -- if we
24 had the money and money was not an issue, then -- then
25 we wouldn't be under this. But money is the issue, and

1 it is the issue all the way down the line. And it's
2 this -- it's this issue of the reclaimed water line or
3 it's the issue of testing or -- or continued
4 responsibility. So that's -- that's what does scare me.

5 So I hope that kinda answers a little bit of
6 the question.

7 MR. TAYLOR: And -- and if I could add just a
8 little bit, if we're talking about what scares us.
9 And -- and the Deputy Director talked about -- was
10 really focusing on, are we focusing on the big issues,
11 are we focusing on the right issues, are we spending
12 money in the right way to solve our problems.

13 I'm going to go through a little, maybe,
14 science experiment right here without actually doing it.
15 This is about a liter of water, maybe a little less.
16 Raw sewage -- if you had a liter of raw sewage and
17 evaporated all the water out of this, what would be left
18 would weigh about 350 milligrams. Okay. 350 milligrams
19 of weight of stuff per liter of water. So that's raw
20 sewage. The water we put down the injection wells is
21 about two milligrams per liter. Septic tanks drop it to
22 about 100 milligrams per liter. So there's three quick
23 numbers. Raw sewage at 350, septic tank water at 100
24 and our water at -- at about 2. An average house puts
25 out about 350 gallons per day of sewage. The Kihei

1 Wastewater Reclamation Facility discharges about three
2 million gallons a day down the injection well at two
3 milligrams per liter. So you multiply those two numbers
4 together.

5 Now you just simply look at Maui Meadows
6 subdivision. Maui Meadows, about the same distance from
7 the ocean, in about the same soil, about 700 houses,
8 even if half are septic tanks and half are cesspools --
9 probably a lot more are cesspools -- that's 225
10 milligrams per liter. 700 homes times 225 milligrams
11 per liter times 350 gallons per day per house. You
12 compare those two numbers, the amount of material from
13 the Maui Meadows subdivision is at least 10 times what
14 comes down the injection wells at the Kihei Treatment
15 Plant every day. Probably closer to 15 because there's
16 probably a lot more cesspools than there are septic
17 tanks. In fact, just that one subdivision puts more
18 solid material into the ground than all the County
19 injection wells combined. So it starts opening up some
20 questions of is there a bigger concern of injection
21 wells or of all the cesspools on the island.

22 And those aren't the only cesspools. There
23 are cesspools in West Maui that have roughly the same
24 numbers, that far outweigh the contributions of the
25 Lahaina Treatment Plant. In Central Maui, the town of

1 Waihee actually puts out more material into the ground
2 than the whole Kahului Treatment Plant. And we can go
3 around, a lot of these coastal areas have cesspools in,
4 basically, either cracked rock, which is basically just
5 cracks that goes to the ocean, or in sand, which is
6 right next to the beach. So even without looking at
7 runoff, agricultural runoff, urban runoff, golf course
8 runoff, you know, the groundwater that's saturated with
9 fertilizers from years of agriculture, even without
10 looking at that, you can just look at a couple
11 subdivisions and ask, why are we more concerned with
12 injection wells than cesspools.

13 I just wanna leave that as a question for
14 everyone to think about because I -- I went through the
15 math right there. It's not very complicated. I mean,
16 you can go verify these numbers and do it yourself. You
17 only have to multiply four or five numbers together and
18 it ends up looking like cesspools seem to be a much
19 higher loading rate than the injection wells. So that's
20 just a question that -- that I think needs some
21 discussion, that really hasn't gotten any, is, are we
22 really more concerned with injection wells than
23 cesspools. And that opens it up to some of these other
24 things. And I think that that's what the Deputy was
25 talking about, is we're very concerned of focusing on

1 one thing when some other things, literally right next
2 door, by some very simple calculations, seem to be much,
3 much greater.

4 And we do have fear that the community may not
5 be standing far back enough and looking at all the
6 issues, focusing on one, and actually missing something
7 right next door that may be much, much worse.

8 CHAIR MEDEIROS: Member Pontanilla, followed
9 by Member Victorino.

10 VICE-CHAIR PONTANILLA: Thank you, Chairman.
11 And thank you, Mr. Taylor, for that quick test. And,
12 you know, yeah, I tend to agree with you, you know, what
13 are we doing to cesspools, septic tanks and the like,
14 because they, also, you know, inject waste into the
15 ground. So thank you for that information.

16 But my question is, you know, although we've
17 been, you know, hit hard by the Federal Government --
18 and -- and I -- I know you guys are working really hard
19 in trying to solve this particular issue, but what I
20 wanna see is something in regards to -- and you guys
21 gonna have to decide, you know, what is our plans to --
22 to clean up our act, Maui County, our act going forward.
23 And -- and I -- I know it cannot be done overnight, you
24 know. What is the period of time that we can correct
25 ourselves in -- in trying to provide -- not provide, but

1 recycle more water and -- and, you know, getting away
2 from injecting too many stuff into the ground. So for
3 me, I'm -- I'm very interested in a -- in a game plan
4 that's gonna take us from A to -- until we reach our
5 goal, probably five, ten years from now. At least
6 something that we can start with to -- to -- to -- to
7 solve the issues that we have with the Federal
8 Government. So for me, you know, I would really
9 appreciate something like that.

10 MR. KRESGE: I would just like to add and --
11 to Mr. Taylor's comments, and, then, also to yours,
12 Mr. Pontanilla. I'm -- I'm gonna try to stay away
13 from -- you know, I don't wanna get into are injection
14 wells bad or good, or are they causing that sort of
15 thing, but if we look at, I think, and part of what's
16 here today is that the injection well water that is
17 treated, you know, treated wastewater, is a resource.
18 If we just look at it from that perspective and --
19 and -- and we recognize that, and the Mayor recognizes
20 that, and everybody sees that, hopefully, as the case,
21 then where we really need some assistance is on these
22 policy issues, you know, who is gonna pay for
23 distribution of that resource and how is that gonna be
24 done. And that's what we would really like help with.
25 Because if -- once that question is answered, we can do

1 it, then, at that point. There's no holding back, so --

2 And we can go around and around and around on
3 the science and that sort of thing, but if we -- if we
4 look at the injection well water as a resource and we
5 can get rid of it, as much of it as possible, and a way
6 to pay for it, with your help with policy, then we're --
7 we're good to go. So -- and we could have a win-win
8 situation, but that's the big question.

9 And -- and the money's just not gonna appear
10 out of thin air. So, you know, I mean we can look to
11 the Federal Government. We have been -- I mean, I can't
12 tell you how many hours we spend as -- in our
13 Administration, in our Department, looking for funding,
14 to be able to do some of these things. And we are
15 constantly looking for grants, Federal funding, State
16 funds, any of these things. And those are all things
17 that we do in addition to our normal operations.

18 So, anyway, thank you.

19 CHAIR MEDEIROS: Okay.

20 VICE-CHAIR PONTANILLA: Yeah. Finally, you
21 know, let -- let's just take the small bites and one day
22 we'll get to, you know, our objective. Thank you,
23 Chairman.

24 CHAIR MEDEIROS: Thank you, Member Pontanilla.
25 Before I recognize Member Victorino, I wanna remind the

1 Members, and the Administration, that the agenda item is
2 strictly the R-1 water transmission line in Kihei.
3 We're not talking about cesspools or septic tanks.
4 Let's stay to the agenda item so we don't violate any
5 laws. Okay. Member Victorino, followed by Member
6 Nishiki, I believe.

7 COUNCILMEMBER VICTORINO: Well, thank you,
8 Chair. And, unfortunately, my line of questioning was
9 just going along that area. Because I think, even
10 though we're talking about the R-1 water lines, it is
11 all relevant as one -- as somebody's put it earlier,
12 it's all one same crap that's coming into the system.
13 Just excuse my comment, yeah.

14 But I really did wanna ask this question, and
15 it is related to this whole issue. I remember EPA
16 mandating the switch from, you know, in many areas, not
17 only here in Hawaii, but in -- throughout the United
18 States, Mr. Chair, that we were going from septic -- oh,
19 cesspools, to either septic tanks and/or sewer lines.
20 That this was -- this was a concerted effort many years
21 back. And there were timetables, I remember, being laid
22 out. How effective have those timetables been? And are
23 they being truly watched? Or is there this thing about
24 grandfathering, which I've heard a few times from people
25 out there that, okay, you know, even though you already

1 have a cesspool, we don't have a County line or a County
2 line not too close, it costs too much to hook up, you're
3 okay to go until when and if there is a -- a time. So
4 I'm kinda asking many questions in one. Is there a
5 timetable? Is EPA really looking at it? Is it being
6 enforced? And is the State Department of Health acting
7 on -- on all these timetables?

8 CHAIR MEDEIROS: Department, before you
9 respond, I wanna ask Corp. Counsel, again, are we
10 deviating from the agenda item? This is strictly the
11 Kihei transmission line.

12 MR. GALAZIN: Well, you know, I appreciate
13 your -- your caution on the subject. Because you're
14 talking about the R-1 water, which is a -- a by-product
15 of -- of the wastewater treatment, I think it's
16 acceptable that you can discuss it in terms of how it
17 relates to cesspools. And I think some discussion on
18 how it relates to injection wells is probably okay, but
19 I would just make sure that, as much as possible,
20 Members, just try and keep it tied into the actual R-1
21 line itself. And so far, I haven't heard anything
22 that -- that would be objectionable, but certainly it's
23 -- it's wise to err on the side of caution here and make
24 sure that we don't get too far into the discussion on
25 injection wells, lest somebody complain that they don't

1 have adequate notice, that they weren't able to come and
2 give their two cents on the matter.

3 CHAIR MEDEIROS: Okay. And, Corp. Counsel,
4 this is R-1 water, correct, that you -- you reference,
5 but it's also the transmission line in Kihei only?

6 MR. GALAZIN: Yes. Yes.

7 CHAIR MEDEIROS: Okay. Proceed, Department,
8 with your response.

9 MR. TAYLOR: Thank you, Mr. Chair. First, let
10 me -- let me say I -- I agree with Corp. Counsel. And
11 the reason they're interrelated, and the point I was
12 making with cesspools, is that, for example, if we were
13 to put a small treatment plant near where some of the
14 cesspools are and sewer those areas and generate
15 reclaimed water right there, that would be another way
16 to reuse this water and -- and kinda hit two birds with
17 one stone. So that's, I think, where -- where it wraps
18 in. That's another option. Rather than just building a
19 long line, you can sewer these. And -- and that's
20 something directly comparable with extending the lines.
21 So as -- as far as your question, I -- I believe you're
22 referring to the Federal Government's large cesspool
23 removal program that was initiated a few years ago where
24 there was some Federal -- some sort of Federal law that
25 said any large-capacity cesspool -- which I think they

1 defined as any cesspool that served more than one
2 home -- like I know that even a house with a cottage
3 that had a cesspool -- had to replace that with a septic
4 tank, plus businesses above a certain size, et cetera,
5 et cetera. And that is being run directly by the EPA.
6 And how successful it is, I -- I do not know. I don't
7 know how many there were. I certainly know that a
8 number of larger entities, like schools and -- and parks
9 facilities had to hook up to the sewer system or
10 replace. So we were certainly part of that discussion.
11 And a number of them hooked up to the sewer system,
12 other ones put in septic tanks. What percentage have
13 complied, I have no idea. And -- and how on track that
14 is, I -- I really don't know. That's, again, a
15 Department of -- I think it's -- actually, the EPA's
16 running that program directly, not even the Department
17 of Health.

18 COUNCILMEMBER VICTORINO: Well, Mr. Chair, I
19 would request that at -- at -- at your -- at your
20 opportunity, maybe we can have a letter drafted to the
21 EPA as well as the State Department of Health in
22 accordance, where are they with this program. We talk
23 about timelines, and this would be a part of it. I
24 mean, I think there is a direct correlation. Even
25 though we are talking today about the long line and the

1 reclaimed R-1 water, but this is all part of the whole
2 issue that we are gonna be facing in the very near
3 future. So I request if under this or -- under another
4 area under your -- your jurisdiction, Mr. Chair, that
5 some kind of report would be brought back to us so we
6 know what it entails, where they're going, and how many
7 -- you know, what -- what is really being -- what's
8 really happening out there, I think, is important.
9 So --

10 CHAIR MEDEIROS: Uh-huh.

11 COUNCILMEMBER VICTORINO: -- thank you,
12 Mr. Taylor, for your explanation. And thank you, Chair,
13 for indulging myself.

14 CHAIR MEDEIROS: Okay. Thank you, Member
15 Victorino. I just wanted, Mr. Taylor, in the South Maui
16 area where we're discussing this transmission line of
17 R-1 water, and in the map that's produced in the
18 study -- I guess, the F -- Figure 1-1 on Page 4 --
19 within the existing system that is illustrated, the Maui
20 Meadows area which -- is Maui Meadows the only area or
21 residential complex that has -- still have cesspools in
22 the South Maui area?

23 MR. TAYLOR: Maui Meadows is, by far, the
24 largest. But, for example, I -- I think most of the
25 houses on the beach between the Kea Lani and -- and

1 getting near the Maui Prince, I -- I think there's some
2 private sewer there, but I think a lot of those are
3 still either cesspools or septic tank. And then I know
4 there's -- I've seen a map. There's -- Department of
5 Health, I think, has, there are various houses scattered
6 all throughout Kihei that are just short of the
7 wastewater lines. And so they also have septic --

8 CHAIR MEDEIROS: Okay.

9 MR. TAYLOR: -- systems or cesspools.

10 CHAIR MEDEIROS: So your existing system is,
11 as illustrated on Figure 1-1, Page 4, that, to the south
12 side, it extends to around Kalama Park, and to the north
13 side, it extends to Waipuilani Road. Is that the system
14 that exists today?

15 MR. TAYLOR: Yes. That's correct. That's the
16 system that we use.

17 CHAIR MEDEIROS: And then, of course --

18 MR. TAYLOR: That's the reclaimed water system
19 that exists today.

20 CHAIR MEDEIROS: Okay. Okay. All right. So,
21 Members, I have some other questions, but any of you
22 have further questions? Seeing none, I will go and ask
23 my other questions, then.

24 Tell me, what is the Department of
25 Environmental Management relationship -- in planning

1 out, you know, this study for R-1 transmission system,
2 what is the relationship with the Water Department and
3 what they contributed to it, and what is their impact to
4 the Water Department for extension of the transmission
5 lines?

6 MR. TAYLOR: Well, as far as the planning,
7 we -- we've been working with the Department of Water
8 Supply for forever, really. And especially ever since
9 they've taken on the Water Use Development Plan, we --
10 we send people to those meetings, we work with their
11 consultants, getting them information. And we've worked
12 together with them on these planning issues. Really, we
13 always have. In this particular study, we took the lead
14 in determining what properties the system could serve,
15 how much it would cost. And the Department of Water
16 Supply did a great job of looking at how much water it
17 would displace, which is really one of the big keys in
18 looking at the effectiveness of it. And so that's
19 really how we worked together on this particular study.

20 CHAIR MEDEIROS: Okay. Thank you for that.
21 Let me ask my other questions and I'll get to you,
22 Mr. Nishiki.

23 I know, at one meeting, I asked your
24 Department, I -- I believe you responded, Mr. Taylor,
25 about the cost of a mile of the transmission lines. And

1 I think your response was, it's hard to offer a cost
2 because it depends on the topography and geology of the
3 ground and so forth, whether it's sandy, rocky, you
4 know, dirt or clay. So I can appreciate that. But on
5 these lines, because there may be elevation changes,
6 then, also, pumping would be required?

7 MR. TAYLOR: In -- in this case, first of all,
8 thank you for your -- your remembering our -- our last
9 comment. You were exactly correct. The soil conditions
10 and road conditions, is it a busy road, is it not, rock
11 versus sand, those are the huge issues that affect cost
12 of putting pipelines in. All of these lines are below
13 the treatment plant and below our existing tank. So,
14 basically, these would be strict extensions of the
15 pipelines. We already pump all of the water up to an
16 elevated storage tank.

17 CHAIR MEDEIROS: Uh-huh.

18 MR. TAYLOR: So using more water would, of
19 course, mean more water is pumped to that storage tank,
20 but we wouldn't need to build any new -- let me just say
21 this: Everything kinda below the plant wouldn't need
22 any new storage or new piping. As you start getting out
23 towards Wailea or north Kihei, those require new tanks
24 with possibly booster pumps and things like that. So
25 the further you get, the more you have to pump and the

1 more it costs.

2 CHAIR MEDEIROS: Okay. And -- and what's the
3 cost comparison to constructing more storage tanks as
4 compared to extending the transmission lines?

5 MR. TAYLOR: The -- the two aren't really
6 either/or; they go hand in hand. Because the production
7 of the water doesn't match the rate that people are
8 using the water, the storage tanks are used to balance
9 the speed at which we can make the water versus when
10 people want the water. And so you -- you, obviously,
11 need a line to get from Point A to Point B. You need
12 extra tanks if the generation of the water and the usage
13 of the water don't match, which they usually don't. So
14 they're not either -- either/or. They're -- they're --
15 they're and.

16 CHAIR MEDEIROS: Okay. And so the -- the tank
17 that's shown on Figure 1-1, at the 300-foot elevation,
18 what's the capacity of that tank?

19 MR. TAYLOR: That's an existing
20 one-million-gallon tank. And there is room at that site
21 for a second one-million-gallon tank.

22 CHAIR MEDEIROS: Okay. And -- and the purpose
23 of the tank is to pump the treated water up to the tank
24 and to hold it for when it's used by whoever the users
25 are on the R-1 transmission line system?

1 MR. TAYLOR: It's for that reason, and, also,
2 to provide constant non-varying pressure.

3 CHAIR MEDEIROS: Right.

4 MR. TAYLOR: We use tanks. And Department of
5 Water Supply, obviously, uses tanks all the time as
6 well. Because if -- if you try to pump directly to
7 people's faucets, as people's faucets go on and off, the
8 pump's gonna be fighting to maintain pressure, and
9 you're just gonna get water spitting all the time. So
10 we tend to fill tanks and then draw off the tanks so you
11 get a constant pressure, and it balances the ups and
12 downs of use versus generation.

13 CHAIR MEDEIROS: Okay. And you just have one
14 tank at this time at the treatment plant in Kihei?

15 MR. TAYLOR: We, actually, have one reservoir
16 at the elevation of the treatment plant. And then we
17 have a tank at -- at 300 feet elevation. So we fill the
18 reservoir, we -- and then we -- we fill the tank at
19 certain times. And between those two, we're able to
20 balance pressures and -- and balance --

21 CHAIR MEDEIROS: Uh-huh.

22 MR. TAYLOR: -- volumes.

23 CHAIR MEDEIROS: And -- and the reservoir is
24 for R-1 water storage?

25 MR. TAYLOR: That's correct.

1 CHAIR MEDEIROS: Okay. And -- and then we --
2 you know, I -- the constant item in this discussion is
3 we can have all the great ideas of planning this out,
4 but, without funding, that doesn't go very far as far
5 as, you know, implementing our plans. And I understand,
6 you know, what you said about, probably, Federal funding
7 being less available for projects like we have because
8 of the disaster in the Gulf, that a lot of money will go
9 towards that effort or cleanup and whatever, you know,
10 needs to be done. However, do you think that certainly
11 the priority will be for the Gulf states, that there
12 still would be money for other infrastructure projects?
13 And with Senator Inouye the head of the Appropriations
14 Committee, has the Administration put a real effort into
15 seeing what kind of help he can get for us as far as
16 the -- our priority of trying to not put water in
17 injection wells?

18 MR. TAYLOR: Well, first, let me say that I --
19 I was speculating about the future of Federal funding
20 based on the oil spill. I mean, I -- I have no
21 information that backs that. I was just clearly
22 speculating.

23 As far as Senator Inouye, he has been very
24 instrumental in getting us a million dollars this year,
25 which is helping us to replace a force main. And we're

1 also looking at trying to get some -- a similar amount
2 of money next year for, also, an existing CIP project.

3 But just to put into perspective, that's -- I
4 mean, you've seen our capital improvement budget, just
5 to replace things is 20 to 30 million a year. That's
6 the level of funding we're receiving. So whether we
7 receive funds, that level of funds, directly for
8 reclaimed water and pay for replacement out of our own
9 pocket, or vice versa, doesn't really change the bottom
10 line. That it's still a relatively small amount,
11 though, you know, a million dollars is great, we get
12 everything we can, it's not a game changer. It's --
13 most of the money is still gonna company from our local
14 funds.

15 CHAIR MEDEIROS: Uh-huh. I -- I like Member
16 Pontanilla's sensible idea of certainly we'd like to,
17 you know, complete a large CIP project to get ahead of
18 the game, but I think, more realistic, we need to take
19 it at smaller steps and smaller bites. So I think
20 whatever funding we can get, we should apply to doing
21 things. Whether it's just extending 10 more lengths of
22 pipe, at least it extends it, it doesn't stagnate it in
23 what it is today. But thank you for the information and
24 the responses.

25 Member Nishiki?

1 COUNCILMEMBER NISHIKI: Yeah. You know, I
2 started off today by saying thank you, and -- and -- and
3 I still mean it, but I become a little bit frustrated,
4 Mr. Chairman, when we're dealing with the health of our
5 community, our children, our families. Whether you go
6 to pick ogo, whether you go to -- for a swim, whether
7 you go to rehabilitate yourself in the -- in the
8 saltwater, whether you go for recreation, whether it be
9 surfing or canoeing or standup paddling, swimming,
10 snorkeling, the gamut, you know, we need to be sincere
11 about the health of this community, the people that live
12 here. And when studies from the United States
13 Geological Survey and the University of Hawaii have
14 found pharmaceuticals in our nearshore waters, and
15 they're probably coming from our injection wells, when
16 the United States Geological Survey also found in a
17 previous study about 40 percent of the nitrogen in
18 nearshore waters in Kihei were coming from the injection
19 well plumes, whatever that percentage is, that's
20 polluting our ocean and causing, perhaps, health
21 concerns -- I think the Mayor stated, when she was in
22 Makena, dedicating a plant in the Makena Resort area,
23 just recently, that she would like to see not one iota
24 or drop of water coming from our injection wells. I
25 think, Dave, you guys need to go and talk to your boss.

1 We can only ask this Administration and -- and set
2 policy. And -- and I think, Mr. Pontanilla, why I would
3 ask that this subject matter here be referred to his
4 Committee is because I think the purpose of reusing
5 reclaimed water instead of injecting them is simple,
6 keep Maui's environment clean, keep the health of our
7 citizens from disease in this water.

8 With that said, I think that perhaps we need
9 to investigate using General Funds because, you know, we
10 hear the talk about whatever it is, you know, we're
11 gonna have to -- to do it. And it'll benefit the -- the
12 good of Maui's people and -- and -- and the visitor
13 industry. And with that said, I guess, you know, I
14 would hope that we refer to this to Mr. Pontanilla's
15 Committee and, perhaps, find some solutions. I -- I
16 really feel we've exhausted it. And, you know, I just
17 don't want to belabor it. I think, hopefully, you guys
18 believe that it is going into the nearshore waters,
19 whatever amount. And I think that our responsibility
20 should be the public health and welfare of our citizens.
21 And if that is a fact, then, please, we need to work
22 together and let's stop whatever it is, whoever small
23 iota of the injection wells going into our nearshore
24 waters, Mr. Chairman. And -- and with that, I end
25 asking that we refer this to Mr. Pontanilla's Committee.

1 Thank you.

2 CHAIR MEDEIROS: Thank you. Members, any
3 other questions? Seeing none -- and in line with what
4 Mr. Nishiki said about referring it to another
5 Committee, also in his letter in the binder today, his
6 letter of April 13, 2009, it brings up the draft Water
7 Use and Development Plan. And that's in the Water
8 Resources Committee. So this item is in other
9 committees, too. And I think for us, you know, it was a
10 good time for the discussion of this. And the
11 Department did produce the study that we're able to read
12 and discuss. So, Members, if there's no further
13 questions, the Chair would make his recommendation at
14 this time.

15 COUNCIL MEMBERS: Recommendation.

16 CHAIR MEDEIROS: And the Chair will entertain
17 a motion to recommend filing of the Communication 09-130
18 and County Communication 10-15.

19 VICE-CHAIR PONTANILLA: Mr. Chairman, I move
20 that we file County -- Item IM-8, New Non-Potable R-1
21 Water Transmission Line, Kihei Wastewater Treatment
22 Facility -- and the filing of the communication.

23 CHAIR MEDEIROS: Thank you. Any second?

24 COUNCILMEMBER BAISA: Mr. Chair, I second the
25 motion.

1 CHAIR MEDEIROS: Thank you. It's been moved
2 by Member Pontanilla, seconded by Member Baisa. Any
3 further discussions?

4 COUNCILMEMBER NISHIKI: Mr. Chair?

5 CHAIR MEDEIROS: Mr. Nishiki?

6 COUNCILMEMBER NISHIKI: Although not a
7 Committee Member, it would be simpler to refer to
8 Mr. Pontanilla's Committee, because it is a funding
9 item, to file and then have to resurface, would again
10 entail more paperwork. But, again, I'm not a member of
11 the Committee and prerogative --

12 CHAIR MEDEIROS: Uh-huh.

13 COUNCILMEMBER NISHIKI: -- Mr. Chair's
14 recommendation.

15 CHAIR MEDEIROS: Okay. Thank -- thank you for
16 mentioning that.

17 VICE-CHAIR PONTANILLA: (Inaudible).

18 CHAIR MEDEIROS: Member Pontanilla?

19 VICE-CHAIR PONTANILLA: Maybe a short recess
20 on how we going move on this.

21 CHAIR MEDEIROS: Okay. We'll take a
22 five-minute -- let's reconvene at 11:30. Committee in
23 recess. ... (gavel) ...

24 RECESS: 11:23 a.m.

25 RECONVENE: 11:35 a.m.

1 CHAIR MEDEIROS: ... (gavel)... The Committee
2 meeting of the Infrastructure Management Committee is
3 reconvened. Thank you, Members, for that recess to
4 consult. We do have a motion on the floor to file both
5 County Communications, and we're gonna proceed with
6 that. And, Mr. Nishiki, in your -- your request, we're
7 gonna ask you, because of the -- it's a little more
8 complicated than just deferring it, referring it for
9 funding purposes, in talking to, also, Committee --
10 Budget and Finance Committee, Pontanilla. So we're
11 gonna ask you to make that communication and then have
12 it referred to the appropriate committees.

13 COUNCILMEMBER NISHIKI: Okay.

14 CHAIR MEDEIROS: So that you can be more
15 specific on what you actually want to be referred or to
16 be -- yeah, to the Committees. Okay?

17 COUNCILMEMBER NISHIKI: Thank you.

18 CHAIR MEDEIROS: Thank you. So, Members, we
19 have a motion to file both County Communications. Any
20 further discussions on the motion?

21 COUNCIL MEMBERS: No.

22 CHAIR MEDEIROS: Seeing none, all in favor of
23 the motion, say "aye".

24 COUNCIL MEMBERS: Aye.

25 CHAIR MEDEIROS: All opposed, "no".

1 VOTE: AYES: Councilmembers Baisa, Kaho`ohalahala,
2 Mateo, Molina, Vice-Chair Pontanilla,
and Chair Medeiros.

3 NOES: None.

4 ABSTAIN: None.

5 ABSENT: None.

6 EXC.: Councilmember Victorino.

7 MOTION CARRIED.

8 ACTION: Recommending FILING of communications.

9 CHAIR MEDEIROS: So we have six eyes and one
10 excused, Member Victorino.

11 So, Members, we have completed our agenda for
12 this morning. And I wanna thank you for being here
13 after the weekend. And I wanna thank the Administration
14 representatives that were here, and, also, our Committee
15 Staff, Ms. Sakamoto and Mr. Geers. Thank you, Deputy
16 Director Kresge and Division Chief Taylor. And,
17 Mr. David Galazin, thank you.

18 So without any further business, the
19 Infrastructure Management Committee meeting of June 14,
20 2010 is now adjourned. ...(gavel)...

21 ADJOURN: 11:37 a.m.

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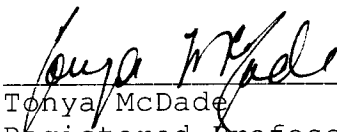
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CERTIFICATE

I, TONYA MCDADE, do hereby certify that the electronically-recorded proceedings contained herein were, after the fact, taken by me in machine shorthand and thereafter was reduced to print by means of computer-aided transcription; proofread under my supervision; and that the foregoing represents, to the best of my ability, a true and accurate transcript of the provided electronically-recorded proceedings had in the foregoing matter.

I further certify that I am not an employee nor an attorney for any of the parties hereto, nor in any way concerned with the cause.

DATED this 12th day of July, 2010.



Tonya McDade
Registered Professional Reporter
Certified Realtime Reporter
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